1500 WILSON BLVD., 513
ARLINGTON, VA 22209

Urgentgram

CWT

8304042372 6

Bay —
have you seen this?

8304042372

Place
Stamp
Here

Governor Ronald Reagan
9841 Airport Blvd., #1430
Los Angeles, CA 90045

FIRST CLASS

3 3 0 4 9 4 2 3 7 2 8

Dear Governor Reagan:

I understand Federal Election Law prohibits your campaign from spending the funds you need in remaining crucial primary states.

I wanted to let you know that I am making a personal contribution today to an independent campaign on your behalf sponsored by the National Conservative Political Action Committee.

Please accept my best wishes in your campaign for the President. I am behind you 100%.

Sincerely,

_____

83040423725

REAGAN BUSH COMMITTEE

**EXPENSE REPORT POSTING**

NAME SPENCER, STUART K.

ADDRESS c/o REAGAN BUSH COMMITTEE
901 So. HIGHLAND ST.
ARLINGTON, VA 22204

CODE NO. 2-52-0001

BUDGET ALLOCATION $10,000.00

| WEEK ENDING | AMOUNT | CHARGED TO | OTHER | DATE PAID | CHECK NO. | BUDGET BALANCE | COMMENTS |
|---|---|---|---|---|---|---|---|
| 8/2/80 | $ 781.70 | 50210 | | 8/21/80 | 1340 | $ 9218.30 | |
| 8/16/80 | 595.39 | 50120 | | 8/21/80 | 1340 | 8622.91 | |
| 8/16/80 | 477.50 | 50120 | | 8/27/80 | 2017.26 | 8145.91 | Neiman Marcus Inv. 4713 dated 8/13/80 |
| 7/26/80 | 791.12 | 50120 | | 8/29/80 | 001339 | | |
| 5/30/80 | 504.00 | 50120 | | [illegible] | [illegible] | | [illegible] #4708 dated 5/25/80 |
| 9/10/80 | 3149.21 [illegible] | 58-50140 | | 9/11/80 | 1202 | | |
| 9/10/80 | 515.00 | 50210 | | [illegible] | [illegible] | | |
| 9/[illegible] | 59.35 | 58-50140 | | 9/17/80 | 1326 | | Sept Rent |
| 9/27/80 | 150.00 | 58-50140 | | 9/26/80 | T17 | | |
| 10/4/80 | 125.00 | 58-50140 | | 10/5/80 | 1587 | | |
| 10/13/80 | 515.00 | 50210 | | 10/16/80 | 4113 | | |
| 10/11/80 | 89.00 | 50120 | | 10/20/80 | 4254 | | C.T.S. INV # C1482 dated 10/9/80 |
| 10/11/80 | 130.00 | 50120 | | 10/20/80 | 4254 | | C.T.S. INV # C1524 dated 10/9/80 |
| 10/11/80 | 125.00 | 58-50140 | | 10/10/80 | 1780 | | |
| 10/15/80 | 4932.56 125.00 | 58-50140 | | 10/18/80 | 21609 | | |
| 10/25/80 | 100.00 | 58-50140 | | 10/23/80 | 21763 | | |
| 10/27/80 | 56.80 | 52190 | | 10/29/80 | 4992 | | |
| 11/1/80 | 175.00 | 58-50140 | | 11/3/80 | 30167 | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

[illegible]

27

# Reagan & Bush

52

# Expense Report

10
11/13

| Name | Address | |
|---|---|---|
| #340 | City/State | Zip |

WEEK ENDING

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | | | | | | |
| LOCATION | | | | | | | | |
| LODGING | | | | | | | | |
| PER DIEM | @$25.00/DAY | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL 150.00

DATE SUBMITTED: 11/2/80

30167

SIGNED: [illegible] APPROVED: [illegible] SECTION/MANAGER PAID BY: CK NO. DATE:

RB Form 100 (7/23/80)

83040425731

✓

APT030

REAGAN & BUSH

Batch # 3

INVOICE MAINTENANCE

Batch Date 10/25

Vendor Name Stuart Spencer

---

VOUCHER NO. 23 VENDOR NO. 340 INVOICE NO 102080

INVOICE DATE 102380

EXPLANATION TRAVEL EXPENSE

TOTAL SALE AMT $ 100.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 04 | BANK CODE |
| CHECK NO. 217663 | |
| CHECK DATE 102380 | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 58 - 9001 | 501400 | $ 100.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

✓

8 3 0 4 0 4 2 3 7 3 3

# Reagan & Bush

# Expense Report

| Name | Address | | |
|---|---|---|---|
| Lionel Spencer | City/State | 340 | Zip |

WEEK ENDING 10/26/80

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | 10/20 | 10/21 | 10/22 | 10/23 | 10/24 | 10/25 |
| LOCATION | | | Kentucky | Tennessee | Florida | Florida | | |
| LODGING | | | | | | | | |
| PER DIEM @$25.00/DAY | | | 25.00 | 25.00 | 25.00 | 25.00 | | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | 25.00 | 25.00 | 25.00 | 25.00 | | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL $100.00

DATE SUBMITTED: 10/28/80

Bank Code 04

SIGNED: Lionel Spencer APPROVED: 713 SECTION/MANAGER PAID BY: CK NO. 1743 DATE: 10/[illegible]/80

Sorge

RB Form 100 (7/23/80)

83040425732

APT030

REAGAN & BUSH

Batch # 1

INVOICE MAINTENANCE

Batch Date 10/24

Vendor Name Stuart Spencer
52

---

VOUCHER NO. 014 VENDOR NO. 111340 INVOICE NO 101880

INVOICE DATE 101880

EXPLANATION TRAVEL EXPENSE

TOTAL SALE AMT $ 125.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 04 | BANK CODE |
| CHECK NO. 21609 | |
| CHECK DATE 101880 | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 58 - 0001 | 510140 | $ 125.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

✓

8304042373 4

# Reagan & Bush

# Expense Report

| Name | Address | 340 |
|---|---|---|
| Stuart Spencer | City/State | Zip |

WEEK ENDING [illegible]

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | 10/13 | 10/14 | 10/15 | 10/16 | 10/17 | 10/18 |
| LOCATION | | | | St. Oak. | Detroit | Buffalo | DC | DC |
| LODGING | | | | | | | | |
| PER DIEM @$25.00/DAY | | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |

GRAND TOTAL 125.00

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

DATE SUBMITTED: 10/18/80

SIGNED: [illegible]

APPROVED: DMB
SECTION/MANAGER

PAID BY: CK NO. 1104 DATE: [illegible]

BC 04
A # 30140

RB Form 100 (7/23/80)

3304012371

APT030

REAGAN & BUSH

Batch # 8

INVOICE MAINTENANCE

Batch Date 10/16

Vendor Name Stuart Spencer

---

VOUCHER NO. 14 VENDOR NO. 3410 INVOICE NO

INVOICE DATE 101018D

EXPLANATION TRAVEL EXPENSES

TOTAL SALE AMT $ 12500

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 104 | BANK CODE |
| CHECK NO. 11780 | |
| CHECK DATE 101108D | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 518 - 10001 | 501140 | $ 125.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

B30042376

# Reagan & Bush

# Expense Report

| Name | Address | | |
|---|---|---|---|
| [illegible] 340 | City/State | Zip | WEEK ENDING [illegible] |

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | 10/6 | 10/7 | 10/8 | 10/9 | 10/10 | [illegible] |
| LOCATION | | | Pennsylvania | Ohio | Missouri | Florida | Washington | |
| LODGING | | | | | | | | |
| PER DIEM @$25.00/DAY | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |
| | | | | | | | GRAND TOTAL | 125.00 |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

DATE SUBMITTED: 10/10/80

SIGNED: [illegible] APPROVED: [illegible] SECTION/MANAGER PAID BY: CK NO. [illegible] DATE: [illegible]

RB Form 100 (7/23/80)

83040423731

| VENDOR NUMBER | VENDOR NAME | CHECK DATE | CHECK NO. |
|---|---|---|---|
| 340 | STUART K SPENCER | 10/16/80 | 004118 |

| INVOICE NO. | INVOICE AMOUNT | ADJUSTMENT | NET AMOUNT | EXPLANATION |
|---|---|---|---|---|
| 101880 | 515.00 | .00 | 515.00 | RENT |

Reagan for President
General Election Committee
901 South Highland Street • Arlington, Va. 22204

CHECK NO. 05002
15-2
340

THE RIGGS NATIONAL BANK
WASHINGTON, D.C.

FIVE HUNDRED FIFTEEN DOLLARS AND CENTS ••••••••••••

| DATE | CHECK NUMBER |
|---|---|
| 10/16/80 | 004118 |

PAY TO THE ORDER OF

STUART K SPENCER
C/O REAGAN-BUSH COMMITTEE
901 S HIGHLAND ST
ARLINGTON, VA 22204

AMOUNT
$ ••••••••515.00

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

830404237338

C/O RBC

APT030

REAGAN & BUSH

Batch # 21

INVOICE MAINTENANCE

Batch Date 10/16

Vendor Name Stuart Spencer

---

VOUCHER NO. 1171 VENDOR NO. 131410 INVOICE NO 1101118181

INVOICE DATE

EXPLANATION RENT

TOTAL SALE AMT $ 515.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE | BANK CODE 1011 |
| CHECK NO. | |
| CHECK DATE | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 5121 - 101011 | 5101211101 | $ 515.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

3304042373

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: POLITICAL
(COST CENTER NAME)

DATE: 10/14/80

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds:

VENDOR: STUART K SPENCER 340
c/o R.B.C.

AMOUNT: $ 515.00 DATE TO BE PAID: _____

PURPOSE: APT. RENT

Signature: _____ (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

---

COST CENTER COMMITMENT CONTROL GROUP

_____ Approved _____ Disapproved

Signature: Lynn Rasbrook Date: _____

---

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

Cost Center No. 52
Expense Acct No. 5021 0

mh

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

8 3 0 4 0 4 2 3 7 1 0

**Ian & Bush** **Expense Report**

| | | |
|---|---|---|
| STUART K. SPENCER | Address / City/State: HQ- ARLINGTON | Zip |

~~WEEK ENDING~~ 10/18

ATTACH RECEIPTS FOR ALL ITEMS MONTH OF OCTOBER

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | | | | | | |
| LOCATION | | | | | | | | |
| LODGING | | | | | | | | |
| PER DIEM @$25.00/DAY | | | | | | | | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | RENT - | | | | | | | 515.00 |
| | MO. OF. OCTOBER | | | | | | | |
| | OAKWOOD APARTMENTS | | | | | | | |
| TOTAL | | | | | | | | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

52-50210 GRAND TOTAL $515.00

DATE SUBMITTED: 10/10/80

SIGNED: _____ APPROVED: SDW SECTION/MANAGER PAID BY: CK NO. _____ DATE: _____

RECEIVED OCT 11 1980

RB Form 100 (7/23/80)

83040425711

APT030

REAGAN & BUSH

Batch # 4

Batch Date 10-6

INVOICE MAINTENANCE

Vendor Name Stu Spencer

---

VOUCHER NO. 06 VENDOR NO. 3410 INVOICE NO

INVOICE DATE

EXPLANATION TRAVEL EXPENSE

TOTAL SALE AMT $ 125.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 04 | BANK CODE |
| CHECK NO. 15817 | |
| CHECK DATE 10/03/80 | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 68 - 0001 | 501140 | $ 125.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

8 3 0 4 0 4 2 3 7 1 2

# Reagan & Bush

# Expense Report

| Name | Address | | |
|---|---|---|---|
| Steve Spencer | City/State | | Zip |

WEEK ENDING 10/5/80

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | 9/28 | 9/29 | 9/30 | 10/1 | 10/2 | 10/3 | 10/4 |
| LOCATION | | | Des Moines | New York | Pittsburgh | Chicago | Virginia | |
| LODGING | | | | | | | | |
| PER DIEM | @$25.00/DAY | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL $125.00

58 50140

DATE SUBMITTED: 10/3/80

SIGNED: Steve E. Spencer APPROVED: TYA SECTION/MANAGER PAID BY: CK NO. 1117 DATE: 10/7

RB Form 100 (7/23/80)

8 3 0 4 0 4 2 3 7 1 2

APT030

REAGAN & BUSH

Batch # 7

INVOICE MAINTENANCE

Batch Date 10-8

Vendor Name Stu Spencer

---

VOUCHER NO. 213 VENDOR NO. 13410 INVOICE NO 109127810

INVOICE DATE 109121618 10

EXPLANATION TRAVELL EXPENSES

TOTAL SALE AMT $ 150.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 04 | BANK CODE |
| CHECK NO. 7117 | |
| CHECK DATE 109121618 10 | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 5181 - 100101 | 15011410 | $ 150.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

8 3 0 4 0 4 2 3 7 1 4

**Reagan & Bush** **Expense Report**

| Name | Address | | |
|---|---|---|---|
| STU SPENCER 340 | City/State | Zip | |

WEEK ENDING 9/27

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | 21 | 22 | 23 | 24 | 25 | 26 | |
| LOCATION | | Baltimore | Miami | Springfield | San Francisco | Portland | Los Angeles | |
| LODGING | | | | | | | | |
| PER DIEM | @$25.00/DAY | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL 150.00

DATE SUBMITTED: 9/26/80

SIGNED: [illegible] APPROVED: TMB SECTION/MANAGER PAID BY: CK NO. 712 DATE: 9-10

RB Form 100 (7/23/80)

8 3 0 4 0 4 2 3 7 4 5

APT030

REAGAN & BUSH

Batch # 4

INVOICE MAINTENANCE

Batch Date 10-6

Vendor Name Stu Spencer

---

VOUCHER NO. 06 VENDOR NO. 3410 INVOICE NO

INVOICE DATE

EXPLANATION TRAVEL EXPENSE

TOTAL SALE AMT $ 125.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 04 | BANK CODE |
| CHECK NO. 15871 | |
| CHECK DATE 10/03/80 | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 58 - 0001 | 501140 | $ 125.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

8 3 0 4 0 4 2 3 7 1 6

# Reagan & Bush

# Expense Report

| Name | Address | | |
|---|---|---|---|
| [illegible] | City/State | Zip | |

WEEK ENDING 10/3/80

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | 9/28 | 9/29 | 9/30 | 10/1 | 10/2 | 10/3 | 10/4 |
| LOCATION | | | Des Moines | New York | Pittsburgh | Chicago | Virginia | |
| LODGING | | | | | | | | |
| PER DIEM | @$25.00/DAY | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL $125.00

DATE SUBMITTED: 10/3/80

58 50140

SIGNED: [illegible] APPROVED: TMB SECTION/MANAGER PAID BY: CK NO. 1317 DATE: 10/7

RB Form 100 (7/23/80)

8 3 0 4 0 4 2 5 7 1 7

| VENDOR NUMBER | VENDOR NAME | CHECK DATE | CHECK NO. |
|---|---|---|---|
| 340 | STUART K SPENCER | 09/24/80 | 002766 |

| INVOICE NO. | INVOICE AMOUNT | ADJUSTMENT | NET AMOUNT | EXPLANATION |
|---|---|---|---|---|
| 092080 | 515.00 | .00 | 515.00 | RENT |

Reagan for President
General Election Committee
901 South Highland Street • Arlington, Va. 22204

CHECK NO. 03290
15-3
540

THE RIGGS NATIONAL BANK
WASHINGTON, D.C.

| DATE | CHECK NUMBER |
|---|---|
| 09/24/80 | 002766 |

FIVE HUNDRED FIFTEEN DOLLARS AND CENTS ••••••••••••

AMOUNT
$••••••••515.00

STUART K SPENCER
C/O REAGAN-BUSH COMMITTEE
901 S HIGHLAND ST
ARLINGTON, VA 22204

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

8 3 0 4 0 4 2 3 7 1 8

APT030

C/O RB 3rd FL

REAGAN & BUSH

Batch # 11

INVOICE MAINTENANCE

Batch Date 9/24

Vendor Name Stuart Spencer

---

VOUCHER NO. 113 VENDOR NO. 113401 INVOICE NO 09/24/0180

INVOICE DATE 09/15/80

EXPLANATION RENT

TOTAL SALE AMT $ 515.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE | BANK CODE 104 |
| CHECK NO. | |
| CHECK DATE | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 1524 - 00011 | 5102110 | $ 515.00 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

8 3 0 4 0 4 2 3 7 1 1

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: Natl Political
(COST CENTER NAME)

DATE: _____

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds:

VENDOR: Stuart Spencer 346 — Send check to Natl Political. 3rd floor.
C/o RB Center - 3rd floor *

AMOUNT: $ 515.00 DATE TO BE PAID: _____

PURPOSE: ~~Expense reports - Sept. Rent Oakwood~~ Apt. Rent APTS

Signature: _____ (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

---

COST CENTER COMMITMENT CONTROL GROUP

_____ Approved _____ Disapproved

Signature: [illegible] Date: _____

---

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

Cost Center No. 52.
Expense Acct No. 50210
Pink

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

83040423730

**agan & Bush** **Expense Report**

| Name | Address | |
|---|---|---|
| STUART SPENCER | ARLINGTON HQ | |
| | City/State | Zip |

WEEK ENDING 9/20/80

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | | | | | | | |
| LOCATION | | | | | | | | |
| LODGING | | | | | | | | |
| PER DIEM @$25.00/DAY | | | | | | | | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| SEPTEMBER RENT OAKWOOD APTS | | | | | | | | |
| | $515.00 | | | | | | | |
| TOTAL | | | | | | | | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL $515

52-50210

DATE SUBMITTED: 9/15/80

OK LRW

SIGNED: _____ APPROVED: _____ SECTION/MANAGER PAID BY: CK NO. _____ DATE: _____

RB Form 100 (7/23/80)

RECEIVED SEP 18 1980

APT030

REAGAN & BUSH

Batch # 8

INVOICE MAINTENANCE

Batch Date 9/19

Vendor Name STU SPENCER

---

VOUCHER NO. /114/ VENDOR NO. /1113410/ INVOICE NO /10191113810/

INVOICE DATE /////////

EXPLANATION /TIRANIELL IEIXIPIEINISIE/ / / /

TOTAL SALE AMT $125.00

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE /M/ | |
| BANK CODE /014/ | BANK CODE /  / |
| CHECK NO. /1112010/ | |
| CHECK DATE /10/9/11/80/ | PAYMENT DATE /////////// |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 /2/ - /518/ - /10100/1/ | /5101/140/ | $ /125.00 |
| 02 /2/ - /  / - /////// | /////// | $ |
| 03 /2/ - /  / - /////// | /////// | $ |
| 04 /2/ - /  / - /////// | /////// | $ |
| 05 /2/ - /  / - /////// | /////// | $ |
| 06 /2/ - /  / - /////// | /////// | $ |
| 07 /2/ - /  / - /////// | /////// | $ |
| 08 /2/ - /  / - /////// | /////// | $ |
| 09 /2/ - /  / - /////// | /////// | $ |
| 10 /2/ - /  / - /////// | /////// | $ |

X

03040423732

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: Presidential Tour G-8 (Erie, Pa.)
(COST CENTER NAME)

DATE: 9/15/80

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds:

VENDOR: Star Spencer 340
17692 Cowan St.
Irvine, CA 92714

AMOUNT: $ 125.00 DATE TO BE PAID: 9/11/80 A1202

PURPOSE: 5 days of per diem

Signature: Tom Buchanan (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

---

COST CENTER COMMITMENT CONTROL GROUP

_____ Approved _____ Disapproved

Signature: _____ Date: _____

---

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

BK Code 04
Cost Center No. 58
Expense Acct No. 50140

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

3304042375

**Reagan & Bush** 8 3 0 4 0 4 2 3 7 5 **Expense Report**

| Name | Address | |
|---|---|---|
| Stu Spencer | City/State | Zip |

WEEK ENDING 9/13

ATTACH RECEIPTS FOR ALL ITEMS

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| DATE | | 9/7 | 9/8 | 9/9 | 9/10 | 9/11 | | |
| LOCATION | | Phil. | Pa-Ind-Ill | Tel-Wis-OH | Off N.Y. | N.Y-Pa-D.C. | | |
| LODGING | | | | | | | | |
| PER DIEM | @$25.00/DAY | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | | |
| TRAVEL | Plane | | | | | | | |
| | Car Rental | | | | | | | |
| | *Private Auto (Miles/Amt.) | | | | | | | |
| | Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | | | | | | |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL

DATE SUBMITTED: 9/11

SIGNED: _____ APPROVED: Tom Bethell SECTION/MANAGER PAID BY: CK NO. 1202 DATE: 9/11

RB Form 100 (7/23/80)

| VENDOR NUMBER | VENDOR NAME | CHECK DATE | CHECK NO. |
|---|---|---|---|
| 430 | SPENCER-ROBERTS & ASSOC | 08/29/80 | 001839 |

| INVOICE NO. | INVOICE AMOUNT | ADJUSTMENT | NET AMOUNT | EXPLANATION |
|---|---|---|---|---|
| | 791.12 | .00 | 791.12 | TRAVEL EXPENSE |

Reagan for President
General Election Committee
901 South Highland Street • Arlington, Va. 22204

CHECK NO. 01920
15-3
540

THE RIGGS NATIONAL BANK
WASHINGTON, D.C.

| DATE | CHECK NUMBER |
|---|---|
| 08/29/80 | 001839 |

SEVEN HUNDRED NINETY ONE DOLLARS &12 CENTS ********

PAY TO THE ORDER OF:
SPENCER-ROBERTS & ASSOC
17692 CONMAN ST
IRVINE, CA 92714

AMOUNT
$*******791.12

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

8 3 0 4 0 4 2 3 7 3 3

APT030

REAGAN & BUSH

Batch # 3

INVOICE MAINTENANCE

Batch Date 8/29

Vendor Name Spencer Roberts

---

VOUCHER NO. 1013 VENDOR NO. 413101 INVOICE NO

INVOICE DATE 10/8/2010

EXPLANATION TRAVEL EXPENSES

TOTAL SALE AMT $ 791.12

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE | BANK CODE 1011 |
| CHECK NO. | |
| CHECK DATE | PAYMENT DATE |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 1572 - 101011 | 1570111210 | $ 791.12 |
| 02 2 - - | | $ |
| 03 2 - - | | $ |
| 04 2 - - | | $ |
| 05 2 - - | | $ |
| 06 2 - - | | $ |
| 07 2 - - | | $ |
| 08 2 - - | | $ |
| 09 2 - - | | $ |
| 10 2 - - | | $ |

8 3 0 4 0 4 2 3 7 3 6

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: Political
(COST CENTER NAME)

DATE: 8/28/80

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds: Spencer Roberts 430

VENDOR: ~~Stan Anderson~~ Stu Spencer
17692 Cowan St
Irvine, Calif. 92714

AMOUNT: $ 791.12 DATE TO BE PAID: _____

PURPOSE: Travl. Exps.

Signature: _____ (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

---

COST CENTER COMMITMENT CONTROL GROUP

✓ Approved _____ Disapproved

Signature: [illegible] Date: _____

---

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

Cost Center No. 52
Expense Acct No. 50120

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

8304042537

Spencer-Roberts & Associates, Inc.

August 22, 1980

MEMORANDUM

Mr. Anderson,

This statement with copies of the receipts attached will replace the statement dated July 24, 1980.

8304042357

Agree
Finance
+ approved

RECEIVED AUG 28 1980

STATEMENT

*Spencer-Roberts & Associates*

17662 Cowan Street, Irvine, California 92714
Phone (714) 979-7161

August 22, 1980

Mr. Stan Anderson
Reagan for President Committee
901 Highland
Arlington, VA 22204

| | |
|---|---|
| Air Fare (Oklahoma City to Washington, DC, 7-20-80). . . | $ 308.00 |
| Air Fare (Washington, DC to Los Angeles, 7-22-80). . . . | 252.00 |
| Marriott Hotel, Washington, DC, 7-20-80. . . . . | 189.12 |
| Taxi Fare (Detroit/Washington, DC) . . . . . | 42.00 |
| | $ 791.12 |

8 3 0 4 0 4 2 3 7 3 9

RECEIVED AUG 2 8 1980

BRANIFF AIRWAYS, INCORPORATED

PASSENGER TICKET AND BAGGAGE CHECK SUBJECT TO CONDITIONS OF CONTRACT ON PASSENGERS COUPON

002 4442456797

CKCAIFTGC5C333
BRANIFF AIRWAYS

SPENCER/STU

20JUL80

| S/O | NOT GOOD FOR PASSAGE BEFORE | CARRIER | FLIGHT | CLASS | DATE | TIME | STATUS | FARE BASIS/TKT. DESIGNATOR |
|---|---|---|---|---|---|---|---|---|
| | OKLAHOMA CITY OK | BN | 304 | Y | 20JUL | 1110A | OK | |
| | TULSA OK | BN | 369 | Y | 20JUL | 325P | OK | |
| | DALLAS/FT.WORTH | BN | 704 | Y | 20JUL | 500P | OK | |
| | WASH DC-NATL | | | | | | | |
| | VOID | | | | | | | |

AB

FARE 25.17
TAX 2.11
TOTAL 30.00

CHECK Stu

05
2409354584 3

002 4442456797 2 0

DO NOT MARK OR WRITE IN THE WHITE AREA ABOVE

TRANS WORLD AIRLINES, INC.

PASSENGER TICKET AND BAGGAGE CHECK SUBJECT TO CONDITIONS OF CONTRACT ON PASSENGERS COUPON

WASHINGTON-N
LOS ANGELES

055 2422236734 3

SPENCER/S.MR

22 JUL 80
TW-LSCF6822-JUL-EC

MT/Y6/00067/SE33G2

| S/O | NOT GOOD FOR PASSAGE BEFORE | CARRIER | FLIGHT | CLASS | DATE | TIME | STATUS | FARE BASIS/TKT. DESIGNATOR |
|---|---|---|---|---|---|---|---|---|
| | WASHINGTON-BCA | TW | 321 | Y | 22JUL | 555P | OK | |
| | LOS ANGELES | | | | | | | |
| | VOID | | | | | | | |
| | VOID | | | | | | | |
| | VOID | | | | | | | |

.233.33ECATWLAX 252.00

18.67

252.00

2422236734 3
01524 2422236734 3

26512225 4

6K64

6K1K 52G4CG72023722
5204 0012/023 721
1006 OAL10 07-70 TRW 07-81
SPENCER-ROBERTS ASSOC INC
STUART K SPENCER

MR. / MS. | RATE | SEG. | C/O | C/O

Spencer Robinson - Co

ARV.

CLERK

SPECIAL INSTRUCTIONS

SGL. | DBL. | 2 BED | PLR. | SUITE | RMS. | PRS. | RATE PER DAY | CODE

MADE BY | PHONE | DATE | ☐ CASH ☐ MAS ☐ AE ☐ EX ☐ VISA ☐ DIN ☐ CB ☐ OT

NO. 076049

| MEMO | DESCRIPTION | CHARGE/CREDIT | BALANCE |
|---|---|---|---|
| | [illegible] | | [illegible] |
| | [illegible] | | 7.23 |
| | [illegible] | | [illegible] |
| | [illegible] | | [illegible] |
| | [illegible] | [illegible] | [illegible] |
| | % [illegible] | [illegible] | [illegible] |
| | % [illegible] | | .50 |
| | [illegible] | 155 53 | 53.90 |
| | % PRBAL | [illegible] | [illegible] |
| | % [illegible] | | [illegible] |
| | [illegible] | [illegible] | 101.92 |
| | % PRBAL | 16 | 101.92 |
| | % [illegible] | | [illegible] |
| | % [illegible] | | 7.[illegible] |
| | [illegible] | [illegible] | [illegible] |
| | % [illegible] | [illegible] | [illegible] |
| | % [illegible] | | [illegible] |
| | [illegible] | [illegible] | [illegible] |

BILLING SIG.

BILLING ADDRESS

STREET

CITY | STATE

ATTENTION

Marriott.

[illegible]

8 3 0 4 0 4 2 3 7 5 1

APT030

REAGAN & BUSH

Batch # 1

INVOICE MAINTENANCE

Batch Date 08-25-80

Vendor Name Stuart L Spencer

---

VOUCHER NO. 1P VENDOR NO. 1113140 INVOICE NO 1111111

INVOICE DATE 08181178810

EXPLANATION REXPENSE REIMBURSEMENT

TOTAL SALE AMT $ 1372.09

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE M | |
| BANK CODE 011 | BANK CODE 11 |
| CHECK NO. 1111131410 | |
| CHECK DATE 08182118101 | PAYMENT DATE 1111111 |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 2 - 3721 - 100011 | 5701112101 | $ 595.39 |
| 02 2 - 5121 - 010111 | 3102111 10 | $ 781.20 |
| 03 2 - 11 - 11111 | 111111 | $ |
| 04 2 - 11 - 11111 | 111111 | $ |
| 05 2 - 11 - 11111 | 111111 | $ |
| 06 2 - 11 - 11111 | 111111 | $ |
| 07 2 - 11 - 11111 | 111111 | $ |
| 08 2 - 11 - 11111 | 111111 | $ |
| 09 2 - 11 - 11111 | 111111 | $ |
| 10 2 - 11 - 11111 | 111111 | $ |

8 3 0 4 0 4 2 3 7 5 2

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: National Political
(COST CENTER NAME)

DATE: _____

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds:

VENDOR: Stuart K. Spencer 340
c/o Reagan Bush Committee
901 So. Highland St.
Arlington, Va 22204

8-21-80
#1340-328
As requested as possible

AMOUNT: $1377.09 DATE TO BE PAID: _____

PURPOSE: Expense Reimbursement

Signature: _____ (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

---

COST CENTER COMMITMENT CONTROL GROUP

_____ Approved _____ Disapproved

Signature: Lynne Ross Wood Date: _____

---

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

Cost Center No. 52

Expense Acct No. _____

50120 - $595.39
50210 - 781.70

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

8 3 0 4 0 4 2 3 7 5 3

**Reagan & Bush** RECEIVED AUG 19 1980 LRM **Expense Report**

Name: STUART K. SPENCER
Address: C/O REAGAN BUSH COMMITTEE 901 So. HIGHLAND ST.
City/State: ARLINGTON, VA Zip: 22204

WEEK ENDING 8/17/80

ATTACH RECEIPTS FOR ALL ITEMS

| | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY | SUN |
|---|---|---|---|---|---|---|---|---|
| DATE | 8/10 | 8/11 | 8/12 | 8/13 | 8/14 | 8/15 | 8/16 | 8/17 |
| LOCATION | | | | DE | NV | ER | AUSTIN | |
| LODGING | | | | | | 104.00 | 101.39 | |
| PER DIEM @$25.00/DAY | | | | | 25.00 | 25.00 | 25.00 | 25.00 |
| TRAVEL — Plane | | | | | | 290.00 | | |
| Car Rental | | | | | | | | |
| *Private Auto (Miles/Amt.) | | | | | | | | |
| Taxi, Parking Tolls, etc. | | | | | | | | |
| MISC. ** — Telephone | | | | | | | | |
| Postage | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | | | 25.00 | 419.00 | 126.39 | 25.00 |

GRAND TOTAL 595.39

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

2-52-0001-50120

OK LRM

DATE SUBMITTED: _____

SIGNED: See attached signature APPROVED: _____ SECTION/MANAGER PAID BY: CK NO. _____ DATE: _____

RB Form 100 (7/23/80)

8 3 0 4 0 4 2 5 7 5

BILL TO:

CONVENTION

SHARE WITH:

CASHIER

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2REST | 367 | B* 6.86 | | * 100.645 | | B* 107.5 CR |
| | ROOM | 367 | C* 50.00 | | | | C* 100.6 CR |
| | TAX | 367 | C* 3.75 | | * 46.895 | | B* 46. CR |
| | VALET | 367 | B* 3.00 | | * 43.895 | | B* 43. CR |
| | LDIST | 367 | B* 2.71 | | | | |
| | LDIST | 367 | B* 3.72 | | * 38.265 | | B* 38. CR |
| | LDIST | 367 | B* 2.71 | | * 36.055 | | B* 36. CR |
| | ROOM | 367 | C* 50.00 | | | | |
| | TAX | 367 | C* 3.75 | | * 17.70 * | | C* 17. |
| PAID | | 367 | | * 17.70 | * .00 | | |

107.50
3.00
110.50

Stouffer's Denver Inn

DIA FRONT OF THE AIRPORT
3203 QUEBEC ST
DENVER, COLORADO 80207
303-391-3333

*Thank You. We hope you have enjoyed your stay.*

9 3 0 4 0 4 2 3 7 5 5

3 3 0 4 0 4 2 3 7 3 6

LT.
DATE

002 4441 705 449

002 4441705449 6

DO NOT MARK OR WRITE IN THE WHITE AREA ABOVE

8 3 0 4 0 4 2 3 7 5 7

CONTINENTAL AIR LINES, INC. PASSENGER TICKET AND BAGGAGE CHECK

005 4274 886 704

2 DEN ATO

SPENCER/SAM

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| MIDLAND/ODESSA | NW | TYS | S | 2SAUS | 0STOP | OK | S |
| AUSTIN | | | | | | | |
| 157.99 | CO DENMAF | 125.00 | | | | | |
| 12.99 | WNMAFAUS | 45.00 | | | | | |
| 170.00 | | | | | | | |

ODESSA/A/C 87.96
704
CASH 95.00

2 005 4274886704 5

| MEMO | DATE | REFERENCE | CHARGES | CREDITS | PREVIOUS BALANCE |
|---|---|---|---|---|---|

[illegible]

THE SHERATON-CREST INN IS OWNED BY AUSTIN CREST HOTEL, INC. AND OPERATED UNDER A LICENSE ISSUED BY SHERATON MOTOR INC.

REGARDLESS OF NATURE OF GUEST BILLING YOUR BALANCE HAS BEEN PAID

SHERATON-CREST INN

1501 CONGRESS AUSTIN, TEXAS 78701

3304042375E

EXPENSE STATEMENT
SPENCER-ROBERTS & ASSOCIATES, INC.

CLIENT [illegible] FOR THE MONTH OF AUG 1.80

| Date | Where and Who | Tolls Tips & Misc. | Airfare Car Rental Taxies | Parking | Lodging | Entertain ~~Meals~~ | Telephone | Mileage at 10¢ per mile | For Office Use |
|---|---|---|---|---|---|---|---|---|---|
| 1/[illegible] | [illegible] AUG | | | | $15 | | | | |
| 8/[illegible] | [illegible] National | | | | 266.70 | | | | |
| 8/03-15 | Stouffers Denver | | | | 104.00 | | | | |
| [illegible]-19 | Sheraton Carlton Austin | | | | 101.39 | | | | |
| | out of Pocket Airfares | | 290.00 | | | | | | |
| | | | | | | | | | |
| AUG 04-17 | Per Diem | | | | 100.00 | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | TOTALS | | 290.00 | | | | | | |

TOTAL REIMBURSEMENT DUE $ Approved by

SIGNED Stuart R [illegible]

0 3 0 4 0 4 2 3 7 5 9

**Reagan & Bush** RECEIVED AUG 19 1980 LHW **Expense Report**

Name: STUART K. SPENCER
Address: C/O REAGAN BUSH COMMITTEE 901 So. HIGHLAND ST
City/State: ARLINGTON, VA Zip: 22204
WEEK ENDING 8/2/80

ATTACH RECEIPTS FOR ALL ITEMS

| | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|
| DATE | | | | 7/30 | 7/31 | 8/1 | 8/2 |
| LOCATION | | | | ARL | INGTON | → | 266.70 |
| LODGING | | | | | | | |
| PER DIEM @$25.00/DAY | | | | | | | |
| TRAVEL Plane | | | | | | | |
| Car Rental | | | | | | | |
| *Private Auto (Miles/Amt.) | | | | | | | |
| Taxi, Parking Tolls, etc. | | | | | | | |
| MISC. ** Telephone | | | | | | | |
| Postage | | | | | | | |
| Rental of Appl. 8/2 - 9/1 | | | | | | 515.00 | |
| | | | | | | | |
| | | | | | | | |
| TOTAL | | | | | | 515.00 | 266.70 |

*at 15¢ per mile- explain trip on reverse side
**explain miscellaneous items on reverse side

GRAND TOTAL 781.70 OK LHW

2-52-0001-50210

DATE SUBMITTED: _____

SIGNED: See attached signature APPROVED: _____ SECTION/MANAGER PAID BY: CK NO. _____ DATE: _____

RB Form 100 (7/23/80)

83040237 7 0

Bldg. No. N Apt. No. 413 Date 7-31 19 80 C.R. No. 26923

Received from Spencer

Rent ☐ In Full ☑ Partial

Deposits ☑ In Full ☐ Partial ☐ Other, as shown

Rent Paid: from 8 12 1980 thru 9 1 1980

| PAID | | |
|---|---|---|
| By Check Bank # | $ | |
| 164 | 715 | — |
| | | |
| In Cash | | |
| Total | $715 | — |

Oakwood Apartments (60)
140 S. Van Dorn St.
Alexandria, VA 22304

By [illegible]

| DISTRIBUTION | | |
|---|---|---|
| Rent-Bldg. Apt. # N413 | $465 | — |
| Security Deposit | 150 | — |
| Cleaning Fee (Non-Refundable) | 100 | — |
| Key Deposit | | |
| | | |
| Other (Describe) | Acct. # | |
| | | |
| Total | $715 | — |

Form 1, W-21668 Rev. 4/79

PAYOR COPY

---

Bldg. No. N Apt. No. 413 Date 7-12 19 82 C.R. No. 85481

Received from Spencer

Rent ☐ In Full ☑ Partial

Deposits ☐ In Full ☐ Partial ☐ Other, as shown

Rent Paid: from [illegible] thru [illegible]

| PAID | | |
|---|---|---|
| By Check Bank # | $ | |
| [illegible] | [illegible] | — |
| | | |
| In Cash | | |
| Total | $ [illegible] | — |

Oakwood Apartments (60)
140 S. Van Dorn St.
Alexandria, VA 22304

By [illegible]

| DISTRIBUTION | | |
|---|---|---|
| Rent-Bldg. Apt. # N413 | $ [illegible] | -- |
| Security Deposit | | |
| Cleaning Fee (Non-Refundable) | | |
| Key Deposit | | |
| | | |
| Other (Describe) | Acct. # | |
| | | |
| Total | $ [illegible] | |

Form 1, W-21668 Rev. 4/79

PAYOR COPY

8 3 0 4 0 4 2 3 7 7 1

| ROOM | (NAME) | RATE | OUT |
|---|---|---|---|
| ADDRESS STREET | | TAX | IN |
| PHONE | | | |
| CITY | STATE | ZIP | |
| TRAVEL AGENT | COMPANY | NO. OF GUESTS IN ROOM: R / CR / NR | |
| OTHER | | | |

**Sheraton National Hotel**

COLUMBIA PIKE & WASHINGTON BOULEVARD
ARLINGTON, VIRGINIA 22204
SHERATON HOTELS & INNS, WORLDWIDE
OWNED BY THE ROSSLYN PROPERTIES, LIMITED PARTNERSHIP

| | | CHANGE | ROOM NO. | RATE | TAX |
|---|---|---|---|---|---|
| CLOSING | | | | | |
| OPENING | | ☐ ROOM | | | |
| DIFFERENCE | | ☐ RATE | | | |

| CALLS | MEMO | DATE | REFERENCE | CHARGES | CREDITS | BAL. DUE | PICK-UP |
|---|---|---|---|---|---|---|---|
| MON. | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| TUES. | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| WED. | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| THURS. | 10 | | | | | | |
| | 11 | | | | | | |
| FRI. | 12 | | | | | | |
| | 13 | | | | | | |
| | 14 | | | | | | |
| SAT. | 15 | | | | | | |
| | 16 | | | | | | |
| | 17 | | | | | | |
| SUN. | 18 | | | | | | |
| | 19 | | | | | | |
| | 20 | | | | | | |

R.P

GUEST'S SIGNATURE

CHARGE TO

ADDRESS

CITY STATE ZIP

LAST BALANCE IS AMOUNT DUE UNLESS OTHERWISE INDICATED.
BILLS ARE PAYABLE WHEN PRESENTED-RETAIN THIS RECEIPT.

**Sheraton**
HOTELS & INNS, WORLDWIDE

REGARDLESS OF INSTRUCTIONS, GUEST IS ALSO LIABLE UNTIL BALANCE HAS BEEN PAID.

8 3 0 4 0 4 2 3 7 7

| ROOM | (NAME) | RATE | OUT |
|---|---|---|---|
| ADDRESS ☐ HOME ☐ BUS | STREET | TAX | IN |
| CLERK | CITY / STATE / ZIP | | |
| TRAVEL AGENT ☐ | COMPANY | NO. OF GUESTS IN ROOM: R / CR / NR | |
| OTHER | | | |

**Sheraton National Hotel**

COLUMBIA PIKE & WASHINGTON BOULEVARD
ARLINGTON, VIRGINIA 22204
SHERATON HOTELS & INNS, INCORPORATED
OWNED BY THE ROSEMAR PROPERTIES, LIMITED PARTNERSHIP

| | | CHANGE | ROOM NO. | RATE | TAX |
|---|---|---|---|---|---|
| CLOSING | | | | | |
| OPENING | | ☐ ROOM | | | |
| DIFFERENCE | | ☐ RATE | | | |

| CALLS | MEMO | DATE | REFERENCE | CHARGES | CREDITS | BAL. DUE | PICK-UP |
|---|---|---|---|---|---|---|---|
| MON. | 1 | | | | | | |
| | 2 | | | | | | |
| | 3 | | | | | | |
| TUES. | 4 | | | | | | |
| | 5 | | | | | | |
| | 6 | | | | | | |
| WED. | 7 | | | | | | |
| | 8 | | | | | | |
| | 9 | | | | | | |
| THURS. | 10 | | | | | | |
| | 11 | | | | | | |
| | 12 | | | | | | |
| FRI. | 13 | | | | | | |
| | 14 | | | | | | |
| | 15 | | | | | | |
| SAT. | 16 | | | | | | |
| | 17 | | | | | | |
| | 18 | | | | | | |
| SUN. | 19 | | | | | | |
| | 20 | | | | | | |

GUEST'S SIGNATURE

CHARGE TO

ADDRESS

CITY / STATE / ZIP

LAST BALANCE IS AMOUNT DUE UNLESS OTHERWISE INDICATED.
BILLS ARE PAYABLE WHEN PRESENTED-RETAIN THIS RECEIPT.

**Sheraton**
HOTELS & INNS, INCORPORATED

REGARDLESS OF INSTRUCTIONS, GUEST IS ALSO LIABLE UNTIL BALANCE HAS BEEN PAID.

8 3 0 4 0 4 2 3 7 7 3

| VENDOR NUMBER | VENDOR NAME | CHECK DATE | CHECK NO. |
|---|---|---|---|
| 430 | SPENCER-ROBERTS & ASSOC INC | 10/29/80 | 004983 |

| INVOICE NO | INVOICE AMOUNT | ADJUSTMENT | NET AMOUNT | EXPLANATION |
|---|---|---|---|---|
| | 3750.00 | .00 | 3750.00 | CONSULTING FEE |
| | 56.80 | .00 | 56.80 | REIMB-TELEPHONE |

**Reagan for President**
General Election Committee
901 South Highland Street • Arlington, Va. 22204

CHECK NO 06129
153
540

THE RIGGS NATIONAL BANK
WASHINGTON, D.C.

THREE THOUSAND EIGHT HUNDRED SIX DOLLARS ********** &80 CENTS **********

| DATE | CHECK NUMBER |
|---|---|
| 10/29/80 | 004983 |

PAY TO THE ORDER OF

SPENCER-ROBERTS & ASSOC INC
17692 COWAN ST
IRVINE, CA 92714

TOTAL AMOUNT $
$3,806.80

NON-NEGOTIABLE

AUTHORIZED SIGNATURE

830042377

APT030

REAGAN & BUSH

Batch # 5

INVOICE MAINTENANCE

Batch Date 10/29

Vendor Name Spencer-Roberts & Coors

---

VOUCHER NO. /118/ VENDOR NO. /1 1 1413 0/ INVOICE NO /1 1 1 1 1 1/

INVOICE DATE /0 0 1 2 1 0 1 8 7 0/

EXPLANATION /R E I M B - T E L E P H O N E/ 1 1 /

TOTAL SALE AMT $ 56.80

| MANUAL CHECK: | COMPUTER CHECK: |
|---|---|
| PAY CODE /M/ | |
| BANK CODE /1 1/ | BANK CODE /01/ |
| CHECK NO. /1 1 1 1 1 1/ | |
| CHECK DATE /1 1 1 1 1 1/ | PAYMENT DATE /1 1 1 1 1 1/ |

| FINANCIAL ORG. (FOC) | GL ACCT (GLA) | DIST SALE AMT (DSA) |
|---|---|---|
| 01 /2/ - /5 1 2/ - /0 0 1 0 1 1/ | /5 1 2 1 / 1 9 1 0/ | $ 56.80 |
| 02 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 03 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 04 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 05 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 06 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 07 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 08 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 09 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |
| 10 /2/ - /1 1/ - /1 1 1 1/ | /1 1 1 1 1 1/ | $ |

8 3 0 4 0 4 2 3 7 7 5

# Reagan Bush

TO: COST CENTER COMMITMENT CONTROL GROUP

FROM: Political
(COST CENTER NAME)

DATE: 10/23/80

********** USE FOR ALL EXPENSES INCLUDING TRAVEL **********

EXPENSE AUTHORIZATION REQUEST
(EAR)

I request approval to commit the following funds: 430

VENDOR: Spacer, Roberts & Moore
17892 Cowan St.
Irvine, California 92714

AMOUNT: $ 56.80 DATE TO BE PAID: after back-ups are provided

PURPOSE: Telephone charges, 7-23 to 8-31

10-23-80

Signature: Bruce Bunner (COST CENTER MANAGER) Signature: _____ (REQUESTING INDIVIDUAL)

for Stan Anderson

COST CENTER COMMITMENT CONTROL GROUP

✓ Approved _____ Disapproved

Signature: [illegible] Date: 10/23/80

TREASURER'S OFFICE

_____ Approved _____ Disapproved

Signature: _____ Date: _____

Cost Center No. 52
Expense Acct No. 52190
mb

RB Form C (8/1/80)

WHITE - Accounting YELLOW - Cost Center Commitment Control Group PINK - Cost Center

3304042377 6

STATEMENT

Spencer-Roberts & Associates

17982 Cowan Street, Irvine, California 92714
Phone (714) 979-7191

September 20, 1980

Mr. Vern Orr
Reagan for President Committee
901 Highland St.
Arlington, VA 22204

---

CONSULTANT FEE PER LETTER OF AGREEMENT:

| | |
|---|---|
| September, 1980 - - - - - - - - - - - - - - - - - - - - - - - - | $ 3,750.00 |
| Telephone charges, 7-23-80 to 8-21-80 - - - - - - - - - - | 56.80 |
| | $ 3,806.80 |

To the Speaker

8304042377 7

# Reagan for President Compliance Fund

Mrs. Gertrude H. Lambert
23 Perth Dr
Wilmington, Delaware 19803

Misc

CPL 19803LMBR023 GF7

**Yes, Governor Reagan, I want to make certain you can get your message to every possible American household.**

**Enclosed is my check for:**

☐ $15 ☐ $25 ☐ $50 ☐ $100

☐ $500 ☐ Other $ 5.00 cash

I have been bombarded for the past 3 mo's and have responded with 20.00 in bills and have worked hard and continue

**Make checks payable to:**

**REAGAN FOR PRESIDENT COMPLIANCE FUND.**

**Corporate checks are not acceptable.**

NOTE: Contribution limit is $1,000 per individual. Limit is in addition to any monies contributed to the primary campaign. The law allows a maximum individual contribution of $1,000 for the primary and $1,000 for the Compliance Fund.

Reagan for President Compliance Fund, U.S. Senator Paul Laxalt, Chairman; Bay Buchanan, Treasurer. A copy of our report is filed and available for purchase from the Federal Election Commission, Washington, D.C. 20463.

The Federal Election Commission requires that we request the following information:

Occupation: Housewife

Place of Business

City State Zip

☐ Please Check if Self-employed

830404237 7 E

901093

900094

Reagan for President

HARRY H. LAMBERT
23 Perth Drive
Wilmington, Delaware 19803

8304042377 9

July 30, 1980

MEMORANDUM TO: BILL CASEY
FROM: BAY BUCHANAN Bay

Bill, we have people standing in line to use our mailing list. With the commitments the Governor has made to RNC, the Senatorial Campaign Committee, and the Unity Committee, in addition to our Compliance Fund, the list will be used to its maximum through the month of October. As you know, it is not appropriate to mail to a list or part of a list within two weeks on either side of a mailing, so scheduling becomes a problem.

With that in mind, I recommend that the list not be made available until after November, except to fulfill existing commitments.

If promises have been made to Guy Hunt (letter attached) and the New York Committee, let me know and I'll fit them into the schedule.

BB:lp

3304023730

**Citizens for the Republic**

1253-7th Street, Suite 200
Santa Monica, California 90401
213/451-8548

June 12, 1980

Reagan for President
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

Attn: Bay Buchanan

Dear Miss Buchanan:

Pursuant to the discussions in your office on June 10, 1980, this will confirm our understanding that RFP will pay CFTR $5,900.00, the agreed fair market value, for three sets of Motorola Communications equipment presently owned by CFTR.

Upon receipt of RFP's check for the purchase price, CFTR will pay off the balance owing under the conditional sales contract under which this equipment was purchased, and secure a termination of the financing statement.

It is understood that RFP will take the necessary steps to transfer the FCC licenses for this equipment from CFTR to RFP.

Thank you for your courtesy and cooperation in resolving this matter.

Yours truly,

Arthur J. Dellinger

ARTHUR J. DELLINGER
Treasurer

#5820-542
6-23-80
$5900 ck

Mags - signature [illegible] please pay [illegible] Bay

Citizens for the Republic — Lyn Nofziger, Chairman; Arthur Dellinger, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

83040423731

8 3 0 4 0 4 2 3 7 3

| BY ENDORSEMENT THIS CHECK WHEN PAID IS ACCEPTED IN FULL PAYMENT OF THE FOLLOWING ACCOUNT | |
|---|---|
| DATE | AMOUNT |
| letter of Feb. 22, 1980 | |
| purchase of Murray Typewriter | |

REAGAN FOR PRESIDENT
9841 AIRPORT BLVD., STE. 1430
LOS ANGELES, CALIF. 90045

5983

90-1261
08-12-1

July 1 1980 90-1261/1222

PAY TO THE ORDER OF National Conservative Political Action Committee $2200.00

Two thousand two hundred Dollars and no cents DOLLARS

Santa Monica Bank
FOURTH STREET AND ARIZONA AVENUE
Santa Monica, Calif. 90401

Gary Buchanan

⑈005983⑈ ⑆122126⑆ 02 891 542⑈ ⑈0000220000⑈

Reagan & Bush

Reagan Bush Committee
901 South Highland Street, Arlington, Virginia 22204 (703) 685-3400

August 13, 1980

MEMORANDUM TO: STAN ANDERSON
FROM: BAY BUCHANAN Bay

I'll be happy to take care of Stu Spender's expenses, but I need support documentation. We should have receipts for each itemized item. Will you see if Stu or his secretary can provide this information?

BB:lp

8304042373

Paid for by Reagan Bush Committee. United States Senator Paul Laxalt, Chairman. Bay Buchanan, Treasurer.

# Reagan & Bush

Reagan Bush Committee
901 South Highland Street, Arlington, Virginia 22204 (703) 685-3400

**MEMORANDUM**

TO: BAY BUCHANAN

August 6, 1980

FROM: STAN ANDERSON SDA

---

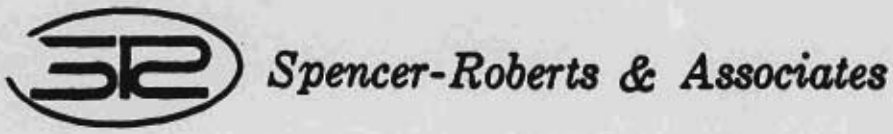
Attached is an expense voucher from Stu Spencer. These amounts are approved and should be applied against his $15,000 expense limitation.

Rec'd 8/8/80
[illegible]

8 3 0 4 0 4 2 3 7 9 :

Paid for by Reagan Bush Committee, United States Senator Paul Laxalt, Chairman, Bay Buchanan, Treasurer.

STATEMENT



17982 Cowan Street, Irvine, California 92714
Phone (714) 979-7161

July 24, 1980

Mr. Stan Anderson
Reagan for President Committee
901 Highland
Arlington, VA 22204

| | |
|---|---|
| Air Fare (Oklahoma City to Washington, DC, 7-22-80). . . | $ 308.00 |
| Marriott Hotel, Washington, DC . . . . . | 189.12 |
| Car Rental, Taxi (Washington, DC, Detroit) . . . . . | 42.00 |
| Air Fare (Washington, DC to Los Angeles 7-22-80) . . . . | 252.00 |
| | $ 791.12 |

83040423735

| VENDOR NAME/ADDRESS | VENDOR NUMBER | H C | H R | VND. TYPE | PAY. HOLD | CYCLE PAY | 9 C | P 9 | DATE ENTERED | LAST ACTIVITY | YTD AMOUNT VOUCHERED | YTD AMOUNT PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SPENCER-ROBERTS & ASSOC INC<br>17692 CONAN ST<br>IRVINE, CA 92714 | 430 | | | VEN | | | | | 8/27/80 | 11/04/80 | 13,791.43 | 13,791.43 |
| STUART K SPENCER<br>C/O REAGAN-BUSH COMMITTEE<br>901 S HIGHLAND ST<br>ARLINGTON, VA 22204 | 849 | | | VEN | | | | | 8/25/80 | 11/13/80 | 3,391.44 | 3,391.44 |

PRESIDENT REAGAN

**AGREEMENT**

This agreement made this 2nd day of September, 1980 by and between the Reagan for President (Committee) and Ruth Jones, Ltd. (Jones).

WHEREAS, the Committee and Jones entered into an agreement dated October 5, 1979, whereby Jones agreed to assist in the planning of all media advertising for the Reagan 1980 campaign; and

WHEREAS, the Committee does not believe a contractual obligation exists between the Committee and Jones; and

WHEREAS, Jones does believe that a valid and binding contractual obligation does exist between the Committee and Jones and that a court of law would award Jones at least one hundred thousand dollars in damages for the breach of such contractual rights; and

WHEREAS, both parties, being cognizant of the uncertainties, length and financial cost of contract litigation do agree that a fair and just legal settlement of this matter, arising out of the primary, would save both parties time and legal expenses; do mutually consider any contractual rights created by the October 5, 1979 agreement terminated;

NOW, THEREFORE, in consideration of Jones' agreement to cancel the contract of October 5, 1979, it is agreed as follows:

1. That Jones will have no further responsibility to the Committee for media services.

2. The Committee will pay Jones $30,000 in full satisfaction of all rights and claims that Jones may have under the contract of October 5, 1979.

3304042373 7

3. The parties mutually release each other as of August 30, 1980 of any contractual obligations.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first written above.

Ray Ruckman
Shaugnessy Properties

James M. Ward
Reich Jones Ltd

8 3 0 4 0 4 2 3 7 3 8

RUTH JONES LTD.

June 3, 1980

to: Pat Buchanan
Peter Hannaford
Darrell Trent

cc: Charles Black

re: Primairies - Budget

Attached is the first revision of the budget for the first 10 Primairies.

In a meeting with Charlie Black it was agreed we would not cut the budget for New Hampshire (which supersedes a previous conversation with Charlie and Darrell.)

There are other changes in the budget including actual allocations for Connecticut and South Carolina.

Please note it may be necessary to increase the budget in South Carolina in view of events which took place after our meeting.

The Florida budget is very low and should be revised at a later date.

Ruth Jones

RECEIVED 9 1980

8304042373 9

NEWSPAPER CLIP FILES

10 PRIMARIES

REV #1

| | 1/30-1/68 | 1/29-2/4 | 2/5-2/11 | 2/12-2/18 | 2/19-2/25 | 2/26-3/3 | 3/4-3/10 | 3/11-3/17 | 3/18-3/24 | 3/25-3/31 |
|---|---|---|---|---|---|---|---|---|---|---|
| * New Hampshire (49,816) | 4465 | 4580 | 4580 | 18,100 | 18,111 | | | | | |
| Massachusetts (319,470) | 32,983 | 33,654 | 35,900 | 47,168 | 84,812 | 82,983 | | | | |
| * So. Carolina (113,079) | 4,611 | 4,611 | 12,259 | 11,620 | 39,965 | 40,206 | | | | |
| Indiana (198,201) | | | 7,716 | 7,715 | 15,640 | 33,137 | 35,213 | | | |
| Florida (393,535) | | 33,948 | 38,247 | 41,620 | 55,430 | 121,000 | 121,000 | | | |
| Georgia (136,106) | 1,361 | 1,357 | 11,694 | 11,797 | 31,869 | 44,373 | 43,965 | | | |
| Illinois (358,838) | | | | 43,791 | 40,798 | 70,890 | 109,990 | 137,662 | | |
| * Connecticut (93,288) | | | 11,200 | 11,200 | 11,362 | 11,362 | 15,788 | 15,788 | 15,787 | |
| N.Y. State (306,489) | | | | | | | 33,850 | 76,820 | 76,819 | |
| Wisconsin (146,903) | | | | | | 17,000 | 17,000 | 33,590 | 41,790 | 47,855 |
| Each Week | 42,420 | 67,352 | 106,996 | 199,018 | 282,343 | 420,099 | 396,106 | 357,860 | 134,397 | 47,855 |
| 1,944,067 | | | | | | | | | | |
| Station Appr. Date | 1/19 | 1/23 | 2/1 | 2/8 | 2/15 | 3/22 | 3/29 | 3/7 | 3/14 | 3/21 |
| Appr. Dist R. Jones Co. | 1/16 | 1/23 | 1/30 | 2/6 | 2/13 | 2/20 | 3/27 | 3/5 | 3/12 | 3/19 |

* All Allocations

83040123790

PREVIOUS

$ 136,200 ↑ against SC television

SAVINGS

all TV
keep Radio

| | | | |
|---|---|---|---|
| ✓ GA Radio | 10,410 | 43,965 | 33,000 ↓ |
| ✓ Al Radio | 7,560 | 35,613 | 7,000 ↓ |
| ✓ Al TV | 21,000 | | |
| ✓ Florida Radio | 28,000 | 121,000 | 30,000 ↓ |
| ✓ Florida TV | 65,000 | | |
| X All. Radio | 38,069 | 109,890 | 70,000 ↓ |
| | | | 140,000 ↓ |

202,039

S.C. (all TV first) - 33,900 ✓ Reinstated

no more television
SC Democrats

168,139

Refunds - 32,000 ✓

136,139

10,000

146,139

(38,069)

108,070

$22

300,000

(108,400 R.J.
100,000 2009-union
2,000 Riggs a/c) 6 Sources.

2/28/80
$ 108,400

Funds

8304042379 1

Radio $10,000

146,905

Wisconsin
TV. original budget 30,000
less than 30,000.

3/4 34,000
3/11 23,290
3/18 41,790
3/25 47,822

1) order the tapes
2) start on Friday. afternoon
Sat
Sunday
Monday

3/

3/ tapes

not much available.
don't know how much
can get.

equal time
pay top rate.

3 3 0 4 0 4 2 3 7 9 2

S.C. fdc. but saved
$ 33,900

all except SC

| | | |
|---|---|---|
| T | 27,900 | |
| Rado | 6,000 | 1/0 |

3 3 0 4 0 4 2 3 7 9 2

# REAGAN – MEDIA CASH FLOW
## 10 PRIMARIES

11/27/79

| | 1/13 - 1/31 | 1/22 - 1/28 | 1/29 - 2/4 | 2/5 - 2/11 | 2/12 - 2/18 | 2/19 - 2/25 | 2/26 - 3/3 | 3/4 - 3/10 | 3/11 - 3/17 | 3/18 - 3/24 | 3/25 - 3/31 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| New Hampshire 46,117 | 1950 | 2505 | 4380 | 4380 | 16,281 | 16,251 | | | | | |
| Massachusetts 359,719 | 12,713 | 19,043 | 32,905 | 46,760 | 37,154 | 97,884 | 93,255 | | | | |
| S. Carolina 139,062 | — | 9,389 | 9,389 | 20,693 | 21,760 | 45,460 | 50,378 | | | | |
| Alabama 105,809 | — | — | — | 8,520 | 8,520 | 17,349 | 39,420 | 38,000 | | | |
| Florida 408,005 | — | — | 19,890 | 19,890 | 34,408 | 37,345 | 138,140 | 138,140 | | | |
| Georgia 135,489 | — | — | — | 9,818 | 9,818 | 23,815 | 44,730 | 49,108 | | | |
| Illinois 358,038 | — | — | — | — | 42,798 | 42,798 | 70,890 | 109,890 | 121,662 | | |
| Connecticut 205,913 | — | — | — | — | — | — | — | 68,638 | 68,638 | 68,637 | |
| New York 47,940 | — | — | — | — | — | — | — | — | 23,970 | 23,970 | |
| Wisconsin 146,905 | — | — | — | — | — | — | 17,000 | 17,000 | 23,390 | 41,790 | 47,825 |
| $2,001,997 | 14,663 | 32,990 ~~28,855~~ | 71,852 ~~64,282~~ | 140,146 ~~118,663~~ | 222,919 ~~210,498~~ | 273,243 ~~300,253~~ | 351,990 ~~432,881~~ | 410,776 | 337,560 | 134,397 | 47,825 |
| Stations pay date: | 1/11 | 1/18 | 1/25 | 2/1 | 2/8 | 2/15 | 2/22 | 2/29 | 3/7 | 3/14 | 3/21 |
| Pay due N.J. Ad.: | 1/9 | 1/16 | 1/23 | 1/30 | 2/6 | 2/13 | 2/20 | 2/27 | 3/5 | 3/12 | 3/19 |

Bill

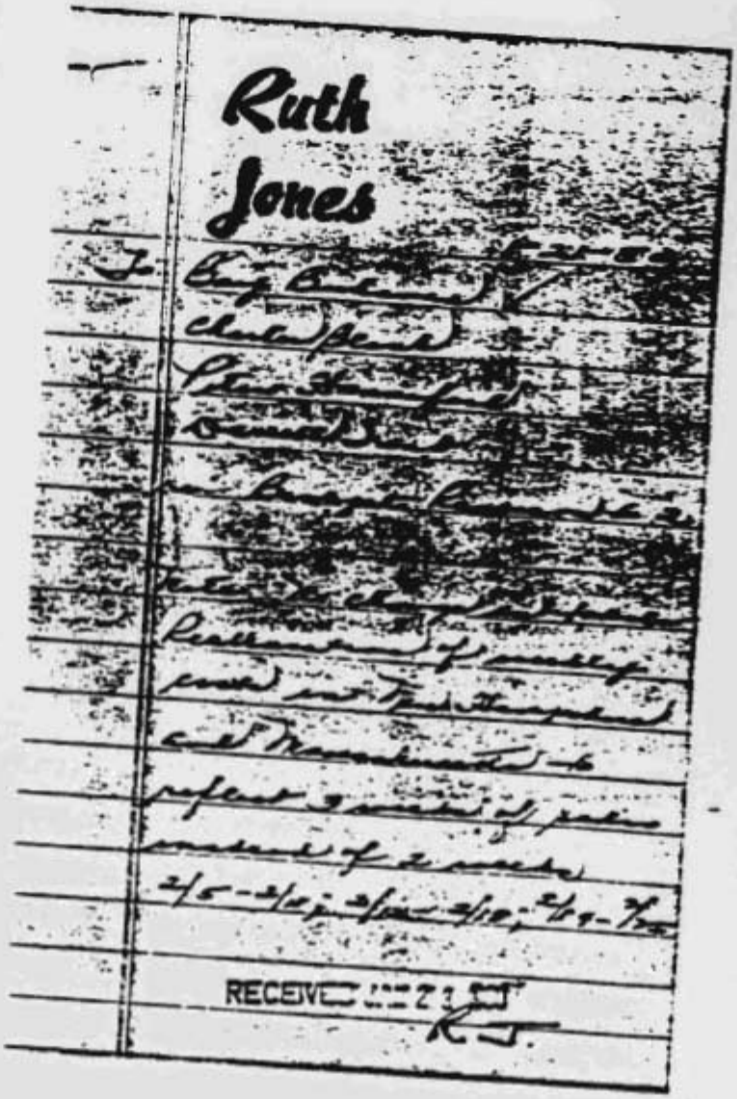
2/4/00
Rec. # 3

# Allowable FMDA Cash Flow
## FD Primaquine

| | 1/29-1/30 | 1/31-2/13 | 2/14-2/27 | 2/28-3/12 | 3/13-3/26 | 3/27-4/2 | 4/3-4/10 | 4/11-4/17 | 4/18-4/24 | 4/25-5/31 |
|---|---|---|---|---|---|---|---|---|---|---|
| * New Hampshire (49,811) | 4485 | 4580 | 12,880 | 16,100 | 12,101 | — | | | | |
| Massachusetts (319,470) | 32,083 | 33,084 | 61,788 | 72,968 | 74,812 | 44,819 | 50,847 | | | |
| Vermont (5,001) | | | | 1000 | 1000 | 1000 | | | | |
| * So. Carolina (133,749) | 111 | 9,111 | 19,079 | 18,040 | 18,068 | 24,140 | | 312,000 | | |
| Arizona (92,121) | | | 9,716 | 9,918 | 18,640 | 32,137 | 35,613 | | | |
| Florida (393,535) | | 23,348 | 43,049 | 41,830 | 23,420 | 121,000 | 121,000 | ½ bonus | | |
| Georgia (143,154) | 1361 | 1359 | 13,724 | 13,639 | 23,042 | 115,528 | 49,965 | | | |
| Illinois (355,021) | | | | 40,999 | 40,999 | 98,896 | 129,990 | 131,662 | | |
| * California (114,704) | | | 11,288 | 11,018 | 11,062 | 11,062 | — | — | | |
| New York (—) | | | | | | | | | | |
| Wisconsin (146,905) | | | | | | | 34,067 | 43,090 | 41,990 | 47,805 |
| Minnesota (—) | | | | | 13,000 | | | | | |
| Total | 37,980 | 71,862 | 149,240 | 224,061 | 164,298 | 378,640 | 429,000 | 144,852 | 41,990 | 47,805 |
| $1,705,414 | | | | | | | | 112,000 | | |
| Journal Ari Brief | 1/8 | 1/15 | 2/1 | 2/8 | 2/15 | 2/22 | 3/1 | 3/7 | 3/14 | 3/21 |
| Ari Dir K. Journ. Lab | 1/16 | 1/23 | 1/30 | 2/6 | 2/13 | 2/20 | 3/1 | 3/15 | 3/22 | 3/29 |
| | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 147,000 3/28 ✓ | | | |

* Pro Allocations

** Reduced by $15,000 due to budget revision.



Ruth
Jones

RECEIVED

K.J.

8 3 0 4 0 4 2 3 7 9 6

# REAGAN MEDIA CASH FLOW
## 10 PRIMARIES

1/21/80
REV. #2

| | 1/22-1/28 | 1/29-2/4 | 2/5-2/11 | 2/12-2/18 | 2/19-2/25 | 2/26-3/3 | 3/4-3/10 | 3/11-3/17 | 3/18-3/24 | 3/25-3/31 |
|---|---|---|---|---|---|---|---|---|---|---|
| * NEW HAMPSHIRE (49,816) | 4,465 | 4,580 | 12,580 | 16,100 | 12,101 | | | | | |
| MASSACHUSETTS (319,470) | 32,963 | 33,554 | 21,700 | 72,968 | 79,812 | 44,363 | | | | |
| * SO. CAROLINA (113,279, 17,100) | 111 | 9,111 | 12,459 | 11,620 | 39,565 | 40,386 | | | | |
| ALABAMA (92,201) | | | 7,716 | 7,715 | 15,640 | 33,137 | 35,213 | | | |
| FLORIDA (392,535) | | 23,348 | 23,347 | 48,630 | 55,420 | 121,000 | 121,000 | | | |
| GEORGIA (136,626) | 1,261 | 1,357 | 11,694 | 11,797 | 21,847 | 44,373 | 43,963 | | | |
| ILLINOIS (388,838) | | | | 43,798 | 40,798 | 70,890 | 109,790 | 137,624 | | |
| * CONNECTICUT (93,388) | | | 11,200 | 11,200 | 11,362 | 11,362 | 15,788 | 15,781 | 15,788 | |
| N.Y. CITY (306,489) | | | | | | | 32,850 | 76,820 | 76,819 | |
| WISCONSIN (146,905) | | | | | | 17,000 | 17,000 | 33,290 | 41,790 | 47,825 |
| COST/WEEK | 37,780 | 71,853 | 140,746 | 232,818 | 278,345 | 88,490 | 396,102 | 337,560 | 134,397 | 47,825 |
| 1,944,062 | | | | | | | | | | |
| SUBMISSION AND DATE | 1/18 | 1/25 | 2/1 | 2/8 | 2/15 | 2/22 | 2/29 | 3/7 | 3/14 | 3/21 |
| ADV. DEL. R. JONES LTD | 1/16 ✓ | 1/23 ✓ | 1/30 ✓ | 2/6 ✓ | 2/13 | 2/20 | 2/27 | 3/5 | 3/12 | 3/19 |
| * ADD ALLOCATIONS | | | | | | | | | | |

2304042377

RECEIVED FEB 2 0 1980

STATEMENT

# KNOD

Barry

RECEIVED FEB 2 0 1980

SHELBY BROADCASTING COMPANY
HARLAN, IOWA 51537
PHONE (712) 755-3983 FM 105.5 MHZ

RONALD REAGAN POLITICAL CAMPAIGN
% RUTH JONES
10960 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90024

| DATE | DESCRIPTION | CHARGES | | PAYMENTS | | CURRENT BALANCE | |
|---|---|---|---|---|---|---|---|
| Jan 15 | Last Payment | | | 274 | 00 | | |
| 15 | 2x@7.50 5x@6.50 | 47 | 50 | | | | |
| 16 | 2x@7.50 5x@6.50 | 47 | 50 | | | | |
| 17 | 2x@7.50 5x@6.50 | 47 | 50 | | | | |
| 18 | 2x@7.50 7x@6.50 | 60 | 50 | | | | |
| 19 | 3x@7.50 1x@6.50 | 29 | 00 | | | | |
| 21 | 2x@7.50 4x@6.50 | 41 | 00 | | | 273 | 00 |
| Jan 31 | | | | | | 0 | |

PLEASE PAY THIS LAST FIGURE IN THIS COLUMN

NOTE: All accounts due and payable on 10th of month following date of statement.

A—15 Days B—30 Days C—45 Days D—60 Days E—90 Days F—1 Year G—1 Month H—2 Months I—3 Months J—4 Months K—5 Months L—6 Months M—7 Months N—8 Months O—9 Months P—10 Months Q—11 Months R—12 Months

Verne Orr

Buy

JUN 17 1980

TO: Ruth Jones Ltd

Regan For President Comm

9841 Airport Blvd

Los Angeles, CA 90045

ROLLINS, INC.
BOX 647
ATLANTA, GA 30301
(404) 873-2355

FROM: Jim Grimes

WEAR-TV

Pensacola, FL

CORRECTION TO INVOICE

THE FOLLOWING INFORMATION IS INTENDED TO CORRECT YOUR COMPUTER INVOICE. IT IS RECOMMENDED THAT THIS CORRECTION BE ATTACHED TO YOUR INVOICE FOR POSSIBLE FUTURE REFERENCE.

INVOICE NUMBER 6055 BROADCAST MONTH March

REPRESENTATIVE Blair

SALESMAN John Sherwin # OFFICE New York #

ADVERTISER Reagan ForPresident PRODUCT: Political - Rep

COMMERCIAL SPOT ANNOUNCEMENT AS SHOWN/~~NOT SHOWN~~ ON INVOICE:

3/4 723A $160

COMMERCIAL SPOT ANNOUNCEMENT AS IT ACTUALLY SHOULD HAVE SHOWN:

3/4 723 A - $80. Spot was billed twice.

| AS SHOWN | | ACTUAL | |
|---|---|---|---|
| GROSS BILLING | $ 2,880.00 | GROSS BILLING | $ 2,800.00 |
| AGENCY COMMISSION | $ 432.00 | AGENCY COMMISSION | $ 420.00 |
| NET DUE | $ 2,448.00 | NET DUE | $ 2,380.00 |

GROSS/NET DIFFERENCE OWED TO STATION $

~~GROSS~~/NET AMOUNT CREDITED TO CLIENT $ 68.00

THIS ADJUSTMENT WILL BE REFLECTED ONLY IN AGING ON FUTURE INVOICES. THIS IS THE ONLY VERIFICATION YOU WILL RECEIVE ON THESE SPECIFIC SPOTS.

PREPARED BY: Nonia Furgye/sm COPY SENT TO ROLLINS ACCOUNTING

APPROVED BY: (GENERAL MANAGER/ OPERATIONS MANAGER) DATE: June 9, 1980

3304042379

# WEAR-TV3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 456-7311

abc

ORIGINAL

MAR 1 1980

WEAR

DATE 02/24/80

AGENCY BILLING ADDRESS
RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9641 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO
WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REGAN FOR PRESIDENT 2435 | POLITICAL-REP |

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| | | 523 |
| INVOICE NO. | PAGE | BROADCAST MONTH |
| 1964-005565 | 1 | FEBRUARY, 1980 |
| SCHEDULE DATES | | CONTRACT YEAR |
| 02/06/80-03/10/80 | | |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 11 | 658A- 659A | 6000 | 2 | 2/11 | M | 646A | 60 | | | | VTR 462 -60 | RRP7 | 6000 | | | | |
| | | | | 2/18 | M | 659A | 60 | | | | VTR 462 -60 | RRP7 | 6000 | | | | |
| W | 658A- 659A | 6000 | 1 | 2/13 | W | 659A | 60 | | | | VTR 462 -60 | RRP7 | 6000 | | | | |
| T, TH | 658A- 659A | 4000 | 2 | 2/19 | T | 616A | 30 | | | | VTR 407 -30 | RRP5 | 4000 | | | | |
| | | | | 2/21 | TH | 624A | 30 | | | | VTR 477 -30 | RRP1 | 4000 | | | | |
| F | 1158A- 329P | 6500 | 2 | 2/08 | F | 159P | 30 | | | | VTR 407 | RRP-5 | 6500 | | | | |
| | | | | 2/15 | F | 159P | 30 | | | | VTR 477 -30 | RRP1 | 6500 | | | | |
| T, TH | 1158A- 329P | 6500 | 2 | 2/12 | T | 329P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | | |
| | | | | 2/14 | TH | 329P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | | |
| 11 | 1158A- 329P | 6500 | 1 | 2/16 | M | 234P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | | |
| T | 458P- 526P | 6000 | 1 | 2/22 | F | 526P | 30 | | | | VTR 407 -30 | RRP5 | 6000 | | | | |
| W | 427P- 457P | 5500 | 1 | 2/20 | W | 427P | 30 | | | | VTR 407 -30 | RRP5 | 5500 | | | | |

| | | | |
|---|---|---|---|
| MONTHLY COST PER ORDER CONFIRMATION | 76000 | 76000 | SUB-TOTALS |
| | RECEIVED MAR 5 1980 | 11400 | TOTAL RECONCILING ITEMS |
| | NET DUE IMMEDIATELY | 64600 | |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAN 274

8 3 0 4 0 1 2 3 8 3 0

8 3 0 4 0 4 2 3 8 0 1

# WEAR-TV3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 455-7311

abc

AGENCY BILLING ADDRESS: RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO: WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REGAN FOR PRESIDENT 2435 | POLITICAL-REP |

WEAR DATE 02/24/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| INVOICE NO. 1864-005585 | PAGE 1 | 523 BROADCAST MONTH FEBRUARY, 1980 |
| SCHEDULE DATES 02/08/80-03/10/80 | | CONTRACT YEAR |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M | 658A- 659A | 8000 | 2 | 2/11 | M | 646A | 60 | | | | VTR 462 -60 | RRP7 | 8000 | | | |
| | | | | 2/18 | M | 659A | 60 | | | | VTR 462 -60 | RRP7 | 8000 | | | |
| W | 658A- 659A | 8000 | 1 | 2/13 | W | 659A | 60 | | | | VTR 462 -60 | RRP7 | 8000 | | | |
| T, TH | 658A- 659A | 4000 | 2 | 2/19 | T | 616A | 30 | | | | VTR 407 -30 | RRP5 | 4000 | | | |
| | | | | 2/21 | TH | 624A | 30 | | | | VTR 477 -30 | RRP1 | 4000 | | | |
| F | 1158A- 329P | 6500 | 2 | 2/08 | F | 159P | 30 | | | | VTR 407 | RRP-5 | 6500 | | | |
| | | | | 2/15 | F | 159P | 30 | | | | VTR 477 -30 | RRP1 | 6500 | | | |
| T, TH | 1158A- 329P | 6500 | 2 | 2/12 | T | 329P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | |
| | | | | 2/14 | TH | 328P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | |
| M | 1158A- 329P | 6500 | 1 | 2/18 | M | 234P | 30 | | | | VTR 407 -30 | RRP5 | 6500 | | | |
| F | 458P- 526P | 6000 | 1 | 2/22 | F | 526P | 30 | | | | VTR 407 -30 | RRP5 | 6000 | | | |
| W | 427P- 457P | 5500 | 1 | 2/20 | W | 427P | 30 | | | | VTR 407 -30 | RRP5 | 5500 | | | |

| | | | |
|---|---|---|---|
| MONTHLY COST PER ORDER CONFIRMATION | 76000 | 76000 | SUB-TOTALS |
| | | 11400 | TOTAL RECONCILING ITEMS |
| | NET DUE IMMEDIATELY | 64600 | |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAN 274

8 3 0 4 0 4 2 3 8 0 1

# WEAR-TV3

P.O. BOX 12276
PENSACOLA, FL. 32506
904 455-7311

abc

| | |
|---|---|
| AGENCY | RUTH JONES LTD |
| BILLING ADDRESS | REGAN FOR PRESIDENT COMM<br>9841 AIRPORT BLVD<br>LOS ANGELES, CA 90045 |
| MAKE PAYMENT TO | WEAR-TV<br>ROLLINS TELECASTING<br>P O BOX 647<br>ATLANTA GA 30301 |

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REGAN FOR PRESIDENT 2435 | POLITICAL-REP |

WEAR DATE 02/24/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| INVOICE NO. 1984-005585 | PAGE 1 | 523<br>BROADCAST MONTH FEBRUARY, 1980 |
| SCHEDULE DATES 02/08/80-03/10/80 | | CONTRACT YEAR |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M | 658A- 659A | | 6000 | 2 | 2/11 | M | 648A | 60 | | | | VTR 482 RRF7 -60 | 6000 | | | | |
| | | | | | 2/18 | M | 659A | 60 | | | | VTR 482 RRF7 -60 | 6000 | | | | |
| W | 658A- 659A | | 6000 | 1 | 2/13 | W | 659A | 60 | | | | VTR 482 RRF7 -60 | 6000 | | | | |
| T,TH | 658A- 659A | | 4000 | 2 | 2/19 | T | 616A | 30 | | | | VTR 407 RRF5 -30 | 4000 | | | | |
| | | | | | 2/21 | TH | 624A | 30 | | | | VTR 477 RRF1 -30 | 4000 | | | | |
| F | 1158A- 329P | | 6500 | 2 | 2/08 | F | 159P | 30 | | | | VTR 407 RRF-5 | 6500 | | | | |
| | | | | | 2/15 | F | 159P | 30 | | | | VTR 477 RRF1 -30 | 6500 | | | | |
| T,TH | 1158A- 329P | | 6500 | 2 | 2/12 | T | 329P | 30 | | | | VTR 407 RRF5 -30 | 6500 | | | | |
| | | | | | 2/14 | TH | 326P | 30 | | | | VTR 407 RRF5 -30 | 6500 | | | | |
| M | 1158A- 329P | | 6500 | 1 | 2/18 | M | 234P | 30 | | | | VTR 407 RRF5 -30 | 6500 | | | | |
| F | 456P- 526P | | 6000 | 1 | 2/22 | F | 526P | 30 | | | | VTR 407 RRF5 -30 | 6000 | | | | |
| W | 427P- 457P | | 6500 | 1 | 2/20 | W | 427P | 30 | | | | VTR 407 RRF5 -30 | 6500 | | | | |

| | | | |
|---|---|---|---|
| MONTHLY COST PER ORDER CONFIRMATION | 76000 | 76000 | SUB-TOTALS |
| | | 11400 | TOTAL RECONCILING ITEMS |
| | NET DUE IMMEDIATELY | 64600 | |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAB 274

# WEAR-TV 3

P.O. BOX 12276
PENSACOLA, FL. 32506
904 455-7311

abc

ORIGINAL

RECEIVED WEAR

| | |
|---|---|
| AGENCY BILLING ADDRESS | RUTH JONES LTD<br>REGAN FOR PRESIDENT COMM<br>9841 AIRPORT BLVD<br>LOS ANGELES, CA 90045 |
| MAKE PAYMENT TO | WEAR-TV<br>ROLLINS TELECASTING<br>P O BOX 647<br>ATLANTA GA 30301 |

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

| ORDER TYPE | | DATE 03/30/80 |
|---|---|---|
| INVOICE NO. 1864-008055 | PAGE 1 | AGENCY EST. NO. 523 |
| SCHEDULE DATES 02/08/80-03/10/80 | | BROADCAST MONTH MARCH, 1980 |
| BILLING INSTRUCTIONS | | CONTRACT YEAR |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M | 1156A- 329P | | 6500 | 2 | 2/25 | M | 1235P | 30 | | | | VTR 407 RRP6 -30 | 6500 | | | | |
| | | | | | 3/03 | M | 326P | 30 | | | | VTR 407 RRP6 -30 | 6500 | | | | |
| T, TH | 1156A- 329P | | 6500 | 2 | 2/26 | T | 329P | 30 | | | | VTR 407 RRP6 -30 | 6500 | | | | |
| | | | | | 2/26 | TH | 330P | 30 | | | | VTR 407 RRP6 -30 | 6500 | | | | |
| F | 456P- 526P | | 6000 | 1 | 3/07 | F | 501P | 30 | | | | VTR 407 RRP6 -30 | 6000 | | | | |
| TH | 456P- 526P | | 6000 | 1 | 2/26 | TH | 515P | 30 | | | | VTR 407 RRP6 -30 | 6000 | | | | |
| W | 427P- 457P | | 5500 | 1 | 2/27 | W | 455P | 30 | | | | VTR 477 RRP1 -30 | 5500 | | | | |
| F | 427P- 457P | | 5500 | 1 | 2/29 | F | 456P | 30 | | | | VTR 477 RRP1 -30 | 5500 | | | | |
| TH | 427P- 457P | | 5500 | 1 | 3/06 | TH | 426P | 30 | | | | VTR 477 RRP 1 -30 | 5500 | | | | |
| M | 427P- 457P | | 5500 | 1 | 3/10 | M | 413P | 30 | | | | VTR 462 RRP6- 30 | 5500 | | | | |
| SU | 328P- 527P | | 11500 | 1 | 3/02 | SU | 425P | 30 | | | | VTR 407 RRP6 -30 | 11500 | | | | |
| T | 900P- 959P | | 37000 | 1 | 2/26 | T | 1000P | 30 | | | | VTR 407 RRP6 -30 | 37000 | | | | |

| | |
|---|---|
| MONTHLY COST PER ORDER CONFIRMATION | |
| | SUB-TOTALS |
| | TOTAL RECONCILING ITEMS |
| | NET DUE IMMEDIATELY |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAN

# WEAR-TV

P.O. BOX 12278
PENSACOLA, FL. 32506
904 456-7311

abc

ORIGINAL

AGENCY BILLING ADDRESS: RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO: WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

WEAR — DATE 03/30/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| INVOICE NO. 1984-006065 | PAGE 2 | 523 BROADCAST MONTH MARCH, 1980 |
| SCHEDULE DATES 02/08/80-03/10/80 | | CONTRACT YEAR |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M | 900P- 959P | | 34000 | 1 | 3/03 | M | 928P | 30 | | | | VTR 477 RRP1 -30 | 34000 | | | |
| W | 800P- 959P | | 40000 | 1 | 3/05 | W | 927P | 30 | | | | VTR 407 RRP8 -30 | 40000 | | | |
| SA | 800P-1000P | | 40000 | 1 | 3/08 | SA | 959P | 30 | | | | VTR 477 RRP2-30 | 40000 | | | |
| M,W,F | 656A- 859A | | 4000 | | 2/25 | M | 815A | 30 | | | | VTR 407 RRP8 -30 | 4000 | | | |
| | | | | | 2/27 | W | 723A | 30 | | | | VTR 407 RRP8 -30 | 4000 | | | |
| | | | | 3 | 2/29 | F | 726A | 30 | | | | VTR 407 RRP8 -30 | 4000 | | | |
| M | 458P- 526P | | 6000 | 1 | 2/25 | M | 459P | 30 | | | | VTR 477 RRP1 -30 | 6000 | | | |
| M | 1156A- 329P | | 6000 | 1 | 3/10 | M | 134P | 30 | | | | VTR 407 RRP8-30 | 6000 | | | |
| TH | 656A- 859A | | 4000 | 1 | 3/06 | TH | 714A | 30 | | | | VTR 407 RRP8 -30 | 4000 | | | |
| T | 656A- 859A | | 8000 | 1 | 3/04 | T | 723A | 60 | | | | VTR 462 RRP7 -60 | 10000 | | 8000 | |
| M | 656A- 859A | | 8000 | 1 | 3/10 | M | 723A | 60 | | | | VTR 365 RRP 1 4-60 | 8000 | | | |
| M,W | 458P- 526P | | 6000 | | 3/03 | M | 459P | 30 | | | | VTR 407 RRP8 -30 | 6000 | | | |
| | | | | 2 | 3/05 | W | 525P | 30 | | | | VTR 407 RRP8 -30 | 6000 | | | |

MONTHLY COST PER ORDER CONFIRMATION

SUB-TOTALS

TOTAL RECONCILING ITEMS

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

NET DUE IMMEDIATELY

MAN

# WEAR-TV 3

P.O. BOX 12276
PENSACOLA, FL. 32506
904 455-7311

abc

ORIGINAL

AGENCY BILLING ADDRESS
RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9641 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO
WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

| ORDER TYPE | | YEAR | DATE 03/30/80 |
|---|---|---|---|
| INVOICE NO. 1884-006055 | PAGE 3 | AGENCY EST. NO. 523 | BROADCAST MONTH MARCH 1980 |
| SCHEDULE DATES 02/08/80-03/10/80 | | CONTRACT YEAR | |
| BILLING INSTRUCTIONS | | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 1 | 3/07 | F | 729A | 30 | | | 03/04 | | | N/C | TIME 658- 659A | | |
| MONTHLY COST PER ORDER CONFIRMATION | | | 280000 | | | | | | | | | | | 280000 | SUB-TOTALS | 9000 | |
| | | | | | | | | | | | | | | 43800 | TOTAL RECONCILING ITEMS | 9000 | |
| | | | | | | | | | | | | | NET DUE IMMEDIATELY | 244800 | | | |

WARRANT THAT THE ACTUAL BROADCAST
FORMATION SHOWN ON THIS INVOICE WAS
KEN FROM THE PROGRAM LOG.

WAM 274

# WEAR-TV 3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 456-7311

abc

AGENCY BILLING ADDRESS
RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9641 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO
WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

| ORDER TYPE | | WEAR | DATE 03/30/80 |
|---|---|---|---|
| INVOICE NO. 1884-008055 | PAGE 1 | AGENCY EST. NO. 523 | BROADCAST MONTH MARCH, 1980 |
| SCHEDULE DATES 02/06/80-03/10/80 | | CONTRACT YEAR | |
| BILLING INSTRUCTIONS | | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1158A- 329P | | 6500 | 2 | 2/26 | M | 1236P | 30 | | | | VTR 407 RRPS -30 | 6500 | | | | |
| | | | | | 3/03 | M | 328P | 30 | | | | VTR 407 RRPS -30 | 6500 | | | | |
| T, TH | 1158A- 329P | | 6500 | 2 | 2/26 | T | 329P | 30 | | | | VTR 407 RRPS -30 | 6500 | | | | |
| | | | | | 2/28 | TH | 330P | 30 | | | | VTR 407 RRPS -30 | 6500 | | | | |
| F | 458P- 526P | | 6000 | 1 | 3/07 | F | 501P | 30 | | | | VTR 407 RRPS -30 | 6000 | | | | |
| TH | 458P- 526P | | 6000 | 1 | 2/28 | TH | 515P | 30 | | | | VTR 407 RRPS -30 | 6000 | | | | |
| W | 427P- 457P | | 5500 | 1 | 2/27 | W | 456P | 30 | | | | VTR 477 RRP1 -30 | 5500 | | | | |
| F | 427P- 457P | | 5500 | 1 | 2/29 | F | 456P | 30 | | | | VTR 477 RRP1 -30 | 5500 | | | | |
| | 427P- 457P | | 5500 | 1 | 3/06 | TH | 428P | 30 | | | | VTR 477 RRP 1 -30 | 5500 | | | | |
| M | 427P- 457P | | 5500 | 1 | 3/10 | M | 413P | 30 | | | | VTR 462 RRPS-30 | 5500 | | | | |
| SU | 328P- 527P | | 11500 | 1 | 3/02 | SU | 426P | 30 | | | | VTR 407 RRPS -30 | 11500 | | | | |
| T | 900P- 959P | | 37000 | 1 | 2/26 | T | 1000P | 30 | | | | VTR 407 RRPS -30 | 37000 | | | | |

MONTHLY COST PER ORDER CONFIRMATION

SUB-TOTALS

TOTAL RECONCILING ITEMS

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

NET DUE IMMEDIATELY

MAR

# WEAR-TV3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 456-7311

abc

AGENCY: RUTH JONES LTD
BILLING ADDRESS: REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO: WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

WEAR — DATE 03/30/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| INVOICE NO. 1864-006055 | PAGE 2 | 523 BROADCAST MONTH MARCH, 1980 |
| SCHEDULE DATES 02/08/80-03/10/80 | | CONTRACT YEAR |
| BILLING INSTRUCTIONS | | |

| DAYS | TIME | | GROSS | | DATE | DAY | TIME | LENGTH | | | | PROGRAM | NET | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 900P- 959P | | 340.00 | 1 | 3/03 | M | 926P | 30 | | | | VTR 477 RRP1 -30 | 340.00 | | | |
| W | 800P- 959P | | 405.00 | 1 | 3/05 | W | 927P | 30 | | | | VTR 407 RRP5 -30 | 405.00 | | | |
| SA | 800P-1000P | | 405.00 | 1 | 3/08 | SA | 959P | 30 | | | | VTR 477 RRP2-30 | 405.00 | | | |
| M,W,F | 656A- 659A | | 40.00 | | 2/25 | M | 815A | 30 | | | | VTR 407 RRP5 -30 | 40.00 | | | |
| | | | | | 2/27 | W | 723A | 30 | | | | VTR 407 RRP5 -30 | 40.00 | | | |
| | | | | 3 | 2/29 | F | 726A | 30 | | | | VTR 407 RRP5 -30 | 40.00 | | | |
| M | 456P- 526P | | 60.00 | 1 | 2/25 | M | 459P | 30 | | | | VTR 477 RRP1 -30 | 60.00 | | | |
| M | 1156A- 329P | | 65.00 | 1 | 3/10 | M | 134P | 30 | | | | VTR 407 RRP5-30 | 65.00 | | | |
| | 656A- 659A | | 40.00 | 1 | 3/06 | TH | 714A | 30 | | | | VTR 407 RRP5 -30 | 40.00 | | | |
| T | 656A- 659A | | 60.00 | 1 | 3/04 | T | 723A | 60 | | | | VTR 462 RRP7 -60 | 100.00 | | 60.00 | |
| M | 656A- 659A | | 60.00 | 1 | 3/10 | M | 723A | 60 | | | | VTR 365 RRP 1 4-60 | 60.00 | | | |
| M,W | 456P- 526P | | 60.00 | | 3/03 | M | 459P | 30 | | | | VTR 407 RRP5 -30 | 60.00 | | | |
| | | | | 2 | 3/05 | W | 525P | 30 | | | | VTR 407 RRP5 -30 | 60.00 | | | |

MONTHLY COST PER ORDER CONFIRMATION

SUB-TOTALS

TOTAL RECONCILING ITEMS

NET DUE IMMEDIATELY

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

due MAR

8 3 WEAR-TV3 8

P.O. BOX 12278
PENSACOLA, FL. 32506
904 455-7311

AGENCY BILLING ADDRESS
RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO
WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

| | | |
|---|---|---|
| ORDER TYPE | | YEAR / DATE 03/30/80 |
| INVOICE NO. 1884-008055 | PAGE 3 | AGENCY EST. NO. 523 |
| SCHEDULE DATES 02/06/80-03/10/80 | | BROADCAST MONTH MARCH, 1980 |
| BILLING INSTRUCTIONS | | CONTRACT YEAR |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 1 | 3/07 | F | 729A | 30 | | | 03/04 | | N/C | TIME 658- 659A | | | |
| MONTHLY COST PER ORDER CONFIRMATION | | | 280000 | | | | | | | | | | 280000 | SUB-TOTALS | | 8000 | |
| | | | | | | | | | | | | | 43200 | TOTAL RECONCILING ITEMS | | | 8000 |
| | | | | | | | | | | | | NET DUE IMMEDIATELY | 244800 | | | | |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAN 274

8 3 WEAR-TV 3 8

P.O. BOX 12278
PENSACOLA, FL 32506
904 455-7311

abc

AGENCY BILLING ADDRESS: RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO: WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

WEAR — DATE 03/30/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| | | 523 |
| INVOICE NO. | PAGE | BROADCAST MONTH |
| 1984-006055 | 1 | MARCH, 1980 |
| SCHEDULE DATES | | CONTRACT YEAR |
| 02/08/80-03/10/80 | | |
| BILLING INSTRUCTIONS | | |

| DAYS | TIME | | RATE | | DATE | DAY | TIME | LEN | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| M | 1158A- 329P | | 6500 | | 2/25 | M | 1235P | 30 | | | | VTR 407 -30 | RRPS | 6500 | | | |
| | | | | 2 | 3/03 | M | 328P | 30 | | | | VTR 407 -30 | RRPS | 6500 | | | |
| T, TH | 1158A- 329P | | 6500 | | 2/26 | T | 329P | 30 | | | | VTR 407 -30 | RRPS | 6500 | | | |
| | | | | 2 | 2/28 | TH | 330P | 30 | | | | VTR 407 -30 | RRPS | 6500 | | | |
| F | 458P- 526P | | 6000 | 1 | 3/07 | F | 501P | 30 | | | | VTR 407 -30 | RRPS | 6000 | | | |
| TH | 458P- 526P | | 6000 | 1 | 2/28 | TH | 515P | 30 | | | | VTR 407 -30 | RRPS | 6000 | | | |
| W | 427P- 457P | | 5500 | 1 | 2/27 | W | 455P | 30 | | | | VTR 477 -30 | RRP1 | 5500 | | | |
| F | 427P- 457P | | 5500 | 1 | 2/29 | F | 456P | 30 | | | | VTR 477 -30 | RRP1 | 5500 | | | |
| TH | 427P- 457P | | 5500 | 1 | 3/06 | TH | 428P | 30 | | | | VTR 477 -30 | RRP 1 | 5500 | | | |
| M | 427P- 457P | | 5500 | 1 | 3/10 | M | 413P | 30 | | | | VTR 462 -30 | RRPS- | 5500 | | | |
| SU | 328P- 527P | | 11500 | 1 | 3/02 | SU | 425P | 30 | | | | VTR 407 -30 | RRPS | 11500 | | | |
| T | 900P- 959P | | 37000 | 1 | 2/26 | T | 1000P | 30 | | | | VTR 407 -30 | RRPS | 37000 | | | |

MONTHLY COST PER ORDER CONFIRMATION

SUB-TOTALS

TOTAL RECONCILING ITEMS

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

NET DUE IMMEDIATELY

MAR

# WEAR-TV3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 456-7311

abc

AGENCY BILLING ADDRESS: RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO: WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

WEAR — DATE 03/30/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| | | 523 |
| INVOICE NO. | PAGE | BROADCAST MONTH |
| 1984-006055 | 2 | MARCH, 1980 |
| SCHEDULE DATES | | CONTRACT YEAR |
| 02/08/80-03/10/80 | | |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 900P- 959P | | 340.00 | 1 | 3/03 | M | 928P | 30 | | | | VTR 477 RRP1 -30 | 340.00 | | | |
| W | 800P- 959P | | 400.00 | 1 | 3/05 | W | 927P | 30 | | | | VTR 407 RRP8 -30 | 400.00 | | | |
| SA | 800P-1000P | | 400.00 | 1 | 3/08 | SA | 959P | 30 | | | | VTR 477 RRP2-30 | 400.00 | | | |
| M,W,F | 658A- 659A | | 40.00 | | 2/25 | M | 815A | 30 | | | | VTR 407 RRP8 -30 | 40.00 | | | |
| | | | | | 2/27 | W | 723A | 30 | | | | VTR 407 RRP8 -30 | 40.00 | | | |
| | | | | 3 | 2/29 | F | 726A | 30 | | | | VTR 407 RRP8 -30 | 40.00 | | | |
| M | 458P- 528P | | 60.00 | 1 | 2/25 | M | 459P | 30 | | | | VTR 477 RRP1 -30 | 60.00 | | | |
| M | 1158A- 329P | | 60.00 | 1 | 3/10 | M | 134P | 30 | | | | VTR 407 RRP8-30 | 60.00 | | | |
| | 658A- 659A | | 40.00 | 1 | 3/06 | TH | 714A | 30 | | | | VTR 407 RRP8 -30 | 40.00 | | | |
| T | 658A- 659A | | 80.00 | 1 | 3/04 | T | 723A | 60 | | | | VTR 462 RRP7 -60 | 160.00 | | 80.00 | |
| M | 658A- 659A | | 60.00 | 1 | 3/10 | M | 723A | 60 | | | | VTR 365 RRP 1 4-60 | 60.00 | | | |
| M,W | 458P- 528P | | 60.00 | | 3/03 | M | 459P | 30 | | | | VTR 407 RRP8 -30 | 60.00 | | | |
| | | | | 2 | 3/05 | W | 525P | 30 | | | | VTR 407 RRP8 -30 | 60.00 | | | |

MONTHLY COST PER ORDER CONFIRMATION

SUB-TOTALS

TOTAL RECONCILING ITEMS

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

NET DUE IMMEDIATELY

MAR

# WEAR-TV 3

P.O. BOX 12278
PENSACOLA, FL. 32506
904 455-7311

abc

AGENCY BILLING ADDRESS
RUTH JONES LTD
REGAN FOR PRESIDENT COMM
9841 AIRPORT BLVD
LOS ANGELES, CA 90045

MAKE PAYMENT TO
WEAR-TV
ROLLINS TELECASTING
P O BOX 647
ATLANTA GA 30301

| REPRESENTATIVE | SALESMAN |
|---|---|
| NEW YORK | JOHN SHERWIN |
| **ADVERTISER** | **PRODUCT** |
| REAGAN FOR PRES. 2435 | POLITICAL-REP |

WEAR DATE 03/30/80

| ORDER TYPE | | AGENCY EST. NO. |
|---|---|---|
| | | 523 |
| INVOICE NO. | PAGE | BROADCAST MONTH |
| 1864-006055 | 3 | MARCH, 1980 |
| SCHEDULE DATES | | CONTRACT YEAR |
| 02/06/80-03/10/80 | | |
| BILLING INSTRUCTIONS | | |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 1 | 3/07 | F | 729A | 30 | | | 03/04 | | | N/C | TIME 658- 659A | | |
| MONTHLY COST PER ORDER CONFIRMATION | | | 280000 | | | | | | | | | | | 280000 | SUB-TOTALS | 8000 | |
| | | | | | | | | | | | | | | 43200 | TOTAL RECONCILING ITEMS | 8000 | |
| | | | | | | | | | | | | NET DUE IMMEDIATELY | | 244800 | | | |

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

MAN 274

8 3 0 4 0 4 2 3 8 1 2

'EAR-TV
OLLINS TELECASTING
.O. BOX 647 ATLANTA, GEORGIA 30324

providing
essential services
for homes and
business

ATLANTA
GA.
28

RUTH JONES LTD.
[illegible] EAST [illegible] STREET · NEW YORK, N.Y. [illegible]
[illegible]

May 31, 1980

Miss Bay Buchanan
Reagan for President Committee
9841 Airport Boulevard
Los Angeles, California 90045

Dear Bay:

We have now audited the Reagan records through April 30th which show there is a balance due of $106.36 for the Fund Raising account and $18,926.52 for the Primaries.

The attached checks cover the above.

Please note this is not a final audit since there are still a number of discrepancies which have not been resolved.

Another audit should be completed by the endof June.

Cordially,

Ruth

Ruth Jones

RECEIVED JUN 0 4 1980

8 3 0 4 0 4 2 3 8 1 3

ACCOUNTANT SUPPLY HOUSE NO. 4707

| | Initials | Date |
|---|---|---|
| Prepared By | | |
| Approved By | | |

RUTH JONES Ltd
REAGAN FOR PRESIDENT
APRIL 30, 1980

| | | |
|---|---|---|
| RECEIPTS + REFUNDS - THRU APRIL 30, 1980 REPORTS | | 15809992 |
| DISBURSEMENTS - PER 4/30/80 REPORTS | | |
| FUND RAISING | 8632294 | |
| IOWA | 4729128 | |
| NEW HAMPSHIRE | 365[illegible]05 | |
| MASSACHUSETTS | 30124611 | |
| VERMONT | 1794960 | |
| MAINE | 1419784 | |
| FLORIDA | 35702965 | |
| NEW YORK | 6230501 | |
| CONN | 2019834 | |
| SOUTH CAROLINA | 10567687 | |
| GEORGIA | 10914536 | |
| NORTH CAROLINA | 12102961 | |
| ALABAMA | 8198977 | |
| MINNESOTA | 4884109 | |
| ILLINOIS | 23797687 | |
| WISCONSIN | 4825019 | |
| PA | 7494676 | |
| | | 156196635 |
| NET | | 19[illegible]299 |
| [illegible] 5346 | FUND RAISING PREMIUMS | 10[illegible] 19[illegible] |

83040123814

FEDERAL ELECTION COMMISSION

Account Numbers

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

____ (1) Classified Information

____ (2) Internal rules and practices

____ (3) Exempted by other statute

____ (4) Trade secrets and commercial or financial information

____ (5) Internal Documents

____ (6) Personal privacy

____ (7) Investigatory files

X (8) Banking Information

____ (9) Well Information (geographic or geophysical)

Signed Lane A. Wrenchon

Date 6/8/83

FEC 9-21-77

83040423815

RUTH JONES LTD., SPEC.
125 EAST 79TH STREET
NEW YORK, N.Y. 10021

5395

May 30 19 8 0

1-100
210

PAY TO THE ORDER OF Reagan for President Committee $ 106.

One hundred six and 34/100 DOLLARS

BANKERS TRUST COMPANY
16 ROCKEFELLER PLAZA
NEW YORK, N.Y. 12

FOR refund - Contribution

Ruth Jones

RUTH JONES LTD., SPEC.
125 EAST 79TH STREET
NEW YORK, N.Y. 10021

5396

May 30 19 8 0

1-100
210

PAY TO THE ORDER OF Reagan for President Committee $ 18 926.

Eighteen nine hundred twenty-six and 52/100 DOLLARS

BANKERS TRUST COMPANY
16 ROCKEFELLER PLAZA
NEW YORK, N.Y. 12

FOR refund - Contribution

Ruth Jones

3 3 0 4 0 4 2 3 8 1 5

# TELEPOST®

HIGH PRIORITY COMMUNICATION

FEBRUARY 15, 1980

R BAY BUCHANAN
APT 502
5974 BUCKINGHAM PARKWAY
CULVER CITY, CA 90230

DEAR BAY:

NEW HAMPSHIRE PRIMARY LESS THAN 14 DAYS AWAY. POLLS SHOW IF EVERY REAGAN SUPPORTER VOTES WE WILL WIN - LAST MINUTE RADIO ADVERTISING CRUCIAL TO GET OUT PRO-REAGAN VOTERS. MUST RAISE $29,000 AS SOON AS POSSIBLE. RADIO STATIONS DEMAND CASH IN ADVANCE.

RADIO COMMERCIALS HAVE BEEN TAPED AND "AIR-TIME" HAS BEEN RESERVED BUT RADIO STATIONS WON'T PUT THEM ON THE AIR UNTIL THEY HAVE OUR PAYMENT IN HAND. MUST HAVE YOUR CHECK IN THE NEXT SEVEN DAYS.

YOUR CHECK FOR $25 WILL BUY ONE 60 SECOND RADIO AD ON BOSTON STATIONS THAT REACH NEW HAMPSHIRE. WOULD BE A GOODEND IF YOU COULD SEND MORE.

YOUR CHECK FOR $25, $50 OR EVEN $100 COULD MAKE DIFFERENCE BETWEEN VICTORY OR DEFEAT IN NEW HAMPSHIRE.

PLEASE SEND CHECK TODAY WITH THIS TELEPOST LETTER IN ENCLOSED URGENT REPLY ENVELOPE.

GOD BLESS YOU.
RONALD REAGAN

**********

URGENT REPLY TO GOVERNOR REAGAN:
WE "MUST" WIN IN NEW HAMPSHIRE! ENCLOSED IS MY CONTRIBUTION TO HELP BUY LAST MINUTE RADIO ADS WE NEED TO GET EVERY REAGAN VOTER TO THE POLLS.
ENCLOSED IS MY CHECK FOR:

_____ $25 _____ $50 _____ $100 _____ OTHER

MAKE CHECK PAYABLE TO: REAGAN FOR PRESIDENT, 9841 AIRPORT BLVD., SUITE 1430, LOS ANGELES, CA 90045

I UNDERSTAND THE FOLLOWING INFORMATION IS REQUIRED BY FEDERAL LAW:
OCCUPATION_____
PLACE OF BUSINESS_____
CITY/STATE_____ AAG

THIS SOLICITATION IS ON BEHALF OF REAGAN FOR PRESIDENT COMMITTEE, 9841 AIRPORT BLVD., SUITE 1430, LOS ANGELES, CA 90045. REAGAN FOR PRESIDENT COMMITTEE--PAUL LAXALT, CHAIRMAN, BAY BUCHANAN, TREASURER. A COPY OF OUR REPORT IS FILED WITH AND AVAILABLE FOR PURCHASE FROM THE FEDERAL ELECTION COMMISSION, WASHINGTON, DC 20463

8 3 0 4 0 4 2 3 8 1 7

TELEPOST®

CONTENTS REQUIRES IMMEDIATE ATTENTION

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

**BUSINESS REPLY MAIL**

FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

*POSTAGE WILL BE PAID BY ADDRESSEE*

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

RECEIVED

# tri-state envelope corporation of maryland — INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170 (202) 953-3570

NUMBER 9763

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA, OUR TRUCK | TERMS: NET 10 DAYS (UNLESS SPECIFIED IN THE CAPTION AREAS BELOW) | SHIPPED TO: SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 2-12-80 | 2-0262-80M | 0143 | x | | DMS MD | 1 | 1 | 1 | |

SOLD TO

Reagan for President Committee
1828 L St NW #201
Wash DC 20036

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 285,000 | #9 24 WW OS DS std sty wdw | 12.25M | 3491.25 |
| | plate | | 7.50 |
| | | | 3498.75 |
| | MD 5% | | 174.93 |
| | Total | | 3673.68 |
| BL# 11782 Dave | | | |

#588/204
$6921.71
4-22-80

Okay
2-12-80
To be sent
for prompt payment
and 10% discount
taken

Check # 14

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

830404253815

**THIS MEMORANDUM** is an acknowledgment that [illegible] Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate covering [illegible] property named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

RECEIVED subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination, it is agreed as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

From: TRI STATE ENVELOPE OF MD INC
BELTSVILLE MD

At: (Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION:
[illegible]
D[illegible] S
ACTON LANE
WALDORF MD

DATE: 5/[illegible] 19[illegible]
SHIPPER'S NO.: [illegible]
CARRIER ↓
CARRIER'S NO.:
BY: OUR TRUCK 9763
ROUTE:
DELIVERING CARRIER:
CAR OR VEHICLE INITIALS & NO.:

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | # 9 24 W/ OS DS STD STY WDOW PRINTED | | | |
| | | JOB# 2-0262-801 REAGAN FOR PRESIDENT COMM | | | |
| | | 2/11/80 | | | |
| | | 57 | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement.
The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here "To be Prepaid." PREPAID

Received $ _____ to apply in prepayment of the charges on the property described hereon.
Agent or Cashier
Per _____
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:
$ _____

SHIPPERS CERTIFICATION: This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.
SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's shipments on bare of stamp; not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

C.O.D. SHIPMENT
C.O.D. Amt _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED
CORRECT WEIGHT IS _____ LBS.

† The fibre boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.
Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 1200A, REGENT FORMS, BELLMAWR, N.J. 08031

8 3 0 4 0 1 2 3 8 2 0

RECEIVED

# tri-state envelope corporation of Maryland

# INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 9999

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | TERMS: NET 10 DAYS (UNLESS SPECIFIED IN THE CAPTION AREAS BELOW) | SHIPPED TO: SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 2-29-80 | 2-0391-80M | SWAIN | x | | DMS | MD | 1 | 1 | 1 | |

SOLD TO
Reagan for President
1828 L Street NW Suite 201
Wash DC 20036

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 25,000 | #9 24 WW OS DS Std Sty Wdw | 15.95M | 398.75M |
| | plate | | 7.50 |
| | | | 406.25 |
| | MD 5% | | 20.31 |
| | Total | | 426.56 |
| BL# 12044 Dave | | | |

Order for conceiled Proposal making - may be used later

Pleasant Meadows Inc

4-22-80
#588/204
6921.71

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

30 0 4 0 4 2 3 3 2 1

**THIS MEMORANDUM** is an acknowledgment that a [illegible] Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the [illegible] named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

**RECEIVED**, subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to deliver to another carrier on the route to said destination, it is agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

From: TRI STATE ENVELOPE OF MD INC
DENTSVILLE MD

At: (Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION:
D M S
ACTON LANE
WALDORF MD

DATE: 2/25 19[illegible]
SHIPPER'S NO.: 43044

CARRIER ↓
CARRIER'S NO.:

BY: OUR TRUCK 9999

ROUTE:
DELIVERING CARRIER:

CAR OR VEHICLE INITIALS & NO.:

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | ~~# 9 24 WH OS DS STD STY 1BGH PRINTED~~ | | | |
| | | ~~JOB# 2-0391-004 POP SHRN REAGAN FOR PRESIDENT~~ | | | |
| | | 2/25 KA | | | |
| | | 5 | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:
The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid."
PREPAID

Received $ _____ to apply in prepayment of the charges on the property described hereon.
Agent or Cashier
Per _____
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:
$ _____

SHIPPER'S CERTIFICATION: This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.
SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's signature in lieu of stamp; not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

C.O.D. SHIPMENT
C.O.D. Amt _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED.
CORRECT WEIGHT IS _____ LBS.

† The Hire Bases used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 1300A, REGENT FORMS, BELLMAWR, N.J. 08031

RECEIVED APR 1 1980

# tri-state envelope corporation of Maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 9898

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA: OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW: TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 2-22-80 | 2-0327-80M | | X | | DMS MD | 1 | 1 | 1 | | |

SOLD TO
Reagan for President Committee
1828 L Street NW #201
Wash DC 20036

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 10,000 | #9 24 WW OS DS Std Sty Wdw | 18.00M | 180.00 |
| | mate | | 7.50 |
| | | | 187.50 |
| | MD 5% | | 9.37 |
| | Total | | 196.87 |
| BL# 11907 Dave | | | |

Cancelled Cancelled Proposed mailing will be made later

gen'l mailing expense

4-22-80
$ 6921.71
# 588/204

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 3 3 2 3

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

RECEIVED, subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination, it is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

TRI STATE ENVELOPE OF MD INC
BELTSVILLE MD

(Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION

D M S
ACTON LANE
WALDORF MD

DATE 19

SHIPPER'S NO. - - -67

CARRIER ↓

CARRIER'S NO.

BY OUR TRUCK 9298

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS MATERIAL | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | # 9 24 WX OS DS STD STY LDGE DETAIL | | | |
| | | JOB# 2-0327-80M PO# REAGAN FOR PRESIDENT COM | | | |
| | | 2/21/80 | | | |
| | | 2 | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement.

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____
Signature of Consignor

If charges are to be prepaid, write or stamp here, "To be Prepaid."

PREPAID

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$ _____

SHIPPERS CERTIFICATION: This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading state whether it is "carrier's or shipper's weight."
† Shipper's signature in lieu of stamp; not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note — Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

C.O.D. SHIPMENT
C.O.D. Amt _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED.

CORRECT WEIGHT IS _____ LBS.

† The blank boxes used for the shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 12004 REGENT FORMS, BELLMAWR, N.J. 08031

30 4 0 4 2 3 8 2 4

RECEIVED APR 0 7 1980

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10100

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA, OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 3-11-80 | 2-0389-80M | SWAIN | x | | DMS MD | 1 | 1 | 1 | | |

SOLD TO

Reagan for President
1828 L Street NW Suite 201
Wash DC 20036

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 91,500 | 6-3/4 24 Blue Wove OS DS Regular | 11.25M | 1029.38 |
| | plates | | 12.50 |
| | | | 1041.88 |
| | MD 5% | | 52.09 |
| | Total | | 1093.97 |
| BL# 12115 Dave | | | |

Invoice #14

B-25-80 Tiff Hi- mailing Cut

4-22-80 #588/204 $6921.71

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 3 8 2 2

**THIS MEMORANDUM** is an acknowledgment that [illegible] Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering [illegible] property named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

**RECEIVED**, subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE 19

SHIPPER'S NO. [illegible]

CARRIER ↓

CARRIER'S NO.

BY OUR TRUCK 1600

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

CONSIGNEE AND DESTINATION

TRI STATE ENVELOPE OF MD INC
BELTSVILLE MD
(Mail or street address of consignee—For purposes of notification only.)

D N S
ACTON LANE
WALDORF MD

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | * WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | G=3/4 24 BLUE WOVE OS DS REGULAR PRINTED | | | |
| | | JOB# 2-80389-80' PO# 54401 PENGAW FOR PRESIDENT | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement.

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____
(Signature of Consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

PREPAID

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$ _____

SHIPPERS CERTIFICATION. This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's signature in lieu of stamps not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

THIS SHIPMENT IS CORRECTLY DESCRIBED.

CORRECT WEIGHT IS _____ LBS.

† The filing boxes used for the shipment conform to the specifications set forth in the box maker's certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

C.O.D. SHIPMENT

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

Shipper, Per [illegible] Agent, Per _____

Permanent post office address of shipper

FORM 12004. REGENT FORMS, BELLMAWR, N.J. 08031

3 3 0 4 0 4 2 3 8 2 4

RECEIVED

# tri-state envelope corporation of maryland

# INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10078

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA: OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW: TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 3-7-80 | 2-0390-80M | | X | | DMS MD | 1 | 1 | 1 | | |

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

SOLD TO
Reagan for President
1828 L Street NW
Suite 201
Wash DC 20036

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 25,000 | 3-5/8 x 7-3/4 24 WW OS DS Regular | 12.70M | 317.50 |
| | plate | | 7.50 |
| | | | 325.00 |
| | MD 5% | | 16.25 |
| | Total | | 341.25 |
| BL# 12045 Dave | | | |

Ordered for Carrollton Prospect mailing. Invoice future mailings

4-22-80 #588/204 $6921.71

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

930412382 7

**THIS MEMORANDUM** is an acknowledgment that a [illegible] Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

RECEIVED, subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, [illegible] as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

THE STATE INVEST OF ID INC
BOISE ID
(Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION
D M S
ACTON LANE
WALDOFF ID

DATE [illegible] 19[illegible]
CARRIER ↓
BY
OUR TRUCK
ROUTE
DELIVERING CARRIER
CAR OR VEHICLE INITIALS & NO.

SHIPPER'S NO. [illegible]
CARRIER'S NO.

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| [illegible] | [illegible] | 3-5/8 X 7-3/4 24 LB OS DS REGULAR BRE | | | |
| | | JOB# 2-0390-3031 PO# REAGAN FOR PRESIDENT | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement.
The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
Per _____
(Signature of Consignor)
If charges are to be prepaid, write or stamp here, "To be Prepaid."
PREPAID
Received $ _____ to apply in prepayment of the charges on the property described hereon.
Agent or Cashier
Per _____
(The signature here acknowledges only the amount prepaid.)
Charges Advanced:
$ _____

SHIPPERS CERTIFICATION: This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.
SIGNATURE [illegible] TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's imprints on bills of lading not a part of Bill of Lading approved by the Interstate Commerce Commission.
NOTE—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

C.O.D. SHIPMENT
C.O.D. Amt _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED
CORRECT WEIGHT IS _____ LBS

† The fibre boxes used for the shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 13004. REGENT [illegible]

RECEIVED

# tri-state en. .lope corporation of aaryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10101

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA: OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 3-11-80 | 2-0388-80M | SWAIN | x | | DMS MD | 1 | 1 | 1 | | |

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

SOLD TO
Reagan for President
1828 L Street NW Suite 201
Wash DC 20036

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 96,000 | 6-3/4 24 Canary Wove OS DS Regular | 11.25M | 1080.00 |
| | plates | | 52.74 |
| | | | 1132.74 |
| | MD 5% | | 56.64 |
| | Total | | 1189.38 |
| BL# 12114 Dave | | | |

B.D. 80 RFP. HF mailing cut

4-22-80 #588/204 $6921.71

| B/L NO. | SLSM | CUT CHG. | FRT. CHG. | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 3 8 1 5

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

DESIGNATE WITH AN (X)
BY TRUCK ☐ FREIGHT ☐

**RECEIVED**, subject to the classifications and tariffs in effect on the date of issue by the carrier of the property described in the Original Bill of Lading, the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to deliver to another carrier on the route to said destination, it is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or a rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

From: THE STATE ENVELOPE OF ID INC
BELTSVILLE MD

At: (Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION:
D M S
ACTON LANE
WALDORF MD

DATE: 19

CARRIER ↓

BY: OUR TRUCK

ROUTE:

DELIVERING CARRIER:

CAR OR VEHICLE INITIALS & NO.:

SHIPPER'S NO.:

CARRIER'S NO.: 1010

| NO. PACKAGES | HAZARDOUS MATERIAL | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | 6-3/4 24 CANDY WHE OS DS REGULAR PRINTED | | | |
| | | JOB# 2-0338-BOM PO# STAT: REAGAN FOR PRESIDENT | | | |
| | | 2 LOTS 1.) 10,000 - RETURN ADDRESS AND TEASER | | | |
| | | 2.) 30,000 - EXPRESS REPLY PLUS TEASER | | | |
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Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:
The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid." PREPAID

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____
(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:
$ _____

SHIPPER'S CERTIFICATION: This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation. SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's shipments on face of unsigned, not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

C.O.D. SHIPMENT
C.O.D. Amt _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED.
CORRECT WEIGHT IS _____ LBS.

† The fare bases used for the shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 1200A, REGENT FORMS, BELLMAWR, N.J. 08031

1HM Mailing
A 3-6-80

Mr. Thomas C. Brown, Jr.
492 Hodges Dr
Orangeburg, South Carolina 29115

Dear Mr. Brown:

# Ronald Reagan
Pacific Palisades, California 90272

March 3, 1980

Mr. Ladson Beach
PO Box 1304
Orangeburg, South Carolina 29115

Dear Mr. Beach:

Nancy and I would like you to have the enclosed photograph as a token of our appreciation for your past support of the Republican Party and conservative causes.

The picture was taken at our home in Pacific Palisades, California.

With your help we will win the White House. 1980 will be a year of Republican victory.

With that in mind, I've listed 4 questions which I'd like your answers to.

Please take a few minutes now to fill out your answers and mail them back to me today.

Your advice is important to me. And what you tell me by your answers will be an important tool in running a winning Reagan for President campaign.

For example, I'd like to know whether you believe Carter, Kennedy or Brown would be the most difficult Democrat candidate to beat.

Since I have personally selected you to give the answers for your area, I really do need to hear back from you right away.

If for some reason you don't want to answer my questions, I will need to know that so I can contact someone else in your area to take your place.

Running for President is an extremely difficult and long undertaking. Since I became a candidate just over three months ago, I have already visited 18 states and given over 70 speeches.

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee 3841 Airport Blvd. Suite 1430 Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee—Paul Laxalt, Chairman, Bay Buchanan, Treasurer
[illegible] and available for purchase from the Federal Election Commission, Washington, D.C. 20463

But the fact I may win the chance to make America strong and proud again, to enrich the future of our children, makes the grueling days on the road all worthwhile. With your help, I will win that chance. Let me share some of my thoughts with you on a few of the issues of special concern to me:

Since 1976 we have seen the Democrats:

- give away our canal in Panama to a marxist dictator
- allow America to be humiliated by a terrorist regime in Iran
- fail to stand up to Communist aggression in Afghanistan, Angola, and other trouble spots in the world
- allow the presence of Russian combat troops only 90 miles from our own shores in Communist Cuba
- sign a pro-Soviet SALT II Treaty which would further weaken our military defenses and watch the Russians pull far ahead of us in the arms race
- destroy our intelligence capability so that we can be humiliated and embarassed around the world.

As President, I'll rebuild America's defenses. We need a coherent foreign policy that measures everything by this standard; what is best for the United States of America? It's time we stopped worrying about whether other countries in the world like us and start worrying about whether they respect us.

America must have strong, new leadership if we are to stand up to the Communist attack abroad and restore prosperity and opportunity at home. I want to provide that leadership more than anything I have wanted in my life.

But without the necessary funds, I won't be able to run a winning campaign or stand up for the American ideals which you and I share.

Every respected national and regional poll shows that I can win. But not without your help.

Our campaign treasurer, Bay Buchanan, tells me we must raise $3,595,000 in the next two months. We need

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$230,000 just to pay for the rent, telephones, printing, postage, buttons, bumper stickers and other immediate expenses in the next two weeks.

All the favorable polls in the world won't help if we can't raise this money.

When you return your answers to me, perhaps you can send a check for $10, $15, $25 or even $50. Or possibly you can send us as much as $150 or $250.

Please don't think your contribution won't make a difference in my campaign because it will. I don't have alot of wealthy businessmen sending me checks for $1,000 each.

My campaign is mostly funded by $25 and $50 contributions or less.

If you could send a large check, we certainly could use it. This is maybe even as much as $250 or $500. But anything you can send will be deeply appreciated because it shows I have your trust and support.

I plan to hold a meeting of my top campaign advisors within the next 14 days. I want to discuss your answers to the questions I've enclosed at that meeting.

So please try to fill out and mail back the enclosed reply form today so I will know whether I can count on your financial help and your political advice. Let me know who you think will be the toughest Democrat to beat, and please send a check for $15, $25, $35, $50, or even $100 or more.

In 1980 we can elect a Republican President but only if you and other good people like you do their part now.

I'll be anxiously looking forward to hearing from you.

Sincerely,

Ronald Reagan

P.S. Again, it's important that I have your answers in the next 14 days. I must also know whether I can count on your support and whether you will help us meet our financial budget projections. Please let me hear from you today.

# REAGAN REPUBLICAN VICTORY SURVEY

**From:**

Mr. Larson Beach MAD
PO Box 1304
Orangeburg, South Carolina 29115

(Please fill out as completely as possible)

1. **Do you consider yourself:** ☐ Republican
   ☐ Democrat
   ☐ Independent

2. **Which 3 issues in your opinion should I stress in my campaign?**
   (Check 3 only)
   ☐ Inflation ☐ Big Government
   ☐ National Defense ☐ Welfare Fraud
   ☐ Energy ☐ Other _____
   ☐ Decline in Morality _____

3. **Do you consider yourself:** ☐ conservative
   ☐ moderate
   ☐ liberal

4. **Who do you feel would be easier for me to defeat?**
   ☐ Jimmy Carter
   ☐ Teddy Kennedy
   ☐ Jerry Brown

5. **Governor Reagan, to demonstrate my support for you, I am enclosing my check for**
   ☐ 15 ☐ 25 ☐ 50 ☐ 100
   ☐ 250 ☐ 500 ☐ 1000 ☐ Other _____

PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT

I understand the following information is required by federal law:

Occupation _____

Place of Business _____

City/State _____

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee, West Airport Blvd. Suite 1410, Los Angeles, California
REAGAN FOR PRESIDENT Committee, Paul Laxalt, Chairman, Sen. B. Harris, Treasurer
A copy of our report is filed with the Federal Election Commission, Washington, D.C.

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No postage necessary if mailed in the United States

# BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 61111 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

Senator Orrin Hatch
WASHINGTON, D.C. 20510

ORA

16th mailing

U S SENATOR
UTAH

Senator Orrin Hatch

Mr. Morey I Stearns
1114 Parker St
Springfield, MA 01129

Dear Mr. Stearns:

Would the Russians have brutally savaged Afghanistan and pointed a red dagger towards the oil fields of the Middle East, if Ronald Reagan were President?

Would Iranian terrorists have held Americans hostage and humiliated our nation in the eyes of the world, if our President were Ronald Reagan?

Would Ronald Reagan have let the United States throw away its military superiority to the point where the Soviet Union and its mercenaries are emboldened to invade countries around the world?

Of course not.

There are many fine candidates for President this year, but there is only one candidate the Russians and their puppets cannot afford to see elected, and he is Ronald Reagan.

But you know that since Governor Reagan tells me you are one of his most trusted supporters.

That's why I am writing to you today - - to ask you to stand up with me for Ronald Reagan. To stand up with me for a thorough change of leadership in Washington.

I know you've been generous before but frankly the Reagan campaign urgently needs your check for $25.00 or $50.00.

We must raise $249,000 in the next two weeks to keep the Reagan campaign in Wisconsin, Texas, California, and all the western states on schedule.

This money is urgently needed for printing, postage, rent, telephones and radio and TV time.

This solicitation is on behalf of REAGAN FOR PRESIDENT
REAGAN FOR PRESIDENT

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For many years now, Washington has been dominated by an elite clique which some people call the "Liberal Establishment." Presidents come and go, but the elitists who are responsible for our apologetic foreign policy and second-rate defense remain in Washington year after year undermining our nation's security.

Some absolutely vital questions we should ask about each of the candidates are:

- What kind of people will he bring with him to Washington?

- Will they be the same old crowd who feel ashamed of America's prosperity and power?

- Will they be the same old wishful thinkers who believe the Russians are as honest and trustworthy as we are?

- Will they be the same old proponents of unilateral disarmament?

- Will they be the same old appeasers?

My point is this: Unless we bring to Washington genuinely fresh leadership - - all across the board - - we will tragically have missed what is perhaps our last chance to restore American superiority and respect.

Only Ronald Reagan is free of ties to the elitist Liberal Establishment which has brought our country to its knees. Only by electing Ronald Reagan can we be sure of really changing things.

We are in very serious trouble. As a member of the United States Senate, I can tell you that matters are even worse than the President will admit to the American people. If ever there was a time when America needed a courageous and forthright leader, the time is now.

If ever there was a time when we needed a President and a government of men and women who are proud of America and willing to defend her, the time is now. If ever there was a time to totally reject the pessimism, defeatism and appeasement of the past, the time is now.

I believe had Ronald Reagan been President, the B-1 bomber would have been built, our Navy would still be the world's mightiest. And, our troops would have the equipment they desperately need to deter war. Because Ronald Reagan has always advocated a defense strong enough to command the world's respect, we would not have felt compelled to surrender the Panama Canal and compel-

led to abandon our loyal allies on Taiwan. We would not have suffered a long train of humiliating defeats of which Iran and Afghanistan are only the latest.

I know that you and I share Ronald Reagan's vision of a strong, proud and respected America. I believe we have never shared the defeatist viewpoint of the Liberal Establishment any more than Ronald Reagan has.

We have the opportunity to help elect the kind of straight-forward President Americans yearn for. A man who will bring to Washington a wholly new team of men and women with a completely fresh point of view.

I am going to ask you to do two important things.

First, please use the yellow envelope I have enclosed for you to send me the largest contribution you can afford today.

Second, if you can, please try to raise a similar amount from three or four of your friends and neighbors. $10, $15, $25 or even $50 extra will give Governor Reagan's campaign a big boost. Please use the blue envelope to send me any money you can raise from your, friends in the next two weeks.

We must elect Ronald Reagan. I urge you to send your largest possible contribution today. Let's have an honest-to-goodness change in Washington.

With warmest regards, I am

Orrin G. Hatch

Orrin G. Hatch
U.S. Senate

P.S. I am working my heart out to elect Ronald Reagan. I hope you will help me by sending your answer in the yellow envelope today.

P.P.S. If you can, remember to send the blue envelope to me in two weeks.

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# PLY MEMO REPLY MEMO REI

Please mail today in the yellow *return* envelope

**TO:** Senator Orrin Hatch

**FROM:** Mr. Morey I Stearns
1114 Parker St
Springfield, Massachusetts 01129

ORD 01129STRN114

Dear Senator Hatch,

Yes, we *must* have a President who will stand up to the Communist attack abroad. We must elect Ronald Reagan.

Enclosed is my contribution of:

☐$25.00 ☐$50.00 ☐$75.00 ☐_____ Other

towards the $249,000 we need to raise immediately. PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT.

I understand the following information is required by Federal law:

Occupation _____

Place of Business _____

City/State _____

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee 5841 Airport Blvd Suite 1430 Los Angeles California 90045
REAGAN FOR PRESIDENT Committee—Paul Laxalt Chairman Bay Buchanan Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission Washington D.C. 20463

No Postage Necessary if Mailed in the United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

ATTN: SENATOR HATCH

Please mail today!
Orrin G. Hatch

No Postage Necessary if Mailed in the United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

ATTN: SENATOR HATCH

# Bedford Printing Company

№ 1629

1107 Downtown Boulevard
Raleigh, North Carolina 27603
919 832-3973

Chg North Carolina printing

Reagan for President Committee
1828 "L" Street N. W.
Suite 201
Washington, D. C. 20036

Jan. 1, 1980
ITEMIZED STATEMENT

| DATE | JOB # | DESCRIPTION | AMOUNT | TAX | TOTAL |
|---|---|---|---|---|---|
| Dec. 17 | 3111 | 20,000 Petitions, 8-1/2 x 14, 20-lb. bond, red & blue one side; blue only other side | 420.50 | 16.82 | 437.32 |

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ordered by: Tom Lucas

Pd 5/16
Ck #542
#4952
$437.32

1/2/80
OK to pay
Tim Peters

RECEIVED JAN 1 8 1980

| CASH FLOW - ADVTS. | week of Oct. 29 | " Nov. 5 | " Nov. 12 | " Nov. 19 | " Nov. 26 | " Dec. 3 | " Dec. 10 | week of Dec. 17 | " Dec. 24 | " Dec. 31 | " Jan. 7 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| TV & RADIO Network annual time | | $50,000 | | | | | | | | | |
| Syndication - annual time | | 300,000 | 225 stations 25 hrs per week 50 | | | | | | | | |
| Annual production | 50,000 OK | 50,000 | | | | | | | | | |
| Annual Turner-in ads | | 10,000 | | | | | | | | | |
| Ruth Times Ltd. - media unit | 14,000 OK | ~~[illegible]~~ OK | | | 14,000 | | | | 22,000 | | |
| C.T. Clyne Co — [illegible] primary svc. | | | | 25,000 (for Oct.) | | | | 25,000 (for Nov.) | | | |
| N.H., Mass. primaries | | | | | | | | | | $50,000 | 30,000 |
| Florida primary | | | | | | | | | | | |
| Illinois primary | | | | | | | | | | | |
| N.Y., Connecticut primaries | | | | | | | | | | | |
| Collateral materials. | | | 15,000 | | | | | 25,000 | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | OK 64,000 | 410,000 ~~[illegible]~~ | 15,000 | 25,000 | 14,000 | | | 50,000 | 22,000 | 50,000 | 30,000 |

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| " Jan. 14 | " Jan 21 | " Jan 28 | " Feb. [illegible] | week of Feb. 11 | " Feb 18 | " Feb. 25 | " Mar. [illegible] | " Mar. 10 | " Mar. 17 | " Mar. 24 | " Mar. 31 | Total [illegible] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | 50,000 |
| | | | | | | | | | | | | 300,000 |
| | | | | | | | | | | | | 50,000 |
| | | 22,000 | | | | 22,000 | | | | | | 10,000 |
| | | | | | | | | | | | 22,000 | 116,000 |
| 25,000 (for Jan.) | | | | | 26,000 (for Jan.) | | [redacted] | | 99,000 (for Feb.) | | | [redacted] |
| 25,000 | 25,000 | 25,000 | 20,000 | 25,000 | 24,000 | | | | | | | [illegible] |
| 50,000 | 50,000 | 40,000 | 40,000 | 40,000 | 40,000 | 60,000 | 20,000 | | | | | 260,000 |
| | 40,000 | 60,000 | 80,000 | 50,000 | 50,000 | 60,000 | 40,000 | 80,000 | | | | 400,000 700,000 |
| | | 100,000 | 100,000 | 80,000 | 80,000 | 90,000 | 90,000 | 90,000 | 180,000 | | | 990,000 |
| | 20,000 | | | | | | | | | | | 720,000 |
| | | | | | | | | | | | | 60,000 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | [redacted] |
| 110,000 | 165,000 | [illegible] | 220,000 | 205,000 | 246,000 | 232,000 | 230,000 | | | | | 2,000,000 |

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FROM
McKENNA, CONNER & CUNEO
1575 EYE STREET, NORTHWEST
WASHINGTON, D. C. 20005

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

HAND DELIVERED

LAW OFFICES
McKENNA, CONNER & CUNEO
1575 EYE STREET, N.W.
WASHINGTON, D.C. 20005
(202) 789-7500
CABLE ADDRESS: MCKENCONN WASHDC
TELEX (TWX) 710-822-0149
TELECOPIER (202) 789-7594

LOS ANGELES
TWENTY-EIGHTH FLOOR
3435 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90010
(213) 384-3600 · 388-9321

SAN FRANCISCO
1920 HILLS TOWER
220 BUSH STREET
SAN FRANCISCO, CALIFORNIA 94104
(415) 433-0640

EDWARD L. WEIDENFELD

WRITER'S DIRECT DIAL NUMBER
(202) 789- 7640

101340

RECEIVED
GCC# 5242
81 AUG 10 A 9:52

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August 6, 1981

Charles Steele, Esq.
The Federal Election Commission
1325 K Street, N.W.
Washington, D. C.

Re: MUR 1252/1299

Dear Mr. Steele:

I'm responding to your letter of August 5, 1981 with regard to the Committee's response to a subpoena issued by the Federal Election Commission (the Commission) on October 1, 1980.

The matters addressed in your correspondence require a review of Committee documents and personnel interviews. In the extended period this subpoena has been open, personnel have dispersed and documents have been scattered. Additionally, our resources over the next week are directed toward responding to certain other MURs raised by the Commission, filing a supplemental response to the auditors' report on the general election, and taking such other action as is appropriate to represent our client's interests in those matters.

This afternoon I have begun the process of document gathering and will then identify the personnel to be interviewed. In view of the length of time the subpoena has been open, the mechanical problems involved in gathering the documents, identifying the personnel and reviewing the information obtained, it will not be possible to substantively respond to your letter of August 5, 1981 until September 15, 1981.

I remind you once again of our agreement to meet at a mutually acceptable time to review all open matters relating to the Reagan Bush Committee, the Reagan Bush Compliance Fund, and its predecessors. I will be available at your convenience.

Sincerely,

Edward L. Weidenfeld

Edward L. Weidenfeld

ELW/prp

8304042381 7

LAW OFFICES
McKENNA, CONNER & CUNEO
1575 EYE STREET, N.W.
WASHINGTON, D.C. 20005

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WASHINGTON, D.C. PM 7 1979

RECEIVED 10 1 9 52

Charles Steele, Esq.
The Federal Election Commission
1325 K Street, N.W.
Washington, D. C.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 5, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward L. Weidenfeld, Esquire
McKenna, Conner and Cuneo
1575 Eye Street, N.W.
Washington, D.C. 20005

RE: MUR 1252/1299

Dear Mr. Weidenfeld:

On October 1, 1980, this Office mailed to counsel for the Reagan/Bush Committee ("the Committee") a subpoena to produce certain documents and materials and an order to answer written questions, such subpoena and order having been authorized by the Federal Election Commission pursuant to 2 U.S.C. § 437d(a)(1) and (3). Prior to and following the Commission's denial of the Committee's motion to modify the subpoena and interrogatories and to accept materials and answers submitted, the Committee complied with parts of the subpoena and order, but refused to comply with others. In addition, the Committee promised to furnish certain information which has not been forthcoming, and in other instances provided only partial responses. The purpose of this letter is to review the Committee's compliance with the subpoena and order, and to obtain clarification as to the Committee's present position on certain issues.

Subpoena Specification #1:

The first specification contained in the subpoena required the production of all documents and materials concerning meetings and other forms of communication between the Committee and any of the organizations and persons listed. In the memorandum presented in support of the respondent's motion to modify the subpoena and interrogatories, the Committee did stipulate to the holding of extensive meetings, discussions and consultations with the Republican National Committee, its own authorized committees, Anna Chennault and Stuart Spencer; however, the statement was also made that the Committee was "producing no documents regarding Request Number 1." Nor have any such documents been produced since the Commission's denial of the Committee's motion.

The Committee's response implied that there were in fact specific documents which were being withheld; however, no information was provided concerning the nature of such documents as required

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on page three of the Commission's subpoena. Therefore, you are requested to inform this Office whether or not there do exist in the Committee's possession documents pertaining to meetings, discussions, etc., with the organizations, vendors and individuals listed in Specification #1, and, if such documents do exist, to provide a list identifying them, together with the additional information outlined in the subpoena, including the bases for any claims of privilege.

Subpoena Specification #2:

The second specification requires production of all documents and materials concerning expenditures made by the Committee to certain named vendors on specific dates. Also required are copies of the documents and materials received as consideration for these expenditures and of any survey results, polls and memoranda or reports containing survey or polling information, as well as information regarding the sources of such surveys, etc., and the dates they were secured by the Committee.

Regarding expenditures made to Diversified Direct, Inc., on April 22, May 14, and June 18, 1980, the Committee appears to have provided all requested documents. A reported expenditure made to Wiland and Associates on April 22, 1980 is supported only by an intra-Committee memorandum; the invoices provided relate solely to payments made to this vendor on June 6 and 11, 1979, and on February 22, 1980. Nor has the Committee submitted copies of documents and materials furnished by Wiland as consideration for the April 22, 1980 expenditure.

The two expenditures to Telepost for which documentation was requested were reported as having been made on April 17, 1980, in the amount of $20,000 and on May 2, 1980 in the amount of $7,021.17. The invoices supplied by the Committee appear to document these two expenditures adequately; however, a copy of the Group 1 RFR-HF Mailing apparently paid for in part by the May 2 expenditure has not been supplied.

The fourth vendor regarding which expenditure documentation was requested is Tri-State Envelope Corporation. The particular expenditure cited was one made on April 22, 1980, in the amount of $6,921.71. The invoices and shipping forms provided concern expenditures totaling $4,698.07 which is the amount of a Committee expenditure made to this vendor on June 18, 1980. Notations on several of the invoices cite this latter date as the date of payment. Therefore, it appears that the Committee has not supplied the specific documentation requested.

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No documentation has been furnished regarding a reported expenditure on May 16, 1980 to Bedford Printing.

Finally, the Committee has supplied four letters from Arthur J. Finkelstein and Associates which fulfill in part the request in this specification for documents related to expenditures of $3,000 and $3,044 made to that vendor on April 9 and June 5, 1980. The Committee has not provided copies of the materials received as consideration for these expenditures as required by subsection (a) of the specification.

Regarding subsection (b), the Committee has claimed that poll and survey results are subject to privilege, the exact privilege meant being unspecified. Does the Committee continue to assert such a claim? If so, the Commission may pursue this issue via subpoena enforcement.

Subpoena Specification #3:

The Committee's sole response to this specification, which involves a request for contracts or other documents relating to the relationship between the Committee and certain named vendors, has been to supply the agreement entered into with Ruth Jones, Ltd. on September 2, 1980. Please inform this office as to whether such documents exist with regard to the remaining vendors cited and, if they do, whether the Committee will provide copies of such contracts, etc. If no written agreements were entered into, please state the terms under which the services of these vendors were contracted.

Subpoena Specification #4:

The Committee has apparently fulfilled this request.

Subpoena Specification #5:

The Committee has apparently fulfilled this request.

Interrogatory A:

This interrogatory requested the identification of all officers, directors, employees, staff members, media time buyers, volunteers, consultants and other agents of the Committee from January 1980 to the present, together with either the name of each such person's supervisor or an organizational chart. Also requested was the identification of all persons who participated in the authorization of expenditures and in the production, etc., of campaign materials.

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In response, the Committee has supplied an alphabetical listing of the names of staff members of the primary and general election committees, a listing of coordinators and regional directors, an organizational chart of the Committee's overall organization, an organizational chart of the political operations section, and a memorandum listing individuals authorized to obligate funds. In the letter from counsel dated December 22, 1980, it was promised that the Commission would receive campaign phone directories and a list of headquarters volunteers; however, these documents have not been received. The Committee has also not responded to the portion of the interrogatory which concerns persons involved with the production and dissemination of campaign materials.

Interrogatory B:

The Committee has apparently fulfilled this request.

Interrogatory C:

The Committee has apparently fulfilled this request.

Interrogatory E:

Although promised, no campaign phone directories have been provided.

Interrogatory F:

The Committee has apparently fulfilled this request.

Interrogatory G:

The Committee has apparently fulfilled this request.

In summary, it is requested that the Committee confirm the existence or non-existence of the documents requested in Specification #1, complete the production of documents related to the April 22, 1980 expenditure to Wiland and Associates, provide a copy of the Group 1 RFP-HF Mailing undertaken by Telepost, provide the specific documentation requested regarding Tri-State Envelope Corporation, either provide copies of all surveys and poll results requested or expand upon the claim of privilege made earlier, and confirm the existence or non-existence of contracts or other, similar documents entered into by the Committee and Diversified Direct, Inc., Bailey-Deardourff and Associates, Inc., Wiland and Associates, Telepost, Bedford Printing and Arthur J. Finkelstein and Associates. In connection with the Commission's

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interrogatories, the Committee is requested to provide the telephone directories and list of headquarters volunteers promised earlier, and to state which persons connected with the Committee participated in the production, etc., of campaign materials.

Production of the above documents and information should be undertaken no later than August 15, 1981, at which time this Office will again review the Committee's compliance with the subpoena and order.

Sincerely,

Charles N. Steele
General Counsel

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MUR 1282

RECEIVED
OFFICE OF GENERAL COUNSEL

# REAGAN-BUSH COMPLIANCE FUND

901 South Highland Street
Arlington, Virginia 22204
(703) 685-3400

1 MAR 3 P5:58

March 3, 1981

1 MAR 4 A10:04

RECEIVED
OFFICE OF GENERAL COUNSEL

The Honorable John W. McGarry
Chairman
The Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

Dear Mr. Chairman:

I am writing to inform you that effective March 4, 1981, Edward L. Weidenfeld, a partner in the law firm of McKenna, Conner & Cuneo, 1575 Eye Street, N.W., Suite 800, Washington, D. C. 20005, has been appointed General Counsel to Reagan for President, the Reagan Bush Committee, and the Reagan Bush Compliance Fund, and that Mr. Weidenfeld and members of the law firm of McKenna, Conner & Cuneo are authorized to act on the Committee's behalf in matters pending before the Federal Election Commission.

Sincerely,

Scott Mackenzie
Treasurer

cc: Charles N. Steele, Esq.
Mr. Robert J. Costa, Assistant Staff Director of Audit Division

Reagan-Bush Compliance Fund—United States Senator Paul Laxalt, Chairman; Bay Buchanan, Treasurer.
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 24, 1981

MEMORANDUM

TO: The File

FROM: Anne Weissenborn

SUBJECT: Reason for not sending letter approved by Commission to Counsel for the Reagan Bush Committee - MUR 1252

I have not approved the mailing of the attached letter to counsel for the Reagan Bush Committee because it was outdated by the time it reached me for final sign-off. At the time the letter was prepared the Committee's treasurer had not yet been in touch with this Office to finalize a date for document production at Committee headquarters. Between the time that the letter was approved and the time it was signed, contact was made by both Committee counsel and and the Committee treasurer and a firm date was amicably set for production. Such production in fact began on February 18, 1981. It therefore seemed that the tone of the letter and the negative statements about apparent Committee non-cooperation had become both outdated and counter-productive by the time the letter was ready for mailing.

cc: CNS

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of<br><br>Reagan-Bush General<br>Election Committee | )<br>)<br>)<br>) | MUR 1252 |

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on January 27, 1981, do hereby certify that the Commission decided by a vote of 5-0 to send to Ms. Mary Lee Garfield, counsel for the Reagan-Bush Committee, the letter attached to the General Counsel's January 26, 1981 report in the above-captioned matter.

Commissioners Harris, McGarry, Reiche, Thomson, and Tiernan voted affirmatively for the decision; Commissioner Aikens abstained on the vote.

Attest:

1/28/81
Date

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

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EXECUTIVE SESSION
January 27, 1981

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 26, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel CNS by KRL

SUBJECT: Subpoena to Reagan Bush Committee in MUR 1252;
Revised letter to Counsel

Attached is a letter which the Office of General Counsel proposes to send to Ms. Mary Lee Garfield, counsel for the Reagan Bush Committee with regard to the Committee's compliance with the Commission's subpoena of October 1, 1980. This letter replaces the one drafted to Mr. Harry Diffendal which was before the Commission at its January 22, 1981, executive session. Since the first letter was drafted Mr. Diffendal has written to the Chairman of the Commission with regard to the Committee's apparent willingness to comply with the subpoena. His letter, dated January 22, 1981, states that Mr. Scott McKenzie has replaced Ms. Bay Buchanan as treasurer of the Committee and that Mr. McKenzie will be contacting Commission counsel concerning compliance with the subpoena. Because no such communciation has yet been received, this Office deems it appropriate and necessary to establish new dates upon which the Committee is directed to produce documents and to respond to written questions.

Attachment: Letter from Harry Diffendal

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mary Lee Garfield, Counsel
Reagan Bush Committee
Garfield and Hamersley
Suite 1040
1800 M Street, N.W.
Washington, D.C. 20036

Re: MUR 1252

Dear Ms. Garfield:

The Commission has received a letter from Mr. Harry Diffendal dated January 22, 1981, concerning compliance by the Reagan Bush Committee ("the Committee") with the subpoena and order issued to it in connection with MUR 1252. In his letter Mr. Diffendal states that Mr. Scott McKenzie is now the treasurer of the Committee and that he would be contact Commission counsel to arrange a time for compliance with the Commission's subpoena.

The second return date set by the Commission was December 19, 1980. Mr. McKenzie has not yet communicated with counsel concerning a date upon which the Committee is willing to produce documents not yet produced and to answer written questions not yet addressed. Therefore, the Committee is directed to produce for inspection and copying the documents described in the Commission's subpoena of October 1, 1980, and not yet produced, at 300 First Street, S.E., Washington, D.C., on February 6, 1981, at 10:00 a.m. Answers to written questions propounded by the Commission order and not yet produced must be submitted to the Office of General Counsel within ten (10) days of your receipt of this letter.

With regard to compliance with the Commission's subpoena and order, we direct your attention to the specific instructions for proper compliance set out in the paragraph preceeding the document requests on page three.

The Office of General Counsel has interpreted Mr. Diffendal's letter of January 8, 1981, to Chairman John W. McGarry as a request for in extension of time within which to comply with the Commission's subpoena and order. Although such a request is apparently now moot, I would like to point out that requests for extensions of time for compliance with Commission subpoenas are received and considered by the Commission, not by Office of General Counsel staff. My staff has assured me that Mr. Diffendal was

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fully informed of this Commission procedure, and that, contrary to the indications in his letter to Chairman McGarry, he was never given an extension of time by any member of my staff. If you have any questions concerning this Commission procedure, or concerning any of the above information, please call Vincent Convery, the attorney now handling this matter, at (202) 523-4000.

Sincerely

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION

Letter from Harry Diffendal (excerpts)

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ____ | (1) Classified Information | ✓ | (6) Personal privacy |
| ____ | (2) Internal rules and practices | ____ | (7) Investigatory files |
| ____ | (3) Exempted by other statute | ____ | (8) Banking Information |
| ____ | (4) Trade secrets and commercial or financial information | ____ | (9) Well Information (geographic or geophysical) |
| ____ | (5) Internal Documents | | |

Signed Lorne R. Wessenborn

Date 6/20/83

FEC 9-21-77

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911941

GCC# 3791

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036
202 - 785-3353
202 - 223-4358

81 JAN 26 AM 10:50
92 JAN 26 AM 11:26

January 22, 1981

Honorable John Warren McGarry, Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252(80) subpeona

Dear Mr. Chairman:

On December 17th I told members of the Commission staff that Bay Buchanan, then Treasurer of the Reagan Bush Committee and the only person who could produce documents, was hospitalized and recovering from heart surgery and could not provide the discovery requested by the Commission. I confirmed this by letter. Bay Buchanan has now been appointed Treasurer of the United States, and Scott Mackenzie is the Treasurer of the Committee. Mr. Mackenzie will contact Ms. Gentner to arrange a mutually agreeable time for compliance with the FEC subpoena. The Reagan Bush Committee has moved from Arlington to 300 First Street, S.E., Washington, D.C.

I am writing this letter to fulfill my obligation to follow-up on my December letter concerning Bay Buchanan's unavailability, and thus to expedite Commission contact with the proper Reagan Bush Committee personnel.

83040423861

Harry Diffendal

HAD/pc

cc: Loren A. Smith, Esquire
Ms. Gentner
Ms. Bak
Ms. Weissenborn

8304042386

911[illegible]9 GCC# 3637

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036
202 - 785-5555
202 - 223-4555

December 22, 1980

Honorable John Warren McGarry, Chairman
Federal Election Commission
1325 K St. N.W.
Washington, D.C. 20463

Re: MUR 1252(80) subpeona

Dear Mr. Chairman:

I met with Marsha Gentner, Patricia Bak, and Anne Weissenborn on the morning of December 17, 1980, to discuss your subpeona. I explained to them that Bay Buchannan, our Treasurer, is in the hospital and will not return until January. Since she is the custodian of our records, none of the records can be produced until she returns. Ms. Gentner said she would be willing to go to our Arlington office when Ms. Buchanan returns to examine the records, rather than having us deliver them to your office. This is preferable from from our point of view. Space and copying machines will be made available at our cost. We will notify Ms. Gentner as soon as Ms. Buchanan returns and arrange a meeting at their mutual convenience.

Very truly yours,

Harry Diffenderfer

HD/ip

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0 DEC 29 P12:01

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036
202 - 785-5555
202 - 223-4558

December 22, 1980

Honorable John Warren McGarry, Chairman
Federal Election Commission
1325 K St. N.W.
Washington, D.C. 20463

Re: MUR 1252(80) interogatories

Dear Mr. Chairman:

In response to your interrogatories the following answers are submitted, which supplement our previous response.

A.1. There were literally over one million people involved in the campaign if you include staff, volunteers, contractors and vendors. You have been provided a staff roster. We will in addition provide you with campaign phone directories. We will provide a list of those who volunteered at Headquarters, but we are unable to provide a list of all volunteers. State and local offices did not maintain such lists.

Everyone associated with the campaign participated in some way, "directly or indirectly, in the oral or written authorization (express or implied) of" some expenditures. The people actually authorized to approve expenditures are listed in the attached memo, marked exhibit A.

2. Everyone associated with the campaign participated in some way, "directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents [or] materials" related to the election of Ronald Reagan.

B. This was previously provided.

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C. There were no communications between Mrs. Chennault and the Committee at any time concerning "the organization, structure, operation, or activities of Americans for Change". Loren Smith advised Mrs. Chennault to resign from AFC when it came to his attention that AFC had included her name in its committee. (see our previous response)

Senator Laxalt called Mrs. Chennault in the spring of 1980, sometime between mid March and mid April. They discussed Mrs. Chennault's association with the Reagan Campaign in the capacity of Chairman of Nationalities.

At the Convention an unidentified staff member approached Mrs. Chennault and confirmed that she would be announced as head of Nationalities.

In all probability Mrs. Chennault discussed the Reagan Campaign in passing at social or other events during the period in question. However, the R/B Committee is not aware of any communications except the two listed above.

D. (blank)

E. Campaign phone directories will be provided to Ms. Gentner when she visits our Arlington office to inspect other materials.

F. This was provided in our monthly filings and in our previous response to your subpeona.

G. The Reagan/Bush Committee did not require employment histories from people working on the campaign. We therefore cannot respond to this question. The campaign is disbanded and it would be difficult to locate campaign personnel. We did not interrogate the staff as to their past associations. If the Commission wishes to pursue this question we will provide the Commission with the last known address of anyone the Commission wishes to contact.

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As already noted Mrs. Chennault was listed as a member of AFC for a brief period; Richard Wirthlin is President of DMI; you have been provided the invoices we have for the companies listed; Committment 80 was a RNC program and almost everyone on the Campaign had at least some contact with it; the files on the Unity Dinner will be made available to you; Stuart Spencer met with Don Fierce of AEP on May 28 and 29th, to discuss the formation of AEP but never accepted a position with AEP or was otherwise associated with it.

Very truly yours,

Mary Lee Garfield

Mary Lee Garfield

Sworn to and subscribed before me a Notary Public of the District of Columbia this 23rd day of December, 1980.

Pamela A. James

My Commission Expires February 14, 1984

MLG/ip
cc: Loren Smith, Esq.
Marsha Gentner, Esq.
Patricia Bak, Esq.

8 3 0 4 0 4 2 3 8 6 6

Exhibit A

September 1, 1980

MEMORANDUM TO: All Deputy Directors

FROM: Verne Orr

SUBJECT: Expense Authorizations

We are receiving requests for expense authorization from numerous individuals. Occasionally, when it appears to be an emergency, we have approved oral requests.

In one instance, such an oral approval was subsequently not accepted by the cost center involved.

To eliminate confusion, following is a list of individuals we understand are authorized to obligate their respective cost centers. If you wish additions or deletions for your cost center please let me know.

Chairman

Bill Casey
Jim Baker
Barbara Hayward
Mary Costello

Research

Ed Meese
Bob Garrick

Political

Bill Timmons
Stu Spencer
Stan Anderson

Citizens Groups

Max Hugel
Bob Turnbull

Scheduling

Chuck Tyson
Marty Artiano

Press

Lyn Nofziger
Rose Marie Monk
Ken Towery

Polling

Dick Wirthlin

Vice Presidential

Dean Burch
Charles Greenleaf

Anne Armstrong

Maria Downs

Treasurer

Bay Buchanan
Neal Peden
Scott McKenzie

Administration

Verne Orr
Otto Wolff

3304042387

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036

WASHINGTON, DC
DEC 30 '80

The Honorable John Warren McGarry
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

80 DEC 24 AM 11:39

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80 DEC24 P12:08
911674

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036
202 - 785-5555
202 - 296-4556

December 22, 1980

Honorable John Warren McGarry, Chairman
Federal Election Commission
1325 K St. N.W.
Washington, D.C. 20463

Re: MUR 1252(80) interogatories

Dear Mr. Chairman:

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A.1. There were literally over one million people involved in the campaign if you include staff, volunteers, contractors and vendors. You have been provided a staff roster. We will in addition provide you with campaign phone directories. We will provide a list of those who volunteered at Headquarters, but we are unable to provide a list of all volunteers. State and local offices did not maintain such lists.

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B. This was previously provided.

80 DEC29 AM:04

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C. There were no communications between Mrs. Chennault and the Committee at any time concerning "the organization, structure, operation, or activities of Americans for Change". Loren Smith advised Mrs. Chennault to resign from AFC when it came to his attention that AFC had included her name in its committee. (see our previous response)

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83040423870

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Very truly yours,

Mary Lee Garfield

Mary Lee Garfield

Sworn to and subscribed before me a Notary Public of the District of Columbia this 23rd day of December, 1980.

Pamela A James

My Commission Expires February 14, 1984

MLG/ip
cc: Loren Smith, Esq.
Marsha Gentner, Esq.
Patricia Bak, Esq.

83040423871

Exhibit A

September 1, 1980

MEMORANDUM TO: All Deputy Directors

FROM: Verne Orr

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Jim Baker
Barbara Hayward
Mary Costello

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Ed Meese
Bob Garrick

Political

Bill Timmons
Stu Spencer
Stan Anderson

Citizens Groups

Max Hugel
Bob Turnbull

Scheduling

Chuck Tyson
Marty Artiano

Press

Lyn Nofziger
Rose Marie Monk
Ken Towery

Polling

Dick Wirthlin

Vice Presidential

Dean Burch
Charles Greenleaf

Anne Armstrong

Maria Downs

Treasurer

Bay Buchanan
Neal Peden
Scott McKenzie

Administration

Verne Orr
Otto Wolff

8304042387

GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036
202 - 785-5555
202 - 223-4556

December 22, 1980

Honorable John Warren McGarry, Chairman
Federal Election Commission
1325 K St. N.W.
Washington, D.C. 20463

Re: MUR 1252(80) subpeona

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Very truly yours,

Harry Diffendal

HD/ip

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GARFIELD & HAMERSLEY
ATTORNEYS AT LAW
SUITE 1040
1800 M STREET, NORTHWEST
WASHINGTON, D. C. 20036

23040324

DEC 23 '89
D. C.

Marsha Gentner, Esq.
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 8, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Loren Smith
Chief Counsel
Reagan Bush General Election Committee
901 South Highland Street
Arlington, Virginia 22204

Re: MUR 1252

Dear Mr. Smith:

The Commission has received the Motion to Modify Subpoena and Interrogatories, and to Accept Materials and Answers Submitted, and accompanying Motion for Consideration of Motion Filed Out of Time, filed by you on behalf of the Reagan Bush General Election Committee ("the Committee") in the above-referenced matter. Although the motion to modify was not timely filed, the Commission did review and consider that motion, and on December 2, 1980, voted to deny the Committee's motion to modify the Commission subpoena, and to decline to accept the materials submitted by the Committee as a substitute for full compliance with the Commission subpoena and order. A copy of the Commission's denial order is enclosed

Accordingly, the Committee is requested to produce for inspection and copying the documents previously described in the Commission's September 29, 1980 subpoena, at Room 706, 1325 K Street, N.W. Washington, D.C. on December 19, 1980, and all subsequent business days thereafter required to complete inspection. Answers to the written questions propounded by the Commission subpoena must be submitted to the above address within ten (10) days of your receipt of this letter.

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We also wish to note that with respect to the Committee's objections to the Commission subpoena contained in Part V of your motion (page 5), the Committee clearly is not required to produce documents that do not exist. Rather, the Committee must only produce those materials "in the possession or control of the Reagan Bush General Election Committee or of its officers, agents, staff members, volunteers or employees." See Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions to the Reagan Bush General Election Committee, at 1.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Commission Order

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Loren Smith
Chief Counsel
Reagan Bush General Election Committee
901 South Highland Street
Arlington, Virginia 22204

Re: MUR 1252

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Sincerely,

Charles N. Steele
General Counsel

Enclosure
Commission Order

83040423878

MGB
12/5/80

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1252 |
| Americans for Change, | ) | |
| et al. | ) | |

COMMISSION ORDER

The motion of the Reagan Bush General Election Committee to modify the September 29, 1980, Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions is denied. The motion of the Reagan-Bush General Election Committee to accept materials and answers submitted in lieu of full compliance with the September 29, 1980, Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions is also denied. The staff of the Office of General Counsel is directed to take all necessary and proper steps to ensure compliance with the requests contained in the Commission subpoena and order.

December 4, 1980
Date

John Warren McGarry
JOHN WARREN McGARRY
Vice-Chairman

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

Attest:

Marjorie W. Emmons
Marjorie Emmons
Secretary to the Commission

8 3 0 4 0 4 2 3 8 7 9

GCC# 3016

BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | : | |
| | : | |
| REAGAN GENERAL ELECTION COMMITTEE et al. | : | MUR 1252 |

MOTION TO MODIFY SUBPOENA AND INTERRORGATORIES, AND TO ACCEPT MATERIALS AND ANSWERS SUBMITTED; MOTION FOR CONSIDERATION OF MOTION FILED OUT OF TIME

The Reagan Bush Committee, designated by you as the Reagan General Election Committee, applies to the Federal Election Commission to modify the subpoena and interrogatories received October 6, 1980, and to consider this motion although filed out of time; as reasons therefor states:

1. The scope of the discovery sought improperly exceeds, pursuant to 2 USC 437g(2), the scope of the matters on which the Commission found reason to believe a violation had or would occur, and much of the information and documentation requested is irrelevant to this matter.

2. The Reagan Bush Committee is unable to comply with the breadth of documents required to be produced under the subpoena in the time allowed, because it is without sufficient resources to comply while carrying on the campaign, since assembling the materials, and debriefing every person involved with the campaign would disrupt the campaign activity.

80 OCT 30 AM 10: 51

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3. The Reagan Bush Committee is unable to comply with the requirements imposed by the subpoena and interrogatories without engaging in conduct that may be deemed in violation of the law.

4. The Reagan Bush Committee is unable to comply because some of the information requested is privileged.

5. The Reagan Bush Committeee is unable to comply since some of the material called for is not gathered or retained by the Committee.

6. To comply would abridge the First Amemndemnt rights of Reagan Bush Committee.

7. The late receipt of the subpoena directed to Patrick McCartan, Esq., of Jones, Day, Reavis & Pogue who forwarded it to us with a cover letter dated October 6, 1980, has caused us to be out of time in applying for modification. Not knowing further correspondence on this matter was forthcoming from the Commission, we had failed to advise the FEC that such matters were now being handled internally.

The Reagan Bush Committee does submit the information in the supporting Memorandum and the documents listed in Exhibit A attached hereto in response.

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WHEREFORE, the Reagan Bush Committee applies to the Commission to modify its subpoena and interrogatories to the extent that the material supplied (as listed in Exhibit A) is determined to be sufficient response to the request, and to consider this motion although filed out of time.

Loren A. Smith
Chief Counsel,
Reagan Bush Committee

Mary Lee Garfield,
Deputy Counsel,
Reagan Bush Committee
901 S Highland Street
Arlington, VA 22204
703-685-3810

8 3 0 4 0 4 2 3 8 3 8

EXHIBIT A

LIST OF EXHIBITS

A. Copy of RFP check made payable to NCPAC for payment of a memory typewriter.

B. Copies of mailings #11, #12, #13, #14, #16, #17.

C. 1980 invoices of Wiland and Associates.

D. 1980 invoices of Art J. Finkelstein & Associates.

E. List of employees and consultants from January 1 to date.

F. List of fundraising events.

G. List of pollsters and media buyers.

H. Ruth Jones Contract Termination.

I. Anna Chennault letter to AFC of July 22, 1980.

J. Charts.

83040423833

BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | : | |
| | : | |
| REAGAN GENERAL ELECTION COMMITTEE et al. | : | MUR 1252 |

MEMORANDUM IN SUPPORT OF RESPONDENT'S MOTION TO MODIFY SUBPOENA AND INTERRORGATORIES, AND TO ACCEPT MATERIALS AND ANSWERS SUBMITTED

## INTRODUCTION

The Commission, after a finding of reason to believe the Reagan General Election Committee, hereafter Reagan for President Committee if the reference is pre-convention, or Reagan Bush Committee if the reference is post-convention, has or will violate 2 USC 441a(f) and 26 USC 9012(b)(1) issued a subpoena and interrogatories of such sweeping scope that the campaign would cease to be a campaign if the manpower required to produce what has been requested was put to that task.

To produce every piece of paper that relates to any of the questions posed would require us to move our offices into yours, in the last weeks of the campaign.

In accord with the intention of the federal election laws, we object to the scope of the inquiry, and submit those materials relating to items which the Comission has found reason to believe may violate the Act.

## ARGUMENT

### The Subpoena and Interrogatories Impermissibly Exceed the Areas of Inquiry Deemed 'Relevant' by the Commission In Its Reason to Believe Findings

2 USC 437g(a)(2) authorizes the Commission, after a finding of reason to believe a person has or will violate the provisions of this Act, to investigate "such alleged violations"

3 3 0 4 0 4 2 3 8 8 4

In the Rtb Notification, the Commission stated:

> The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether or not there is reason to believe ...
>
> Notification of Reason to Believe
> (emphasis added)

"Relevant" is not defined in the Act or the Regulations, but in a discovery context, the Federal Rules of Civil Procedure provides the broadest of definitions:

> Parties may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter in the pending action.....
>
> 26(b)(1) FRCP, (emphasis added)

The Commission has found to be relevant in this action, only the following:

1. That FCM and the Reagan for President Committee used three vendors in common.

2. That NCPAC and the Reagan for President Committee used two vendors in common.

3. That FCM and NCPAC used Arthur Finkelstein and Associates after the Reagan for President Committee had used that entity.

4. That the Reagan for President Committee bought a memory typrewriter from NCPAC.

5. That three individuals reported to be associated with AFC were also involved with the Unity Committee (Huckaby), the RNC (Schmitt) and the Reagan Bush Committee (Chennault).

It therefore follows that the only documents that can be subpoened or interrogatories posed are those limited to:

a. The Reagan for President contracts with the suspect vendors.

8 3 0 4 0 4 2 3 3 3

2. An explanation of the work done for the Reagan for President Committee and the time frame of the Finkelstein contract.

3. A satisfactory explanation of the typewriter purchase.

4. With regard to the three individuals:

a. Since two of them are not connected with the Reagan Committee, only the Reagan Committee contacts with those persons; and,

b. Mrs. Chennault's contacts with AFC.

It is argueably unreasonable to require th Reagan Bush Committee to move what amounts to the entire conents of its Headquarters into the offices of the Federal Election Commission for the last two weeks of the campaign.

II

Present Personnel is Insufficient
To Gather the Information Sought, and
Present Personnel Cannot be Diverted From
Campaign Activities To Be Debriefed on
Their Telephone Calls and Other Contacts
From January 1, 1980, Most of Which
Do Not Relate to the RtB Finding.

The Commission can take notice of the fact that the last weeks of a general election campaign can be reasonably characterized as hectic.

To assemble the alphabetical list of employees, (Item E of Exhibits attached) required a large number of man-hours and the cooperation of several divisions within the campaign, to the detriment of the activites which would ordinarily require their full time attention.

If each employee were to respond to the information requested in the subpoena, the campaign would be paralysed for days, and such a burden placed upon the campaign of one of the contestants would be an unfair one when time is at such a premium.

8 3 0 4 0 4 2 3 9 3 6

III.

The Reagan Bush Campaign Runs the
Risk of Violating the Election Laws
If it Seeks the Information Requested,
As Soliciting the Information May Result
in Contacts With Those We May Not Consult

Some of the committess named in the subpoena are unknown to us, and thus are not authorized committees, some commercial entities are known to us, and have done work for us in the past. We do not know if such entities are employed by independant committees now. While, as we stipulate, we have extensive connections with the RNC, we do not monitor every activity of their hundreds of employees. We are in constant contact with their legal department and are confident that they are in compliance with the law. In all instances, we do not feel we have an affirmative burden to explore the past history of our employees or vendors.

In the case of our mailings, (Item B), we rented the mailing list on a one-shot basis. We do not own the list, and therefore cannot provide it. We do not know to what use it was put before or after our use. It should be noted that our use of these vendors was apparently prior to the use of these vendors by others. We cannot determine, except by prohibited contacts whether this is, in fact, the case.

We belive we have taken every reasonable precaution to avoid even the appearance of a violation, but we also urge that this Committee can not be held responsible for the acts of others, or be required to police others, when the mere policing would result in the appearance of violation.

IV.

Poll Results Are Privileged, and
the Committee Cannot Be Expected
to Provide Poll Results From An
Uncertain Time in the Past to Today

The subpoena calls for all poll and survey results which relate to the candidate's primary or general election taken at any time up to the present. This is so egregiously overbroad, without definition of "survey" as to seem a mockery, when the 'Voter Identification' programs are taken into consideration. In any event, we assert that these results are subject to privilege. We have provided the name of our pollster. (Item G)

3 3 0 4 0 4 2 3 9 7

V.

This Committee Does Not Record Incoming Telephone Calls, Require Employment Histories, or Prepare Minutes of Every Meeting

This Committee has never required those using its telephones to record every incoming or outgoing call that was made. We have no system for filing or retention of telephone memos. Employment histories are not a condition of employment.

In order to complete what must be done in the campaign period, time and money do not permit that minutes or each meeting or discussion be kept. We believe very few political committee keep such minutes.

The Committee believes it is unrealistic for the FEC to expect that any political committee could provide such infomration, or function if it were to compile such information.

VI.

The First Amendment Precludes the Requirement That Such Broad Discovery Be Granted About the Activites of Private Citizens Pursuing Their Right of Free Speech and Association

See our brief filed in CA 80-1609, Common Cause, et al.v. Harrison Schmitt et al.(in which we were intervening defendants), p. 10 et seq.

VII.

(1) In the light of the forgoing Argument, with respect to the subpoena, we are producing no documents regarding Request Number 1. The Reagan Bush Committee and its predecessor committees stipulate that it has had and continues to have extensive meetings, discussion and consultation with the Republican National Committee, with its own authorized committees, with Anna Chennault and with Stuart Spencer.

(2) With regard to Subpoena Request Number 2, the response of the Reagan Bush Committee to the Rtb included the invoices for Diversified Direct, Telepost and Tri-State. Item "C" is the Wiland invoices, Item B are the "product" produced by the joint effort of those vendors, as shown on the invoices.

Arthur Finkelstein is also dealt with in the RtB response, and Item "D" are the related invoices.

3 3 0 4 0 4 2 3 8 3 3

(3) See Item H.

(4) See Item A and response to RtB.

(5) We do not record incoming phone calls.

(A) See Itms E, G and J; our present media buyers are:

1. SFM Media Corp, 1180 Ave. of the Americas, NYC
2. D'Arcy-MacMannus and Masius, 360 Madison Ave., NYC.
3. Yardang Consultant Servies, One Romania Plaza, San Antonio, TX

(B) See Item A and response to RtB.

(C) See Item I and response to RtB.

(D) We do not respond to D since you omitted D.

(E) No response

(F) See Item F.

(G)

Wherefore, the Reagan Bush Committee, by its Chief Counsel, Loren Smith, submits the forgoing, and certifies that the answers given and the document produced are true and genuine, to the best of his knowledge and belief.

Loren A. Smith
Chief Counsel,
Reagan Bush Committee

Mary Lee Garfield,
Deputy Counsel,
Reagan Bush Committee
901 S Highland Street
Arlington, VA 22204
702-685-3810

6 3 0 4 0 4 2 3 8 3 9

National Conservative
Political Action Committee
1500 wilson blvd. suite 513 arlington, va. 22209 (703) 522-2800

February 22, 1980

Neal Peden
c/o Reagan for President
1828 L Street, NW #201
Washington, D.C. 20036

Dear Neal,

It has come to my attention that the Reagan campaign has agreed to buy the IBM memory typewriter they have had in their possession since October of 1979. The confirmed price of this machine was to be $2,200.00.

Since it has been quite a while since this deal was made and no action has been taken towards payment; I am asking now for a check for $2,200.00 to NCPAC for the purchase of the machine mentioned above. I am leaving the Committee soon and I would like to see this cleared up before I go.

If you have any questions about this, please give me a call.

Sincerely,

Becki C. Burlingame
Treasurer

BCB:jd

pd. 7-1-80
#5983-542
$2200.00

| DATE | | AMOUNT |
|---|---|---|
| letter of Feb. 22, 1980 | | |

REAGAN FOR PRESIDENT
9841 AIRPORT BLVD., STE. 1430
LOS ANGELES, CALIF. 90045

5983

purchase of Memory Typewriter

⑆08-17-1⑆

July 1 1980

PAY TO THE ORDER OF National Conservative Political Action Committee $2200.00

Two thousand two hundred dollars and no cents — DOLLARS

Santa Monica Bank
FOURTH STREET AND ARIZONA AVENUE
Santa Monica, Calif. 90401

Roy Buchanan

⑈0000 2 20000⑈

8 0 4 0 4 2 3 8 9 2

FOR DEPOSIT ONLY
NATIONAL CONSERVATIVE
POLITICAL ACTION COMMITTEE

PNB 3 PAY ANY BANK 1

042-070-9161

# MEMORANDUM

To: Bay Buchanan

From: Cheryl Swain

Subject: February 5 & 6, 1980, Group 1 RFP-HF Mailing
February 15, 1980 RFP and CFTR Mail-Grams

Date: February 6, 1980

I am returning to you your check number 1207 made out to the US Postmaster for the amount of $3,900.00. Telecommunications Industries, Inc. is unable to use this check for two reasons. They are:

1. Stamps have already been purchased. Bought the stamps for us.
2. The Post Office requires that checks be cashed on the same day on which they were written and that the amount be exact.

I would like to have a new check issued for the amount of $3,992.63 to represent $1,140.75 for postage and the remainder for charge against the bill of seventy-five cents per letter for laser printing and mailing of 7,605 pieces. This check should be made out to Telecommunications Industries.

#1214 Union 2364 $3992.63 Feb. 8, 80

The above-referenced amount will be indicated on the invoice which I will forward to you upon my receipt.

I have and will carefully review all invoices to make certain that proper amounts have been reflected.

I would like a second check which should also be made out to ~~Telecommunications Industries.~~ U.S. Postmaster. The amount of the check should be $30,000.00 to represent the printing and mailing of 159,059 RFP and CFTR Mail Grams. An itemized breakdown follows.

| | |
|---|---|
| Group 1 (3518 pieces at .30 each for postage) | $1,055.40 |
| Groups 2 & 3 (155,541 pieces at .15 each for postage) | $23,331.15 |
| Cash Outely | $5,613.45 |
| | $30,000.00 |

when needed by the 14th

Both checks should be forwarded to me by Federal Express as soon as possible.

If there are problems with my requests, please notify me immediately, as the drop date for the upcoming mailing is finely tuned with the New Hampshire primary.

Thank you.

Cheryl Swain

cc: Paul Dorian

8304042389

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

* DESIGNATE With An (X)
BY TRUCK [ ] FREIGHT [ ]

RECEIVED subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

From: THE [illegible] OF MD INC
[illegible] MD

At: (Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION: D H [illegible]
[illegible]
[illegible]MDOT MD

DATE: / / 19 [illegible]

SHIPPER'S NO. [illegible]

CARRIER ↓

CARRIER'S NO.

BY: CSX STACK

10194

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| 1 | | 7-3/4 24 [illegible] OF DE SED SAY [illegible] PIPING | | | |
| | | JOB# 2-0392-[illegible] PO# [illegible] PLACAR FOR [illegible] | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid, write or stamp here: "To be Prepaid."

Received $ _____ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$ _____

HAZARDOUS CERTIFICATION: This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's compute in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The blue boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper _____

FORM 12004. REGENT FORMS. BELLMAWR, N.J. 08031

8 3 0 4 0 1 2 5 8 0

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10194

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA. OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS. NET 10 DAYS | SHIPPED TO. SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 3-18-80 | 2-0392-80M | | X | | DMS MD | 1 | 1 | 1 | | |

Reagan for President
1828 L Street NW Suite 201
1 Wash DC 20036

1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 90,000 | 7-3/4 24 WW OS DS Std Sty Wdw | 14.60M | 1314.00 |
| | plates | | 15.30 |
| | | | 1329.30 |
| | MD 5% | | 66.47 |
| | Total | | 1395.77 |

OK Amb. #16

Pd. May 14, 1980
#653-204
$4863.11

BL# 12043 Dave

| B/L NO | SLSM | CUT CHG | FRT CHG | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 3 8 9 6

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

DESIGNATE WITH ✓ BY TRUCK [ ] FREIGHT [ ]

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

FROM TRI-STATE ENVELOPE CO., INC.
AT BELTSVILLE, MD.
(Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION
A S A P
[illegible] ST. N.W.
WASHINGTON D.C.

DATE 19

CARRIER ↓

BY 10129

ROUTE

SHIPPER'S NO.

CARRIER'S NO.

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HM/ARTICLES MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | 7-3/4 [illegible] WHITE WOVE [illegible] | | | |
| | | SPLIT [illegible] | | | |
| | | JOB 3-3431-[illegible] PO2 | [illegible] | [illegible] | |

Subject to Section 7 of conditions of applicable bill of lading, if the shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

PREPAID

Received $ _____ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:

$ _____

SHIPPER'S CERTIFICATION This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's imprints in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note — Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The fibre boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper**

(4)

FORM 12004. REGENT FORMS. BELLMAWR, N.J. 08031

8 3 0 4 0 4 2 3 8 0

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10129

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA. OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW. TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3-13-80 | 3-0491-BUM | | X | | ASAP DC | 1 | 1 | 1 | |

SOLD TO
Reagan for President
1828 L Street NW #201
Wash DC 20036
ATTN: Cheryl Swain

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 13,000 | 7-3/4 24 WW OS DS Regular Split Gum | 14.60M | 189.90 |
| | plate | | 7.50 |
| | | | 197.30 |
| | DC 5% | | 9.87 |
| | Total | | 207.17 |

16th, mailing RFP-1HP Gr 1 (12)

OK Camp. #16

pd. May 14, 198 #653-204 $4863.19

BL# 12217 Dave (10 now)

| BIL NO | SISM | CUT CHG | FRT. CHG | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading including those on the back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE

SHIPPER'S NO

From

At (Mail or street address of consignee – For purposes of notification only)

19

CARRIER

BY

CARRIER'S NO

CONSIGNEE AND DESTINATION

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. UNITS | HM | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here "To be Prepaid"

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:

$ _____

SHIPPER'S CERTIFICATION. This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

The shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Specific commodity rates are not a part of Bill of Lading approved by the Interstate Commerce Commission.

Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

* The fibre boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper**

(4)

FORM 12004. REGENT FORMS BELLMAWR N.J. 08031

# tri-state envelope corporation of maryland

INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 (301) 792-7170
(202) 953-3570

NUMBER 1046

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 4-7-80 | 3-0665-80M | | X | | DMS | MD | 1 | 1 | 1 |

SOLD TO
Reagan for President
1828 L Street Suite 201
Wash DC 20036

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 125,000 | 6-3/4 24 WW OS DS Regular BRE Split Gum | 11.25M | 1406.2 |
| | plate | | 7.5 |
| | | | 1413.7 |
| | MD 5% | | 70.6 |
| | Total | | 1484.4 |
| BL# 12592 Dave | | | |

| B/L NO | SLSM | CUT CHG | FRT CHG | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 3 8 9 6

Scott McKenzie
213-670-916

# MEMORANDUM

To: Bay Buchanan

From: Cheryl Swain

Subject: Required Checks

Date: February 20, 1980

In order to procure goods and services required for our March 3, 1980, prospect mailing and March 7, 1980, Reagan for President house file mailing, it is necessary that the following three checks be federal expressed to me today.

| Amount of Check | Provider (to whom check should be made) & Address |
|---|---|
| 1. $1,763.00<br>#1228/2264<br>Feb. 22, '80 | Todd Allan Printing<br>802 Rhode Island Avenue, N.E.<br>Washington, D.C. 20018<br><br>to be used to pay for 265,000 Ronald Reagan pictures to be used as inserts for prospect mailings - at $ 6.65 per thousand. |
| 2. $3925.00<br>#1229/2264<br>Feb. 22 | Wiland & Associates<br>~~219 East Davis Street~~<br>Culpepper, Va. 22701<br><br>to be used for laser printing of approximately 75,000 letters and response devices for RFP-house file mailing - at $ 46.00 per thousand, plus $250 for tape conversion |
| 3. $3,347.50<br>#1230/2264<br>Feb. 22 | Atlantic List Company, Inc.<br>2100 M Street, N.W., Suite 307<br>Washington, D.C. 20037<br><br>to be used to rent names from Daily News Digest at $ 75.00 per thousand and California Ringmakers at $ 60.00 per thousand - these lists have been proven to work for us. |

Without my immediate receipt of these checks, the necessary goods and services cannot be possibly obtained.

Thank you.

Cheryl Swain

8304042390

# Wiland & Associates, Inc.

219 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

| WORK ORDER NUMBER | ACCOUNT NO. | CUSTOMER P.O. | DATE | INVOICE NO. |
|---|---|---|---|---|
| 20626 | 187 | Letter/Stone | May 10, 1979 | 21708 |

| SOLD TO: | SHIPPED TO: |
|---|---|
| Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 | Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 |

# INVOICE

| FUNCTION PERFORMED - DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,937 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print 4-up Cheshire labels to Nationwide Conservative Donors Flag B (twice) | 1,698 | min.chg. | 12.00 | |
| Print 4-up Curved labels to Nationwide Conservative Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

REAGAN FOR PRESIDENT
PAID
DATE: 6-11-79
AMOUNT 85.46
CHECK NUMBER # 776
SECTION/ OFFICE:
APPROVED BY: per Fmb

TERMS: NET 30 DAYS

TOTAL $85.46

RECEIVED JUN 5 1979

IF YOUR CHECK WILL BE POSTMARKED ON OR BEFORE N/A

PAY THIS AMOUNT N/A

CUSTOMER'S COPY — PLEASE RETAIN FOR YOUR RECORDS

0304023901

misc. w file

NCAI JUN 5 REC'D

# Willand & Associates, Inc.

219 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

| WORK ORDER NUMBER | ACCOUNT NO. | CUSTOMER P.O. | DATE | INVOICE NO |
|---|---|---|---|---|
| 20626 | 187 | Letter/Stone | May 10, 1979 | 21708 |

| SOLD TO: | SHIPPED TO: |
|---|---|
| Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 | Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 |

## INVOICE

| FUNCTION PERFORMED - DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACC'T CODE |
|---|---|---|---|---|
| Select Flag B from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,937 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print 4-up Cheshire labels to Nationwide Conservative Donors Flag B (twice) | 1,698 | min.chg. | 12.00 | |
| Print 4-up Gummed labels to Nationwide Conservative Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

5/23/79

This constitutes a print-out used in our Conn. mailing on May 10 - we are paying computer charges only.

| REAGAN FOR PRESIDENT | |
|---|---|
| | PAID |
| DATE: | 6-6-79 |
| AMOUNT | 85.46 |
| CHECK NUMBER: | 776 |
| SECTION/ OFFICE: | Conn |
| APPROVED FOR PAYMENT | Comptr. |

TERMS: NET 30 DAYS

TOTAL ▶ $85.46

IF YOUR CHECK WILL BE POSTMARKED ON OR BEFORE N/A

PAY THIS AMOUNT ▶ N/A

RECEIVED JUN 5 1979

ORIGINAL INVOICE

830404039

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1493

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. 1/24/80 | DDI JOB NO. DDI P.O. NO. 1141 DIVISIONAL JOB NO. 10246 | SALESMAN SK | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 26 M | Computer forms, with 2 color face and back. | 29.19/M | 758.94 |
| | Authors Alterations: | | |
| | Line shots: | | 10.80 |
| | Labor: stripping: | | 72.00 |
| | TOTAL INVOICE: | | $841.74 |

2/24/80
# 1267/2264
$409.72

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5185

DATE Jan. 31, 1980

TO:

Reagan for President
1828 L St. N.W. Suite 201
Washington, D.C. 20036

SHIPPED TO:

Post Office

MH 011697

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 1/29/80<br>1/30/80 | RF 2011<br>CM 1067<br>9320 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 225. | | |
| 22,389 | Insert, stamp, burst, trim & fold, match. | 45.00/M | 1,007.51 |
| | Postage Used: $3,363.15 | | |
| | TOTAL INVOICE: | | $1,007.51 |

3/24/80
#12[illegible]
$1,[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1495

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St. N.W.
Washington, D.C. 20036
Suite 201

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger Editors
East West Hwy.
Hyattsville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/24/80 | 1329 / 10259 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 13.5 M | Computer forms, with 2 color face and blank back. | 32.97/M | 445.09 |
| | Authors Alterations: Labor: stripping: | | 31.50 |
| | TOTAL INVOICE: | | $476.59 |

1/24/80
#126 1/2 2664
#46772

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5163

DATE 1-29-80

TO:

Reagan for Pres., Committee
1828 L. St. N.W.
Washington, D.C. 20036

SHIPPED TO:

MH-11682

DDI

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 1-24-80 | RFP 2010 / CM 6253 / 9305 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services | | |
| 7,605 | Stamp RAE 3-5¢ | 7.50/M | 57.04 |
| | Postage Used $1,140.75 | | |
| | Invoice Total | | 57.04 |

3/24/80
#1201/2264
$4697.27

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

RECEIVED FEB 19 1980

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5190

DATE 2/6/80

MH 011703

**TO:**

Reagan for President Committee
1828 L St. N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 2/1/80 | RFP 2011 / CM 1067 | 93202 | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES GR 225 | | |
| 2,619 | Burst, trim, fold, match, stamp and insert. | 45.00/M | $117.86 |
| | Postage Used: $393.90 | | |
| | TOTAL INVOICE: | | $117.86 |

830404239777

Prospect Okay CJ 2-11-80

Mailing #11

Filed

Thru 14, 80

#651-214

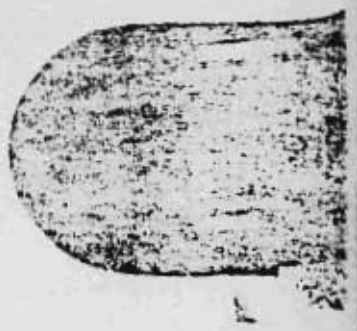
$11,614 25

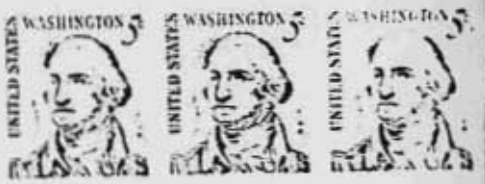
WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

11 oz

A-6

B






8 3 0 4 0 4 2 3 9 0 E

Mr. M. Scott Mcraudd
702 Fairway Ln.
Columbia SC 29210

... ... as completely

# Ronald Reagan
Pacific Palisades, California 90272

January 25, 1980

Mr. M. Scott McFadden Jr.
702 Fairway Ln.
Columbia SC 29210

Dear Mr. McFadden:

Nancy and I would like you to have the enclosed photograph as a token of our appreciation for your past support of the Republican Party and conservative causes.

The picture was taken at our home in Pacific Palisades, California.

With your help we will win the White House. 1980 will be a year of Republican victory.

With that in mind, I've listed 4 questions which I'd like your answers to.

Please take a few minutes now to fill out your answers and mail them back to me today.

Your advice is important to me. And what you tell me by your answers will be an important tool in running a winning Reagan for President campaign.

For example, I'd like to know whether you believe Carter, Kennedy or Brown would be the most difficult Democrat candidate to beat.

Since I have personally selected you to give the answers for your area, I really do need to hear back from you right away.

If for some reason you don't want to answer my questions, I will need to know that so I can contact someone else in your area to take your place.

Running for President is an extremely difficult and long undertaking. Since I became a candidate just over three months ago, I have already visited 18 states and given over 70 speeches.

This advertisement is on behalf of REAGAN FOR PRESIDENT Committee, 9841 Airport Blvd., Suite 1430, Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee—Paul Laxalt, Chairman, Ray Buchanan, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

8 3 0 4 0 4 2 3 9 0 9

But the fact I may win the chance to make America strong and proud again, to enrich the future of our children, makes the grueling days on the road all worthwhile. With your help, I will win that chance. Let me share some of my thoughts with you on a few of the issues of special concern to me:

Since 1976 we have seen the Democrats:

- give away our canal in Panama to a marxist dictator
- allow America to be humiliated by a terrorist regime in Iran
- fail to stand up to Communist aggression in Afghanistan, Angola, and other trouble spots in the world
- allow the presence of Russian combat troops only 90 miles from our own shores in Communist Cuba
- sign a pro-Soviet SALT II Treaty which would further weaken our military defenses and watch the Russians pull far ahead of us in the arms race
- destroy our intelligence capability so that we can be humiliated and embarassed around the world.

As President, I'll rebuild America's defenses. We need a coherent foreign policy that measures everything by this standard; what is best for the United States of America? It's time we stopped worrying about whether other countries in the world like us and start worrying about whether they respect us.

America must have strong, new leadership if we are to stand up to the Communist attack abroad and restore prosperity and opportunity at home. I want to provide that leadership more than anything I have wanted in my life.

But without the necessary funds, I won't be able to run a winning campaign or stand up for the American ideals which you and I share.

Every respected national and regional poll shows that I can win. But not without your help.

Our campaign treasurer, Bay Buchanan, tells me we must raise $3,595,000 in the next two months. We need

8304042391C

$230,000 just to pay for the rent, telephones, printing, postage, buttons, bumper stickers and other immediate expenses in the next two weeks.

All the favorable polls in the world won't help if we can't raise this money.

When you return your answers to me, perhaps you can send a check for $10, $15, $25 or even $50. Or possibly you can send us as much as $150 or $250.

Please don't think your contribution won't make a difference in my campaign because it will. I don't have alot of wealthy businessmen sending me checks for $1,000 each.

My campaign is mostly funded by $25 and $50 contributions or less.

If you could send a large check, we certainly could use it. This is maybe even as much as $250 or $500. But anything you can send will be deeply appreciated because it shows I have your trust and support.

I plan to hold a meeting of my top campaign advisors within the next 14 days. I want to discuss your answers to the questions I've enclosed at that meeting.

So please try to fill out and mail back the enclosed reply form today so I will know whether I can count on your financial help and your political advice. Let me know who you think will be the toughest Democrat to beat, and please send a check for $15, $25, $35, $50, or even $100 or more.

In 1980 we can elect a Republican President but only if you and other good people like you do their part now.

I'll be anxiously looking forward to hearing from you.

Sincerely,

Ronald Reagan

P.S. Again, it's important that I have your answers in the next 14 days. I must also know whether I can count on your support and whether you will help us meet our financial budget projections. Please let me hear from you today.

8 3 0 4 0 4 2 3 9 1 1

From:

Mr. Lamar P. Brown
710 Seven Oaks Ln.
Columbia SC 29210

BAA

(Please fill out as completely as possible)

1. **Do you consider yourself:** ☐ Republican
   ☐ Democrat
   ☐ Independent

2. **Which 3 issues in your opinion should I stress in my campaign?**
   (Check 3 only)
   ☐ Inflation
   ☐ National Defense
   ☐ Energy
   ☐ Decline in Morality
   ☐ Big Government
   ☐ Welfare Fraud
   ☐ Other _____

3. **Do you consider yourself:** ☐ conservative
   ☐ moderate
   ☐ liberal

4. **Who do you feel would be easier for me to defeat?**
   ☐ Jimmy Carter
   ☐ Teddy Kennedy
   ☐ Jerry Brown

5. **Governor Reagan, to demonstrate my support for you, I am enclosing my check for**
   ☐ 15 ☐ 25 ☐ 50 ☐ 100
   ☐ 250 ☐ 500 ☐ 1000 ☐ Other _____

PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT

I understand the following information is required by federal law:

Occupation _____

Place of Business _____

City/State _____

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee, 2641 Airport Blvd., Suite 1430, Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee - Paul Laxalt, Chairman, Baz Buchanan, Treasurer
A copy of our report is filed with and is available for purchase from the Federal Election Commission, Washington D.C. 20463

8 3 0 4 0 4 2 3 9 1 2

Please accept this photograph as a token of appreciation for your fine support Dallas won in 1980.

Nancy & Ron

8304042391 3

No Postage
Necessary
if Mailed
in the
United States

# BUSINESS REPLY MAIL

FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

3 3 0 4 0 4 2 3 9 1

# Diversified Direct, Inc.

B-4

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5202

DATE 2-11-80

TO:

Reagan for President Committee
1828 L St. NW
Washington, D.C. 20036

SHIPPED TO: MH-11716

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 2-8-80 | RFP 2013 / CM 1095 9322 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services<br>GR328 | | |
| 37,166 | Insert,Stamp,Burst,Trim & Fold | 25.75/M | 957.03 |
| | Postage Used $3,128.25 | | |
| | Invoice Total | | 957.03 |

OK mailing #12

Pd. Mar 14, 81
652-8 x4
$11,614.25

2-8-80
RFP 14F
GR 3
Chk

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

330402391

# Diversified Direct, Inc.

**INVOICE** 03

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5203

DATE 2-11-80

**TO:**

Reagan for President Committee
1828 L St. N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

ME MH-11715

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2-8-80 | RFP 2012 / CM 1238 9321 | | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services GR228 | | |
| 31,472 | Insert,Stamp,Burst,Trim & Fold Match | 45.00/M | 1,416.24 |
| | Postage Used $4,726.20 | | |
| | Invoice Total- | | 1,416.24 |

OK and mailing #12

D-8-80 RFP 14F

Rd. May 14, 80 #652.204 $11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

330412391

A-1

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1539

DATE Jan. 31, 1980

**TO:**

Reagan for President
1828 L St., N.W.
uite 201
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/31/80 | 1343 / 10281 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 16,793 | Computer forms, with 2 color face and back. | 48.88/M | 820.84 |
| | Authors Alterations: | | |
| | Line shots: | | 2.70 |
| | Labor: stripping: | | 31.50 |
| | TOTAL INVOICE: | | $855.04 |

3/24/80

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

A-81

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1540

DATE Jan. 31, 19

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/31/80 | 1340 / 10277 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 16,294 | Computer forms, with 2 color face and coded: No $ amt. | 22.71/M | 370.03 |
| 19,302 | Computer forms, same specs. Coded: with $ amt. | same | 438.34 |
| | Authors Alterations: | | |
| | Line shots: | | 6.00 |
| | Labor: stripping: | | 45.00 |
| | TOTAL INVOICE: | | $859.37 |
| | | 3/24/80 | |
| | | #1267/2286 | |
| | | $4057.25 | |

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

8304012391E

# Diversified Direct, Inc.

RECEIVED FEB 1 1980

# INVOICE

A-9

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1555

DATE Feb 7, 1980

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036
Attn: C. Swaim

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/4/80 | 1344 / 10278 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 38,605 | Letters, with 2 color face and back. | 24.39/M | 941.57 |
| | Authors Alterations: Labor: stripping: | | 9.00 |
| | TOTAL INVOICE: | | $950.57 |

Group III - HF
Okay
Cat
2-11-80

# 589/204
4-22-80
$1961.27

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

A-10

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-4605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5185

DATE Jan. 31, 198(

MH 011697

**TO:**

Reagan for President
1828 L St. N.W. Suite 201
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 1/29/80<br>1/30/80 | RF 2011<br>CM 1067<br>9320 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 225. | | |
| 22,389 | Insert, stamp, burst, trim & fold, match. | 45.00/M | 1,007.5 |
| | Postage Used: $3,363.15 | | |
| | TOTAL INVOICE: | | $1,007.5 |

Okay
Chris
[illegible]

3/24/8
# 12[illegible]
$4[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
700 Meadow Road
Virginia
2210
(703) -8200

# TELEPOST

February 11, 1980
Invoice No. 655

RECE 1980

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

7,625 Three-page laser letters with two insertions and signature block @ 90¢ each = $6,862.50

Payments received: $3,992.63 (check no. 1214)

BALANCE DUE: $2,869.87

8304042392 1

$ 7021.17
P.O. Box 274 1980
1981/2029

Mailing # 12

12 OL
A-11

8304042392

#2

R. Bay Buchanan
Apt. 502
5974 Buckingham Parkway
Culver City, CA 90230

Ronald Reagan
Pacific Palisades, California 90272

February 11, 1980

R Bay Buchanan
Apt 502
5974 Buckingham Parkway
Culver City, CA 90230

Dear Mr. Buchanan:

This may be the most important letter I've ever written you.

By now I'm sure you've heard the results of the Iowa Caucuses.

Although the public opinion polls showed on Caucus Day that I was favored by more Republican voters than any other candidate, enough of my supporters didn't turn out for me to win.

Although I'm confident that we are well organized and can win in New Hampshire, we can't let this happen again.

Once again the polls show that if every Reagan supporter votes in the early primary, we will win. But if the turn out of our supporters is light, we could be defeated.

I am deeply grateful for your past contribution of $100. But if we are to win in New Hampshire, I must ask you to send me a check in the same amount as before or $200 or $300 if you possibly could.

Let me explain.

We have the dedicated volunteers in New Hampshire to call every Reagan supporter and remind them to vote - but as of today we don't have the $279,000 which we need to install telephone banks in our headquarters in New Hampshire, Vermont, Massachusetts, Florida and South Carolina.

The telephone company insists on large deposits in advance. Frankly, we must raise this $279,000 in the next two weeks.

All the favorable polls in the world won't help if we can't

This advertisement is on behalf of REAGAN FOR PRESIDENT Committee 9541 Airport Blvd. Suite 1430 Los Angeles California 90045
REAGAN FOR PRESIDENT Committee - Paul Laxalt, Chairman, Bay Buchanan, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

8 3 0 4 0 4 2 3 9 2 3

raise this money for telephones today.

Please don't think that your contribution won't make a difference in my campaign because it will.

If you could send a large check today we really could use it. But anything you can send will be deeply appreciated because it shows I still have your trust and support.

I believe we can make this country great again.

America must have strong, new leadership if we are to stand up to the Communist attack abroad and restore opportunity and prosperity at home. I want to provide that leadership more than anything I've wanted in my life.

Your friendship and support have meant so much to me in the past. I really need your help now.

I'm enclosing one of my favorite snapshots of Nancy and me that I'd like you to have as a small token of our appreciation.

I'm confident that we can win in New Hampshire. Please let me hear from you today.

Sincerely,

Ronald Reagan

RONALD REAGAN

P.S. The telephone company requires payment in advance to install our primary day telephones. Please let me hear from you today.

8 3 0 4 0 4 2 3 9 2

# MEMO REPLY MEMO REPLY MEMO

**TO:** Governor Ronald Reagan

**SUBJECT:** Emergency in New Hampshire

**FROM:**

R Bay Buchanan
Apt 502
5974 Buckingham Parkway
Culver City, CA 90230

90230BCHN974 R
AAA

8304042392 5

Dear Governor Reagan,

YES, I want to help win in New Hampshire. We must have the telephones needed to get out every Reagan voter.

Enclosed is my maximum contribution of:

☐ $100 ☐ $200 ☐ $300 ☐ _____ Other

towards the $279,000 we must raise immediately. PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT.

I understand the following information is required by Federal law:

Occupation _____

Place of Business _____

City/State _____

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee, 9841 Airport Blvd., Suite 1410, Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee, Philip Lovell, Chairman, Ray Buchanan, Treasurer
A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C. 20463

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

8 3 0 4 0 4 2 3 9 2 6

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
170[illegible] Meadow Road
McLe[illegible]n, Virginia
22102
(703) 821-8200

TELEPOST

February 11, 1980
Invoice No. 655

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

7,625 Three-page laser letters with two insertions and signature block @ 90¢ each = $6,862.50

Payments received: $3,992.63 (check no. 1214)

BALANCE DUE: $2,869.87

Paid

mailing #12

2-8-80 Call Rep-HF OK CLX

#4459/342
5-2-80
$7621.17

8 3 0 4 0 4 2 3 9 2 7

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
700 Old Meadow Road
McLean, Virginia
22101
(703) 821-8200

# TELEPOST

RECEIVED FEB 19 1980

February 15, 1980
Invoice No. 657

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms. Cheryl Swaim

3,518 Live Postage Group I BRE's. (CFTR & RFP) @

.15¢ each = $527.70

BALANCE DUE: $527.70

2-15 Mailgram

3304042392 8

March 24
$ 70.21-17
# 1951/2009

Mailing #13

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

February 15, 1980
Invoice No. 656

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

159,059 TELEPOST Letters for RFP and CFTR names, Groups I, II and III generated for mailing February 15, 1980 @ 40c each = $63,623.60

Payments received: $24,386.55 (check no. 372)
5,613.45 (check no. 373)

$30,000.00

BALANCE DUE: $33,623.60

Paul

Check #13

8 3 0 4 0 4 2 3 9 2 9

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 [illegible] Meadow Road
McLean, Virginia
22102
(703) 8[illegible]-[illegible]200

# TELEPOST

February 15, 1980
Invoice No. 656

RECEIVED FEB 19 1980

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

159,059 TELEPOST Letters for RFP and CFTR names, Groups I, II and III generated for mailing February 15, 1980 @ 40¢ each
= $63,623.60

postage

Payments received: $24,386.55 (check no. 372)
5,613.45 (check no. 373)

$30,000.00

BALANCE DUE: $33,623.60

3623.60
30,000.00
10,000.00 → #1279/2264 March 31 $10,000.00
20,000.00
10,000.00
$20,000 → #582/104 4/17/80 $20,000.00 final payment

$7871.17
March 24, 1980
#1951/2009

Mailing #13

#4454/542
5-2-80
$7621.17

830404239 3C

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

February 15, 1980
Invoice No. 657

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms. Cheryl Swaim

3,518 Live Postage Group I BRE's. (CFTR & RFP) @

.15¢ each = $527.70

BALANCE DUE: $527.70

Paid
Mailing + 13

#445142
7 7 7 19
5-2-80

8304042393 1

8 3 0 4 0 4 2 3 9 3 2

1-13 Mailing
3-3-83

— Hearing file
# 10[illegible]000

TELEPOST®

[illegible]
[illegible] REQUIRES IMMEDIATE [illegible]

[illegible]
[illegible]
[illegible] WOODBRIDGE PARKWAY
[illegible] CITY, CA [illegible]

MC LLEAN
FEB 1983
VA.

15¢

158

TELEPOST®

HIGH PRIORITY COMMUNICATION

FEBRUARY 15, 1980

R BAY BUCHANAN
APT 502
5974 BUCKINGHAM PARKWAY
CULVER CITY, CA 90230

DEAR BAY:

NEW HAMPSHIRE PRIMARY LESS THAN 14 DAYS AWAY. POLLS SHOW IF EVERY REAGAN SUPPORTER VOTES WE WILL WIN - LAST MINUTE RADIO ADVERTISING CRUCIAL TO GET OUT PRO-REAGAN VOTERS. MUST RAISE $29,000 AS SOON AS POSSIBLE. RADIO STATIONS DEMAND CASH IN ADVANCE.

RADIO COMMERCIALS HAVE BEEN TAPED AND "AIR-TIME" HAS BEEN RESERVED BUT RADIO STATIONS WON'T PUT THEM ON THE AIR UNTIL THEY HAVE OUR PAYMENT IN HAND. MUST HAVE YOUR CHECK IN THE NEXT SEVEN DAYS.

YOUR CHECK FOR $25 WILL BUY ONE 60 SECOND RADIO AD ON BOSTON STATIONS THAT REACH NEW HAMPSHIRE. WOULD BE A GOODLOND IF YOU COULD SEND MORE.

YOUR CHECK FOR $25, $50 OR EVEN $100 COULD MAKE DIFFERENCE BETWEEN VICTORY OR DEFEAT IN NEW HAMPSHIRE.

PLEASE SEND CHECK TODAY WITH THIS TELEPOST LETTER IN ENCLOSED URGENT REPLY ENVELOPE.

GOD BLESS YOU.
RONALD REAGAN

**********

URGENT REPLY TO GOVERNOR REAGAN:
WE "MUST" WIN IN NEW HAMPSHIRE! ENCLOSED IS MY CONTRIBUTION TO HELP BUY LAST MINUTE RADIO ADS WE NEED TO GET EVERY REAGAN VOTER TO THE POLLS.
ENCLOSED IS MY CHECK FOR:
_____ $25 _____ $50 _____ $100 _____ OTHER

MAKE CHECK PAYABLE TO: REAGAN FOR PRESIDENT, 9841 AIRPORT BLVD., SUITE 1-130, LOS ANGELES, CA 90045

I UNDERSTAND THE FOLLOWING INFORMATION IS REQUIRED BY FEDERAL LAW:
OCCUPATION_____
PLACE OF BUSINESS_____
CITY/STATE_____ AAG

THIS SOLICITATION IS ON BEHALF OF REAGAN FOR PRESIDENT COMMITTEE, 9841 AIRPORT BLVD., SUITE 1-130, LOS ANGELES, CA 90045. REAGAN FOR PRESIDENT COMMITTEE--PAUL LAXALT, CHAIRMAN, BAY BUCHANAN, TREASURER. A COPY OF OUR REPORT IS FILED WITH AND AVAILABLE FOR PURCHASE FROM THE FEDERAL ELECTION COMMISSION, WASHINGTON, DC 20463

8304042393

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61113 LOS ANGELES, CA
POSTAGE WILL BE PAID BY ADDRESSEE

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

8 3 0 4 0 4 2 3 9 3

# Diversified Direct, Inc.

**INVOICE** B-5

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1616

DATE 2/18/80

**TO:**

Reagan for President
1828 L St. N.W.
Washington, D.C. 20036
Suite 201
Attn: C. Swaim

**SHIPPED TO:**

Central Data Processing
Forestville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/18/80 | 1434 / 10330 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 200 M | Computer forms, with 2 color face and back. | 14.87/M | 2,974.00 |
| | TOTAL INVOICE: | | $2,974.00 |

OK and mailing #14

3-3/110-80
Proposal
C.S.

paid
May 14, 80
#652-204
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

B-6

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1617

DATE 2/18/80

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201
Attn: C. Swaim

**SHIPPED TO:**

Central Data Processing
Forestville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 2/18/80 | 1427 / 10331 | SK | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 100 M | Computer forms, with 2 color face. | 14.72/M | 1,457.00 |
| | TOTAL INVOICE: | | $1,457.00 |

3304042393

Invoice #14

Gup Response Check
B-2/10-80
Property
Paid

Paid
May 14, 80
#652-204
$1,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

D-7

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1655

DATE 2/25/80

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/22/80 | 1441,1440 10354 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 55 M | Computer forms, with 2 color face and back. 1 - UP. | 21.58/M | 1,186.90 |
| 27.5 M | Computer forms with same specs. 2 - Up. | 22.71/M | 624.52 |
| | TOTAL INVOICE: | | $1,811.42 |

830404239 37

OK mgs. mailing #14

3-3/12-80 PR-2015 Credit

Paid
Tray 14, 5
#652-2044
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5294

DATE 3-27-80

MH-11806

TO:

Regan for President Committee
1828 L st. N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2030<br>DDI P.O. NO. CM 1102<br>DIVISIONAL JOB NO. 9630 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, | | |
| 230,505 | Insert, Burst, fold, stamp and match. | 38.25/M | 8,816.82 |
| | CODE QUANTITY DROP DATE | | |
| | GR233 50,803 3/5/80 | | |
| | " 43,895 3/6/80 | | |
| | " 27,976 3/6/80 | | |
| | " 12,650 3/7/80 | | |
| | " 20,660 3/14/80 | | |
| | " 7,033 3/17/80 | | |
| | " 37,912 3/21/80 | | |
| | " 14,066 3/24/80 | | |
| | " 15,510 3/25/80 | | |
| | 230,505 | | |
| 19,995 | Stamp to projected count: | 5.00/M | 99.98 |
| | | | 8,916.80 |
| | Postage Used: $34,616.25 | | |
| | 20% charge for excess postage affixed on 19,995 pieces @.15¢ due to client over-estimate. | | +599.85 |
| | TOTAL INVOICE: | | $9,516.65 |

3304042396

1st mailing
all parts prospect
Cli

OK
Cust

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

8304042393 9

Mr. Thomas C. Brown, Jr.
492 Hodges Dr
Orangeburg, South Carolina 29115

Dear Mr. Brown:

# Ronald Reagan
Pacific Palisades, California 90272

March 3, 1980

Mr. Ladson Beach
PO Box 1304
Orangeburg, South Carolina 29115

Dear Mr. Beach:

Nancy and I would like you to have the enclosed photograph as a token of our appreciation for your past support of the Republican Party and conservative causes.

The picture was taken at our home in Pacific Palisades, California.

With your help we will win the White House. 1980 will be a year of Republican victory.

With that in mind, I've listed 4 questions which I'd like your answers to.

Please take a few minutes now to fill out your answers and mail them back to me today.

Your advice is important to me. And what you tell me by your answers will be an important tool in running a winning Reagan for President campaign.

For example, I'd like to know whether you believe Carter, Kennedy or Brown would be the most difficult Democrat candidate to beat.

Since I have personally selected you to give the answers for your area, I really do need to hear back from you right away.

If for some reason you don't want to answer my questions, I will need to know that so I can contact someone else in your area to take your place.

Running for President is an extremely difficult and long undertaking. Since I became a candidate just over three months ago, I have already visited 18 states and given over 70 speeches.

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee, 5641 Airport Blvd., Suite 1430, Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee—Paul Laxalt, Chairman; Ray Buchanan, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

8 3 0 4 0 4 2 3 9 4 0

But the fact I may win the chance to make America strong and proud again, to enrich the future of our children, makes the grueling days on the road all worthwhile. With your help, I will win that chance. Let me share some of my thoughts with you on a few of the issues of special concern to me:

Since 1976 we have seen the Democrats:

- give away our canal in Panama to a marxist dictator
- allow America to be humiliated by a terrorist regime in Iran
- fail to stand up to Communist aggression in Afghanistan, Angola, and other trouble spots in the world
- allow the presence of Russian combat troops only 90 miles from our own shores in Communist Cuba
- sign a pro-Soviet SALT II Treaty which would further weaken our military defenses and watch the Russians pull far ahead of us in the arms race
- destroy our intelligence capability so that we can be humiliated and embarassed around the world.

As President, I'll rebuild America's defenses. We need a coherent foreign policy that measures everything by this standard; what is best for the United States of America? It's time we stopped worrying about whether other countries in the world like us and start worrying about whether they respect us.

America must have strong, new leadership if we are to stand up to the Communist attack abroad and restore prosperity and opportunity at home. I want to provide that leadership more than anything I have wanted in my life.

But without the necessary funds, I won't be able to run a winning campaign or stand up for the American ideals which you and I share.

Every respected national and regional poll shows that I can win. But not without your help.

Our campaign treasurer, Pat Buchanan, tells me we must raise $3,595,000 in the next two months. We need

8304042391

$230,000 just to pay for the rent, telephones, printing, postage, buttons, bumper stickers and other immediate expenses in the next two weeks.

All the favorable polls in the world won't help if we can't raise this money.

When you return your answers to me, perhaps you can send a check for $10, $15, $25 or even $50. Or possibly you can send us as much as $150 or $250.

Please don't think your contribution won't make a difference in my campaign because it will. I don't have alot of wealthy businessmen sending me checks for $1,000 each.

My campaign is mostly funded by $25 and $50 contributions or less.

If you could send a large check, we certainly could use it. This is maybe even as much as $250 or $500. But anything you can send will be deeply appreciated because it shows I have your trust and support.

I plan to hold a meeting of my top campaign advisors within the next 14 days. I want to discuss your answers to the questions I've enclosed at that meeting.

So please try to fill out and mail back the enclosed reply form today so I will know whether I can count on your financial help and your political advice. Let me know who you think will be the toughest Democrat to beat, and please send a check for $15, $25, $35, $50, or even $100 or more.

In 1980 we can elect a Republican President but only if you and other good people like you do their part now.

I'll be anxiously looking forward to hearing from you.

Sincerely,

Ronald Reagan

P.S. Again, it's important that I have your answers in the next 14 days. I must also know whether I can count on your support and whether you will help us meet our financial budget projections. Please let me hear from you today.

8 3 0 4 0 4 2 3 9 1 6

# REAGAN REPUBLICAN VICTORY SURVEY

From:

Mr. Ladson Beach MAD
PO Box 1304
Orangeburg, South Carolina 29115

(Please fill out as completely as possible)

1. **Do you consider yourself:** ☐ Republican
   ☐ Democrat
   ☐ Independent

2. **Which 3 issues in your opinion should I stress in my campaign?**
   (Check 3 only)
   ☐ Inflation ☐ Big Government
   ☐ National Defense ☐ Welfare Fraud
   ☐ Energy ☐ Other _____
   ☐ Decline in Morality _____

3. **Do you consider yourself:** ☐ conservative
   ☐ moderate
   ☐ liberal

4. **Who do you feel would be easier for me to defeat?**
   ☐ Jimmy Carter
   ☐ Teddy Kennedy
   ☐ Jerry Brown

5. **Governor Reagan, to demonstrate my support for you, I am enclosing my check for**
   ☐ 15 ☐ 25 ☐ 50 ☐ 100
   ☐ 250 ☐ 500 ☐ 1000 ☐ Other _____

PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT

I understand the following information is required by federal law:

Occupation _____

Place of Business _____

City/State _____

This solicitation is on behalf of REAGAN FOR PRESIDENT Committee, 8941 Airport Blvd., Suite 1410, Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee—Paul Laxalt, Chairman, Ray Buchanan, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington D.C. 20463

8 3 0 4 0 4 2 3 9 4 3

No Postage Necessary if Mailed in the United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61110 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

8 3 0 4 0 4 2 3 9 4 2

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1687

DATE 2/29/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

Wiland & Assoc.
Culpepper, Va.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/29/80 | 1454 / 10383 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 48,251 | Computer forms, with 2 color face and back. | 21.58/M | 1,041.25 |
| | Authors Alterations:<br>Labor: stripping: | | 18.00 |
| | TOTAL INVOICE: | | $1,059.25 |

8304042391

OK auth. mailing #16

Pd Tray 14,86
#650/542.001
$11,614.25

B.25.80
P.P.14F

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

3-10

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1689

DATE 2/29/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036

**SHIPPED TO:**

Wiland &

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/29/80 | 1453 / 10384 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 23 M | Computer forms, with 2 color face and coded: With $ Amt. | 17.25/M | 396.75 |
| 24 M | Computer forms, with same specs. Coded: No $ Amt. | 17.25/M | 414.00 |
| | TOTAL INVOICE: | | $810.75 |

Number #16 OK'd

Pd. May 14, 80 #652/~~574~~ 204 $11,614.25

R.DS.RO REP.HF

Cus

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL GOLDENROD—DDI JOB JACKET

A-12

# Diversified Direct, Inc.

RECEIVED 8 C 1 1980

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1703

DATE 3/6/80

TO:

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

SHIPPED TO:

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/5/80 | 1460 / 10386 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 45 M | 2Sheet letters, with 2 color face and back. | 22.46/M | 1,010.70 |
| | TOTAL INVOICE: | | $1,010.70 |

A/C

#589/204
4-22-80
$1961.27

Group B
RFP-HF
mailing schedule
Con 3.25.80

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

Dr. McAnich,

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1806

DATE 3/19/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036
Attn: C. Swaim

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/18/80 | 1621 / 10464 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 45 M | 2 Sheet letters, with 2 color face and back. | 22.46/M | 1,010.70 |
| | TOTAL INVOICE: | | $1,010.70 |

OK. Mailing #16

1st mailing
rec'd HF
GS
CS

pd. March 14, 8
# 652 ~~[illegible]~~ 2.
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

C3

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5309

DATE April 7, 1980

~~MI 011823~~

**TO:**

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RF 2039<br>DDI P.O. NO. CM 1347<br>DIVISIONAL JOB NO. 9724 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 4/2/80 | | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 337 | | |
| 43,021 | Burst, trim, and fold, stamp, insert and seal. | 25.75/M | 1,107.79 |
| | Postage Used: $3,620.97 | | |
| | TOTAL INVOICE: | | $1,107.79 |

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OK
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- 734 - 200
$17,527 14

[illegible] 80
1st mailing
[illegible] PFP
[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5310

DATE April 2, 1980

MH 011819

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2037<br>DDI P.O. NO. CM 1357<br>DIVISIONAL JOB NO. 9722 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 3/31/80 | | SK | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 137. | | |
| 11,075 | Burst, trim, fold, stamp carr., & RAEm Match, insert. | 61.75/M | 683.88 |
| | Postage Used: $3,324.90 | | |
| | TOTAL INVOICE: | | $683.88 |

OK auth

Mail Dept
it. + mailing
Corp
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Cust

[illegible]
7,2[illegible] - 2[illegible]
$ 7,527.[illegible]

3 3 9 4 0 4 2 3 9 7 6

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5301

DATE April 1, 198

MH 011817

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2038<br>DDI P.O. NO. CM 1348<br>DIVISIONAL JOB NO. 9723 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 3/31/80 | | SK | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 237. | | |
| 36,755 | Burst, trim and fold, stamp, match, insert and seal. | 45.00/M | 1,653.98 |
| | Postage Used: $5,519.40 | | |
| | TOTAL INVOICE: | | $1,653.98 |

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

16 B-12

Senator Orrin Hatch
WASHINGTON, D.C. 20510

ORA

8 3 0 4 0 4 2 3 9 5 2

Senator Orrin Hatch
WASHINGTON, D.C. 20510

Mr. Morey I Stearns
1114 Parker St
Springfield, MA 01129

Dear Mr. Stearns:

Would the Russians have brutally savaged Afghanistan and pointed a red dagger towards the oil fields of the Middle East, if Ronald Reagan were President?

Would Iranian terrorists have held Americans hostage and humiliated our nation in the eyes of the world, if our President were Ronald Reagan?

Would Ronald Reagan have let the United States throw away its military superiority to the point where the Soviet Union and its mercenaries are emboldened to invade countries around the world?

Of course not.

There are many fine candidates for President this year, but there is only one candidate the Russians and their puppets cannot afford to see elected, and he is Ronald Reagan.

But you know that since Governor Reagan tells me you are one of his most trusted supporters.

That's why I am writing to you today - - to ask you to stand up with me for Ronald Reagan. To stand up with me for a thorough change of leadership in Washington.

I know you've been generous before but frankly the Reagan campaign urgently needs your check for $25.00 or $50.00.

We must raise $249,000 in the next two weeks to keep the Reagan campaign in Wisconsin, Texas, California, and all the western states on schedule.

This money is urgently needed for printing, postage, rent, telephones and radio and TV time.

[illegible] REAGAN FOR PRESIDENT Committee 5441 Airport Blvd., Suite 1430 Los Angeles, California 90045
REAGAN FOR PRESIDENT Committee: Paul Laxalt, Chairman; Bay Buchanan, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

8 3 0 4 0 4 2 3 9 5 3

For many years now, Washington has been dominated by an elite clique which some people call the "Liberal Establishment." Presidents come and go, but the elitists who are responsible for our apologetic foreign policy and second-rate defense remain in Washington year after year undermining our nation's security.

Some absolutely vital questions we should ask about each of the candidates are:

- What kind of people will he bring with him to Washington?

- Will they be the same old crowd who feel ashamed of America's prosperity and power?

- Will they be the same old wishful thinkers who believe the Russians are as honest and trustworthy as we are?

- Will they be the same old proponents of unilateral disarmament?

- Will they be the same old appeasers?

My point is this: Unless we bring to Washington genuinely fresh leadership - - all across the board - - we will tragically have missed what is perhaps our last chance to restore American superiority and respect.

Only Ronald Reagan is free of ties to the elitist Liberal Establishment which has brought our country to its knees. Only by electing Ronald Reagan can we be sure of really changing things.

We are in very serious trouble. As a member of the United States Senate, I can tell you that matters are even worse than the President will admit to the American people. If ever there was a time when America needed a courageous and forthright leader, the time is now.

If ever there was a time when we needed a President and a government of men and women who are proud of America and willing to defend her, the time is now. If ever there was a time to totally reject the pessimism, defeatism and appeasement of the past, the time is now.

I believe had Ronald Reagan been President, the B-1 bomber would have been built, our Navy would still be the world's mightiest. And, our troops would have the equipment they desperately need to deter war. Because Ronald Reagan has always advocated a defense strong enough to command the world's respect, we would not have felt compelled to surrender the Panama Canal and compel-

8304042395

led to abandon our loyal allies on Taiwan. We would not have suffered a long train of humiliating defeats of which Iran and Afghanistan are only the latest.

I know that you and I share Ronald Reagan's vision of a strong, proud and respected America. I believe we have never shared the defeatist viewpoint of the Liberal Establishment any more than Ronald Reagan has.

We have the opportunity to help elect the kind of straight-forward President Americans yearn for. A man who will bring to Washington a wholly new team of men and women with a completely fresh point of view.

I am going to ask you to do two important things.

First, please use the yellow envelope I have enclosed for you to send me the largest contribution you can afford today.

Second, if you can, please try to raise a similar amount from three or four of your friends and neighbors. $10, $15, $25 or even $50 extra will give Governor Reagan's campaign a big boost. Please use the blue envelope to send me any money you can raise from your friends in the next two weeks.

We must elect Ronald Reagan. I urge you to send your largest possible contribution today. Let's have an honest-to-goodness change in Washington.

With warmest regards, I am

Orrin G. Hatch

Orrin G. Hatch
U.S. Senate

P.S. I am working my heart out to elect Ronald Reagan. I hope you will help me by sending your answer in the yellow envelope today.

P.P.S. If you can, remember to send the blue envelope to me in two weeks.

83040423935

PLY MEMO REPLY MEMO REP

Please mail today in the yellow *return* envelope.

TO: Senator Orrin Hatch

FROM: Mr. Morey I Stearns
1114 Parker St
Springfield, Massachusetts 01129

ORD 01129STRN114

Dear Senator Hatch,

Yes, we *must* have a President who will stand up to the Communist attack abroad. We must elect Ronald Reagan.

Enclosed is my contribution of:

☐$25.00 ☐$50.00 ☐$75.00 ☐_____ Other

towards the $249,000 we need to raise immediately. PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT.

I understand the following information is required by Federal law:

Occupation _____

Place of Business _____

City/State _____

8 3 0 4 0 4 2 3 9 3 6

[illegible] REAGAN FOR PRESIDENT Committee 6641 Airport Blvd. Suite 1430 Los Angeles California 90045
REAGAN FOR PRESIDENT Committee - Paul Laxalt, Chairman Guy Strickler, Treasurer
A copy of our report(s) filed with the F.E.C. is available for purchase from the Federal Election Commission Washington, D.C. 20463

No Postage Necessary if Mailed in the United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

ATTN: SENATOR HATCH

8 3 0 4 0 4 2 3 9 5 7

Please mail today!
Dick Pistel

No Postage Necessary if Mailed in the United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

ATTN: SENATOR HATCH

# Diversified Direct, Inc.

# INVOICE

C6

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1911

DATE April 15, 198

**TO:**

Reagan for President
c/o Cheryl Swaim
435 Lee Street
Alexandria, Va. 22314

**SHIPPED TO:**

Wiland & Assoc.
Culpepper, Va.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/1 4/80 | 1697 / 10593 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 28.5 M | Computer forms, with 2 color face and coded: w/o $ amt. | 20.55/M | 585.67 |
| 27 M | Computer forms, with same specs. Coded: w $ amt. | 20.55/M | 554.85 |
| | | | 1,140.52 |
| | 4% Va. tax: | | 45.62 |
| | TOTAL INVOICE: | | $1,186.14 |

cl
Bud

+ 53.50
17th mailing
all groups PTP

-[illegible] 6-17-80
+724 - 204
$17,527.[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

0 3 0 4 0 1 2 3 9 3 5

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5294

DATE 3-27-80

MH-11806

TO:

Regan for President Committee
1828 L st. N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2030<br>DDI P.O. NO. CM 1102<br>DIVISIONAL JOB NO. 9630 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, | | |
| 230,505 | Insert, Burst, fold, stamp and match. | 38.25/M | 8,816.82 |
| | CODE QUANTITY DROP DATE | | |
| | GR233 50,803 3/5/80 | | |
| | " 43,895 3/6/80 | | |
| | " 27,976 3/6/80 | | |
| | " 12,650 3/7/80 | | |
| | " 20,660 3/14/80 | | |
| | " 7,033 3/17/80 | | |
| | " 37,912 3/21/80 | | |
| | " 14,066 3/24/80 | | |
| | " 15,510 3/25/80 | | |
| | 230,505 | | |
| 19,995 | Stamp to projected count: | 5.00/M | 99.98 |
| | | | 8,916.80 |
| | Postage Used: $34,616.25 | | |
| | 20% charge for excess postage affixed on 19,995 pieces @.15¢ due to client over-estimate. | | +599.85 |
| | TOTAL INVOICE: | | $9,516.65 |

Spec 6-17-8
- 729-244
$7,527.16

1st mailing
all parts prospect
Cl

OK cust!

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5309

DATE April 7, 1980

~~MI 011823~~

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RF 2039<br>DDI P.O. NO. CM 1347<br>DIVISIONAL JOB NO. 9724 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 4/2/80 | | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 337 | | |
| 43,021 | Burst, trim, and fold, stamp, insert and seal. | 25.75/M | 1,107.79 |
| | Postage Used: $3,620.97 | | |
| | TOTAL INVOICE: | | $1,107.79 |

8304042396C

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5310

DATE April 2, 1980

MH 011819

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2037<br>DDI P.O. NO. CM 1357<br>DIVISIONAL JOB NO. 9722 | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/31/80 | | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 137. | | |
| 11,075 | Burst, trim, fold, stamp carr., & RAEm Match, insert. | 61.75/M | 683.88 |
| | Postage Used: $3,324.90 | | |
| | TOTAL INVOICE: | | $683.88 |

OK auth

Paid 4/2/80
ck # 17,527
Comp 1 RFP
Cal

Total 12,00
- 7,29 - 2cc
$ 7,527 ¢

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

830404239 5 1

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1911

DATE April 15, 198

**TO:**

Reagan for President
c/o Cheryl Swaim
435 Lee Street
Alexandria, Va. 22314

**SHIPPED TO:**

Wiland & Assoc.
Culpepper, Va.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/1 4/80 | 1697 / 10593 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 28.5 M | Computer forms, with 2 color face and coded: w/o $ amt. | 20.55/M | 585.67 |
| 27 M | Computer forms, with same specs. Coded: w $ amt. | 20.55/M | 554.85 |
| | | | 1,140.52 |
| | 4% Va. tax: | | 45.62 |
| | TOTAL INVOICE: | | $1,186.14 |

930404239

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

C-7

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1955

DATE April 21, 19

**TO:**

Reagan for President
c/o Cheryl Swaim
435 N. Lee St.
Alexandria, Va. 22314

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/19/80 | 1698 / 10595 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 54 M | 2 sheet letters, with 2 color face and back . | 23.97/M | $ 1,294. |
| | Authors Alterations: | | |
| | Line shots: | | 4 |
| | Labor: stripping: | | 36 |
| | TOTAL INVOICE: | | $1,334. |

4-30-80
Approved
RFP
CS

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

C-8

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1957

DATE April 21, 1

**TO:**

Reagan for President
c/o Cheryl Swaim
435 N. Lee Street
Alexandria, Va. 22314

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/19/80 | 1867 / 10584 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, NEWSPAPER CLIPPINGS. | | |
| 108 M | Newspaper clippings, with 1 color face and blank backs. | 8.80/M | 950.40 |
| | TOTAL INVOICE: | | $950.40 |

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ok

4-30-80
17th mailing
RFP
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WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5301

DATE April 1, 1981

MH 011817

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/31/80 | RFP 2038 / CM 1348 / 9723 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 237. | | |
| 36,755 | Burst, trim and fold, stamp, match, insert and seal. | 45.00/M | 1,653.98 |
| | Postage Used: $5,519.40 | | |
| | TOTAL INVOICE: | | $1,653.98 |

0 3 0 4 0 4 2 3 9 6 7

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

C

MEMORANDUM

To: Bay Buchanan

From: Cheryl Swaim

Date: April 10, 1980

Enclosed are invoices for the Reagan for President-House File 16th mailing which dropped on March 28, 1980. Among these invoices is a warehouse charge by Diversified. All have been reviewed and found to be according to agreements.

Samples of the 16th mailing are enclosed. In addition, a cost analysis for this mailing is enclosed.

With my memorandum of March 1, 1980, were samples of the "$1,000 Legal Limit" letters. I have sent additional samples to Judy Harrison, at her request, who will deliver them to you.

The 17th mailing is scheduled for the week of April 20, 1980. Immediate expenses for this mailing are as follows:

| Amount | Vendor & Address | Purpose |
|---|---|---|
| $5,710.13 | Wiland & Associates<br>219 East Davis Highway<br>Culpeper, Va. 22701<br>Attn: Bob Perrott | laser-printing of 53,121 letters and 56,622 2-up response devices |
| $14,238.05 | U.S. Postmaster | 12,611 @ .30 each (high donor<br>40,510 @ .15 each<br>52,122 @ .084 each |

Thank you for your time.

Cheryl

RECEIVED APR 17 1980

8304042396

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1964

DATE April 22, 198

**TO:**

Reagan for President
c/o Black, Manafort & Stone, Inc.
435 N. Lee St.
Alexandria, Va. 22314
Attn: Cheryl Swaim

**SHIPPED TO:**

Wiland & Assoc.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/20/80 | 1866 / 10594 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 57 M | Computer forms, with 2 color face and 2 color back. | 17.41/M | 992.37 |
| | Authors Alterations: | | |
| | Line shots: | | 4.00 |
| | Labor: stripping: | | 36.00 |
| | Blueline and color sep. | | 19.50 |
| | | | 1,051.87 |
| | 4% Va. tax: | | 42.07 |
| | TOTAL INVOICE: | | $1,093.94 |

8304042396 7

4-30-80
17th mailing
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pd. June 15, 80
= 129-204
$ 17,527.15

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B? 5379

DATE 5-6-80

FH 011092

TO:

Reagan for President Committee
1828 L Street, N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 5-2-80 | 1SO | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | Re: Mailing Services GR3422 | | |
| 47,101 | Insert, Imprint, Stamp, Burst, Fold & Trim | $25.75/M | $1,212.8[illegible] |
| | Postage Used $3,964.29 | | |
| | Invoice Total | | $1,212.8[illegible] |

OK pay B
17th M

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B. 5[illegible]

DATE 5-7-80

MI 011902

TO:

Reagan for President Committee
1835 L Street, N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 5-2-80 / 5-2-80 | GRP 2422 / CH: 1[illegible]92 / 179 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | Re: Mailing Services GR 2422 | | |
| 35,451 | Insert, Match Imprint, Burst, Trim, Fold, Stamp | $45.00/M | $1,595.[illegible] |
| | Postage Used $5,324.40 | | |
| | INVOICE TOTAL | | $1,595.[illegible] |

OK amb
17th M

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2935 Property Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B[illegible]

DATE 5-28-[illegible]

TO:

Team for President Committee
[illegible] N.W.
[illegible], D.C. 20[illegible]

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | [illegible] | [illegible] / [illegible] / [illegible] 17 | [illegible] | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| 10,[illegible] | DDI Mailing Services<br>Imprint, Patch, Insert, Stamp | 61.75/M | 651.96 |
| | CODE / QUANTITY / DROP DATE<br>[illegible] / [illegible] / [illegible]<br>[illegible]482 / 4,028 / 5-12-80<br>[illegible]482 / 2,242 / 5-19-80<br>10,[illegible] | | |
| [illegible] hours | Hand matching (homeworkers) | 6.00/hr. | 210.00<br>[illegible] |
| | Code set-up | | 30.00<br>[illegible] |
| | Postage Used $3,171.19 | | |
| | Invoice total | | 597.96 |

OK Chuck
#17

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B? 5150

DATE 6-2-80

**TO:**

Black, Manafort & Stone, Inc.
435 North Lee St.
Alexandria, Va. 22314
Attn: Cheryl Smith

**SHIPPED TO:**

Post office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 5-29-80 | [illegible] | [illegible] | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Service | | |
| 427 | Hand affix label, match, stamp insert | | |
| | code quantity drop date DDI JOB# P.O. | | |
| | BC 427 5-29-80 730 1530 | | |
| 1,981 | Cheshire, Stamp, Insert | | |
| | BCD 780 5-29-80 731 1534 | | |
| | BCDE 1,201 5-29-80 732 1536 | | |
| | TOTAL MAILING | | 100.00 |
| | CODE POSTAGE ADV. POSTAGE USED | | |
| | BC $75.00 $64.80 | | |
| | BCD 120.00 117.75 | | |
| | BCDE 190.10 161.05 | | -21.50 |
| | 385.10 343.60 | | |
| | Invoice total | | 78.50 |

OK auc
4/7

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

INVOICE

9935 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573 1605

NO. B

DATE

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

TO:

SHIPPED TO:

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. DDI P.O. NO. DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | | | SH | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: FIDELITY SERVICES, GLOBAL SUM. | | |
| | Total Reply Envelopes, See Invoice | | [illegible] |
| | TOTAL DUE | | [illegible] |

83040423972

13 Th Mailing

683.662 Charge - OK and

~~HH~~

ask chief what mailing

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

Address Correction Requested

FROM: Mrs. Beatrice Shortliffe
2115 58th St
Sacramento, California 958

1634 NUUANU AVE #208
HONOLULU HI 96817 f

8 3 0 4 0 4 2 3 9 7 3

Dear Friend and Supporter:

You and I are on a winning streak.

If you have followed it in the news, you know that thanks to the dedication and support of people like you our campaign has swept the early primaries.

We have won over 400 delegates, almost one-half of the number needed to be nominated at the Republican National Convention this summer.

Never before have our chances of electing a conservative Republican President been better.

I am absolutely positive that with your continued help, we can go on to win the Republican nomination and beat Jimmy Carter or Teddy Kennedy in the fall.

There is one thing that deeply disturbs me. Although we have won every major contest so far our campaign funds have trickled off to almost nothing. I am enclosing a clipping from the Washington Post that details this dire situation. Our campaign treasurer, Bay Buchanan, reports that we currently have less than $10,000 on hand.

In the next three weeks we must lay out $199,000 for voter mailings, radio and television time and the expenses of my travelling to the middle and late primary states.

I hate like the dickens to ask you because you have been so generous to me in the past.

But I would deeply appreciate it if you could help us raise the $199,000.

Your check for $10 or $15 or $25 would go a long

8304042397

way toward meeting our goal.

Everywhere I go in this country, I feel a spirit of hope and optimism about America's future. It is time to rebuild America's military strength and restore economic prosperity and opportunity at home.

The politicians say it can't be done. But I believe with your help we can balance the budget, we can cut taxes, we can create jobs and we can restore America's strength and prestige abroad.

I'm counting on you. I need your help.

Together you and I can make this a year of victory not only for our campaign but also for the American people.

Our financial situation is as urgent as I have stated to you. I know you share my dream for the future of our country. Please don't put this letter aside until you have acted.

With deepest appreciation for your past support.

Sincerely,

RONALD REAGAN

P.S. The Texas and California primaries are right around the corner. Our opponents are waiting for us to run out of money or make a serious campaign mistake. With your help, we will avoid these pitfalls and go on to victory. Please let me hear from you today.

8 3 0 4 0 4 2 3 9 7

Washington Post

FRIDAY, MARCH 7, 1980

**Bush Could Capitalize on Shortage**

# Reagan Cash Flow Becomes a Trickle

By Lou Cannon and Robert G. Kaiser
Washington Post Staff Writers

COLUMBIA, S.C., March 6 -- A severe cash shortage has forced a drastic curtailment of the Ronald Reagan presidential campaign at the very time the candidate appears to be riding high politically.

Reagan's financial problems could become more acute in the weeks ahead, and George Bush, at least, may be in position to take advantage of that.

In a move to conserve rapidly dwindling resources, the Reagan campaign abruptly canceled three airplane charters through the South, leaving members of Reagan's staff and the traveling press stranded in Columbia while the candidate took off on a small jet to Atlanta.

"We used the charters earlier when we could have flown commercial," said Rep. Carroll A. Campbell Jr. (R-S.C.), Reagan's South Carolina chairman. "Now that we desperately need the charters, we don't have them."

Campbell and South Carolina campaign director Lee Atwater had planned a triumphant rally as a final event to give what Campbell called "emotional charge" to the campaign. Instead, Reagan settled for an undramatic bus tour of rural South Carolina, where Sen. Strom Thurmond (R-S.C.) has been campaigning hard for John B. Connally.

Reagan's financial problems, some of which have been evident since the firing of campaign manager John P. Sears on the day of the New Hampshire primary, could become crucial in the months ahead if Reagan is not able to lock up the Republican nomination. Currently, George Bush's campaign, for example, has spent about $3 million so far, and will be able to outspend Reagan in the late primaries in May and early June.

See MONEY, A5, Col. 1

Reagan's abrupt change in plans resulted from two factors. His campaign spent more than $12 million last year and in the first two months of 1980 so lavish that he had exhausted at least two thirds of the federally permitted ceiling of $17.6 million for the long nominating process. At the same time, Reagan's South Carolina campaign was bumping up against the $470,000 state spending ceiling allowed by federal law.

Campbell said that in South Carolina three days of television advertising had been canceled and the radio budget slashed by 40 percent. But a mailing of 83,000 postcards was sent out today to pro-Reagan voters, and Campbell predicted that the former California governor would win a commanding victory in Saturday's Republican primary here.

The charter cancellations were ordered by Reagan campaign director William Casey at a meeting Wednesday. Edwin Meese III, one of Reagan's principal aides, said the action was necessary because of a lack of money to pay for the charters.

Meese said that the cash flow problem was severe because news organizations, the Secret Service and other users of services had been slow in paying their bills. The slow cash flow has forced the Reagan campaign headquarters in Los Angeles to curtail expenses and cancel plans for several hirings, including that of San Diego executive Ed Gray as press secretary.

Though Reagan is looking forward to victories in South Carolina, and in Alabama, Georgia and Florida Tuesday, the euphoria that prevailed in his campaign after a crushing New Hampshire primary victory 10 days ago is largely gone.

Aides and advance men wondered aloud how long their jobs would last or if they would be paid. Among those who are in it for the long haul, there is concern that Reagan's money problems may provide added encouragement to induce Gerald R. Ford into the race.

"We're in great shape in the South and we ought to win in Illinois [March 18]," said one Reagan aide. "But if anything happens, anywhere, we simply have no margin of error."

At a news conference here Meese said he was sorry there wasn't better notice for the reporters about travel arrangements and acknowledged deficiencies in his own organization. But he said that the chief problem was not with his campaign, but with a federal election law that placed unfair and unrealistic limitations on candidates.

Strategists in opposing camps calculate that Reagan will spend another $3 million by April 1, leaving him about $3 million to spend for the 25 primaries in April, May and June and at the Republican National Convention in July. According to an official of the now defunct campaign of Howard H. Baker Jr., Reagan has been advised to save at least $1 million for the convention, which would leave $2 million to finance campaigns in those primaries. "I don't see how he does that," this Baker man said.

The Reagan camp's reply is that Reagan won't need significant amounts of money for the later primaries, because he'll have the nomination sewn up before they begin.

Reagan's problems will be over if none of the other Republicans can stay in the race after March. Bush campaign aides say he can and will do so.

"We're the only one" who can stay in and stay active beyond March, Bush campaign director James Baker said in an interview. He predicted that Reagan won't be able to match Bush's spending in late April and May.

Like Reagan, John B. Connally, who built his campaign on the presumption that it would be well financed, has also spent nearly $12 million, and he is broke. Connally's campaign seems destined to collapse unless he can win big in South Carolina or Florida, both unlikely prospects, according to the polls.

John B. Anderson, who revived his struggling campaign in Massachusetts and Vermont this week, is in no danger of running up against the federal election law's spending limits, but his campaign may be too poor to fight actively in the next round of primaries.

So far Anderson has spent about one 10th as much as Reagan and Connally, roughly $1.4 million. His campaign is now raising money at a rate of about $[illegible] a week, a sharp improvement over its earlier performance, and enough to finance a respectable media campaign in Anderson's home state of Illinois.

8 3 0 4 0 4 2 3 9 7 5

**TO:** Governor Ronald Reagan

**FROM:** Mr. Christian L Bendixen
98 400 Koauka Lp No 419
Aiea, Hawaii 96701

PRV 96701BNDX098 C18

8 3 0 4 0 4 2 3 9 7 7

Dear Governor Reagan,

I understand the campaign money situation is urgent. We *must* win the Republican nomination and I am willing to help.

Enclosed is my maximum contribution of:

☐ $10 ☐ $15 ☐ $25 ☐_____ Other

towards the $199,000 we need to raise immediately. PLEASE MAKE YOUR CHECK PAYABLE TO REAGAN FOR PRESIDENT.

I understand the following information is required by Federal law:

Occupation _____

Place of Business _____

City/State _____

[illegible] REAGAN FOR PRESIDENT [illegible] 9841 Airport Blvd., Suite 1430, Los Angeles, California [illegible]
REAGAN FOR PRESIDENT Committee—Paul Laxalt, Chairman, Ray Buchanan, Treasurer
A copy of our report [illegible] and available for purchase from the Federal Election Commission, Washington, D.C. 20463

No Postage
Necessary
if Mailed
in the
United States

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 61119 LOS ANGELES, CA

POSTAGE WILL BE PAID BY:

Ronald Reagan
9841 Airport Blvd., Suite 1430
Los Angeles, CA 90045

8 3 0 4 0 4 2 3 9 7 8

# Wiland & Associates, Inc.

219 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

| WORK ORDER NUMBER | ACCOUNT NO | CUSTOMER P.O | DATE | INVOICE NO |
|---|---|---|---|---|
| 20626 | 187 | Letter/Stone | May 10, 1979 | 21708 |

| SOLD TO | SHIPPED TO |
|---|---|
| Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 | Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 |

## INVOICE

| FUNCTION PERFORMED - DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,937 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print 4-up Cheshire labels to Nationwide Conservative Donors Flag B (twice) | 1,698 | min.chg. | 12.00 | |
| Print 4-up Curred labels to Nationwide Conservative Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

REAGAN FOR PRESIDENT
PAID
DATE: 6-11-79
AMOUNT: $5.46
CHECK NUMBER: # 776
SECTION/OFFICE:
APPROVED AGENT: [illegible]

TERMS: NET 30 DAYS

TOTAL ➧ $85.46

RECEIVED JUN 5 1979

IF YOUR CHECK WILL BE POSTMARKED ON/OR BEFORE N/A

PAY THIS AMOUNT ➧ N/A

CUSTOMER'S COPY — PLEASE RETAIN FOR YOUR RECORDS

Misc. w file

JUN 5 REC'D

# Wilson Associates, Inc.

119 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

not the right one

| ORDER NUMBER | ACCOUNT NO. | | DATE | INVOICE NO. |
|---|---|---|---|---|
| 20626 | 137 | Lett[illegible] | May 10, 1979 | 21708 |

SOLD TO:

Roger Stone
20 East Windsor Street
Alexandria, Virginia 22301

SHIPPED TO:

Roger Stone
20 East Windsor Street
Alexandria, Virginia 22301

## INVOICE

| DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,937 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print Zip Cheshire labels to Nationwide Conservative Donors Flag B (twice) | 1,698 | min.chg. | 12.00 | |
| Print Zip Cheshire labels to Nationwide Conservative Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

5/23/79

THIS CONSTITUTES A PRINTOUT USED FOR Conn. Mailing

NOTE: WE are paying computer charges only

| REAGAN FOR PRESIDENT | |
|---|---|
| PAID | |
| DATE | 6-6-79 |
| AMOUNT | 85.46 |
| CHECK NUMBER | 776 |
| SECTION/OFFICE | Conn |
| | Comp. |

TOTAL $85.46

AMOUNT N/A

RECEIVED JUN

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N.Y. 10549
(914) 666-2750

RECEIVED FEB 15 1980

February 5, 1980

Mr. Charlie Black
Reagan for President
1828 "L" Street, NW
Suite # 201
Washington, DC 20036

Dear Charlie;

This should serve as an invoice for work conducted for the Reagan for President Committee:

| Study | Month | Cost |
|---|---|---|
| Iowa (600 samples) | 11/79 | $12,000 pd. |
| Iowa (600 samples) | 12/79 | 6,000 |
| Consulting | 1/1-1/31/80 | 3,000 |
| Consulting | 2/1-2/29/80 | 3,000 |
| Expenses | | 44 |

Please make check payable to A.J.F. & Associates for $24,044.00.

Your attention to this matter would be greatly appreciated.

Sincerely,

Ronald W. Finkelstein

RWF:emk

83040423931

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N. Y. 10549
(914) 666-2750

March 4, 1980

Ms. Bay Buchanan
Reagan for President
9841 Airport Boulevard
Suite # 1430
Los Angeles, CA 90045

Dear Ms. Buchanan;

This should serve as an invoice for work conducted for the Reagan for President Committee:

| STUDY | MONTH | COST |
|---|---|---|
| Iowa (600 samples) | 12/79 | $6,000 |
| Consulting | 1/1-1/31/80 | $3,000 |
| Consulting | 2/1-2/29/80 | $3,000 |
| Consulting | 3/1-3/31/80 | $3,000 |
| Expenses | | 44 |
| Expenses (see attached) | 2/12/80 | 270.02 |

Please make check payable to A.J.F. & Associates for $15,314.02.

Your attention to this matter would be greatly appreciated.

Sincerely,

Ronald W. Finkelstein

RWF:cmk

RECEIVED MAR 10 1980

93040423982

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N. Y. 10549
(914) 666-2750

May 1, 1980

Ms. Bay Buchanan
Reagan for President
9841 Airport Boulevard
Suite #1430
Los Angeles, CA 90045

Dear Bay;

Thank you for the recent check.

This should serve as an invoice for work conducted for the Reagan for President Committee:

| | | |
|---|---|---|
| Consulting | 2/1 - 2/29/80 | $3,000.00 |
| Expenses | | 44.00 |
| Expenses (letter 3/4/80) | | ~~270.02~~ |
| | Total | ~~$3,314.02~~ 3044.02 |

Pd. 6-5-80
#435 Rigg's
$3044.00

Your attention to this matter would be appreciated.

Sincerely,

Ron/dhd

Ronald W. Finkelstein

may but pay out according to agreement

P.S. Thanks for keeping your word to me.

RWF:emk

RECEIVED MAY - 7 1980

8304042398

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N. Y. 10549
(914) 666-2750

April 7, 1980

Ms. Bay Buchanan
Reagan for President
9841 Airport Boulevard
Suite # 1430
Los Angeles, CA 90045

Dear Bay;

Thank you for the recent check.

This should serve as an invoice for work conducted for the Reagan for President Committee:

| STUDY | MONTH | COST |
|---|---|---|
| Consulting | 1/1 - 1/31/80 | $3,000.00 |
| Consulting | 2/1 - 2/29/80 | 3,000.00 |
| Expenses | | 44.00 |
| Expenses (letter 3/4/80) | | 270.02 |
| | Total | ~~$6,314.02~~ 6044.02 |

As per our agreement $3,000, is due in April, and the balance due in May.

Sincerely,

Ronald W. Finkelstein

RWF:emk

RECEIVED APR 1 1980

33040423984

# EXPENSE REPORT

330 40 4 2 3 9 3

NAME: A.J. Finkelstein

ADDRESS

CITY STATE ZIP

RECEIVED MAR 10 1980

**ATTACH ALL RECEIPTS FOR ITEMS OVER $ 5.00**

WEEK ENDING: 2-22-80

| | | SUNDAY | MONDAY | TUESDAY 2/12/80 | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| LOCATION: | | | | Manchester | | | | |
| LODGING: | | | | 56.02 | | | | |
| MEALS: | Breakfast | | | | | | | |
| | Lunch | | | | | | | |
| | Dinner | | | | | | | |
| SUB-TOTAL: (Meals & Lodging) | | | | | | | | |
| TRAVEL: | Plane | | | 138- | Hartford | | | |
| | Car Rental | | | 64- | | | | |
| | * Private Auto (Miles/Amt.) | / | / | ~~/~~ / 125 | / | / | / | / |
| | Taxi, Parking, Tolls, etc. | | | | | | | |
| MISC.: | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | _____ | | | | | | | |
| | | | | 206.02 | | | | |
| TOTAL: | | | | 270.02 | | | | |

* at 15¢ per mile

Meet w/ Jerry Carman.

GRAND TOTAL 206.02

DATE SUBMITTED: _____

SIGNED: _____ APPROVED: _____ SECTION/MANAGER

PAID BY: CK NO. 4341/542 DATE: 4-30-80

RFP: Form 100 (3/12/79)

8304042398E

3710 15454 11002

01/80 THRU 12/80 75 AX

ARTHUR J FINKELSTEIN

HILTON INN
115029196 050
2 13 80
2200102135 NA

X

042017

ISSUED BY

DELTA AIR LINES 0064

PASSENGER TICKET AND BAGGAGE CHECK

SUBJECT TO CONDITIONS SET OUT ON THIS TICKET

ATC PASSENGER'S COUPON

ORIGIN NEW YORK NEW YORK

See below for Airline Form. Serial Number

NAME OF PASSENGER FINKELSTEIN/ARTHUR

NOT TRANSFERABLE

LIFE090

HT KISCO HOTEL
AND TOURS INC
HT KISCO NY

| NOT GOOD FOR PASSAGE | CARRIER | FLIGHT | CLASS | DATE | TIME | STATUS | FARE BASIS/FLT DESTINATION | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| NYC/LGA/DFW | DL | 622Y | | 12FEB | 845A | OK/ | | | | |
| O MANCHESTER | | | | VOID. | | | | | | |
| O BOSTON | EA | 377Y | | 13FEB | 700A | OK/ | | | | |
| O NASH/NATIONAL | DH | 211Y | | 13FEB | 105P | OK/ | | | | |

DALLAS NORTH

724.92 12FEB LGA DL DFW 53.00Y /-BOS EA BOS 25.00Y DH DFW 174.00Y DH
30.01 BOS 133.00Y EA DFW 106.00YH EAX3Z19 770401 41000
DFW 99.00YH EA LGA 127.00Y

783.00 783.00

1474245196 4

3 3 6 3 2 3 9 6 4 0 4 0 0 0 0 0 0 0 0 0

# EXPENSE REPORT

NAME: Arthur Finkelstein

ADDRESS: 4549 [illegible]

CITY: Mount Rainier

STATE

ZIP

RECEIVED JAN 14

WEEK ENDING: 1/18/80

**ATTACH ALL RECEIPTS FOR ITEMS OVER $ 5.00**

| | | SUNDAY | MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY | SATURDAY |
|---|---|---|---|---|---|---|---|---|
| LOCATION: | | | | 11/20 | 10/17 | | | |
| LODGING: | | | | WASH | L.A. | | | |
| MEALS: | ~~Breakfast~~ | | | | 53.15 | | | |
| | Lunch | | | | | | | |
| | Dinner | | | | | | | |
| SUB-TOTAL: (Meals & Lodging) | | | | | | | | |
| TRAVEL: | Plane | | | 102 | 226 | | | |
| | Car Rental | | | | | | | |
| | * Private Auto (Miles/Amt.) | | | 15 miles | | | | |
| | Taxi, Parking, Tolls, etc. | | | ~~22~~ | 18 | | | |
| MISC.: | Telephone | | | | | | | |
| | Postage | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL: | | | | 124 | 297.12 | | | 396.12 |

* at 15¢ per mile

117.00 279.12 GRAND TOTAL ~~396.12~~

DATE SUBMITTED: 1/8/80

SIGNED: _____ APPROVED: [signature] SECTION/MANAGER PAID BY: CK NO. 1327 DATE: Feb. 6, 80

RFP: Form 100 (3/12/79)

send receipts on date of leaving

request billing from office & airport no charge

per note attached 18 receipts

NAME

ROOM NO. / ADDRESS STREET / HOME / BUS. / CLERK CITY / STATE / ZIP

CHARGE TO

STREET

CITY & STATE

TRAVEL AGENT COMPANY

GUEST PAYMENT PREFERENCE — CASH / CHARGE

| | | | | | |
|---|---|---|---|---|---|
| OCT 17 | LDIST 251 | B* 2.49 | | * 2.49 | B* 2.49 |
| OCT 17 | FRESTR 251 | B* 18.38 | | * 20.67 | C* 20.67 |
| OCT 17 | ROOM 251 | C* 30.00 | | | |
| OCT 17 | TAX 251 | C* 2.25 | | * 53.12 * | |

Begin 10/17

3710 154547 11002

01/79 THRU 02/79 79

HELSTEIN

INTERNATIONAL INC.

UNIVERSAL RECORD OF CHARGE

TRAVELODGE 94715

5330440900 10 16 70

5040557753 CA

| | | CC TYPE |
|---|---|---|
| CHARGE | | |
| TAX | | AUTHORIZATION |
| TELEPHONE | | CODE |
| TIPS/MISC. | | DATE |
| TOTAL CHARGE | | |

TERMS: PAYABLE WITHOUT DISCOUNT UPON RECEIPT OF MONTHLY STATEMENT. PRICE AND AMOUNT INCLUDE ALL APPLICABLE FEDERAL, STATE AND LOCAL TAXES.

BUYER'S SIGNATURE

SHOULD THERE BE A CHARGE THAT DID NOT APPEAR ON YOUR BILL AT CHECK OUT TIME IT WILL APPEAR ABOVE IN THE SHADED TOTALS.

3 - GUEST COPY

NOTICE TO BUYER: Do not sign before reading this agreement or if any spaces intended for agreed terms are left blank.

Cardholder agrees to pay to the issuer of the presented credit card the herein stated charges in accordance with the agreement between cardholder and said issuer.

ROOM NO.

I AGREE THAT MY LIABILITY FOR THIS BILL IS NOT WAIVED AND AGREE TO BE HELD PERSONALLY LIABLE IN THE EVENT THAT THE INDICATED PERSON OR COMPANY FAILS TO PAY FOR ANY PART OR THE FULL AMOUNT OF THE CHARGES.

BALANCE DUE

Travelodge HOTELS & MOTOR HOTELS

INTERNATIONAL HOTEL AT LOS ANGELES AIRPORT

PASSENGER TICKET AND BAGGAGE CHECK

SUBJECT TO CONDITIONS NOT SET ON THIS TICKET

ATC PASSENGER'S COUPON

NOT TRANSFERABLE

See below for Airline Form, Serial Number

NOT GOOD FOR PASSAGE

CARRIER | FLIGHT | CLASS | DATE | TIME | STATUS | FARE BASIS/FIT DESIGNATOR

1 3619419 5

EASTERN

PASSENGER'S RECEIPT

NOT GOOD FOR PASSAGE
*Sold Subject to Tariff Regulations*
Issued by Eastern Air Lines, Inc.

EASTERN

PASSENGER'S RECEIPT

NOT GOOD FOR PASSAGE
*Sold Subject to Tariff Regulations*
Issued by Eastern Air Lines, Inc.

**THE SIGN OF QUICK COURTEOUS SERVICE**

MEYERS PARK

**THIS IS A RECEIPT OF PARKING CHARGES**

VOID UNLESS STATION NAME IS INSERTED BELOW.

DATE

Thank You

Signed By

8 3 0 4 0 4 2 3 9 9 1

# Wiland & Associates, Inc.

219 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

| WORK ORDER NUMBER | ACCOUNT NO | CUSTOMER P.O | DATE | INVOICE NO |
|---|---|---|---|---|
| 20626 | 187 | Letter/Stone | Nov 10, 1979 | 21708 |

| SOLD TO | SHIPPED TO |
|---|---|
| Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 | Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 |

# INVOICE

| FUNCTION PERFORMED - DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,927 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print 4-up Cheshire labels to Nationwide Conservative Donors Flag B (twice) | 1,698 | min.chg. | 12.00 | |
| Print 4-up Curred labels to Nationwide Conservative Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

REAGAN FOR PRESIDENT
PAID
DATE: 6/4-79
AMOUNT $5.46
CHECK NUMBER # 276
SECTION/ OFFICE:
APPROVED AGENT

TERMS NET 30 DAYS

TOTAL $85.46

RECEIVED JUN 5 1979

IF YOUR CHECK WILL BE POSTMARKED ON OR BEFORE N/A

PAY THIS AMOUNT N/A

CUSTOMER'S COPY — PLEASE RETAIN FOR YOUR RECORDS

Misc. w file

NCAI JUN 5 REC'D

# Wilson Associates, Inc.

[illegible] EAST DAVIS STREET • CULPEPER, VIRGINIA 22[illegible] • TELEPHONE AREA CODE (703) 825-5100

not the right one

| ORDER NUMBER | ACCOUNT NO. | | DATE | INVOICE NO. |
|---|---|---|---|---|
| 20626 | 137 | Lect[illegible]ons | May 10, 1979 | 21708 |

SOLD TO

Roger Stone
20 East Windsor Street
Alexandria, Virginia [illegible]

SHIPPED TO:

Roger Stone
20 East Windsor Street
Alexandria, Virginia 22301

## INVOICE

| DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nati[illegible]e Conservative Donors Master File | | | | |
| Process input re[illegible]ds | 12,937 | $1.25/M | $16.17 | |
| Process output [illegible]rds | 849 | stp.chg. | 4.00 | |
| Prin[illegible] Chashi[illegible] labels to Nationwide Cons[illegible] Flag B (twice) | 1,6[illegible] | min.chg. | 12.00 | |
| [illegible] labels to Nationwide [illegible]ve Donors Flag B | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.29 | |

5/23/79

[illegible] A print out [illegible] Conn. mailing [illegible] we are paying com[illegible] charges only

REAGAN FOR PRESIDENT

| | |
|---|---|
| | PAID |
| DATE | 6-6-79 |
| AMOUNT | 85.46 |
| CHECK NUMBER | 776 |
| SECTION/ PROJECT | Conn |
| | Comp |

TOTAL ▶ $85.46

AMOUNT ▶ N/A

[illegible] 40 JUN

E

Aschinger, Martha
Abbott, Karen
Ablondi, William
Accardi, Lois
Achiu, Grayling
Adams, Peggy
Addison, Daniel
Adkinson, Fletcher
Ahern, Kathryn
Ahearn, Frederick
Aiken, Robert
Albert, Ina
Alexander, Douglas
Allen, Fred
Allen, Richard
Allred, D'Ann
Anderson, Anelyse
Anderson, Martin
Anderson, Marty
Anderson, Stan
Anderson, Virginia
Andrews, Dick
Andrews Jr., Richard
Andrews, Julie Rae
Angrisani, Albert
Archambault, Michelle
Arena, A.
Arena, Lynne
Argentieri, Dinah
Armendaris, Alex
Armstrong, George
Arrical, William
Artiano, Marty
Ashmun, Mary Bruce
Atwater, Lee

Aurispa, Eddie
Ayers, Betty
Ayers, Stephen

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Bach, Cristena
Baer, Tim
Bailey, Bettye, J.
Bailey, Marian
Baker, Eleanor
Baker, Lynda Johnston
Baker, Linda
Balcome - Rawding, Russell
Baldyga, Susan
Baler
Balian, Lily Ring
Balitzer, Alfred
Balzano, Jr., Michael
Bandow, Doug
Barbick, Elinor
Barge, Cheryl
Baria, Cynthia
Barnes, Elizabeth Ann
Barnett, Willard
Baron, Mary Ann
Barr, Bruce
Barrett, Betty Lou
Barros, Elena
Barry, Sr., James
Barry, Kent
Bartlett, Gordon E.
Bass, Deborah
Bass, Roberts
Bastian, Jolene
Bastian, Kenneth
Batchelor, Jobyna

8 3 0 4 0 4 2 7 9 2

Bates, Jr., David Quentin
Bauer, Vivian
Beal, Richard S.
Beasley, Doug
Beemer, Rebecca
Bell, Beldon
Bell, Dale
Bell, J. Raymond
Bell, Sonya
Berg, Stephen
Bergaust, Jean
Berish, Elaine
Berry, Richard
Bewley, Judy
Billings, Bob
Birge, Sherill A.
Biebel, Frederick
Billings, Robert
Birely, Judy
Bissell, Thomas
Bistany, Joanne
Black, Jill
Blackburn, Barbara
Blackwell, Donald
Block, Sandra
Bloom, Connie
Bloom, Julie
Blosser, Susan
Borchard, Susan
Borcherdt, Kimberley
Borda, Suzanne
Borden, Enid
Borquist, Daryl
Bouchey, Amparo
Boyle, Theresa
Bradley, Melvin
Brady, Rebecca
Brainkman, Kay
Brake, Betty
Brannigan, Maureen
Breckinridge, T.
Brewer, Bonnie
Brewer, Guy
Bridgeford, Richard
Briggs, Janice
Brinkman, Kay
Briscoe, Pelan C.
Brown, Diane
Brown, Fred
Brown, Garry
Brown, Maurine
Brown, Russell
Bruce, Janet
Brunette, Martha
Brunsdale, Louise
Bryan, Vickers
Bryant, Mic hael
Buchanan, Bay
Buchanan, Tom
Budd, Karen
Bulen, Karen
Bulen, Keith
Bundy, Louise
Bundy, Philip
Burgess, John
Burkhart, Elizabeth
Burnett, Maria
Burns, Kathryn
Burton, Terry
Bush, Frederick
Bye, Patricia

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Caffereta, Patty
Calhoun, Lane
Callahan
Calton, Richard
Camalier, Katherine
Campbell, Carolyn

8 3 0 4 0 4 2 9 9 6

Campbell, Dennis
Campbell, Leuveda
Campbell, N. J.
Campo, Terry
Canzeri, Joseph
Capaldi, Elsa
Capurro, Colleen
Carey, Timothy
Carmen, Jerry
Carpel, Nedra
Carr, Cary
Carrol, Freddie
Carter, Andy
Carter, Jr., Andy
Carver, Paul
Casal, Patricia
Casey, Thomas
Castastino, Kim
Castillo, Eddie
Cauley, Barbara
Cavanaugh, Phillip
Cave, Julie
Cawley, Barbara
Chamberlain, Darlene
Charney, Sue
Chase, Mary Lee
Cheney, Luanne
Cherry, Linda
Chesley, Deborah Loyd
Chimples, Candace
Choy, Robert
Christman, Hank
Church, Misty
Ciliberti, Barrie
Clark, Colin
Clark, Fred
Cobb, Christy
Coe, JoAnne
Coffing, A. Joan
Cohen
Coleman, Muriel
Collins, Geoffrey
Collins, James
Collins, JoAnn
Collins, Robert
Colwell, Kird
Conn, George
Connally, Frank
Connett, Rae
Consaul, Sheila
Cook, Barbara
Cook, Emily
Cooke, L. Julianne
Cooke, Lynda
Coon, Charlene
Cooper, Joe Don
Cooper, Joseph
Cooper, Pat
Coray, Carla
Corcoran, Kathleen
Cordes, Ruth
Corman, Rebecca
Costello, Carol
Costello, Mary
Cothran, Joy
Couch, Jeanne
Cox, Jeneieve
Crabb, Joann
Cramer, Beth Anne
Crawford, Nancy
Crawford, Tim
Cray, Gregory
Crispen, Jeanne
Crispin, Elaine
Cruz, Dena
Cummings, Rosemary
Curtis, Kenneth
Curtis, Peter
Cushing, Jane

8 3 0 4 0 4 2 9 9 7

Dano, Joseph
Daougherty, Steve
Daughtery, Michael
David, Michelle
Davis, Deborah
Davis, IV Alfred
Davis, Michele
Davis, Susan
Davis, Terry
Davis, Wally
Dawson, Bob
Dean, Dan
Deaver, Michael
DeFilippo, Gary
Defiore, Leonard
Delaine, Antoinette
Dellinger, Dorothy
Delmuro, Steve
Delorenzo, Cindy
Denson, Sandra
Desantis, Tina
Dethrow, Richard
DeVal, Bernice
Devine, Donald
DiCarlo, Dominick, L.
Dickey, Netta A.
Dirlam, William
Diwald, Bernice
Doherty, Eileen
Dolan, Anothony
Dolan, Kathryn Louise
Dolce, Dauneen
Doles, Wanda
Donatelli, Frank
Donnelly, Donald
D'Onofrio, Anthony
Doop, David
Doti, Tony
Dottai, Bonnie
Dougherty, Linda
Douglas, Philip
Douglas, Michelle
Downs, Maria
Doyle, Doug
Doyle, Elizabeth
Drinon, Anne
Driseal, Janet
Duffin, Annyce
Dunn, George
Dunn, Howard
Durden, Kay
Durtschi, Katherine
Duvall, C. Dale
Dwyer, Bill
Dyck, Lynda
Dykema, Richard

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Eakle, John
Eastman, Penny
Edwards, Rebecca
Egan, Jackie
Elliott, Barbara
Elliott, Douglas
Ellis, David
Ellis, Janet
Ellis, John
Engleman, Dana
English, Mary
Enzminger, Verna
Erb, David
Erthein, John
Erwin, Lorana
Esch, Marvin
Etkin, Mollie
Evans, Carlos

3 3 0 4 0 4 2 9 9 8

Faillace, A.S.
Faulkner, Scott
Finkelstein, Art
Fischer, Dave
Fitzgerald, Jennifer
Fitzsimons, Pamela
Fletcher, Sandra
Follick, Joan
Ford, David
Ford, Emily
Ford, Kay
Fousse, Joel Wayne
Frank, Kay
Franklin, Ann
Frederickson, Dave
Frost
Frucci, Marti
Frydenlund, John
Funderburke, Margie

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Gaddy, Steven
Gale, Michael
Gambino, Robert
Gangi, Genievieve
Gann, John
Garfield, Mary L.
Gargaro, Mary Jane
Garrett, Jeanne
Garrick, Robert
Gavin, William
Gay Lawrence
Gay, Neville
Geburh, Charles
Genero, Laura
Genest, Doris
Gergen, Dave
Gerow, Charles
Geschwent, Patricia
Gibson, Barbara
Gilbert, Amy
Gilbert, Penny
Giles, Richard
Giodana, Clara
Gleason, Bill
Godshall, Jami
Gold, Victor
Goldberg, Lawrence
Gosden, Linda
Gould, Bruce
Goulson, June C.
Graham, Anne
Graham, Barbara
Grande, Audrey
Graves, Greg
Gray, Ed
Gray, Edwin
Gray, Robin
Gray, Wayne
Green, Betty Faye
Green, Clifton
Green, Dorothea
Green, Shirley
Greenblatt, Marilyn
Greenleaf, Jr., Charles
Greenthaler, Carol
Greer, Erma
Gresham, Timothy
Gresham, Victor
Griffin, Gay
Griggs, Jere
Grizzle, Charles
Gruschow, Janet Gay
Gubitoski, Robert
Gubitoski, Bob

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Haag, Kent

8 3 0 4 0 4 2 9 9 9

Haar, Charlene K.
Haas, Margaret
Hagin, Joseph
Haldeman, Dyanne
Hale, Roy
Hales, Cherriee
Halford, Connie
Hall, James
Halper, Stefan
Hankin, Christopher
Hanley, Jr., William
Hansen, Ethel
Hansen, James
Hansen, Gay
Hanson, Philip
Hantz, Bonnie
Happis, Lee
Hardy, Patricia
Harmon, Jayne
Harron, Jeanene
Harris, David
Harris, David
Harris, L. Veronica
Harris, Nancy
Harris, Nancy
Harris, Penny
Harris, Veronica
Harrison, Judy
Harshman, Kemp
Hart, Karen
Hartwig, Sarah
Haslbeck, Lynne
Hatfield, Mark
Hathaway, Deborah
Hause, Peter
Hausenfluck, Robert
Hayes, Donald
Hayward, Barbara
Hayward, Mark
Hebert, Joan
Heckmann, Mark
Hedberg, Lloyd Eugene
Hedges, Adele
Hedges, Kenneth
Hedgewald, Mario
Heggins, Carrol
Heinrick
Hello, Ron
Hellon, Michael
Hemel, Eric
Hendrickson, Gary
Hendrix, Jr., Bobby
Henick, III, Henry
Herdegen, Hannah
Heritage, Celeste
Herlocker, J. Fred
Hicks, John
Hiesse, Elizabeth
Hiebie, Mark
Higgins, Barbara
Hill, Barbara
Hill, Faye
Hille, Nancy
Hill, Yvonne
Hillings, Jennifer
Hillis, Richard
Hinaman, Randy
Hindin, Joan
Hirschman, Ralph
Hoggard, Virginia Kim
Hoitsma, Gary
Hoke, Carol L.
Hoke, Shelley
Holland, Ellen

Hollenbeck, Su[illegible] Elaine
Hollingsworth, Beth
Holman, Mark
Holmes, Joseph
Holsclaw, Barbara
Holson, Richard
Holtcamp, Mark
Holtzman, Marc
Honegger, Barbara
Honser, Robert
Hook, Gladys
Hooley, James
Hopkins, Kevin
Horning, Bonnie
Hose, Wayne
House, Kay
Houser, Robert
Howarth, Dana
Hoffines, Ray
Huggins, Peggy
Hughes, Kay
Hulshart, Mark
Hunt
Hunter, Marion
Hurtado, Alex
Hurtado, Victor
Hutton, Deborah

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Infanti, Rose
Irwin, Jane
Iuliano, Margaret
Ivers, Drew

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Jackson, Arthur, Jr.
Jackson, Kathrin
Jackson, Jr., Thoedore
Jagolinzer, Neil
Jameso[illegible] Francis
Janiszewski, Etta
Jaroma, Annette
Jessar, Jonathon
Jimemez, Pauline
Johnson, Bradford
Johnson, Dave
Johnson, Joanne
Johnson, Jefferson
Johnson, Monica
Johnson, Nancy
Johnson, Paul
Jones, Gary
Jones, Mick
Jones, Ruth
Joyce, Kevin
Kahn, Marilyn
Kaiser, Bruce
Kalevas, Eve
Kamili, Kinav
Kaminsky, Phyllis
Karalekas, Darcy
Karalekas, Tina
Karem, Mike
Kartavich, Lyn
Kaufman, Gregory
Kavanagh, Richard
Keegan, Maureen
Keller, Linda
Kelly, John
Kemp, Teri
Kendall, Bill
Kendrick, Larry
Kennedy, Bobby
Kenny, Jane
Khachigian, Ken
Kidd, Guy
Kinder, Lorelei

8 3 0 4 0 1 2 0 0 1

King, Barbara
King, Craig
Kirven, Joe
Kirwan, Thomas
Kitchen, Lou
Kittress, Paula
Klapman, M. Elizabeth
Klinge, J. Kenneth
Knauss, Mary Ann
Knight, Edna
Knur, Josie
Koch, Darlene
Kolesnik, Kathleen Ann
Koons, Betsy
Kozlov, Hersh
Kozlowski, Michael
Kramen, Robin
Kreis, Rebecca
Kuhlman, Karen
Kuhlman, Mark
Kuhn, Jim
Kunz, Melinda Ann
Kuonen, Rocky
Kupp, Kristie
Kupperman, Charles
Kuykendall, Dan
Kuzmich, Paula
Kuzuck, Tom
Lacy, Bill
Lake, Jim
Lake, Jim, Jr.
Lake, Mike
LaMontagne, Margaret
Lamb, David
Lancaster, Carol
Landio, Lisa
Laney, William
Lang, Dolores
Langrafe, Joy
Larson, Merri
Latkin, W. B.
Lauderback, James
Lawson, Matt
Lay, Christy
Leavitt, J.
LeBlanc, Dennis
Lee, Jr., Adrian
Leger, Ernie
Leighton, Porter
Leonard, Clifford
Leppert, Charles
Levi, Becky
Levin, Frayda
Levine, Richard
Lewis, Carolyn
Lewis, Linda
Lewis, Nancy
Lias, Thomas
Lihn, Charlie
Lind, Kimberly
Livingston, Dodie
Livingston, Mary
Lobb, Richard
Lobitz, Elaine
Locke, Sandy
Lodwick, Seeley
Long, Linda
Longnecker, Barbara
Longworth, Pam
Louder, Camillus
Love, Margaret
Lovejoy, Diane
Loveland, Diane
Lowe, Meredith
Lucht, Archie
Lukens, Donald

3 3 0 4 0 4 2 4 0 0 1

Lund, Robert

Lura, Mick

Luther, Marcia

Lynch, James

Lyons, Elaine

---

MacKay, Kenneth

Mackenzie, Scott

Maddox, Yvonne

Maduro, Reynaldo

Majoney, Angela

Mailander, Joseph

Makins, Patricia

Maloney, John

Manafort, K. B.

Manafort, Paul

Maness, Myrtle F.

Manning, Tammie

Marks, Justine

Marlander, Joseph

Marone, Susan

Marshall, David

Marston, Linda

Martin, Evah L.

Maseng, Mari

Mashin, Jacquelin

Mason, Morgan

Masson, Mike

Maynard, Martha

McCaffrey, Barbara

McCaffrey, Shiela

McCain, Carol

McCants, Lyn

McCarl, Carol

McCarthy, Colleen

McClaughry, John

McCord, Lallie

McCormick, F. Donald

McCoy, Jan

McCulloch, Mrs. B.

McDonnelly, William J.

McDowell, Calvin

McGill, Janet

McKay, Frank

McKinnon, Susan

McLain, Jacque

McMahon, Barbara

McMahon, Helen

McManus, Steve

McPherson, Peter

McQuay, Pam

McSwane, Doug

Meacham, Robert

Meachem, Robert

Meeks, Blendia Charlene

Meeks, Jack

Meese, Ed

Melks, John

Mellinger, Lawrence Paul

Meloy, Mary Ann

Merrill, Paula Jo

Metasksa, Tanya

Meyerowitz, Patricia

Michaels, Steve

Midgett, Ann

Midgett, Sam

Miller, Betty

Miller, Chuck

Miller, Johnathan

Miller, Linda

Miller, Margaret

Miller, Richard

Millery, Ruby

Millinger, Larry

Milton, Donald

Mills, Tom

Minor, Ernst

3 3 0 4 0 4 2 0 0 3

Minshall, Dennis
Mishaan, Marc
Mito, Alison
Moffatt, Bill
Moffitt, John
Mohler, Diane
Monk, Rose Marie
Moody, Kerry
Mooman, Kevin
Moore, Duane
Moore, Elliot
Moore, Emmet
Moore, Powell
Moore, Shirley
Moran, Tom
Morency, Katherine
Morgan, Bronwyn
Morgan, John
Morgan, Peter
Moriarty, Timothy
Morigi - Armstrong, Karolyn
Morris, Ann
Morris, Dan
Morris, Jay
Morrison, Bonnie
Morrison, Beverly
Morse, Kevin
Mosher, Janice
Moyer, Maria
Muller
Murley, Sandra Denson
Murnane, Ed
Musgrave, Carol
Myers, Debbie
Myers, John

---

Nachreiner, Jean
Nahoom, Karen
Naylor, Jerry
Nebesky, Joan
Nelson, Gregory
Nelson, Marjorie Louise
Nelson, Richard
Neptune, William Jennings
Nesterczuk, George
Newell, Gregory
Nickels, Dave
Nickman, Howard
Nielsen, Anne
Nofziger, Lyn
Nolan, Cheryl
Nolen, Patricia
Nussbaumer, Cathy
Nuttbrook, Beverly Ann

---

Odell, Catherine
O'Dell, Judith L.
O'Donnell, Pat
Ohland, Leslie
Oliver, Angelyn H.
O'Neal, Rosalyn
O'Neill, Hugh
O'Reilly
Orr, Carol
Orr, Verne
Ostrowski
Overaker

---

Padayao, Comil
Pagel, Tim
Painter, Denise
Palmer, Dorothy
Panchal, Elise
Parker, Deny
Parker, Karen

8 3 0 4 0 4 2 0 0 4

Pasquali
Pate, Jennifer
Patrick, Carol
Paul, Rusty
Payne, Irene
Pearce, Ann R.
Peckham, Charles
Peckham, Robert
Peden, Neal
Perrignon, Janine
Peters, Jeffrey
Peters, Joyce
Peters, Peter
Peters, Walt
Peterson, Dwight
Peterson, Nancy
Pewitt, Patricia
Piehl, Thomas
Pierce, Peter
Pinkerton, James
Pinto, Greg
Piotrowicz, Gertrude
Plowman, Katherine
Ponder, Jacque
Poppe, Charles
Poorbaugh, Jack
Posin-Sanger, Lori Lyn
Postapack, Stephen
Powell, Cynthia
Powell, M. Elizabeth
Preola, Ed
Price, Maryanne
Pritchard, John
Prosperi, David
Pruitt, James
Prutter, Gwen
Pullin, Betty
Pullin, Penny

Quinn
Rairdon, Kae
Raish, Angela
Ramlet, Gloria
Rawding, Russell
Ray, Patsy
Rayman, Virginia
Reamer, James
Reed, Alixe
Reed, Jackson
Reed, Jeff
Reed, Linda
Reed, Nancy
Regan, Kathie
Regner, David
Rehmann, John Kieth
Resnick, Laurel
Retson, Demetri
Reuter, Patricia
Reynolds, Nancy
Rheinlander, Nathan
Rhoades, Mary
Rhodes, Donald
Ricardel, Vincent
Richards, Dick
Richardson, Denise
Richardson, Randle
Rieman, Bonita
Richman, Jane
Richmond, Margaret
Rico, John
Riley, Timothy
Rivard, Ronald
Rivera, Kay
Roarke, John
Roberts, Jeanne
Roberts, John
Roberts, Nancy

8 3 0 4 0 4 2 0 2 2

Roberts, Wayne
Robinson, Davis
Robinson, William
Rock, Emily
Rocovich, Christi
Rocovich, Terri
Roddy, Carol
Rodgers, Patricia
Rohrabacher, Dana
Rosenfield, Janet
Rosse, Allen
Rother, Carla
Rotterman, Marc
Rowe, W.
Rowley, Janice Bowers
Rueping, Barbara
Rugg, Martha
Russell, John
Russo, Paul
Rutherford, Danny
Ruthfus, Brad
Ruwe, Nick
Ryder, David

---

Santelli
Saunders, Fleming
Savage
Saville, Charlene
Schaaf, Thomas
Schlagel, Joanne
Schmid, Coral
Schmitt, Violet
Schnee, Charles
Schoenbaum, Karen Ann
Schuette, William
Schultz, Sharon
Schupp, Darlene
Schwartz, Gary

Scoggin, Rebecca
Seagrave, Leslie
Seaman, Bryant
Sears, John
Seawright, Pat Ann
Sellers, Ruth
Sentlinger, Bill
Shaffer, Barbara
Sheffer, Ruth
Shelby, Ellen Ann
Shelby, Rick
Shephard, Karen
Sherrill, Leslee
Shields, Marie
Shields, Stephanie
Chields, Sue
Shipley, Sharon
Shirley, Paul
Short, Hal
Sidey, Sandra
Sidney, Sandra
Siel, Sally
Siggard, Kerry
Simms, David
Singletary, Julie
Smart, Andy
Smith, Anabel
Smith, Angelina Kim
Smith, Jane
Smith, John Harry
Smith, Loren
Smith, Matthew
Smith, Michael
Smith, Michel
Smith, Nancye Carol
Smith, Vinette
Smith, Virginia Lee
Snow, Ed

Solimando, Debra A.
Sougstad, Mike
Soto, Phillip
Spear, Monty
Spencer, Stu
Spurlin, Sandra
Sroczynski, Susie
Stamenkovich, Dragutin
Stanalonis, Steve
Standlee, Joan
Stanlee, Joan
Stanley, Mitchell F.
Starn, Marcia
Statzer, Robert
Sterchi, Mary
Stevens, Charles
Stewart, Christopher
Stewart, Diane
Stewart, Matthew
Stikes, Deborah
Stikes, Eddie
Stikes, Jr., John Edgar
Stillings, Ruth L.
Stines, Judith
Stockdale, Jim
Stockton, Dorothea
Stone, Richard
Stone, Roger
Strobel, Gary
Strumme, Jorjett
Studdert, Steve
Sullivan, Dan
Sullivan, Kevin
Summerall, Susan
Summers, Karen
Swaim, Cheryl
Swann, Robert
Swanson, Judith
Sweetland, Joan
Sweetser, Sue
Sweezy, Bob
Sweezy, Dallas

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Tahtinen, Dale
Talley, Kevin
Tapscott, Cindy
Taussig, Alice
Taussig, Florence
Taylor, Dennis
Taylor, Leo
Taylor, Scott
Tebedo, Mary Ann
Teele, Art
Teeley, Peter
Teer, Jane
Terra, Dan
Tharp, Tad
Thayer, Steve
Thevenez, Cedric
Thivierge, Marguerite
Thomas, Ann
Thomas, Deborah
Thompson, James
Thompson, John
Thompson, Valerie
Thorwald, Frank
Timmons, Bill
Tipton, Beverly
Tisdale, Kim
Tjaden, Janna
Todd, Peter
Tognalli, Michael
Tompkins, J. Warren
Totten, Don

Towery, Ken
Travers, Cathy
Trent, Darrell
Trent, Debra
Trent, Rene
Trepanier, Kay
Trimble, Carole
Trompas, Christine
Trotter, Ruth
Trout, Catherine
Troxler, Lee
Tubridy, Martin
Tucker, Bill
Tucker, Sam
Turnball, Michelle
Turnball, Robert
Tuttle, Bob
Tuttle, Jonathan
Tutwiler, Margaret
Tymer, Debbie
Tyson, Charles

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Udell, Jeri K.
Urban, Mary Ann

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Van Egmond, Rick
Vanable, Peggy
Vanaro, Julie
Van Hook, Frankie
Vatour, Roland
Ventura, Rick
Vernardos, John
Vestuto, Nancy
Veryser, Harry
Vigneault, J. J.
Villalpando, Catalina
Voget, Ed
Von Boeselager, Kristin
Von Damm, Helene

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Wagner, Loius Anne
Wakehami, T. David
Waldman, Benjamin
Waldron, Agnes
Walker, Ron
Wallis, Mike
Warner, Ruth Webner
Waslick, Deny
Waslin, Eileen
Watkins, Mary Boswell
Watridge, Sam
Way, Dennis
Webb, Gregory
Weinberg, Mark
Welde, Pat
Wellons, Karyn
Wells, Jack
Wells, Steven
Wernberg, Mark
Westhead, Barbara
Weston, Jackie
Whalen, Richard
Whetstone, Frank
White, Andrea
White, Clifton
Whitworth, Julie
Whydler, Christopher
Whytle, Roger
Whyte, Roger
Wickstrom, Randy
Wild, Kathleen
Wiles, Lanny
Williams, Carol
Williams, Claudine
Williams, Eleanor
Williams, Jacqueline

Williamson, Richard

Williford, Calvin

Wilson, Denise

Wilson, Dennis

Wilson III, Duncan

Wilson, Jane

Win, Kyaw

Wing, Linda

Winnick, Jeanne

Winslow, Victoria

Wirthlin, Dick

Withers, Saundra M.

Wolfe, Bob

Wolff, Otto

Wood, Julia

Wood, Lee

Wood, Lynn

Woods, Marilyn

Woodrain, Hilda L.

Woodruffe, Juan

Woolman, Thomas

Workman, Wendy

Wormser, Nina Carolyn

Wray, James

Wright, Avis F.

Wright, Shirley Jean

Wright, Toni

Wulfe, Tom

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Young, Daniel

Yznaga, Marcia Rose

---

Zachariou, Constantine

Zaimes, James

Zatarga, Mary Hill

Zazara, Nancy

Zehnder, Jr., Louis

Zellmer, Joseph

Zolotas, Socrates

Zumalt, Kurt

Zuniga, Henry

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Cochran, Fielding

Dawson, Sam

Elbourne, Timothy

Harmon, Herb

Horvath, Clark

Kinnear, John

Leo, Greg

Messick, Richard

Miziker, Ronald

Umstattd, Elizabeth Coles

Ursomarso, Frank

Van Sickle, Tom

Youstra, George

October 17, 1980

SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See instructions on Back)

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Page 1 of 1 for LINE NUMBER 17c

Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: April 1, 1979 thru June 30, 1979

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $196,279.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $none
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $196,279.00

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Price Home<br>Kansas City, Kansas | Reception | 4-14-79 | $ 11,400 | $ |
| Thunderbird Motel<br>Bloomington, Minn. | Luncheon | 4-16-79 | 10,939 | |
| Curb Residence<br>Los Angeles, CA. | Reception | 5-29-79 | 45,475 | |
| Little America Westgate<br>San Diego, CA | Luncheon | 6-04-79 | 12,300 | |
| Alonquin Club<br>Boston, Mass. | Reception | 6-14-79 | 6,210 | |
| Hyatt-Regency Hotel<br>Dallas, TX | Reception | 6-21-79 | 6,300 | |
| Wick Home<br>Los Angeles, CA | Reception | 6-28-79 | 77,650 | |
| Westchester C.C.<br>Somerset Co., N.J. | Reception | 6-30-79 | 12,200 | |
| Mayer Residence<br>Guymon, Okla. | Reception | 6-30-79 | 13,805 | |
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| SUBTOTAL this period | | | $196,279.00 | $** |

Approved by GAO, B-187620 (RC571), Expires 82 2 28

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SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: July 1, 1979 thru September 30, 1979

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 297,706.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ none
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ see p.2of2

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Recess Club New York, N.Y. | Luncheon | 7-26-79 | $ 2,450 | $ |
| Chambers Residence Bloomfield Hills, Mich. | Dinner | 7-29-79 | 29,150 | |
| Cross Residence Lake Forest, IL | Reception | 7-29-79 | 4,750 | |
| Love Residence St. Louis, MO. | Reception | 7-30-79 | 18,345 | |
| Hyatt House Richmond, VA | Reception | 7-31-79 | 4,733 | |
| Haymaker Farms Cheyenne, Wyoming | Barbeque | 8-26-79 | 4,400 | |
| Hilton Hawaiin Village Honolulu, Hawaii | Banquet | 9-4-79 | 35,144 | |
| Tyler Residence Bel Air, CA | Reception | 9-6-79 | 48,000 | |
| Goodman Residence Pacific Palisades, CA | Reception | 9-7-79 | 17,500 | |
| Fletcher Residence San Diego, CA | Reception | 9-11-79 | 67,151 | |
| Dale Robertson Ranch Oklahoma City, OK | Barbeque | 9-16-79 | 20,768 | |
| Lomma Residence Scranton, PA | Dinner | 9-20-79 | 9,350 | |
| Holtzman Residence Wilkes-Barre, PA | Reception | 9-20-79 | 19,895 | |
| Salyard Residence Philadelphia, PA | Recept/Dinner | 9-21-79 | 16,070 | |
| SUBTOTAL this period | | | $297,706.00 | $** |

Approved by GAO, B-187620 (RC571), Expires 02 2 28

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SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: July 1, 1979 thru September 30, 1979

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 203,525.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ -0-
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 768.75
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 501,999.75

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Cummings Residence<br>Beverly Hills, CA | Reception | 9-26-79 | $ 96,250 | $ |
| Fiddler's Elbow C.C.<br>Somerset City, N.J. | Dinner/Dance | 9-30-79 | 96,525 | |
| Sacramento River<br>Sacramento, CA | Boat Ride | 7-19-79 | 10,750 | |
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| SUBTOTAL this period ..... | | | $*203,525.00 | $** |

Approved by GAO, B-187620 (RC571), Expires 82-2-28

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SCHEDULE D-P
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Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ -0-
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 205.00
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 563.75
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 768.75

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|
| San Diego, California<br>Hospitality Suite - California Convention | 9-15-79 | $ | $ 205.00 |
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| SUBTOTAL this period ..... | | $* | $** 205.00 |

Approved by GAO, B-187620 (RO571), Expires 82-2-28

SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full: REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: October 1, 1979 thru December 31,1979

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 823,103.67
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ none
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 314.50
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 823,418.17

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Braun Residence San Marino, CA | Reception | 10-02-79 | $ 58,055 | $ |
| Four Seasons Hotel Washington, D.C. | Luncheon | 10-09-79 | 10,360 | |
| Gulbranson Residence Toluca Lake, CA | Reception | 10-11-79 | 49,935 | |
| Mull Residence Sacramento, CA | Reception | 10-11-79 | 4,460 | |
| Tuscon Country Club Tuscon, AZ | Luncheon | 10-26-79 | 25,900 | |
| Celebrity Circle Theatre Houston, TX | Wayne Newton Concert | 10-29-79 | 87,442.20 | |
| Will Rogers Auditorium Ft. Worth, TX | Wayne Newton Concert | 10-28-79 | 59,023.97 | |
| Boston Music Hall Boston, Mass. | Sinatra/Martin Concert | 11-02-79 | 144,653 | |
| New York Hilton Hotel New York, NY | Announcement Dinner | 11-13-79 | 299,464.50 | |
| Marriott Hotel Chicago, IL | Reception | 11-28-79 | 14,800 | |
| Chicago Club Chicago, IL | Reception | 11-28-79 | 49,025 | |
| Barham Residence Los Angeles, CA | Reception | 12-05-79 | 11,150 | |
| Ramada Inn Concord, N.H. | Dinner | 12-12-79 | 8,835 | |
| | | | | |
| SUBTOTAL this period | | | $* 823,103.67 | $** |

Approved by GAO, B-167620 (RC571), Expires 82-2-28

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SCHEDULE D-P
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Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: January 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 189,400.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 1,662.50
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ see p.2 of 2

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (City, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| New York Hilton Hotel<br>New York, NY | Announcement Dinner | 11-13-79 | $ 15,328 | $ |
| Marriott Hotel<br>Chicago, IL | Reception | 11-28-79 | 2,175 | |
| Chicago Club<br>Chicago, IL | Reception | 11-28-79 | 1,250 | |
| Barham Residence<br>Los Angeles, CA | Reception | 12-05-79 | 100 | |
| Le Claire Residence<br>Truth & Consequences, N.M. | Barbecue | 12-08-79 | | 411.80 |
| Ramada Inn<br>Concord, N.H. | Dinner | 12-12-79 | 755 | |
| Service Club<br>Nashua, N.H. | Reception | 01-08-80 | 2,580 | 551.00 |
| Colonial Hilton<br>Wakefield, MA | Reception | 01-08-80 | 19,518 | |
| City Auditorium<br>Pensacola, Fla. | Rally | 01-09-80 | | 648.70 |
| Abbott Residence<br>New York, NY | Reception | 01-15-80 | 35,430 | |
| Manchester CC<br>Manchester, N.H. | Committee Mtg. | 01-16-80 | 1,525 | 51.00 |
| Duquesne Club<br>Pittsburgh, PA | Breakfast | 01-16-80 | 2,533 | |
| Breakers Hotel<br>Palm Beach, Fla. | Dinner | 01-18-80 | 106,781 | |
| Long's Restaurant<br>Lansing, Mich. | Luncheon | 01-19-80 | 1,425 | |
| SUBTOTAL this period ..... | | | $* 189,400 | $** 1,662.50 |

Approved by GAO, B-187620 (AC571), Expires 6-2-28

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SCHEDULE D P
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Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: January 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 94,872.54
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ none
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 621.00
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 286,556.0

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Collections this P |
|---|---|---|---|---|
| Pheasant Run Club Aurora, IL | Reception | 01-22-80 | $ 10,100 | $ |
| University Club San Francisco | Reception | 01-23-80 | 17,910 | |
| Atelian Residence Santa Barbara, CA | Reception | 01-24-80 | 3,288 | |
| Madonna Inn San Luis Obispo, CA | Luncheon | 01-24-80 | 650 | |
| North Ranch CC Thousand Oaks, CA | Reception | 01-24-80 | 8,970 | |
| Minnesota Club St. Paul, Minn. | Reception | 01-25-80 | 13,955.94 | |
| Shrine Auditorium Los Angeles, CA | Rally | 02-03-80 | 22,423.60 | |
| Wilson Residence Los Angeles, CA | Cocktail Party | 02-03-80 | 16,375 | |
| Hilton Hotel Merrimac, N.H. | Reception | 02-08-80 | 200 | |
| Rattison Hotel Detroit, Mich. | Reception | 02-13-80 | 1,000 | |
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| | | | | |
| SUBTOTAL this period | | | $* 94,872.54 | $** - 0 - |

Approved by GAO, B-187620 (RO571), Expires 82 2 28

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SCHEDULE D-P
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Federal Election Commission
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# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)

Page 1 of 2 for LINE NUMBER 17c

Name of Candidate or Committee in Full
REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period: February 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 42,556.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 1,113.46
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ - 0 -
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ see p.2 Of 2

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Duquesne Club Pittsburgh, Pa. | Breakfast | 1/16/80 | $ 195.00 | $ |
| Stouffer's Five Seasons Restaurant Cedar Rapids, Iowa | Reception | 1/7/80 | | 1,113.46 |
| Tavern Motor Inn Montpelier, Vt. | Reception | 1/16/80 | 3,350.00 | |
| Bonura Home Ft. Lauderdale, Fla. | Reception | 3/9/80 | 1,010.00 | |
| Colonial Hilton Wakefield, Mass. | Reception | 1/8/80 | 500.00 | |
| Long's Restaurant Lansing, Mich. | Luncheon | 1/19/80 | 25.00 | |
| Cobo Hall Raddison Hotel Detroit, Mich. | Pre-Speech Party | 2/13/80 | 11,492.00 | |
| So.Nevada Hdqrs. Merrimac, N.H. | Birthday Party | 1/20/80 | 297.00 | |
| University Club San Francisco | Reception | 1/23/80 | 4,310.00 | |
| Wm.Wilson Home Los Angeles, Calif. | Cocktail Party | 2/3/80 | 11,160.00 | |
| Madonna Inn San Luis Obispo, Calif. | Luncheon | 1/24/80 | 6,862.00 | |
| North Ranch C.C. Thousand Oaks, Calif. | Reception | 1/24/80 | 1,355.00 | |
| Breakers Hotel Palm Beach, Fla. | Dinner | 1/18/80 | 2,000.00 | |
| | | | | |
| SUBTOTAL this period ..... | | | $* 42,556.00 | $** 1,113.46 |

Approved by GAO, B-187620 (RO571), Expires 82 2 28

SCHEDULE D P
September 1978
Federal Election Commission
1325 K Street, N.W.
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# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 120,070.75
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 2,367.07
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 1,371.80
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 167,479.08

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Intercontinental Hotel Miami, Fla. | Reception | 1/24/80 | $ 45,150.00 | $ 277.48 |
| Jacksonville Civic Aud. Jacksonville, Fla. | Rally | 1/31/80 | | 1,260.35 |
| Tower Club Tampa, Fla. | Reception | 2/29/80 | 5,665.00 | |
| Citrus Club Orlando, Fla. | Reception | 2/7/80 | 3,220.00 | |
| Palmer House Chicago, Ill. | Reception | 2/28/80 | 1,745.00 | |
| Polcaris Restaurant Boston, Mass. | Reception | 2/22/80 | 900.00 | |
| Holiday Inn Worcester, Mass. | Reception | 2/15/80 | 540.00 | |
| Dana Restaurant New York, N.Y. | Reception | 2/18/80 | 17,200.00 | |
| Brown's Residence Reno, Nav. | "Bloody-Fizz" Party | 2/3/80 | | 133.50 |
| Barnum Residence Eureka, Calif. | Reception | 2/29/80 | 1,849.00 | |
| Civic Center St. Paul, Minn. | Rally | 221/80 | | 695.74 |
| Shrine Auditorium Los Angeles, CA | Rally | 2/3/80 | 37,816.75 | |
| Hilton Hotel Merrimac, N.H. | Reception | 2/8/80 | 5,985.00 | |
| | | | | |
| SUBTOTAL this period | | | $* 120,070.75 | $** 2,367.07 |

Approved by GAO, B-187620 (RC571), Expires 6/2/28

SCHEDULE D P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: March 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 45,179.40
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 718.26
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p. 3 of

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Duquesne Club Pittsburgh, PA | Breakfast | 1-16-80 | $ 25.00 | $ |
| Breaker's Hotel Palm Beach, FL | Dinner | 1-18-80 | 500.00 | |
| Atelian Residence Santa Barbara, CA | Reception | 1-24-80 | 140.00 | |
| Civic Auditorium Jacksonville, FL | Rally | 1-31-80 | | 235.00 |
| Shrine Auditorium Los Angeles, CA | Rally | 2-3-80 | 6,363.50 | |
| Wilson Residence Los Angeles, CA | Reception | 2-3-80 | 200.00 | |
| Civic Center Montgomery, AL | Luncheon | 2-8-80 | 8,850.80 | 73.26 |
| City Hall Boca Raton, FL | Rally | 2-22-80 | | 200.00 |
| Polcari's Restaurant Boston, MA | Reception | 2-22-80 | 150.00 | |
| Hospitality House Alexandria, VA | Rally | 2-26-80 | 1,743.00 | |
| Chicago Palmer House Chicago, IL | Reception | 2-28-80 | 3,300.00 | |
| Van Wetzel Hall Sarasota, FL | Rally | 2-29-80 | | 210.00 |
| Van Wetzel Hall Sarasota, FL | Brunch | 2-29-80 | 8,740.00 | |
| Tower Club Tampa, FL | Reception | 2-29-80 | 15,167.10 | |
| SUBTOTAL this period ..... | | | $* 45,179.40 | $** 718.26 |

Approved by G.A.O. B-187620 (RO571), Expires 62 2 28

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September 1978
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1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: March 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 160,047.97
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 2,127.78
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p. 3 of

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Tower Club<br>Tampa, FL | Rally | 2-29-80 | $ | $ 357.50 |
| Barnum Residence<br>Eureka, CA | Reception | 2-29-80 | 3,024.00 | |
| Downtown Motor Inn<br>Savannah, GA | Reception | 3-1-80 | 4,570.00 | |
| Ames Residence<br>San Antonio, TX | Reception | 3-2-80 | 4,757.00 | |
| Cobb Co. Civic Center<br>Atlanta, GA | Rally | 3-6-80 | 2,291.00 | 1,770.28 |
| Ramada Inn<br>Melbourne, FL | Reception | 3-7-80 | 1,250.00 | |
| Cox Residence<br>Golden Beach, FL | Reception | 3-8-80 | 21,509.50 | |
| Bonura Residence<br>Ft. Lauderdale, FL | Reception | 3-9-80 | 10,665.00 | |
| Lancer Restaurant<br>Schaumberg, IL | Brunch | 3-16-80 | 7,470.00 | |
| Women's Athletic Club<br>Chicago, IL | Tea | 3-17-80 | 9,146.47 | |
| Stock Exchange Club<br>New York, NY | Luncheon | 3-19-80 | 42,680.00 | |
| Civic Center<br>Forrest City, AR | Reception | 3-21-80 | 5,105.00 | |
| Moe Residence<br>Oklahoma City, OK | Reception | 3-23-80 | 44,880.00 | |
| Airport Marina Hotel<br>Dallas, TX | Reception | 3-25-80 | 2,700.00 | |
| SUBTOTAL this Period ..... | | | $* 160,047.97 | $** 2,127.78 |

Approved by GAO, B-187620 (R0571), Expires 02-2-28

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SCHEDULE D P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: March 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 15,890.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 105.00
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 1,795.93
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 225,864.34

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Bunnell Residence Newport Beach, CA | Reception | 3-27-80 | $ 4,250.00 | $ |
| Castaway's Restaurant Los Angeles, CA | Reception | 3-28-80 | 6,140.00 | |
| Briner Residence Palos Verdes Estates, CA | Reception | 4-14-80 | 500.00 | |
| Singleton Residence West Los Angeles, CA | Reception | 4-18-80 | 5,000.00 | |
| City Auditorium Pensacola, FL | Rally | 1-9-80 | | 105.00 |
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| SUBTOTAL this Period | | | $* 15,890.00 | $** 105.00 |

Approved by GAO, B-187620 (RO571), Expires 6-2-78

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SCHEDULE D-P
September 1979
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: April 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 50,952.80
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 1,028.05
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ see p. 3 of

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Breaker's Hotel<br>Palm Beach, FL | Dinner | 1/18/80 | $ 500 | $ |
| Pheasant Run Club<br>Aurora, IL | Reception | 1/22/80 | 705 | |
| Atelian Residence<br>Santa Barbara, CA | Reception | 1/24/80 | 100 | |
| Van Wetzel Hall<br>Sarasota, FL | Brunch | 2/29/80 | 100 | |
| Van Wetzel Hall<br>Sarasota, FL | Rally | 2/29/80 | | 35 |
| Tower Club<br>Tampa, FL | Reception | 2/29/80 | 200 | |
| Hugo's Restaurant<br>Cohasset, MA | Reception | 3/02/80 | 1,705 | |
| Furry's Residence<br>Charleston, IL | Coffee | 3/12/80 | 1,750 | |
| Women's Athletic Club<br>Chicago, IL | Tea | 3/17/80 | 650 | |
| Civic Center<br>Forrest City AR | Reception | 3/21/80 | 12,205 | |
| Holiday Inn South<br>Reno, NV | "No Host"<br>Cocktail Party | 3/21/80 | 1,605 | 993.05 |
| Airport Marina Hotel<br>Dallas, TX | Reception | 3/25/80 | 24,575 | |
| The Falcon<br>Pierre, South Dakota | Reception | 3/28/80 | 1,515 | |
| Castaways Restaurant<br>Los Angeles, CA | Reception | 3/28/80 | 5,342.80 | |
| SUBTOTAL this period ..... | | | $* 50,952.80 | $** 1,028.05 |

Approved by GAO, B-187620 (R0571), Expires 82-2-28

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SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: April 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 363,878.80
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ none
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ none
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p.3 of 3

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Glenwood Manor Convention Hall<br>Kansas City, Kansas | Reception | 3/30/80 | $ 12,389.80 | $ |
| Lee's Residence<br>Hollywood, CA | Reception | 3/30/80 | 1,500. | |
| Civic Center<br>Shreveport, LA | Reception | 4/01/80 | 7,885. | |
| Petroleum Club<br>Lafayette, LA | Reception | 4/01/80 | 9,150. | |
| Madison Hotel<br>Washington, D.C. | Reception | 4/08/80 | 126,707. | |
| Riverside Golf Club<br>Grand Island, NB | Dinner | 4/09/80 | 16,210. | |
| Duquesne Club<br>Pittsburgh, PA | Luncheon | 4/10/80 | 15,900 | |
| Meadow Club<br>Fairfax, CA | Reception | 4/11/80 | 3,985. | |
| Cummings Residence<br>Los Angeles, CA | Luncheon | 4/14/80 | 123,912. | |
| Mt. Gate Country Club<br>Los Angeles, CA | Reception | 4/14/80 | 11,815. | |
| Ham Residence<br>San Francisco, CA | Recept/Dinner | 4/14/80 | 17,200 | |
| Briner Home<br>Palos Verdes Estates, CA | Reception | 4/14/80 | 2,350. | |
| San Francisco Athletic Club<br>San Francisco, CA | Rally/Recept. | 4/14/80 | 4,775. | |
| Hulman Civic Center<br>Terre Haute, IN | Reception | 4/15/80 | 10,100. | |
| SUBTOTAL this period ..... | | | $* 363,878.80 | $** |

Approved by GAO, B-187620 (RO571), Expires 82 2 28

SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)

Page 3 of 3 for LINE NUMBER 17c

Name of Candidate or Committee in Full

Reagan for President

Total Proceeds During the Reporting Period: April 1980

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 498,696.35
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 277.05
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 2,038.00
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 916,871.05

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Fairmont Hotel Philadelphia, PA | Luncheon | 4/16/80 | $ 34,376.35 | $ |
| Cherry Hills Country Club Denver, CO | Reception | 4/16/80 | 9,717. | |
| Donovan Residence Short Hills, N.J. | Buffet/Supper | 4/17/80 | 41,763. | |
| Singleton Residence W. Los Angeles, CA | Reception | 4/18/80 | 349,245. | |
| Pacifica Hotel Culver City, CA | Reception | 4/20/80 | 3,400. | |
| Meeks Residence Lafayette, IN | Reception | 4/22/80 | 16,550. | |
| Trailor Residence Phoenix, AZ | Reception | 4/24/80 | 37,490. | |
| Thompson Residence Dallas, TX | Reception | 4/24/80 | 1,800. | |
| University Club New York, NY | Reception | 4/24/80 | 1,000. | |
| Silva Ranch Sloughhouse, CA | Bar-be-que | 5/18/80 | 1,765. | |
| Rogan Residence La Jolla, CA | Reception | 5/23/80 | 1,200 | |
| Mills Residence Palos Verdes Peninsula, CA | Bridge Luncheon | 5/29/80 | 390. | |
| Hungry Miner Cafe Virginia City, NV | Party | 3/26/80 | | 277.05 |
| | | | | |
| SUBTOTAL this period ..... | | | $* 498,696.35 | $** 277.05 |

Approved by GAO, B-187620 (HC 571), Expires 82-2-28

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SCHEDULE D P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 264,771.53
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 264,771.53

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Nagel Residence Brea, CA | Reception | 5/17/80 | $ 275.00 | $ |
| Seuss Residence Santa Ana, CA | Reception | 5/3/80 | 125.00 | |
| Mayor Smith's Residence Orange, CA | Reception | 5/24/80 | 1315.00 | |
| Lindborg Racquet Club Huntington Beach, CA | Cocktail Party | 5/17/80 | 1630.00 | |
| Meeks Residence Lafayette, IN | Reception | 4/22/80 | 200.00 | |
| Ponchotrain Hotel Detroit, MI | Reception | 5/14/80 | 13050.00 | |
| Silva Ranch Sloughhouse, CA | Dinner | 5/18/80 | 1627.00 | |
| Chicago Club Chicago, IL | Reception | 5/29/80 | 49925.00 | |
| Mills Residence Palos Verdes, CA | Luncheon | 5/29/80 | 533.00 | |
| Singleton Residence Los Angeles, CA | Reception | 4/18/80 | 20245.00 | |
| Civic Center Forrest City, AR | Reception | 3/21/80 | 200.00 | |
| Trailor Residence Phoenix, AZ | Reception | 4/24/80 | 250.00 | |
| University Club New York, NY | Reception | 4/24/80 | 12200.00 | |
| Sky Club New York, NY | Reception | 5/15/80 | 62940.00 | |
| SUBTOTAL (this period) ..... | | | $* 164,515.00 | $** |

Approved by GAO, B-187620 (RC571), Expires 82 2 28

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SCHEDULE D P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)

Page 2 of 2 for LINE NUMBER 17c

Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Rogan Residence La Jolla, CA | Reception | 5/23/80 | $ 64550.00 | $ |
| Montgomery Residence Bakersfield, CA | Reception | 4/25/80 | 100.00 | |
| Arizona Inn Tucson, AZ | Luncheon | 4/16/80 | 13890.00 | |
| Kurzet Residence Orange, CA | Brunch | 5/25/80 | 3390.00 | |
| Flores Ranch Fresno, CA | Barbeque | 5/28/80 | 12900.00 | |
| La Palma Community Ctr. La Palma, CA | Dinner | 5/2/80 | 10.00 | |
| Mooney Grove Park Visalia, CA | Rally | 5/18/80 | 993.53 | |
| Alan Grant Residence Waukena, CA | Dinner | 5/16/80 | 100.00 | |
| Porter Residence San Juan Capistrano, CA | Luau Dinner | 5/31/80 | 673.00 | |
| Ted Cummings Residence Los Angeles, CA | Luncheon | 4/14/80 | 3650.00 | |
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| SUBTOTAL (this period) ..... | | | $* 100,256.53 | $** |

Approved by GAO, B-187620 (RC571), Expires 82 2 28

SCHEDULE 3P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 58,675.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ None
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ See p.4 of 4
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p.4 of 4

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Tower Club<br>Tampa, Florida | Reception | 2/29/80 | $ 50.00 | $ |
| Civic Center<br>Forrest City, Arkansas | Reception | 3/21/80 | 810.00 | |
| Bunnell Residence<br>Newport Beach, CA | Reception | 3/27/80 | 100.00 | |
| The Castaways Restaurant<br>Los Angeles, CA | Reception | 3/28/80 | 225.00 | |
| Glenwood Manor Convention Hall<br>Kansas City, Kansas | Reception | 3/30/80 | 200.00 | |
| Petroleum Club<br>Lafayette, Louisiana | Reception | 4/1/80 | 900.00 | |
| Madison Hotel<br>Washington, D.C. | Reception | 4/8/80 | 9,500.00 | |
| Duquesne Club<br>Pittsburgh, PA | Luncheon | 4/10/80 | 500.00 | |
| Broadmoor Hotel<br>Colorado Springs, CO | Reception | 4/11/80 | 3,360.00 | |
| Meadow Club<br>Fairfax, California | Reception | 4/11/80 | 4,055.00 | |
| Ham Residence<br>San Francisco, CA | Reception/Dinner | 4/14/80 | 1,000.00 | |
| Briner Residence<br>Palos Verdes Estates, CA | Reception | 4/14/80 | 15,200.00 | |
| Cummings Residence<br>Los Angeles, CA | Luncheon | 4/14/80 | 8,200.00 | |
| Mountain Gate Country Club<br>Los Angeles, CA | Reception | 4/14/80 | 14,575.00 | |
| SUBTOTAL this period ..... | | | $* 58,675.00 | $** |

Approved by GAO, B-118620 (HO571), Expires 02-2-28

September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 443,304.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ 67.00
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ See p.4 of 4
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p.4 of 4

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Athletic Club<br>San Francisco, CA | Rally/Reception | 4/14/80 | $ 525.00 | $ |
| Hulman Civic Center<br>Terre Haute, IN | Reception | 4/15/80 | 4,508.00 | |
| Cherry Hills Country Club<br>Denver, Colorado | Reception | 4/16/80 | 330.00 | |
| Fairmont Hotel<br>Philadelphia, PA | Luncheon | 4/16/80 | 2,564.00 | |
| Hyatt-Regency Hotel<br>Houston, Texas | Reception | 4/17/80 | 86,970.00 | |
| Singleton Residence<br>Los Angeles CA | Reception | 4/18/80 | 74,170.00 | |
| Trailor Residence<br>Phoenix, Arizona | Reception/Dinner | 4/24/80 | 24,495.00 | |
| Thompson Residence<br>Dallas, Texas | Reception | 4/24/80 | 77,515.00 | |
| University Club<br>New Yor, New York | Reception | 4/24/80 | 38,278.00 | |
| Stockdale Country Club<br>Bakersfield, CA | Dinner | 4/25/80 | 1,874.00 | |
| Parker Residence<br>Tulsa, Oklahoma | Reception | 4/25/80 | 3,650.00 | |
| Montgomery Residence<br>Bakersfield, CA | Reception | 4/25/80 | 87,800.00 | |
| Convention Center<br>Truth or Consequences, NM | "Pass The Hat" | 4/28/80 | | 67.00 |
| Holiday Day Inn Country Villa<br>Midland, Texas | Reception | 4/30/80 | 40,625.00 | |
| SUBTOTAL this period ..... | | | $* 443,304.00 | $** 67.00 |

Approved by GAO, B-197520 (RO511), Expires 82 2 28

September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)



Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 391,298.95
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ None
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ See p.4 of
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ See p. 4 o

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Ma Collections this Peri |
|---|---|---|---|---|
| Wilson Residence<br>Nashville, TN | Reception | 5/1/80 | $ 66,500.00 | $ |
| La Palma Community Center<br>La Palma, California | Dinner | 5/2/80 | 1,440.00 | |
| James Roaten Residence<br>Memphis, Tennessee | Dinner/Buffet | 5/3/80 | 3,908.50 | |
| Richard Suess Residence<br>Santa Ana, California | Dinner | 5/3/80 | 1,567.50 | |
| Marina Valley Community Center<br>Edgemont, California | Dinner | 5/3/80 | 67.00 | |
| Rex Early Residence<br>Indianapolis, Indiana | Reception | 5/4/80 | 32,450.00 | |
| Roose Residence<br>Capistrano Beach, CA | Coffee | 5/7/80 | 266.50 | |
| Fletcher Residence<br>Woodside, California | Reception | 5/9/80 | 4,494.00 | |
| Huntington Hotel<br>San Francisco, CA | Reception | 5/9/80 | 11,000.00 | |
| Ponchotrain Hotel<br>Detroit, Michigan | Reception/Dinner | 5/14/80 | 198,425.00 | |
| Breakers Hotel<br>Palm Beach, Florida | Dinner | 1/18/80 | 250.00 | |
| Meadowland Racetrack<br>Meadowland, New Jersey | Reception | 5/16/80 | 48,250.00 | |
| Nagel Residence<br>Brea, California | Reception | 5/17/80 | 1,360.45 | |
| Silva Ranch<br>Sloughhouse, California | Dinner | 5/18/80 | 21,320.00 | |
| SUBTOTAL this period ..... | | | $* 391,298.95 | $** |

Approved by G.A.O. B-187620 (MO5733), Expires 82 2 28

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September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)

Page 4 of 4 for LINE NUMBER 17c

Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 125,915.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $ None
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $ 4,156.27
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 1,023,416.22

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Leisure World<br>Seal Beach, CA | Dinner | 5/20/80 | $ 2,000.00 | $ |
| Barry Klinger Home<br>Santa Barbara, CA | Reception | 5/21/80 | 2,205.00 | |
| Rogan Residence<br>La Jolla, California | Reception | 5/23/80 | 85,920.00 | |
| Chicago Chamber of Commerce<br>Chicago, Illinois | Reception | 5/29/80 | 33,840.00 | |
| Hyatt Regency<br>Houston, Texas | Luncheon | 6/27/80 | 1,800.00 | |
| Denton Holiday Inn<br>Dallas, Texas | Reception | 4/12/80 | 150.00 | |
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| SUBTOTAL this period ..... | | | $* 125,915.00 | $** |

Approved by GAO, B-187620 (RO571), Expires 02/28/28

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SCHEDULE D-P
September 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS SALES AND COLLECTIONS FOR LINE NUMBER 17c ONLY OF FEC FORM 3P

(See Instructions on Back)

Page 1 of ____ for LINE NUMBER 17c

Name of Candidate or Committee in Full

REAGAN FOR PRESIDENT

Total Proceeds During the Reporting Period:

1. Subtotal Receipts from the Sale of Tickets (list by event below and enter from subtotal Column A)* ..... $ 19,950.00
2. Subtotal Receipts from Mass Collections (list by event below and enter from subtotal Column B)** ..... $
3. Subtotal Receipts from the Sale of Items (not listed below) ..... $
4. TOTAL (carry forward to Line 17c of Detailed Summary, Page 2, FEC Form 3P) ..... $ 19,950.00

LIST OF SALES AND COLLECTIONS BY EVENT

| LOCATION (Site, City and State) AND TYPE OF EVENT | | Date of Event (month, day, year) | COLUMN A Amount from Sale of Tickets this Period* | COLUMN B Amount from Mass Collections this Period** |
|---|---|---|---|---|
| Arizona Inn Tucson, AZ | Luncheon | 4/16/80 | $ 5,125.00 | $ |
| Chicago Club Chicago, IL | Reception | 5/29/80 | 14,825.00 | |
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| | | | | |
| | | | | |
| | | | | |
| SUBTOTAL this period | | | $* 19,950.00 | $** |

Approved by GAO, B-167620 (RC571), Expires 6/2/28

83040424031

G

# REAGAN for PRESIDENT

901 South Highland Street
Arlington, Virginia 22204
(703)685-3400

DECISION MAKING INFORMATION did most all of Reagan for President's polling. On one occasion Art Finklestein did a small sample as is indicated on the attached invoice. Any other polling was incidental.

As with polling, Reagan for President had one major media buyer, Ruth Jones, Ltd. Any other buying was incidental.

Bay Buchanan
October 17, 1980

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# AGREEMENT

This agreement made this 2nd day of September, 1980 by and between the Reagan for President (Committee) and Ruth Jones, Ltd. (Jones).

WHEREAS, the Committee and Jones entered into an agreement dated October 5, 1979, whereby Jones agreed to assist in the planning of all media advertising for the Reagan 1980 campaign; and

WHEREAS, the Committee does not believe a contractual obligation exists between the Committee and Jones; and

WHEREAS, Jones does believe that a valid and binding contractual obligation does exist between the Committee and Jones and that a court of law would award Jones at least one hundred thousand dollars in damages for the breach of such contractual rights; and

WHEREAS, both parties, being cognizant of the uncertainties, length and financial cost of contract litigation do agree that a fair and just legal settlement of this matter, arising out of the primary, would save both parties time and legal expenses; do mutually consider any contractual rights created by the October 5, 1979 agreement terminated;

NOW, THEREFORE, in consideration of Jones' agreement to cancel the contract of October 5, 1979, it is agreed as follows:

1. That Jones will have no further responsibility to the Committee for media services.

2. The Committee will pay Jones $30,000 in full satisfaction of all rights and claims that Jones may have under the contract of October 5, 1979.

83040124033

3. The parties mutually release each other as of August 30, 1980 of any contractual obligations.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date first written above.

Ray Buchanan
Reagan for President

Thomas D. Rowe
Keith Jones Rtd

33040424034

July 22, 1980

The Honorable
Harrison Schmitt
Chairman
Americans for Change
218 North Lee Street
Alexandria, Virginia 22314

Dear Jack:

At the Republican convention in Detroit, Chairman Bill Brock and legal advisor of Reagan Committee again urged me to resign from your committee. Our responsibility is to win the election for Reagan and Bush. Since I am officially serving as Chairwoman for Nationalities for Reagan, I have to resign from your organization.

I do hope you understand. However, I continue to serve and make contributions and raise money not only for the Eagles, but also for the Senatorial Trust, as well as the Congressional Campaign Committee.

Good luck to all your good work.

Warmest regards,

Anna Chennault

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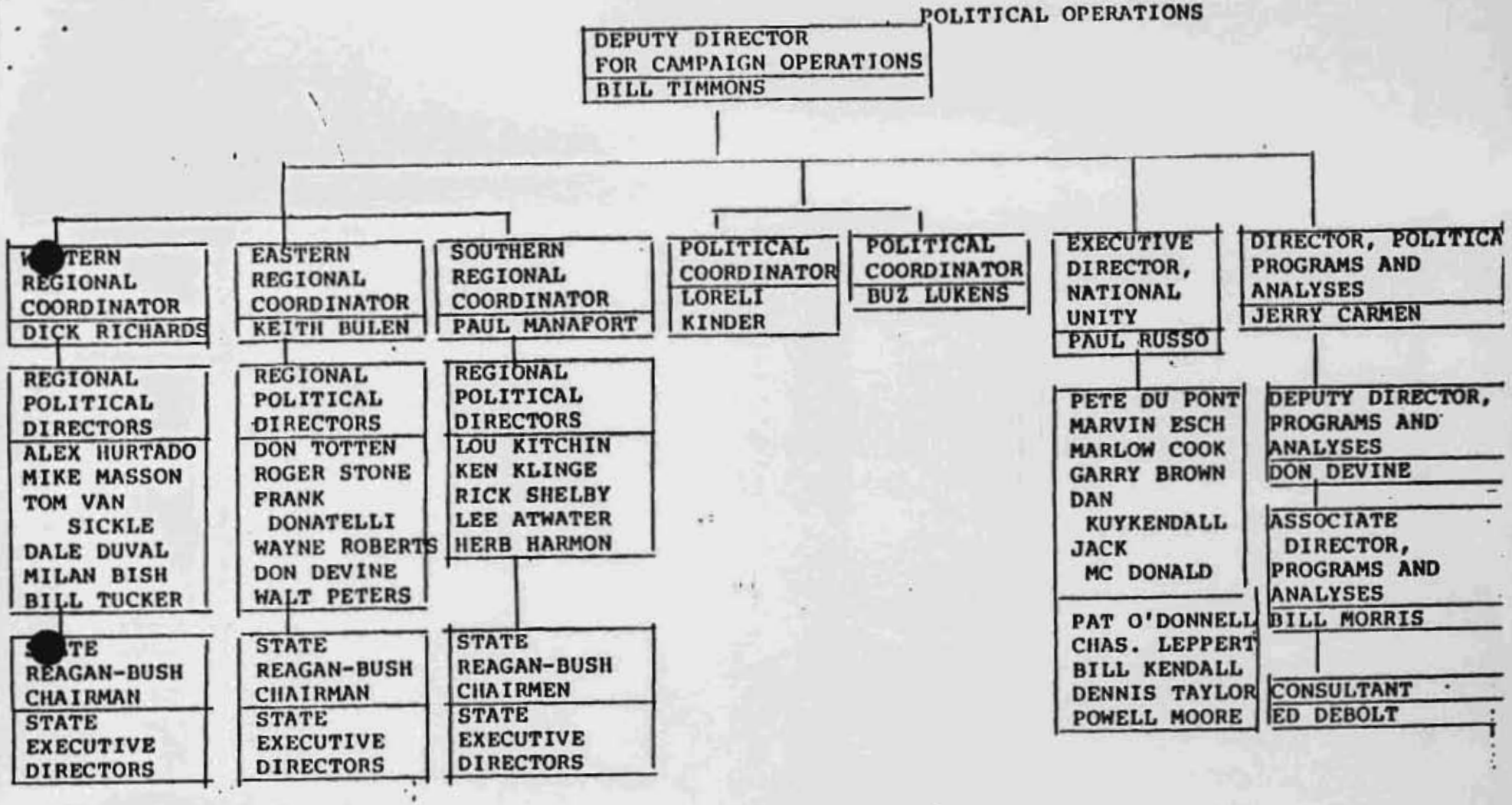
POLITICAL OPERATIONS



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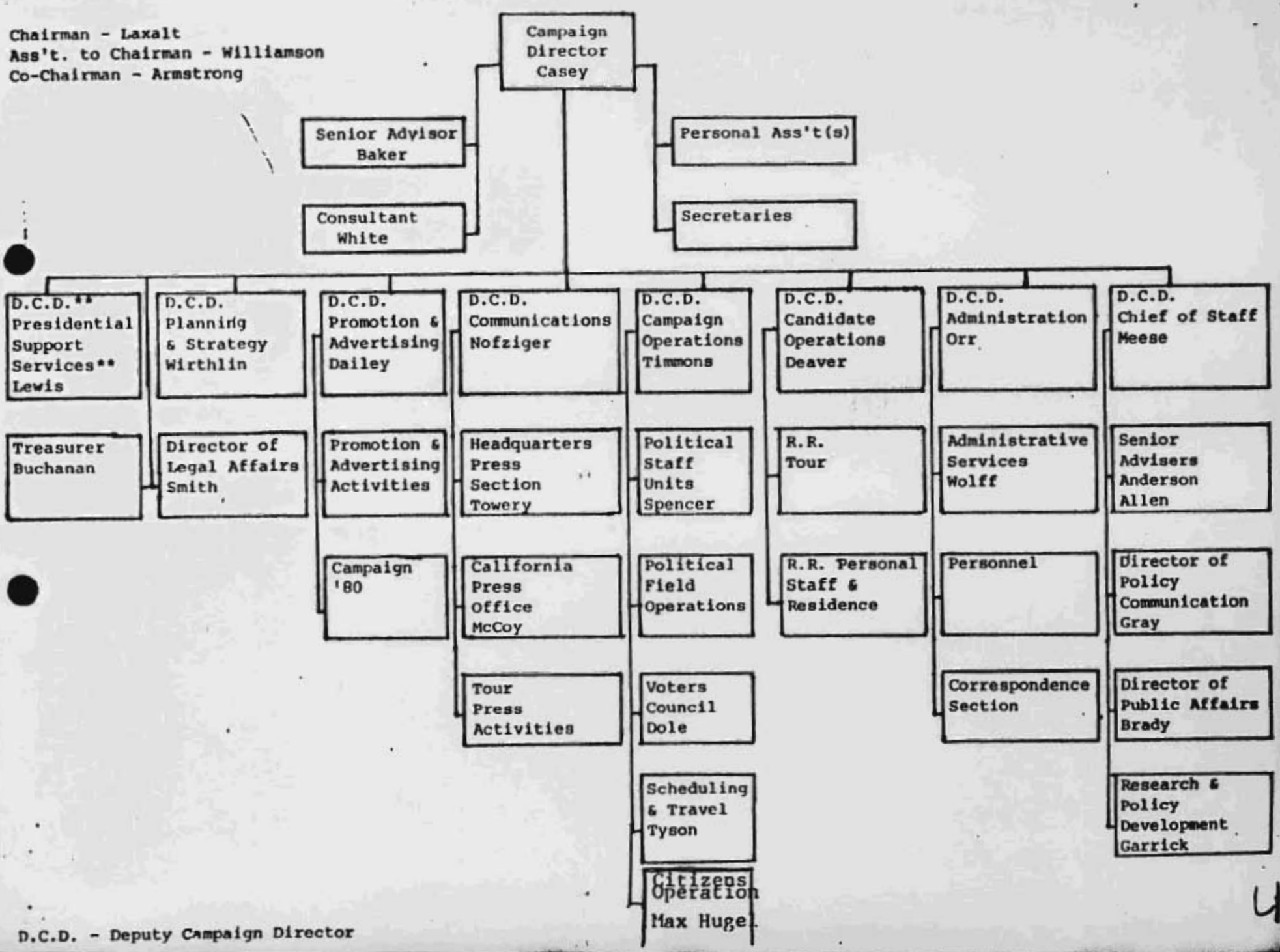
Chairman - Laxalt
Ass't. to Chairman - Williamson
Co-Chairman - Armstrong




D.C.D. - Deputy Campaign Director

4

EASTERN

# OFFICE OF POLITICAL FIELD OPERATIONS: COORDINATORS AND REGIONAL DIRECTORS

(as of August 8, 1980/BT)

**STERN COORDINATOR:**
EITH BULEN
/o Reagan Bush Committee
01 South Highland Street
rlington, VA 22204
03-685-3470 (RBC).

**SOUTHERN COORDINATOR:**
PAUL MANAFORT
c/o Reagan Bush Committee
901 South Highland Street
Arlington, VA 22204
703-685-3470 (RBC)
683-6612 (o)
425-5274 (r)

**WESTERN COORDINATOR:**
DICK RICHARDS
c/o Reagan Bush Committe
901 South Highland Stree
Arlington, VA 22204
703-685-3470 (RBC)
801-621-4432 (o)
801-479-9028 (r)

**ASTERN REGIONAL POLITICAL IRECTORS:**

RANK DONATELLI: OH,PA
/o Reagan Bush Committee
01 South Highland Street
rlington, VA 22204
03-685-3470 (RBC)

DON DEVINE: MD,DE,D.C.
Reagan Bush Committee
01 South Highland Street
rlington, VA 22204
703-685-3470 (RBC)
301-933-6014 (r)

AYNE ROBERTS: VT,RI,MA,ME,NH
Reagan Bush Committee
Jeffersonville, VT 05464
802-644-5749, 8862

ROGER STONE: NY, CT
435 North Lee Street
Alexandria, VA 22314
703-683-6612 (o)
836-6965 (r)

DON TOTTEN: MI,WI,IL,IN
Box 94576
Schaumburg, IL 60194
312-882-7079 (RBC)
882-3851 (o)
882-0738 (o)
885-7403 (h)

WALTER PETERS: NJ
16 Pin Oak Trail
Medford, NJ 08055
609-695-2860 (o)
654-6542 (r)

**SOUTHERN REGIONAL POLITICAL DIRECTORS:**

LEE ATWATER: AL,GA,SC
c/o Reagan Bush Committee
P.O. Box 11896
Columbia, SC 29211
803-252-7340 (RBC)

HERB HARMON: FL
P.O. Box 311
Tallahassee, FL 32302
904-222-7920 (RNC)
224-0374 (o)
386-1588 (r)

LOU KITCHIN: KY,TN,NC
5275 London Drive
Atlanta, GA 30327
404-952-8151 (o)
255-3579 (r)
252-4573 (r)

KENNY KLINGE: MO,AR,LA,MS
c/o Reagan Bush Committee
901 South Highland Street
Arlington, VA 22204
703-685-3470 (RBC)
549-9105 (r)

PAUL MANAFORT: WV, VA
(see address/phone above)

RICK SHELBY: TX, OK
917 N.W. 39th Street
Oklahoma City, OK 73118
512-477-8700 (o)
405-524-3486 (r)

**WESTERN REGIONAL POLITICAL DIRECTORS:**

MILAN BISH: SD,NE,KS
Box 1365
Grand Island, NB 68801
308-384-8582 (o)
382-4412 (r)

DALE DUVALL: WA,OR,ID,MT
222 N. Wall, Suite 310
Spokane, WA 99201
509-624-4372 (o)
624-2703 (r)

ALEX HURTADO: NV,CO,UT
1460 Washington Blvd.
Ogden, UT 84404
801-621-6601
773-6220

MIKE MASSON: ND,WY,NM,AK
725 West McDowell Rd.
Phoenix, AZ 85007
602-257-8525 (o)
952-0236 (r)

STU SPENCER: CA
c/o Reagan Bush Committe
901 South Highland Stree
Arlington, VA 22204
703-685-3520 (RBC)
714-979-7151 (o)

TOM VAN SICKLE: AZ,HI
6991 E. Camelback Rd.
Scottsdale, AZ 85251
602-941-1922 (o)
946-2487 (r)

BILL TUCKER: IA,MN
Tucker & Combs S. 2050
Western Fed. Savings
Denver, CO 80202
(303)571-5291 (o)

Max Hugel X3681
Bob Turnbull X3582

13 Aug 80

| CITIZEN GROUPS | CHM/COUNCIL | DESK OFFICER | O/C | M/D | PLAN |
|---|---|---|---|---|---|
| SOCIATIONS—X 3586 | | Bob Brouse | | | |
| ACK | council | Art Teele | | | |
| SINESS—X 3570 | | John Jachym<br>Tom Schaaf | | | |
| MOCRATS | | | | | |
| HURCH GROUPS—X 3578 | council | Bill Chasey<br>Bob Billings | | | |
| ARM—X 3573 | council | Seeley Lodwick<br>Dick Lyng | | | |
| ISPANICS—X 3571 | council | Alex Armendaris | | | |
| EWISH—X 3580 | coalition | | | | |
| ABOR—X | | | | | |
| ATEL—X 3588 | | Gene Rossides | | | |
| 'SEAS—X 3681 | | Tanya Talenti | | | |
| ROF— X 3584 | council | Tom Lias | | | |
| ENIORS—X 3871 | | Jean Berghaust | | | |
| PORTS—X 3586 | | Tanya Metaksa | | | |
| ET—484-6500 | | Bill Ayres | | | |
| OUTH—X 3569 | | Steve Antosh | | | |
| | | | | | |

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RECEIVED

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FEC

ATTN: Marcia Gruber, Esq.

910507

RECEIVED

80 OCT 14 A10:52

JONES, DAY, REAVIS & POGUE

1735 EYE STREET, N.W.

WASHINGTON, D.C. 20006

TEL. (202) 661-3939
CABLE-ATTORNEYS WASHINGTON
TELEX-DOMESTIC 892410
TELEX-INTERNATIONAL 64363
TELECOPIER-(202) 466-8642

IN CLEVELAND:
1700 UNION COMMERCE BUILDING 44115
(216) 696-3939

IN COLUMBUS:
50 WEST BROAD STREET, 43215
(614) 469-3939

IN LOS ANGELES:
2029 CENTURY PARK EAST 90067
(213) 553-3939

839700-004-010
7017:bam

October 6, 1980

80 OCT 14 A11:20

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252

Dear Mr. Steele:

With regard to the subpoena and interrogatories mailed to Patrick F. McCartan of this firm, please be advised that they have been forwarded to Loren A. Smith, Chief Counsel, Reagan-Bush Committee, for his handling. The Committee has determined that it is now possible to handle MUR 1252 internally and, to that end, I ask that all future correspondence or other communications be sent directly to Mr. Smith who should now be listed as the attorney of record for this matter on behalf of the Reagan-Bush Committee and not this firm or its individual lawyers who have appeared in the past.

Mr. Smith may be reached at the following address and telephone number:

Loren A. Smith, Esq.
Chief Counsel
Reagan-Bush Committee
901 S. Highland Street
Arlington, Virginia 22204
685-3717.

Thank you.

Sincerely,

James R. Johnson

cc: Marsha G. Gentner, Esq.
Anne A. Weissenborn, Esq.
Loren A. Smith, Esq.

8304024041

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N. W.
WASHINGTON, D. C. 20006

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80 OCT 14 AM 10:53

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

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9/10/80
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GCC#2918

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N.W.
WASHINGTON, D.C. 20006

TEL. (202) 861-3939
CABLE-ATTORNEYS WASHINGTON
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2029 CENTURY PARK EAST 90067
(213) 553-3939

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October 6, 1980

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RECEIVED
GENERAL COUNSEL

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252

Dear Mr. Steele:

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Chief Counsel
Reagan-Bush Committee
901 S. Highland Street
Arlington, Virginia 22204
685-3717.

Thank you.

Sincerely,

James R. Johnson

cc: Marsha G. Gentner, Esq.
Anne A. Weissenborn, Esq.
Loren A. Smith, Esq.

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JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N. W.
WASHINGTON, D. C. 20006

WASHINGTON OCT - 7 '80 D.C.

U.S. POSTAGE 0.15 2500398

Marsha G. Gentner, Esq.
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

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RECEIVED

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GCC#2918

JONES, DAY, REAVIS & POGUE

1735 EYE STREET, N.W.

WASHINGTON, D.C. 20006

TEL. (202) 861-3939
CABLE-ATTORNEYS WASHINGTON
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(213) 553-3939

839700-004-010
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October 6, 1980

1980 OCT 9 P3:22

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252

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Loren A. Smith, Esq.
Chief Counsel
Reagan-Bush Committee
901 S. Highland Street
Arlington, Virginia 22204
685-3717.

Thank you.

Sincerely,

James R. Johnson

cc: Marsha G. Gentner, Esq.
Anne A. Weissenborn, Esq.
Loren A. Smith, Esq.

3304042045

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N. W.
WASHINGTON, D. C. 20006

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WASHINGTON, D.C. OCT 7 '80
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2500393

Anne A. Weissenborn, Esq.
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Reagan & Bush

**Reagan Bush Committee**
901 South Highland Street, Arlington, Virginia 22204 (703) 685-3400

OCC# 95 02

December 5, 1980

HAND DELIVERED

The Honorable Max L. Friedersdorf,
Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

Dear Mr. Chairman:

Mary Lee Garfield and Harry Diffendal, both members of the bar of the District of Columbia, are hereby authorized to represent the Reagan for President Committee and the Reagan Bush Committee in all matters before the Federal Election Commission.

The address to be used is:

Garfield & Hamersley
1800 M Street, NW
Washington, D.C. 20036
202-785-3333

Mrs. Garfield is authorized to receive any and all notifications and other communications from the Comission on behalf of the Reagan and Reagan Bush Committees, and has been appointed agent for service of process.

Sincerely yours,

Loren A. Smith

Loren A. Smith
Chief Counsel

LAS/ip
cc: Anne Weissenborn
Marybeth Tarrant

8 330 4 0 4 2 4 0 4 7

0 DEC 8 AM 11:38

8 DEC 8 AM 11:22

Paid for by Reagan Bush Committee. United States Senator Paul Laxalt, Chairman. Bay Buchanan, Treasurer.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Americans for Change, et al. )

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on December 2, 1980, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in the above-captioned matter:

1. Deny the Reagan-Bush motion to modify the FEC subpoena and accept materials submitted in lieu of full compliance with the document requests and interrogatories.

2. Send the letter attached to the General Counsel's November 7, 1980 report rescheduling the date for compliance with the subpoena.

3. Authorize the Office of General Counsel to initiate an enforcement action in the district court should that compliance not be forthcoming.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

Attest :

12-2-80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY mc
OFFICE OF THE SECRETARY TO THE COMMISSION

DATE: NOVEMBER 24, 1980

SUBJECT: ADDITIONAL OBJECTION - MUR 1252 - General Counsel's Report dated 11-7-80; Signed 11-19-80; Received in OCS 11-20-80, 12:09

You were notified previously of an objection by Commissioner Friedersdorf to the above-named ducment.

Commissioner Reiche submitted his objection at 2:25, November 24, 1980.

This matter will be discussed in executive session on Tuesday, December 2, 1980.

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MWE MARGARET CHANEY/mc

DATE: NOVEMBER 21, 1980

SUBJECT: OBJECTION - MUR 1252 - General Counsel's Report In Opposition to Motion of the Reagan-Bush Committee to Modify Subpoena

The above-named document was circulated on a 48 hour vote basis at 4:00, November 20, 1980.

Commissioner Friedersdorf submitted an objection at 4:26, November 20, 1980.

This matter will be placed on the Executive Session Agenda for Tuesday, December 2, 1980.

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November 20, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached General Counsel's Report distributed to the Commission on a 48 hour tally basis. Thank you.

83040424051

BEFORE THE FEDERAL ELECTION COMMISSION
November 7,1980

In the Matter of )
) MUR 1252
Americans for Change, et al. )

80 NOV 20 P12: 09

GENERAL COUNSEL'S REPORT IN OPPOSITION
TO MOTION OF THE REAGAN-BUSH GENERAL
ELECTION COMMITTEE TO MODIFY SUBPOENA

I. SUMMARY OF PROCEEDINGS

On September 3, 1980, the Commission found reason to believe that certain respondent political committees have or will violate 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions to Ronald Reagan and his authorized committees, and that the Reagan-Bush General Election Committee ("Reagan-Bush" or "Committee") has or will violate 2 U.S.C. § 441a(f) and 26 U.S.C. § 9012(b), and authorized the Office of General Counsel to conduct an investigation of this matter. On September 29, 1980, the Commission sent a subpoena to produce documents and materials and order to answer written questions to Reagan-Bush. Pursuant to 11 C.F.R. § 111.13(b), this subpoena was mailed to Patrick McCarten of Jones, Day, Reavis & Pogue, who at that time was designated as counsel for Reagan-Bush in this matter.

On October 20, 1980, the Commission received a motion to modify the subpoena and to accept materials submitted by Reagan-Bush in lieu of full compliance with the subpoena.[1/] See Attachment II. In support of its motion, Reagan-Bush argues that: (1) the subpoena requests objected to exceed the proper scope of the Commission's inquiry; (2) compliance at this time would be burdensome on the Committee; (3) compliance would force Reagan-Bush to violate the law;

---

1/ The materials submitted by Reagan-Bush fail to respond to some of the document requests and interrogatories in their entirety, while partially complying with others.

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(4) certain documents and information requested are privileged; (5) Reagan-Bush cannot comply with some of the requests; and (6) to require with compliance the subpoena would result in an abridgement of the first amendment rights of the Committee and its supporters. For the reasons set forth below, the Office of General Counsel contends that the objections of Reagan-Bush to the Commission subpoena are unsupportable in law or fact, and therefore the Office of General Counsel recommends that the motion to modify the subpoena should be denied.[2/]

II. Legal Analysis

A. The Scope of the Commission Subpoena and Order Meets the Standards for Enforceability Set Forth by the Supreme Court.

Reagn-Bush attempts to support its refusal to comply in all respects with the Commission subpoena by presenting the novel assertion that the scope of the subpoena goes beyond the factual evidence put forth in the reason to believe notification to the Committee and therefore exceeds the bounds of the Commission's legitimate inquiry. In essence, Reagan-Bush argues that the Commission's investigation must be confined to inquiry into only the factual instances and circumstances specifically mentioned in the reason to believe notification. Such an assertion is without merit.

Pursuant to 2 U.S.C. § 437g(a)(2), the Commission must, after finding reason to believe a violation of the Federal Election Campaign

---

2/ The Reagan-Bush motion to modify was not timely filed pursuant to 11 C.F.R. § 111.15(a). The Committee asserts that this occurred because the former Reagan-Bush counsel in this matter, Patrick McCarten of Jones, Day, Reavis & Pogue, on whom the subpoena was served, did not promptly forward the subpoena to the Committee upon his receipt of it. Although the subpoena was properly served on Mr. McCarten in compliance with 11 C.F.R. § 111.13(b), the Office of General Counsel recommends that under these circumstances, the Commission proceed with a consideration on the merits of the Reagan-Bush motion.

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Act (the "Act") or Presidential Election Campaign Fund Act ("Fund Act") has or will occur, conduct an investigation of "such alleged violation[s]". The reason to believe notification does not, and was never intended to, define the paramenters of that investigation.[3/] See H.R. Rep. No. 96-422, 96th Cong., 1st Sess. at 21 (1979); 125 Cong. Rec. S. 19099 (December 18, 1979)(daily ed.); 125 Cong. Rec. H. 12362 (December 20, 1979)(daily ed.). To the contrary, the notification is intended only to provide the respondent with the facts and legal basis upon which the Commission reached its preliminary finding of reason to believe, which in turn triggers an investigation. To accept the Committee's argument would render any Commission investigation meaningless, in that the logical result of respondent's assertion would be to permit the Commission to inquire into only those facts and circumstances of which it is already aware.

Obviously, this result was not the intent of Congress in amending 2 U.S.C. § 437g(a)(2). This is further demonstrated by the fact that in the 1979 amendments to the Act Congress did not make any changes in the statutory sections granting and defining the Commission's subpoena powers.

It is clear, therefore, that the reason to believe notification does nothing more than provide the basis for the Commission's finding and does not set the parameters of subpoenas issued pursuant to

---

3/ The statement in the notification quoted by Reagan-Bush in its motion to modify (Attachment II at 2) is taken out of context, and was merely meant to explain that the First General Counsel Report would not address every allegation of fact made in the complaint, but only those allegations in the complaint that would be factors in determining if there was reason to believe the statutory provisions in question had been violated. It was in no way meant to conclusively define what types of evidence would be relevant and necessary to a Commission determination that there is or is not probable cause to believe a violation of the Act or Fund Act has occurred.

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2 U.S.C. § 437d. Rather, it is the well established standard set forth by the courts that is controlling in determining the validity of an FEC subpoena. Under that standard, as enunciated in United States v. Morton Salt Co., 338 U.S. 632 (1950), an investigative agency subpoena must be enforced so long as the inquiry is within the agency's authority, the subpoena's demands are not too indefinite or overbroad, and the information sought is relevant to the objectives of the investigation. Id. at 652. See also Federal Election Commission v. Machinists Non-Partisan Political League, No. 79-0291 (D.D.C. January 28, 1980)(findings of fact and conclusions of law); Federal Election Commission v. Wisconsin Democrats for Change, No. 80-C-124 (W.D. Wis. April 24, 1980)(opinon and order); Federal Election Commission v. Citizens for Democratic Alternatives, No. 80-0009 (D.D.C. 1980); Federal Election Commission v. Martin-Trigona, No. 70-C-2332 (D. Ill. October 25, 1979)(memorandum opinion and order).

The Commission's subpoena to Reagan-Bush seeks information and documents which will reveal the relationship, if any, of the Committee to the other respondent committees, and which will provide background and foundation material necessary to a thorough examination of witnesses upon oral deposition. Clearly, this is information that is relevant to the objective of the investigation - that is, to discern whether the self styled "independent expenditure committees" are in fact independent from Mr. Reagan and his authorized committees. To restrict the Commisison's inquiry in the manner suggested by Reagan-Bush would result in a less than thorough and independent investigation of alleged statutory violations. Cf. FEC v. Machinists Non-Partisan Political League, supra.

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B. The Subpoena's Demands are Not Unduly Burdensome.

Reagan-Bush also asserts that compliance in full with the Commission subpoena during the Presidential campaign would place too great a burden on the Committee. However, as the Commission has previously recognized, an agency subpoena is entitled to enforcement unless the subpoenaed party demonstrates that compliance would be unreasonably burdensome or would "unduly disrupt" the activities of the subpoenaed party. Federal Trade Commission v. Texaco, 555 F. 2d 862, 882 (D.C. Cir. 1977)(en banc). The fact that a number of "man hours" will be used to comply with the subpoena is not enough to sustain a subpoenaed party's burden of proof in this regard.[4/] Id. This is especially true in this action, in light of Reagan-Bush's demonstrated ability to meet some requirements of the subpoena which would appear to require much, if not more, staff time than other document requests and interrogatories.[5/] Cf. FTC v. Texaco, 555 F.2d at 884 n.62.

C. Compliance with the Commission Subpoena Would Not Place Reagan-Bush in Violation of Election Laws.

Reagan-Bush argues that it cannot comply with the subpoena because to do so may result in contacts with other respondent committees in violation of the Act and Fund Act. This assertion is also without merit.

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4/ In any event, as the election is now over, it is difficult to accept the assertion that compliance with the Commission subpoena would unduly disrupt the Committee.

5/ For example, the Committee has refused to produce its telephone bills pursuant to subpoena request number 5, while producing copies of all invoices with many vendors. It does not seem likely that compliance with the former request would create a greater burden on the Committee than compliance with the latter, indicating that Reagan-Bush's selective compliance with the subpoena is not based on the relative burdensomeness of the various requests.

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Compliance with the subpoena's document requests does not require any contact by Reagan-Bush with any entities other than Mr. Reagan's authorized committees and agents. The subpoena requests that Reagan-Bush produce for inspection and copying only those materials "that are in the possession or control of the Reagan for President General Election Committee or its officers, agents, staff members, volunteers or employees." Therefore, such production clearly would not cause the Committee to violate the Act's contribution and independent expenditure provisions.

Similarly, the subpoena's interrogatories seek information about Reagan-Bush, its structure, and agents. Such information is, or at least ought to be, peculiarly within the knowledge of Reagan-Bush. Thus, contact or consultation with any other respondents is not a necessary predicate to compliance with the inquiries. As evidence of this is the fact that Reagan-Bush cites no specific interrogatory (or document request) which would require such contact or possibly unlawful action by the Committee.

D. Confidential Material is Not Exempt from Production Pursuant to an Investigative Agency Subpoena

Reagan-Bush refuses to produce poll and survey results obtained (Document request number 2b), asserting that these items are privileged and not subject to subpoena by the FEC. Reagan-Bush does not cite any rule of evidence [6/] or case law in support of this claimed

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6/ Rule 501 of the Federal Rules of Evidence provides a limited privilege in the context of trial discovery for trade secrets. Under Rule 501, common law is controlling on the issue, leaving resolution of the problem primarily with the trial judge to fashion any protective measures necessary to assure the rights of both the subpoenaed and requesting parties.

continued

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privilege, but the Office of General Counsel assumes that the Committee is referring to the privilege of trade secrets which is recognized in limited form in some states with respect to civil trial discovery practices.

However, the fact that information sought by an investigatory agency such as the Commission constitutes a trade secret or some other confidential material in which the subpoenaed party has a proprietary interest does not limit the agency's power to obtain it. Federal Trade Commission v. Green, 252 F. Supp. 153, 157 (S.D.N.Y. 1966); Federal Communications Commission v. Cohn, 154 F. Supp. 899, 912 (S.D.N.Y. 1957); Federal Trade Commission v. Menzies, 145 F. Supp. 164, 171 (D. Md. 1956), aff'd., 242 F.2d 81 (4th Cir.), cert. denied, 353 U.S. 957 (1957). See also Federal Communications Commission v. Schrieber, 381 U.S. 279, 295-6 (1965); Federal Communications Commission v. Tuttle, 244 F.2d 605, 618 (2d Cir. 1957), cert. denied, 354 U.S. 925 (1957); Federal Trade Commission v. Texaco, 555 F.2d at 884. Furthermore, although some courts have held under certain circumstances that a subpoenaed party producing trade secrets or confidential information is entitled to protection of that information by the recipient party or agency if there is no public interest in the disclosure of the information, these courts have also held that it is the agency, not the courts, which should in the first instance, determine the procedures to be followed to safeguard the confidential information.

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6/ Continued
In addition, both the Federal Trade Commission Act (15 U.S.C. § 46) and the Securities Exchange Act (15 U.S.C. § 78x) have provisions which limit in certain contexts the authority of their respective enforcement agencies from requiring disclosure or from releasing trade secrets/confidential information. No such express prohibition can be found in the Act or Fund Act.

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Federal Trade Commission v. Texaco, 555 F.2d at 884 n.62; Federal Trade Commission v. United States Pipe and Foundry Co., 304 F. Supp. 1254, 1260 (D.D.C. 1969); Federal Trade Commission v. Green, 252 F. Supp. at 157.

Reagan-Bush has not requested that the Commission invoke protective measures with respect to any "confidential" information to be submitted by the Committee; however, any determination of that issue at this time would be premature, in that materials received by the Commission pursuant to its subpoenas will, an any event, be treated as confidential and not be released to the public until this MUR is finally resolved by the Commission. See Federal Trade Commission v. Green, 252 F. Supp. 157. Reagan-Bush will have ample opportunity to contest release of these materials at that time. The Commission will also be in a better position to determine whether the public interest in disclosure of the information (which by that time may be evidence in a Commission action) outweighs the interests of Reagan-Bush in confidentiality of those materials. Indeed, Reagan-Bush may no longer have an interest in keeping such 1980 election information secret. See Federal Communications Commission v. Schrieber, 381 U.S. at 295-6, 299.

E. The Commission Subpoena Does Not Require Reagan-Bush to Produce Non-Existent Records.

Reagan-Bush asserts that the Commission subpoena must be modified because it calls for certain materials and data that the Committee does not have, such as telephone logs, employment histories, and minutes of meetings. To the extent that Reagan-Bush reads the subpoena as requiring such information, it is obvious that the Committee does not have a duty to produce documents not within its

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possession or control, nor provide information it does not and could not reasonably be expected to have or obtain. Therefore, the subpoena need not be modified on this basis.

F. The Commission Subpoena Does Not Infringe Upon the First Amendment Rights of Reagan-Bush or Its Staff.

Reagan-Bush asserts that the Commission subpoena infringes upon protected first amendment interests. In support of this assertion, the Committee refers to the brief it filed in opposition to plaintiff's pre-trial discovery motion in Common Cause v. Schmitt, No. 80-1609 (D.D.C. 1980). That brief presents several alternative arguments as the basis for a rejection of the civil discovery Common Cause sought in that action.

The first of those assertions put forth by Reagan-Bush in the brief filed in the Common Cause case is that compliance with discovery requests must be stayed when a motion dipositive of the merits of the action is pending. Clearly, this ground for relief is totally inapplicable to the present situation, as no such motion or even trial on the merits is pending. Furthermore, it is a well established principle of law that an entirely different standard is applied in determining the validity of an agency subpoena than is applied in the pre-trial discovery context. See United States v. Morton Salt Co., supra.

The brief filed on behalf of Reagan-Bush next argues that compliance with a subpoena compelling the release of information about a political group would result in the release of confidential information and thereby chill the group's supporters in the exercise of their first amendment rights of association. As was noted in Part D, above, an agency may lawfully require the production of confidential materials and information pursuant to an investigation. Furthermore,

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the information in question will be released to the Commission in the context of a confidential investigation, and not, as in the Common Cause case, in the course of public district court litigation.[7/] Reagan-Bush will also have the opportunity to file a motion for invocation of protective measures with the Commission prior to any future public release of such information.

The Reagan-Bush brief filed in the Common Cause case also refers to several cases in support of the general proposition that compelled disclosure of those associated with a political group would infringe upon protected first amendment interests. See Attachment III at 15-17. However, those cases cited therein are distinguishable from the circumstances present in this action involving a Commission subpoena and investigation.

In NAACP v. Alabama, 357 U.S. 499, 462-3 (1958), the Court quashed the judicial subpoena only after a record of "economic reprisals, loss of employment, threats of physical coercion and other manifestations of public hostility" resulting from the type of disclosures requested had been demonstrated. Similarly, in Bates v. City of Little Rock, 361 U.S. 516, 521-2, 523-4 (1960), the Court found extensive evidence that the disclosures sought "would work a significant interference with the freedom of association of [the subpoenaed party's] members." No such record has been presented here. Indeed, in partial compliance with the subpoena, Reagan-Bush has already provided a listing of its staff members, vendors,

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7/ In this regard, the Office of General Counsel notes that the Reagan-Bush brief which the Committee incorporates by reference in its motion to modify, attacks the use by plaintiff of civil discovery tools when the "less intrusive" alternative of an "appropriate" FEC investigation is available. See Attachement III at 14, 17-19.

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and media time buyers, obviously recognizing that the disclosure of such information to the FEC in the context of an investigation would not abridge the first amendment rights of those individuals or entities.

Assuming arguendo, Reagan-Bush has made a sufficient showing of the evils resulting from its compliance with the Commission subpoena, it has long been held that under such circumstances an agency subpoena will still be upheld if its enforcement serves a compelling governmental interest. The Supreme Court has specifically held that the need to ensure compliance with the Act's congressionally mandated election regulations is such a compelling interest. Buckley v. Valeo, 425 U.S. 1 , 67-68, 84-5 n.113 (1976). Accord, Federal Election Commission v. Wisconsin Democrats for Change in 1980, No. 80-C-124, Opinion and Order of 5-6 (FEC subpoena pursuant to Commission investigation of possible election law violations serves an overriding governmental interest). See generally, United States v. Morton Salt Co. 338 U.S. at 643-44; Federal Trade Commission v. Texaco, 555 F.2d at 862; Pollard v. Roberts, 283 F. Supp. 248, 258-9 (W.D. Ark. 1968). In light of this important governmental interest and the minimal showing of harm put forth by Reagan-Bush, even in the context of civil discovery and litigation, it cannot be maintained that the Commission subpoena impermissibly infringes upon protected first amendment rights of association.

RECOMMENDATION

In that Reagan-Bush has failed to demonstrate that sufficient grounds exist for modifying the Commission subpoena and limiting the agency's investigation of possible unlawful activity, the Office of General Counsel recommends that the Commission deny the Reagan-Bush

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motion to modify the FEC subpoena and accept materials submitted in lieu of full compliance with the document requests and interrogatories. The Office of General Counsel also recommends that the attached letter rescheduling the date for compliance with the subpoena be sent to Reagan-Bush, and that this Office be authorized to initiate an enforcement action in the district court should that compliance not be forthcoming. See 2 U.S.C. § 437g(b).

19 November 1980
Date

Charles N. Steele
General Counsel

Attachments

I. Subpoena to Reagan-Bush
II. Reagan-Bush Motion to Modify
III. Excerpt from brief of Reagan-Bush filed in Common Cause v. Schmitt
IV. Letter to Reagan-Bush
V. Commission Order
VI. Denial Form

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the Reagan for President General Election Committee is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of the Reagan for President General Election Committee or of its officers, agents, staff members, volunteers or employees. Production is to be made at the Office of General Counsel of the Federal Election Commission at 1325 K Street, N.W., Washington, D.C. on October 17, 1980, at 10:00 a.m. In addition, the Reagan for President General Election Committee is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

Attachment I

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Reagan for President Committee and the Reagan General Election Committee. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the committee or group in question, and the dates of such service.

3. "Reagan General Election Committee" or "RGEC" shall mean the principal campaign committee (see 2 U.S.C. §431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf and its officers, agents, employees, staff and volunteers.

4. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

5. "FEC Disclosure Reports" shall mean any reports filed by FCM with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

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6. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

7. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relative in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between RGEC and any of the of the following persons or organizations or their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of either RGEC or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980:

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Republican National Committee
1980 Republican Presidential Unity Committee
Fund for a Conservative Majority
Citizens for Reagan in '80
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake
Bailey, Deardourff & Associates, Inc.
Ruth Jones, Ltd.

2. All documents and materials concerning the following expenditures reported by RGEC in FEC disclosure reports:

| Payee | Date | Reported Purpose |
|---|---|---|
| Diversified Direct, Inc. | April 22, May 14 June 18, 1980 | "Direct Mail" |
| Wiland and Associates | April 22, 1980 | "Printing" |
| Telepost | April 17 and May 2, | "Direct mail" |
| Tri State Envelope Corp. | April 22, 1980 | "Stationary" "Direct Mail" |
| Bedford Printing | May 16, 1980 | "Printing" |
| Authur Finkelstein and Associates | April 9, June 5, 1980 | "Consulting" |

a. Please provide a copy of all documents and materials received by RGEC as consideration for the above listed payments.

b. A copy of any survey results, poll, memoranda or report containing survey or polling information obtained by or on behalf of RGEC concerning the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980. As to each survey, poll, memoranda, or report, please note

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the source of, or the vendor responsible for, the survey, poll, memoranda or report and the date on which the survey, poll, memoranda, or report was secured by RGEC.

3. All documents and materials relating to the contractual or professional relationship or any other association from January 1980 to present between RGEC and the following entities, their agents, officers or employees undertaken in connection with efforts on the part of RGEC which relate in any way to the furtherance of the election of Ronald Reagan as the nominee of the Republican Party or Ronald Reagan's general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

Bailey Deardourff & Associates, Inc.
Diversified Direct, Inc.
Wiland and Associates
Telepost
Arthur Finkelstein and Associates
Wiland and Associates
Telepost
Bedford Printing
Ruth Jones, Ltd.

4. All documents and materials concerning a debt of $2,200 listed in the RGEC, FEC disclosure reports as owed to the National Conservative Political Action Committee since February 22, 1980, for "office equipment" and a receipt of $2,200 listed in the National Conservative Political Action Committee's report as paid on July 15, 1980, for a memory typewriter.

5. All telephone bills and/or reports of telephone calls made or received by RGEC from January 1980 to the present.

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Please answer the following interrogatories:

A. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of RGEC from January 1980 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of the above individuals or any other individuals who have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any RGEC expenditures which relate in any way to the election of Ronald Reagan as the Presidential nomination of the Republican Party or his general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate in 1980.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials which relate in any to the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

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1/ In lieu of identifying the supervisor of each individual identified in response to interrogatory A, RGEC may provide the Commission with an organizational chart.

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B. Please provide a list of all items (including, but not limited to, office equipment, machinery, furniture, and office supplies) transferred by National Conservative Political Action Committee to RGEC since January 1980, along with an item by item breakdown containing the amount paid, if any, by RGEC for each item.

C. Please provide the date(s) of all discussions, meetings, telephone calls, interviews, or other communications, oral and written, with Anna Chennault from the period of January 1980 to July 20, 1980 which relate in any way to the organization, structure, operation or activities of Americans for Change, the organization structure operation or activities of RGEC or her employment or association with the RGEC.

(1) Identify each participant in all of the above listed discussions, meetings, telephone calls, interviews, or other communications, oral or written.

(2) With respect to each discussion, meeting, telephone conversation, interview, or other communication, oral or written, identified by date and/or participant above, please note the topic of each such discussion, meeting, telephone conversation, interview or communication.

E. List the phone numbers and extensions used by RGEC from January, 1980 to the present, noting the extensions assigned to or used by each person identified in response to interrogatory A.

F. List by date and location all fundraisers held by RGEC since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party,

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his general election for President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate.

G. With respect to each individual identified in response to interrogatory A, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

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WHEREFORE, the Vice Chairman of the Federal Election Commisison has hereunto set his hand at the offices of the Commission at 1325 K Street, Washington, D.C. this 29th day of September, 1980.

John W. McGarry
John W. McGarry
Vice Chairman

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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CRC 3014 F D. Carr

BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | : | |
| | : | |
| REAGAN GENERAL ELECTION COMMITTEE et al. | : | MUR 1252 |
| | : | |

MOTION TO MODIFY SUBPOENA AND INTERRORGATORIES, AND TO ACCEPT MATERIALS AND ANSWERS SUBMITTED; MOTION FOR CONSIDERATION OF MOTION FILED OUT OF TIME

The Reagan Bush Committee, designated by you as the Reagan General Election Committee, applies to the Federal Election Commission to modify the subpoena and interrogatories received October 6, 1980, and to consider this motion although filed out of time; as reasons therefor states:

1. The scope of the discovery sought improperly exceeds, pursuant to 2 USC 437g(2), the scope of the matters on which the Commission found reason to believe a violation had or would occur, and much of the information and documentation requested is irrelevant to this matter.

2. The Reagan Bush Committee is unable to comply with the breadth of documents required to be produced under the subpoena in the time allowed, because it is without sufficient resources to comply while carrying on the campaign, since assembling the materials, and debriefing every person involved with the campaign would disrupt the campaign activity.

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Attachment II

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3. The Reagan Bush Committee is unable to comply with the requirements imposed by the subpoena and interrogatories without engaging in conduct that may be deemed in violation of the law.

4. The Reagan Bush Committee is unable to comply because some of the information requested is privileged.

5. The Reagan Bush Committeee is unable to comply since some of the material called for is not gathered or retained by the Committee.

6. To comply would abridge the First Amemndemnt rights of Reagan Bush Committee.

7. The late receipt of the subpoena directed to Patrick McCartan, Esq., of Jones, Day, Reavis & Pogue who forwarded it to us with a cover letter dated October 6, 1980, has caused us to be out of time in applying for modification. Not knowing further correspondence on this matter was forthcoming from the Commission, we had failed to advise the FEC that such matters were now being handled internally.

The Reagan Bush Committee does submit the information in the supporting Memorandum and the documents listed in Exhibit A attached hereto in response.

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WHEREFORE, the Reagan Bush Committee applies to the Commission to modify its subpoena and interrogatories to the extent that the material supplied (as listed in Exhibit A) is determined to be sufficient response to the request, and to consider this motion although filed out of time.

Loren A. Smith
Chief Counsel,
Reagan Bush Committee

Mary Lee Garfield,
Deputy Counsel,
Reagan Bush Committee
901 S Highland Street
Arlington, VA 22204
703-685-3810

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EXHIBIT A

LIST OF EXHIBITS

A. Copy of RFP check made payable to NCPAC for payment of a memory typewriter.

B. Copies of mailings #11, #12, #13, #14, #16, #17.

C. 1980 invoices of Wiland and Associates.

D. 1980 invoices of Art J. Finkelstein & Associates.

E. List of employees and consultants from January 1 to date.

F. List of fundraising events.

G. List of pollsters and media buyers.

H. Ruth Jones Contract Termination.

I. Anna Chennault letter to AFC of July 22, 1980.

J. Charts.

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BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | : | |
| | : | |
| REAGAN GENERAL ELECTION COMMITTEE et al. | : | MUR 1252 |
| | : | |

MEMORANDUM IN SUPPORT OF RESPONDENT'S
MOTION TO MODIFY SUBPOENA AND
INTERRORGATORIES, AND TO ACCEPT
MATERIALS AND ANSWERS SUBMITTED

## INTRODUCTION

The Commission, after a finding of reason to believe the Reagan General Election Committee, hereafter Reagan for President Committee if the reference is pre-convention, or Reagan Bush Committee if the reference is post-convention, has or will violate 2 USC 441a(f) and 26 USC 9012(b)(1) issued a subpoena and interrogatories of such sweeping scope that the campaign would cease to be a campaign if the manpower required to produce what has been requested was put to that task.

To produce every piece of paper that relates to any of the questions posed would require us to move our offices into yours, in the last weeks of the campaign.

In accord with the intention of the federal election laws, we object to the scope of the inquiry, and submit those materials relating to items which the Comission has found reason to believe may violate the Act.

## ARGUMENT

### The Subpoena and Interrogatories Impermissibly Exceed the Areas of Inquiry Deemed 'Relevant' by the Commission In Its Reason to Believe Findings

2 USC 437g(a)(2) authorizes the Commission, after a finding of reason to believe a person has or will violate the provisions of this Act, to investigate "such alleged, violations"

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In the Rtb Notification, the Commission stated:

> The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether or not there is reason to believe ...
>
> Notification of Reason to Believe
> (emphasis added)

"Relevant" is not defined in the Act or the Regulations, but in a discovery context, the Federal Rules of Civil Procedure provides the broadest of definitions:

> Parties may obtain discovery regarding any matter, not privileged, which is relevant to the subject matter in the pending action.....
>
> 26(b)(1) FRCP, (emphasis added)

The Commission has found to be relevant in this action, only the following:

1. That FCM and the Reagan for President Committee used three vendors in common.

2. That NCPAC and the Reagan for President Committee used two vendors in common.

3. That FCM and NCPAC used Arthur Finkelstein and Associates after the Reagan for President Committee had used that entity.

4. That the Reagan for President Committee bought a memory typrewriter from NCPAC.

5. That three individuals reported to be associated with AFC were also involved with the Unity Committee (Huckaby), the RNC (Schmitt) and the Reagan Bush Committee (Chennault).

It therefore follows that the only documents that can be subpoened or interrogatories posed are those limited to:

a. The Reagan for President contracts with the suspect vendors.

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2. An explanation of the work done for the Reagan for President Committee and the time frame of the Finkelstein contract.

3. A satisfactory explanation of the typewriter purchase.

4. With regard to the three individuals:

a. Since two of them are not connected with the Reagan Committee, only the Reagan Committee contacts with those persons; and,
b. Mrs. Chennault's contacts with AFC.

It is argueably unreasonable to require th Reagan Bush Committee to move what amounts to the entire conents of its Headquarters into the offices of the Federal Election Commission for the last two weeks of the campaign.

II

Present Personnel is Insufficient
To Gather the Information Sought, and
Present Personnel Cannot be Diverted From
Campaign Activities To Be Debriefed on
Their Telephone Calls and Other Contacts
From January 1, 1980, Most of Which
Do Not Relate to the RtB Finding.

The Commission can take notice of the fact that the last weeks of a general election campaign can be reasonably characterized as hectic.

To assemble the alphabetical list of employees, (Item E of Exhibits attached) required a large number of man-hours and the cooperation of several divisions within the campaign, to the detriment of the activites which would ordinarily require their full time attention.

If each employee were to respond to the information requested in the subpoena, the campaign would be paralysed for days, and such a burden placed upon the campaign of one of the contestants would be an unfair one when time is at such a premium.

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III.

The Reagan Bush Campaign Runs the
Risk of Violating the Election Laws
If it Seeks the Information Requested,
As Soliciting the Information May Result
in Contacts With Those We May Not Consult

Some of the committess named in the subpoena are unknown to us, and thus are not authorized committees, some commercial entities are known to us, and have done work for us in the past. We do not know if such entities are employed by independant committees now. While, as we stipulate, we have extensive connections with the RNC, we do not monitor every activity of their hundreds of employees. We are in constant contact with their legal department and are confident that they are in compliance with the law. In all instances, we do not feel we have an affirmative burden to explore the past history of our employees or vendors.

In the case of our mailings, (Item B), we rented the mailing list on a one-shot basis. We do not own the list, and therefore cannot provide it. We do not know to what use it was put before or after our use. It should be noted that our use of these vendors was apparently prior to the use of these vendors by others. We cannot determine, except by prohibited contacts whether this is, in fact, the case.

We belive we have taken every reasonable precaution to avoid even the appearance of a violation, but we also urge that this Committee can not be held responsible for the acts of others, or be required to police others, when the mere policing would result in the appearance of violation.

IV.

Poll Results Are Privileged, and
the Committee Cannot Be Expected
to Provide Poll Results From An
Uncertain Time in the Past to Today

The subpoena calls for all poll and survey results which relate to the candidate's primary or general election taken at any time up to the present. This is so egregiously overbroad, without definition of "survey" as to seem a mockery, when the 'Voter Identification' programs are taken into consideration. In any event, we assert that these results are subject to privilege. We have provided the name of our pollster. (Item G)

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V.

This Committee Does Not Record Incoming Telephone Calls, Require Employment Histories, or Prepare Minutes of Every Meeting

This Committee has never required those using its telephones to record every incoming or outgoing call that was made. We have no system for filing or retention of telephone memos. Employment histories are not a condition of employment.

In order to complete what must be done in the campaign period, time and money do not permit that minutes or each meeting or discussion be kept. We believe very few political committee keep such minutes.

The Committee believes it is unrealistic for the FEC to expect that any political committee could provide such infomration, or function if it were to compile such information.

VI.

The First Amendment Precludes the Requirement That Such Broad Discovery Be Granted About the Activites of Private Citizens Pursuing Their Right of Free Speech and Association

See our brief filed in CA 80-1609, Common Cause, et al.v. Harrison Schmitt et al.(in which we were intervening defendants), p. 10 et seq.

VII.

(1) In the light of the forgoing Argument, with respect to the subpoena, we are producing no documents regarding Request Number 1. The Reagan Bush Committee and its predecessor committees stipulate that it has had and continues to have extensive meetings, discussion and consultation with the Republican National Committee, with its own authorized committees, with Anna Chennault and with Stuart Spencer.

(2) With regard to Subpoena Request Number 2, the response of the Reagan Bush Committee to the Rtb included the invoices for Diversified Direct, Telepost and Tri-State. Item "C" is the Wiland invoices, Item B are the "product" produced by the joint effort of those vendors, as shown on the invoices.

Arthur Finkelstein is also dealt with in the RtB response, and Item "D" are the related invoices.

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(3) See Item H.

(4) See Item A and response to RtB.

(5) We do not record incoming phone calls.

(A) See Itms E, G and J; our present media buyers are:

1. SFM Media Corp, 1180 Ave. of the Americas, NYC
2. D'Arcy-MacMannus and Masius, 360 Madison Ave., NYC.
3. Yardang Consultant Servies, One Romania Plaza, San Antonio, TX

(B) See Item A and response to RtB.

(C) See Item I and response to RtB.

(D) We do not respond to D since you omitted D.

(E) No response

(F) See Item F.

(G)

Wherefore, the Reagan Bush Committee, by its Chief Counsel, Loren Smith, submits the forgoing, and certifies that the answers given and the document produced are true and genuine, to the best of his knowledge and belief.

Loren A. Smith
Chief Counsel,
Reagan Bush Committee

Mary Lee Garfield,
Deputy Counsel,
Reagan Bush Committee
901 S Highland Street
Arlington, VA 22204
702-685-3810

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with campaign violations and invade the exclusive jurisdiction of the FEC. In the absence of this Court's jurisdiction and in violation of express statutory language, Plaintiffs should not be permitted to impose their burdensome and oppressive discovery demands on non-parties and the subpoenas must be quashed in their entirety. This Court should conclude as it did in Walther v. FEC, 82 F.R.D. 200, 202 (D.D.C. 1979):

> The Act, however, is clear that such investigations are the exclusive domain of the FEC . . . . Plaintiff should not be permitted to frustrate the statutory scheme by engaging in premature investigative discovery.

B. To Avoid Serious Constitutional Issues Posed By The First Amendment, The Subpoenas Should Be Quashed And Discovery Stayed Pending Resolution Of Defendants' Motions To Dismiss

As set forth in the following sections of this Memorandum, these subpoenas are unacceptably broad and involve serious intrusions into areas protected by the First Amendment. To avoid resolution of these constitutional issues, at the very least, the subpoenas should be quashed as premature and discovery against the RFPC and the RNC should be stayed until the Defendants' motions currently before the Court are decided. These motions, if granted, would end the case and obviate the need for the discovery sought by Plaintiffs from the RFPC and the RNC.

It is well established that, pending determination of a motion which may be dispositive of the case, the trial court has discretion to stay discovery or strictly limit it to issues involved in the motion. See, Brennan v. Local 639, International Brotherhood of Teamsters, 494 F.2d 1092, 1100 (D.C. Cir. 1974).

Attachment III

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cert. denied, 429 U.S. 1123 (1977); Scroggins v. Air Cargo, Inc., 534 F.2d 1124, 1133 (5th Cir. 1976).

In Brennan and in Scroggins, the courts stayed discovery on the merits pending determination of summary judgment motions. Stays of discovery have also been commonly favored pending determination of jurisdictional issues. See, Ellingson Timber Co. v. Great Northern Railway Co., 424 F.2d 497 (9th Cir.), cert. denied, 400 U.S. 957 (1970); Blair Holdings Corp. v. Rubenstein, 159 F. Supp. 14, 15 (S.D.N.Y. 1954); see also, Insituto Per Lo Sviluppo Economico Dell'Italia v. Sperti Products, Inc., 47 F.R.D. 530, 532 (S.D.N.Y. 1969). Even in circumstances where there was no outstanding motion dispositive of the case, this Court has held that a subpoena requiring burdensome disclosure of confidential information by a non-party should be quashed in light of the possibility that further developments in the litigation might render the disclosure unnecessary. Hecht v. Pro-Football, Inc., 46 F.R.D. 605 (D.D.C. 1969).

These cases, in general, allow discovery to proceed only to the extent that it is required for consideration of the potentially dispositive motions. It does not appear in the instant case that the discovery directed against the RFPC or the RNC has any bearing on the pending motions to dismiss. The jurisdictional and standing issues raised in the motions are clearly questions of law. The motion to dismiss for failure to state a claim is addressed to the legal construction of the statute relied upon by the Plaintiffs, and likewise entails no factual issues.

A stay of discovery prior to determination of potentially dispositive issues, at least as to the RFPC and the RNC,

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is particularly compelled in the current circumstances, where discovery may seriously violate First Amendment protections. In view of the expeditious treatment which the Court has given these motions, a stay of discovery pending their resolution could in no sense significantly prejudice Plaintiffs. Responding to the subpoena demands would, however, severely burden the RFPC and the RNC while impairing important aspects of our political system protected by the Constitution. Such burdens should not be prematurely and unnecessarily imposed.

## II. The First Amendment Requires That The Subpoenas Be Quashed

Beyond the impermissible attempt by Plaintiffs to invade the exclusive jurisdiction of the FEC, the instant subpoenas represent a fundamental and unwarranted intrusion into the First Amendment rights of Governor Reagan, the Reagan for President Committee, the Republican National Committee, and all the persons and organizations listed in Attachments B and D to the subpoenas (Exhibits 1 and 2). It is apparent that subpoenas such as these will inevitably chill legitimate political expression and association.

### A. Enforcement Of These Subpoenas Will Impair Constitutionally Protected Rights of Political Association

If Governor Reagan's campaign or the Republican Party's principal governing committee were compelled to reveal "campaign plans, activities and operations" (Exhibit 1, Attachment D) to a private plaintiff who had merely filed a vexatious complaint, it would strike an unprecedented blow at the integrity of the political process and poorly serve the public interest in a fair presidential campaign. To enforce this subpoena would deprive the

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Republican Party and Governor Reagan without just cause, of the confidentiality necessary to run an effective campaign and fairly and fully debate the issues. This intrusion would seriously impair vital First Amendment interests. See Buckley v. Valeo, 424 U.S. 1, 15 (1976).

If this Court were to sanction such an intrusion, the chilling effect on the exercise of First Amendment rights would be so great as to be clearly unconstitutional. Such an in terrorem discovery device would have a deterrent effect on future activism in political campaigns and thus threaten freedoms of expression and association, thereby undermining the First Amendment interests which have been traditionally protected by the federal courts.

The unconstitutional intrusion on the First Amendment interests inherent in broad subpoenas such as those at issue here was recognized by this Court in Walther v. FEC, 82 F.R.D. 200 (D.D.C. 1979). In Walther, plaintiff alleged that the political committee of the AFL-CIO and the political committees of member unions of the AFL-CIO were commonly controlled and should be treated as one political committee for purposes of the Campaign Act. Plaintiff sought non-party discovery from the AFL-CIO to prove the existence of the control and coordination alleged in the complaint. The Court, in quashing the subpoenas at issue, stated that

> The First Amendment interests delineated in Buckley v. Valeo, 424 U.S. 1 (1976) and Herbert v. Lando, 411 U.S. 153 (1979) Powell, J., concurring), also compel denial of plaintiff's discovery request. Mr. Justice Powell, concurring in Herbert v. Lando, 411 U.S. 153, 179 (1979) states the appropriate rule of law: "[W]hen a discovery demand arguably impinges on First Amendment rights,

> a district court should measure the degree of relevance required in light of both the private needs of the parties and the public concerns implicated." This Court, in Democratic National Committee v. McCord, 356 F.Supp. 1394 (D.D.C. 1973) has recognized that discovery may be restricted when it interferes with First Amendment Activity. . . . Id. (Emphasis added.)

Thus, this Court has clearly recognized that discovery requests which impinge on First Amendment interests must be subject to a strict standard of examination and that this is particularly true when the discovery demand impinges on the First Amendment rights involved in political campaigns. Buckley v. Valeo, 424 U.S. 1, 15 (1976). Plaintiffs here seek enforcement of a subpoena almost identical in purpose to the one which plaintiffs sought to enforce in Walther. Rather than filing a complaint with the FEC which would trigger an appropriate investigation of whether a violation has in fact occurred, Plaintiffs instead seek to use the broad tools of civil discovery to uncover the nature of the associations, the internal communications and private papers of the Reagan campaign and the RNC. In their view this discovery is justified on the off-chance that Plaintiffs, self-appointed enforcers of the campaign laws, may need the subpoenaed material to support the theoretical violations they recite in their Complaint.[4] As the Court in Walther found, this "need" for the material is clearly outweighed by the First Amendment interests at stake.

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4. It appears from the Complaint that plaintiffs ask this Court to find a violation of the campaign laws on the basis of the present and past constitutionally-protected activities of certain named individuals, committees and groups. The theory of the Complaint, i.e., that campaign law violations can be committed merely through political activism and prior associations betrays cavalier disregard for the First Amendment.

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The Walther decision is founded upon a long line of Supreme Court cases recognizing the vital importance of a constitutionally-protected right of political association. Cousins v. Wigoda, 419 U.S. 477, 487 (1975).

> [T]he freedom to associate with others for the common advancement of political beliefs and ideas is a form of 'orderly group activity' protected by the First and Fourteenth Amendments. . . . The right to associate with the political party of one's choice is an integral part of this basic constitutional freedom. Kusper v. Pontikes, 414 U.S. 51, 56-57 (1973).

Moreover, any interference with the First Amendment interests of the Reagan campaign or the RNC is simultaneously an infringement of the First Amendment rights of the individuals who politically subscribe to these groups:

> Our form of government is built on the premise that every citizen shall have the right to engage in political expression and association. This right was enshrined in the First Amendment of the Bill of Rights. Exercise of these basic freedoms in America has traditionally been through the media of political associations. Any interference with the freedom of a party is simultaneously an interference with the freedom of its adherents. Sweezy v. New Hampshire, 354 U.S. 234, 250 (1957).

The overall effect of enforcement of subpoenas such as these would be a drastic reduction in protected political activity. There would be a "substantial restraint," NAACP v. Alabama, 357 U.S. 449, 462 (1958), and a "significant interference," Bates v. City of Little Rock, 361 U.S. 516, 523 (1960), with the exercise of First Amendment rights. It is apparent that individuals would be forced to forego the exercise of their political rights, lest papers they might author on political matters be made public against their will, or the

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fact of their association be subject to subpoena and publication by private parties. As the Supreme Court has stressed, First Amendment protections must be strictly guarded, even against infringement from actions which indirectly or even unintentionally intrude upon First Amendment rights: "abridgment of such rights, even though unintended, may inevitably follow from varied forms of government action." NAACP v. Alabama, 357 U.S. at 461.

It "is hardly a novel perception that compelled disclosure of affiliation with groups engaged in advocacy may constitute [an] effective restraint on freedom of association. . . ." Id. at 462. Moreover, the maintenance of the internal confidences of a political organization is clearly vital to its ability to function effectively. The fear that internal communications could be subpoenaed by private litigants would stifle the free flow of information within the organization and between the organization and the public. It is evident that the "inviolability of privacy in group association may in many circumstances be indispensible" to the preservation of the freedoms protected by the First Amendment. NAACP v. Alabama, 357 U.S. 449, 462 (1958).

It is against these First Amendment interests that Plaintiffs' discovery demands must be weighed. Since the First Amendment is a "preferred" constitutional freedom, there must be a "compelling" interest to override it. The most favorable view that can be taken of Plaintiff's interest in the production of these documents is that production would aid Plaintiffs in determining the extent to which the provisions of the campaign laws are currently being violated. If it is assumed arguendo that Plaintiffs have the standing to conduct such a factual

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investigation in the context of this lawsuit, then the purported interest they seek to advance is the prevention of violations of the federal campaign laws. Even though the asserted interest is undoubtedly a valid one, it is nonetheless insufficient in light of the standard against which it must be measured. As the Supreme Court said in Thomas v. Collins, 323 U.S. 516, 530 (1945): "First Amendment liberties enjoy a preferred place . . . a sanctity and a sanction not permitting dubious intrusions." Thus:

> [A]ny attempt to restrict these liberties must be justified by clear public interest, threatened not doubtfully or remotely, but by clear and present danger. Only the gravest abuses, endangering paramount interests, give occasion for permissible limitation. Id.

The theoretical violations alleged by Plaintiffs are the sort of remote or doubtful threat to the public interest which cannot justify the drastic infringement of First Amendment interests which would result from court action to enforce these subpoenas.[5]

B. Judicial Enforcement Of These Subpoenas Is Constitutionally Barred By The Availability Of The Less Restrictive Alternative Of FEC Procedures

Even assuming that Plaintiffs had some parallel right to bring a private action to police alleged campaign law violations, the intrusion upon constitutional rights which would result from enforcement of these subpoenas cannot be allowed

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5. While courts have recognized that there are cases -- "few in numbers to be sure" -- where First Amendment rights must yield to subpoena demands, those rare circumstances are usually found only in criminal cases where the discovery demand is limited and targeted to meet a particularized need. Baker v. F&F Investment Co., 470 F.2d 778, 783 (2d Cir. 1972), cert. denied, 411 U.S. 966 (1973). Herbert v. Lando, 441 U.S. 153 (1979).

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when a less restrictive and adequate means to protect the public interest is available. Even though an interest may

> be legitimate and substantial, that purpose cannot be pursued by means that broadly stifle fundamental personal liberties when the end can be more narrowly achieved. The breadth of [the] abridgment must be viewed in light of less drastic means for achieving the same basic purpose. Shelton v. Tucker, 364 U.S. 479, 488 (1960).

The constitutional requirement that the least restrictive alternative must be chosen when constitutional rights are at stake applies with greater force in the area of First Amendment interests. Id. at 488. See Carroll v. President and Commissioners of Princess Anne, 393 U.S. 175, 183 (1968); Thomas v. Collins, 323 U.S. 516, 540 (1945). A less restrictive and fully adequate means -- established by Congress and in force under the FEC's authority -- is available here. The statutory scheme discussed above which provides for full investigatory and enforcement powers to be vested in the FEC and which also provides for stiff criminal penalties and repayment of any federal campaign funds misspent, is more than adequate to protect the public interest in the effective operation of the campaign laws and in deterring their potential violators.

Plaintiffs have served subpoenas, the enforcement of which would flagrantly infringe First Amendment interests, without any compelling justification. They have merely claimed the existence of a threatened theoretical violation of the campaign laws, without showing why the less intrusive and adequate means established by Congress to deal with campaign law violations -- a method which affords an important degree of confidentiality -- is not adequate to meet the interests advanced. In light of the

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foregoing First Amendment considerations alone, the instant subpoenas should be quashed in their entirety.

The subpoenas cannot be narrowed sufficiently to overcome their inherent constitutional infirmities. Any inquiry into the planning and associational activities of the RNC and the RFPC impairs First Amendment values. Even the most narrowly drawn discovery request, not even attempted by Plaintiffs here, would still constitute an investigation by a private litigant of political activities under color of judicial authority. This kind of intrusion into areas protected by the First Amendment cannot be justified absent a compelling interest and absent a less restrictive means to achieve that interest. In view of the availability of the FEC to enforce the statutes at issue, judicial enforcement of the subpoenas would violate the First Amendment.

## III. The Subpoenas Should Be Quashed As Unreasonable and Oppressive

As noted above, in Walther v. FEC, 82 F.R.D. 200 (D.D.C. 1979), this court adopted the view of Justice Powell in his concurrence in Herbert v. Lando, 411 U.S. 153, 179 (1979) that whatever standard may be appropriate in other types of cases, when a discovery demand infringes upon First Amendment rights, a district court must insure that the values protected by the First Amendment are weighed carefully. At the very least, a far greater showing of relevance and need is required when First Amendment interests are implicated, and the broad discovery usually allowed in civil litigation is improper. Id. at 179. However, even if there were no First Amendment concerns requiring a higher standard of relevance and need than normally applies to civil discovery, this subpoena would be deemed unreasonable under the normal standards of civil procedure.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Loren Smith
Chief Counsel
Reagan Bush General Election Committee
901 South Highland Street
Arlington, Virginia 22204

Re: MUR 1252

Dear Mr. Smith:

The Commission has received the Motion to Modify Subpoena and Interrogatories, and to Accept Materials and Answers Submitted, and accompanying Motion for Consideration of Motion Filed Out of Time, filed by you on behalf of the Reagan Bush General Election Committee ("the Committee") in the above-referenced matter. Although the motion to modify was not timely filed, the Commission did review and consider that motion, and on November , 1980, voted to deny the Committee's motion to modify the Commission subpoena, and to decline to accept the materials submitted by the Committee as a substitute for full compliance with the Commission subpoena and order. A copy of the Commission's denial order is enclosed.

Accordingly, the Committee is requested to produce for inspection and copying the documents previously described in the Commission's September 29, 1980 subpoena, at Room 706, 1325 K Street, N.W., Washington, D.C. on November , 1980, and all subsequent business days thereafter required to complete inspection. Answers to the written questions propounded by the Commission subpoena must be submitted to the above address within ten (10) days of your receipt of this letter.

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Attachment IV

We also wish to note that with respect to the Committee's objections to the Commission subpoena contained in Part V of your motion (page 5), the Committee clearly is not required to produce documents that do not exist. Rather, the Committee must only produce those materials "in the possession or control of the Reagan Bush General Election Committee or of its officers, agents, staff members, volunteers or employees." See Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions to the Reagan Bush General Election Committee, at 1.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Commission Order

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1252 |
| Americans for Change, | ) | |
| et al. | ) | |

COMMISSION ORDER

The motion of the Reagan Bush General Election Committee to modify the September 29, 1980, Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions is denied. The motion of the Reagan-Bush General Election Committee to accept materials and answers submitted in lieu of full compliance with the September 29, 1980, Commission Subpoena to Produce Documents and Materials and Order to Answer Written Questions is also denied. The staff of the Office of General Counsel is directed to take all necessary and proper steps to ensure compliance with the requests contained in the Commission subpoena and order.

Date

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

Attest:

Marjorie Emmons
Secretary to the Commission

Attachment V

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DENIAL OF MOTION TO MODIFY COMMISSION SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS AND ORDER TO ANSWER WRITTEN QUESTIONS

The Federal Election Commission hereby denies the Motion of the Reagan Bush General Election Committee to Modify the Commission's Subpoena to Produce Documents and Materials and Order to Answer Written Questions and to Accept Materials and Answers Submitted.

Max Friedersdorf
Chairman

John W. McGarry
Vice Chairman

Thomas E. Harris
Commissioner

Joan D. Aikens
Commissioner

Frank P. Reiche
Commissioner

Robert O. Tiernan
Commissioner

Attachment VI

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# Reagan & Bush

Reagan Bush Committee
901 South Highland Street, Arlington, Virginia 22204 (703) 685-3400

GCC #2968 12:07

CERTIFIED MAIL
RETURN RECIPT REQUESTED

October 12, 1980

Honorable Max L. Friedersdorf, Chairman
Federal Election Commission
1325 K Street, NW
Washington, D.C. 20463

Re: MUR 1252

Dear Mr. Chairman:

In response to your Notification of Reason to Believe Finding, dated September 25, 1980 and received by us on October 5, 1980, we would like to submit the information and Exhibits here enclosed for the consideration of the Commission.

The RtB cites expenditures by the Reagan Bush Committee to vendors who contracted with Fund for a Conservative Majority and National Conservative Political Action Committee. The Exhibits in Envelope "A" contain our invoices, and the handwritten date indicating payment coincides with the dates cited in the RtB. It should be noted that Tri State Envelope's sole business is printing envelopes, so that the only information we supply to them as a vendor is the return address we want printed on those envelopes, and where to ship the finished product. You will also note that the order date precedes the payment date by several months. Only one of the dates cited to other committees is subsequent to the dates involving us. (June 18, 1980 to Diversified Direct) The invoice indicates that the materials were shipped - i.e. the transaction was completed - on April 20, 1980, before services were rendered to others. We take the position that we cannot be held responsible for those who contract with vendors we have used after we have used them. We similarly believe that, where mechanical tasks are performed, we are not required to qualify and screen our vendors on the basis that they have not and will not perform services for any other political committee.

Arthur Finkelstein and Associates were retained by us for $3,000 per month. On March 1 the contract was terminated, and $9,000 was owed on the contract at that time. It was paid in two increments, one on April 9 and one on June 5. The only service that this contractor may have performed for us in 1980 was a one state poll, the results of which would be privileged in any case. It further appears only after termination of the contract with us did this consultant become involved with another committee, a matter over which we would have no control. We have no knowledge of what this firm surveyed or what polls it conducted for FCM or NCPAC.

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Paid for by Reagan Bush Committee. United States Senator Paul Laxalt, Chairman. Bay Buchanan, Treasurer.

On or about February 22, 1980, the Committee took possession of a memory typewriter owned by NCPAC. For a period of time, it was uncertain whether the Committee would purchase this machine or lease it, and what the terms of the transaction were to be. The Committee finally agreed to buy the machine and paid for it on July 1, 1980, which expenditure was timely reported to you.

The RtB cites three individuals, Mr. Stan Huckaby, Senator Harrison Schmitt and Mrs. Anna Chennault, as possible "connections" with an independent expenditure group.

Stan Huckaby

Mr. Huckaby has never been employed by the Reagan campaign. His position as treasurer of the Baker campaign naturally precluded his having any contact with the Reagan campaign during the primary period.

After Senator Baker withdrew, with outstanding debts to be paid, Mr. Huckaby became treasurer of the Unity Committee, created to raise funds to pay off the debts of those who had sought the nomination, and whose sole function revolved around the Unity Dinner effort. Mr. Huckaby set up the accounting systems for the Unity Dinner, and consulted with Bay Buchanan, the Reagan for President treasurer solely on the subject of how, if at all, this event would effect our reporting.

We are advised by the RNC that Mr. Huckaby is a tenant of the RNC, for whom he also works, on a per job basis. It is our understanding that he has no contact with executive or managerial RNC people save the Comptroller's office. We understand he also sets up accounting systems for other Republican affiliates.

Mr. Huckaby has had no contact or discussions with our staff at any level with the exception of the above noted consultation with Bay Buchanan, and two or three conversations with me concerning the establishment of the Unity Committee, all of which took place before June of 1980.

Harrison Schmitt

We are unaware of any contacts, correspondence, or disussions of any kind between Senator Schmitt and any Reagan Bush people subsequent to the formation of Americans for Change. Since the filing of this action, we have become aware that Senator Schmitt is on the RNC Economic Advisory Panel. Its function and his participation therein are unknown to us.

Anna Chennault

Mrs. Chennault was informally asked by Senator Paul Laxalt, our Chairman, sometime in the late Spring, if she would serve as Chairman for Nationalities, to which she agreed. Shortly thereafter, she was out of the country for a month, and during her absence, when her office received a request that she serve on a

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committee of AFC, her secretary assumed it was the same group, and allowed the inclusion of Mrs. Chennault's name. Upon her return, Mrs. Chennault advised Americans for Change by telephone that she could not serve.

Mrs. Chennault reports that she never attended any meetings held any conversations with the organizers or officers of AFC, nor, made any contributions to AFC. On July 15th Mrs. Channault was officially appointed Chairman for Nationalities of the Reagan Committee. At my request, as Reagan Bush Chief Counsel, Mrs. Chennault formalized her resignation from AFC by letter on July 22, 1980.

Footnote 4 on page 5 refers to a letter of AFC dated July 13, 1980 (before George Bush became the Vice presidential candidate) for an AFC fundraiser to be held in Houston on the 19th The letter does not suggest that Reagan would attend the event, as he did not. Only the fact that Ambassador Bush had become the Vice Presidential candidate in the intervening days caused Reagan to go to Houston on the 19th. Only by acting in concert with AFC could this coincidence have been avoided.

I hope that the additional information provided, together with the attached invoices will provide you with the basis for a dtermination that this matter should be promptly dismissed.

Sincerely yours,

Loren A. Smith

Loren A. Smith
Chief Counsel,
Reagan Bush Committee

cc: Marcia Gentner, Esq.

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MEMORANDUM

To: Bay Buchanan

From: Cheryl Swain

Subject: February 5 & 6, 1980, Group 1 RFP-HF Mailing
February 15, 1980 RFP and CFTR Mail-Grams

Date: February 6, 1980

I am returning to you your check number 1207 made out to the US Postmaster for the amount of $3,900.00. Telecommunications Industries, Inc. is unable to use this check for two reasons. They are:

1. Stamps have already been purchased.
2. The Post Office requires that checks be cashed on the same day on which they were written and that the amount be exact.

I would like to have a new check issued for the amount of $3,992.63 to represent $1,140.75 for postage and the remainder for charge against the bill of seventy-five cents per letter for laser printing and mailing of 7,605 pieces. This check should be made out to Telecommunications Industries.

#1214 Union 2364 $3992.63 Feb. 8, 80

The above-referenced amount will be indicated on the invoice which I will forward to you upon my receipt.

I have and will carefully review all invoices to make certain that proper amounts have been reflected.

I would like a second check which should also be made out to ~~Telecommunications Industries.~~ The amount of the check should be $30,000.00 to represent the printing and mailing of 159,059 RFP and CFTR Mail Grams. An itemized breakdown follows.

| | |
|---|---|
| Group 1 (3518 pieces at .30 each for postage) | $1,055.40 |
| Groups 2 & 3 (155,541 pieces at .15 each for postage) | $23,331.15 |
| Cash Outaly | $5,613.45 |
| | $30,000.00 |

→ when needed by The 14th

Both checks should be forwarded to me by Federal Express as soon as possible.

If there are problems with my requests, please notify me immediately, as the drop date for the upcoming mailing is finely tuned with the New Hampshire primary.

Thank you.

Cheryl Swain

Mail Order

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# Wiland & Associates, Inc.

219 EAST DAVIS STREET • CULPEPER, VIRGINIA 22701 • TELEPHONE AREA CODE (703) 825-5100

| WORK ORDER NUMBER | ACCOUNT NO | CUSTOMER P.O. | DATE | INVOICE NO |
|---|---|---|---|---|
| 20626 | 197 | Letter/Stone | May 10, 1979 | 21708 |

| SOLD TO | SHIPPED TO |
|---|---|
| Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 | Roger Stone<br>20 East Windsor Street<br>Alexandria, Virginia 22301 |

# INVOICE

| FUNCTION PERFORMED DESCRIPTION | QUANTITY | UNIT PRICE | EXTENSION | ACCT. CODE |
|---|---|---|---|---|
| Select Flag I from Nationwide Conservative Donors Master File | | | | |
| Process input records | 12,937 | $1.25/M | $16.17 | |
| Process output records | 849 | stp.chg. | 4.00 | |
| Print 4-up Cheshire labels to Nationwide Conservative Donors Flag F (twice) | 1,698 | min.chg. | 12.00 | |
| Print 4-up Curved labels to Nationwide Conservative Donors Flag F | 849 | min.chg. | 50.00 | |
| Virginia Sales Tax | | | 3.22 | |

REAGAN FOR PRESIDENT
PAID
DATE: [illegible]
AMOUNT: 85.46
CHECK NUMBER: [illegible]
SECTION/OFFICE:
AGENT: [illegible]

TERMS NET 30 DAYS

TOTAL $85.46

RECEIVED JUN 5 1979

IF YOUR CHECK WILL BE POSTMARKED ON/OR BEFORE N/A

PAY THIS AMOUNT N/A

CUSTOMER'S COPY — PLEASE RETAIN FOR YOUR RECORDS

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 9867

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA. OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS NET 10 DAYS | SHIPPED TO SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 2-20-80 | 2-0261-80M | 0143 | x | | DMS MD | 1 | 1 | 1 | |

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

SOLD
Reagan for President
1828 L St NW #201
Wash DC 20036

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 295,000 | 3-5/8 x 7-3/4 24 WW OS DS Regular | 10.50M | 3097.50 |
| | plate | | 7.50 |
| | | | 3105.00 |
| | MD 5% | | 155.25 |
| | Total | | 3260.25 |
| BL# 11781 Dave | | | |

Rec'd 1-5-80 Proofs mailing
Ck

Pd. May 14, 1980
# 65 5 204
$4863.19

OK mailing #14

| B/L NO. | SLSM | CUT CHG | FRT CHG | SUB-TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

2400-00
860-25

CUSTOMER COPY

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading nor a copy or duplicate covering the property named herein, and is intended solely for filing or record

DESIGNATE with an (X)
**BY TRUCK** [ ] **FREIGHT** [ ]

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described on the Original Bill of Lading

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns

From: THE [illegible] OF [illegible] INC
[illegible]

At

(Mail or street address of consignee – For purposes of notification only)

CONSIGNEE AND DESTINATION: [illegible]
[illegible]
[illegible]

DATE

19

CARRIER

BY

ROUTE

SHIPPER'S NO.

CARRIER'S NO. 94,1,9

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | 3-5/8 X 7-3/4 24 [illegible] | | | |
| | | JOB 2-0261-501 [illegible] | | | |
| | | 2/14/80 | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

[illegible]

Received $ _____ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:

$ _____

**SHIPPER'S CERTIFICATION:** This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's imprints in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note – Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt. _____
Collection Fee _____
Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The fare boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper**

FORM 12004 REGENT FORMS BELLMAWR N.J. 08031

8 3 0 4 0 4 2 4 1 0 2

0 0 5 4 0 4 2 4 1 0 4

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170 (202) 953-3570

NUMBER 10129

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW. TERMS: NET 10 DAYS | SHIPPED TO SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 3-13-80 | 3-0491-80M | | X | | ASAP DC | 1 | 1 | 1 | | |

SOLD TO

Reagan for President
1828 L Street NW #201
Wash DC 20036
ATTN: Cheryl Swain

1=PREPAID 2=COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 13,000 | 7-3/4 24 WW OS DS Regular Split Gum | 14.60M | 189.90 |
| | plate | | 7.50 |
| | | | 197.30 |
| | DC 5% | | 9.87 |
| | Total | | 207.17 |

14th, Mailing RFI-111P (2) (Cl) (Cl)

OK Bump #16

pd May 14, 198 #653 204 $4863.19

BL# 12217 Dave

| BL NO | SISM | CUT CHG | FRT CHG | SUB TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

9 3 0 4 0 4 2 4 1 0 5

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

DESIGNATE WHETHER

**BY TRUCK** [ ] **FREIGHT** [ ]

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

FROM: DEL-STATE ENVELOPE CO., INC.
AT: BELLSVILLE, [illegible]
(Mail or street address of consignee—For purposes of notification only.)

CONSIGNEE AND DESTINATION: [illegible]

DATE: 19

**CARRIER** ↓

BY: 101.9

ROUTE:

SHIPPER'S NO.:

CARRIER'S NO.:

DELIVERING CARRIER:

CAR OR VEHICLE INITIALS & NO.:

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORRECTION) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | [illegible] | | | |
| | | SPLIT [illegible] | | | |
| | | [illegible] PO2 | | | |

Subject to the terms and conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid, write or stamp here: "To be Prepaid."

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:

$ _____

**C.O.D. SHIPMENT**

C.O.D. Amt. _____

Collection Fee _____

Total Charges _____

SHIPPER'S CERTIFICATION: This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."
† Shipper's imprints in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.
Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.
**The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding** _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The line boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper** _____

(4)

FORM 12004 REGENT FORMS BELLMAWR N.J. 08031

3 3 0 4 0 4 2 4 1 0 6

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10194

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW. TERMS NET 10 DAYS | SHIPPED TO SAME AS "SOLD TO" |
|---|---|---|---|---|---|
| 3-18-80 | 2-0392-80M | | X | | DMS MD |

SOLD TO
Bergan for the Student
1828 L Street NW Suite 201
1 Wash DC 20036

1 1 1

1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 90,000 | 7-3/4 24 WW OS DS Std Sty Wdw | 14.60M | 1314.00 |
| | plates | | 15.30 |
| | | | 1329.30 |
| | MD 5% | | 66.47 |
| | Total | | 1395.77 |
| BL# 12043 | Dave | | |

OK emb. #16

Pd. March 17, 1980
#65 s 204
$4,86 3.191

| BILL NO | SISM | CUT CHG | FRT CHG | SUB TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate covering the property named hereon, and is intended solely for filing or record.

DESIGNATE WITH AN (X) **BY TRUCK [ ] FREIGHT [ ]**

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading

[illegible] subject to all the terms and conditions of contract of pickup, warehousing, marked [illegible] hereinafter called the carrier, in possession of the property under the contract agreed to be delivered to another carrier on the route to said destination, it is agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or rail-water shipment, or (2) — the applicable motor carrier classification or tariff, if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE / / 19 ↓

SHIPPER'S NO

CARRIER

CARRIER'S NO

BY

ROUTE

DELIVERING CARRIER

10194

CONSIGNEE AND DESTINATION

(Mail or street address of consignee — For purposes of notification only.)

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid write or stamp here "To be Prepaid."

Received $ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced

$ _____

**SHIPPER'S CERTIFICATION** This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is carrier's or shipper's weight.

† Shipper's imprints on face of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.

Note — Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

**The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding** _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The bins used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**C.O.D. SHIPMENT**

C.O.D. Amt. _____

Collection Fee _____

Total Charges _____

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper** _____

FORM 12006 REGENT FORMS BELLMAWR N.J. 08031

8 3 0 4 0 4 2 4 1 0 6

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD 20705 • (301) 792 7170
(202) 953 3570

NUMBER 10437

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | TERMS NET 10 DAYS (UNLESS SPECIFIED IN THE CAPTION AREAS BELOW) | SHIPPED TO SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 4-7-80 | 3-0666-80M | | x | | Eye St. DC | X1 | 1 | 1 | |

SOLD TO
Reagan for President
1828 L Street NW Suite 201
Wash DC 20036

1=PREPAID 2-COLLECT
1=COMPLETE 2=PARTIAL
1=F.O.B. DESTINATION 2=F.O.B. OUR PLANT
X=CUT CHARGES TO FOLLOW
X=FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 25,000 | 7-3/4 24 WW OS DS Regular gull Gumming | 15.30M | 382.50 |
| | plates | | 15.30 |
| | | | 397.80 |
| | DC 5% | | 19.89 |
| | Total | | 417.69 |
| | RECEIVED - 8 1980 | | |
| BL# 12591 Dave | | | |

| B/L NO | SISM | CUT CHG | FRT CHG | SUB TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

BY TRUCK [ ] FREIGHT [ ]

RECEIVED subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading

DATE

SHIPPER'S NO

CARRIER'S NO

(Mail or street address of consignee – For purposes of notification only)

CARRIER

19

CONSIGNEE AND DESTINATION

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS MATERIALS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if the shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges

Per _____ (Signature of consignor)

If charges are to be prepaid, write or stamp here, "To be Prepaid"

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced:

$ _____

SHIPPERS CERTIFICATION. This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Shipper's weights on box of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.

Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The blue boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification

Per _____ Shipper

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

**Shipper, Per** _____ **Agent, Per** _____

***Permanent post office address of shipper***

(4)

FORM 12004 REGENT FORMS BELLMAWR N.J. 08031

**THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record

DESIGNATE WITH AN (X) BY TRUCK [ ] FREIGHT [ ]

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described hereon, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if this is a rail or rail-water shipment, or (2) in the applicable motor carrier classification or tariff if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE 19

SHIPPER'S NO.

CARRIER

CARRIER'S NO.

From

At (Mail or street address of consignee – For purposes of notification only)

CONSIGNEE AND DESTINATION

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PACKAGES | HAZARDOUS | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | *WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid write or stamp here, "To be Prepaid."

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced

$ _____

**SHIPPER'S CERTIFICATION** This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Shipper's imprints in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.

Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

† The fibre boxes used for this shipment conform to the specifications set forth in the box maker's certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper**

FORM 12004. REGENT FORMS, BELLMAWR, N.J. 08031

# tri-state envelope corporation of maryland

# INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792 7170
(202) 953 3570

NUMBER 10460

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | TERMS NET 10 DAYS (UNLESS SPECIFIED IN THE CAPTION AREAS BELOW) | SHIPPED TO SAME AS "SOLD TO" | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 4-7-80 | 3-0667-80M | | X | | DMS | MD | 1 | 1 | 1 | |

1 = PREPAID 2 - COLLECT
1 = COMPLETE 2 - PARTIAL
1 = F.O.B. DESTINATION 2 - F.O.B. OUR PLANT
X = CUT CHARGES TO FOLLOW
X = FREIGHT CHARGES TO FOLLOW

SOLD TO
Reagan President
1828 L Street NW Suite 201
Wash DC 20036

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 125,000 | 7-3/4 24 WW OS DS Std Sty Wdw | 13.80M | 1725.00 |
| | plate | | 15.30 |
| | | | 1740.30 |
| | MD 5% | - | 87.02 |
| | Total | | 1827.32 |
| BL# 12590 Dave | | | |

| B/L NO | SLSM | CUT CHG | FRT CHG | SUB TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

**THIS MEMORANDUM** [illegible] a copy or duplicate, covering the property named hereon, and is intended solely for filing or record

**RECEIVED** subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property described in the Original Bill of Lading

DESIGNATE WITH A (✓) **BY TRUCK** [ ] **FREIGHT** [ ]

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned and destined as indicated below, which said carrier (the word carrier being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its route, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the terms and conditions of the Uniform Domestic Straight Bill of Lading set forth (1) in Uniform Freight Classification in effect on the date hereof, if [illegible] or (2) in the applicable motor carrier classification or tariffs if this is a motor carrier shipment.

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariff which governs the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE 19

SHIPPER'S NO

CARRIER ↓

CARRIER'S NO

From THE STAR ENVELOPE CO., INC.
BELTSVILLE, MD. 20705

At (Mail or street address of consignee - For purposes of notification only)

D.H.S
ACTON LANE
HYATTSVILLE, MD.

CONSIGNEE AND DESTINATION

BY ONE TRUCK

ROUTE

DELIVERING CARRIER 10462

CAR OR VEHICLE INITIALS & NO

| NO. PACKAGES | HM | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | JG-3/4 24 WHITE WOVE-DS DS REGULAR,FULLCUT | PRINTED | | |
| | | POE | | | |
| | | REAGAN FOR PRESIDENT | | | |

Subject to Section 7 of conditions of applicable bill of lading, if the shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of consignor)

If charges are to be prepaid, write or stamp here: "To be Prepaid"

PREPAID

Received $ _____ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amounts prepaid.)

Charges Advanced

$ _____

**SHIPPER'S CERTIFICATION.** This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Shipper's endorsement on face of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.

Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ LBS

The face boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**Shipper, Per** _____ **Agent, Per** _____

**Permanent post office address of shipper**

FORM 12004 REGENT FORMS BELLMAWR N.J. 08031

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10462

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS NET 10 DAYS | SHIPPED TO SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 4-7-80 | 3-0664-80M | | X | | DMS MD | 1 | 1 | 1 | |

SOLD TO
Reagan for President
1828 L Street NW Suite 201
Wash DC 20036

1 = PREPAID 2 = COLLECT
1 = COMPLETE 2 = PARTIAL
1 = F.O.B. DESTINATION 2 = F.O.B. OUR PLANT
X = CUT CHARGES TO FOLLOW
X = FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 25,000 | 6-3/4 24 WW OS DS Regular RAE Full Gum | 11.15M | 278.75 |
| | plate | | 7.50 |
| | | | 286.25 |
| | MD %5 | | 14.31 |
| | Total | | 300.56 |
| BL# 12567 Dave | | | |

4.2% [illegible] BH, mailing Cu 1 RFP Cub

Item received OK [illegible]

| B/L NO | SLSM | CUT CHG | FRT CHG | SUB TOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

RECEIVED subject to the classifications and tariffs in effect on the date of receipt by the carrier of the property, described in the Original bill of lading

3 3 0 4 0 4 2 4 1 | 2

BY TRUCK [ ] FREIGHT [ ]

Shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading, including those on the back thereof, set forth in the classification or tariffs which govern the transportation of this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

From

At

(Mail or street address of consignee - For purposes of notification only.)

CONSIGNEE AND DESTINATION

DATE

19

CARRIER

BY

ROUTE

SHIPPER'S NO.

CARRIER'S NO.

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| PKGS. | | DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS | WEIGHT (SUBJECT TO CORR.) | CLASS OR RATE | ✓ |
|---|---|---|---|---|---|
| | | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____
(Signature of consignor)

If charges are to be prepaid write or stamp here "To be Prepaid"

Prepaid

Received $ _____ to apply on prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____
(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$ _____

SHIPPER'S CERTIFICATION: This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Agents in lieu of stamp, not a part of bill of lading approved by the Interstate Commerce Commission.

Rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

| C.O.D. SHIPMENT | |
|---|---|
| C.O.D. Amt | |
| Collection Fee | |
| Total Charges | |

SHIPMENT IS CORRECTLY DESCRIBED

_____ (B/L)

† The fibre boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

Shipper, Per _____ Agent, Per _____

(1)

of shipper

FORM 12004 REGENT FORMS BELLMAWR N.J. 08031

# tri-state envelope corporation of maryland

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170 (202) 953-3570

# INVOICE

NUMBER 10143

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA: OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW, TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3-14-80 | 3-0479-80M | | x | | DMS | MD | 1 | 1 | 1 |

SOLD TO

Reagan for President
1823 L Street NW
Wash DC 20036

1 = PREPAID 2 = COLLECT
1 = COMPLETE 2 = PARTIAL
1 = F.O.B. DESTINATION 2 = F.O.B. OUR PLANT
X = CUT CHARGES TO FOLLOW
X = FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 25,000 | 6-3/ 2 SS DS Regular | 25.15M | 628.75 |
| | [illegible] | | 7.50 |
| | | | 636.25 |
| | MD 5 | | [illegible] |
| | Total | | 6[illegible] |

3 3 0 4 0 4 9 4 1 1

Shipper hereby certifies that he is familiar with all the terms and conditions of the uniform bill of lading covering this shipment, and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns.

DATE

SHIPPER'S NO.

From

At (Mail or street address of consignee - For purposes of notification only)

19

CARRIER

CARRIER'S NO.

CONSIGNEE AND DESTINATION

ROUTE

DELIVERING CARRIER

CAR OR VEHICLE INITIALS & NO.

| NO. PKGS. | DESCRIPTION OF ARTICLES, SPECIAL MARKS, AND EXCEPTIONS | WEIGHT (Subject to Correction) | CLASS OR RATE | ✓ |
|---|---|---|---|---|
| | | | | |

Subject to Section 7 of conditions of applicable bill of lading, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

Per _____ (Signature of Consignor)

If charges are to be prepaid, write or stamp here "To be Prepaid"

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier

Per _____

(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$ _____

SHIPPER'S CERTIFICATION: This is to certify that the above named materials are properly classified, described, packaged, marked and labeled, and are in proper condition for transportation according to the applicable regulations of the Department of Transportation.

SIGNATURE _____ TITLE _____

When shipment moves between two points by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight".

Agent's impress in lieu of stamp, not a part of Bill of Lading approved by the Interstate Commerce Commission.

Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____

THIS SHIPMENT IS CORRECTLY DESCRIBED

CORRECT WEIGHT IS _____ lbs.

† The fibre boxes used for this shipment conform to the specifications set forth in the box makers certificate thereon, and all other requirements of the Consolidated Freight Classification.

Per _____ Shipper

**C.O.D. SHIPMENT**

C.O.D. Amt _____

Collection Fee _____

Total Charges _____

Shipper, Per _____ Agent, Per _____

Permanent post office address of shipper

FORM 1200h REGENT FORMS BELLMAWR N.J. 08031

# tri-state envelope corporation of maryland INVOICE

ENVELOPE MANUFACTURERS • 6900 FAIGLE ROAD, BELTSVILLE, MD. 20705 • (301) 792-7170
(202) 953-3570

NUMBER 10461

| INVOICE DATE | OUR ORDER NUMBER | YOUR ORDER NUMBER | VIA OUR TRUCK | UNLESS SPECIFIED IN THE CAPTION AREAS BELOW TERMS: NET 10 DAYS | SHIPPED TO: SAME AS "SOLD TO" | | | |
|---|---|---|---|---|---|---|---|---|
| 4-7-80 | 3-0665-80M | | X | | DMS | MD | 1 | 1 | 1 |

SOLD TO
Reagan for President
1828 L Street Suite 201
Wash DC 20036

1 = PREPAID 2 = COLLECT
1 = COMPLETE 2 = PARTIAL
1 = F.O.B. DESTINATION 2 = F.O.B. OUR PLANT
X = CUT CHARGES TO FOLLOW
X = FREIGHT CHARGES TO FOLLOW

| QUANTITY | DESCRIPTION | PRICE | AMOUNT |
|---|---|---|---|
| 125,000 | 6-3/4 24 WW OS DS Regular BRE Split Gum | 11.25M | 1406.2 |
| | plate | | 7.5 |
| | | | 1413.7 |
| | MD 5% | | 70.6 |
| | Total | | 1484.4 |
| BL= 12592 Dave | | | |

| B.L. NO. | SLSM | CUT CHG | FRT. CHG | SUBTOTAL | TAX | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |

PLEASE PAY

CUSTOMER COPY

8 3 0 4 0 4 2 4 1 1 7

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1S06

DATE 3/19/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036
Attn: C. Swaim

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO / DDI P.O. NO. / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/18/80 | 1621 / 10464 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 45 M | 2 Sheet letters, with 2 color face and back. | 22.46/M | 1,010.70 |
| | TOTAL INVOICE: | | $1,010.70 |

3304241 6

OK. mailing #16

Pd. Mar 14, 8
# 652 ~~[illegible]~~ 2.
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1687

DATE 2/29/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

Wiland & Assoc.
Culpepper, Va.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/29/80 | 1454 / 10383 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 48,251 | Computer forms, with 2 color face and back. | 21.58/M | 1,041.25 |
| | Authors Alterations:<br>Labor: stripping: | | 18.00 |
| | TOTAL INVOICE: | | $1,059.25 |

3304241 5

OK auditing #16

Pd Tracy 4,80
# 450/542.004
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1689

DATE 2/29/80

**TO:**

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036

**SHIPPED TO:**

Wiland &

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/29/80 | 1453 / 10384 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 23 M | Computer forms, with 2 color face and coded: With $ Amt. | 17.25/M | 396.75 |
| 24 M | Computer forms, with same specs. Coded: No $ Amt. | 17.25/M | 414.00 |
| | TOTAL INVOICE: | | $810.75 |

Number #16 OK'd 3

Pd. May 14, 80
#652/~~542~~ 224
$11,614.25

R-05-80
REP. HF

Cus

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1616

DATE 2/18/80

**TO:**

Reagan for President
1828 L St. N.W.
Washington, D.C. 20036
Suite 201
Attn: C. Swaim

**SHIPPED TO:**

Central Data Processing
Forestville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/18/80 | 1434 / 10330 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 200 M | Computer forms, with 2 color face and back. | 14.87/M | 2,974.00 |
| | TOTAL INVOICE: | | $2,974.00 |

OK
Amy
mailing
#14

paid
May 14, 80
#652-214
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1617

DATE 2/18/80

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201
Attn: C. Swaim

**SHIPPED TO:**

Central Data Processing
Forestville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/18/80 | 1427 / 10331 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 100 M | Computer forms, with 2 color face. | 14.72/M | 1,457.00 |
| | TOTAL INVOICE: | | $1,457.00 |

8304042412

Invoice #14

Dup Payment
B-8/10-80
Payment
Credit

Paid
May 14, 80
#65-204
$41,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1655

DATE 2/25/80

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/22/80 | 1441,1440 10354 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 55 M | Computer forms, with 2 color face and back. 1 - UP. | 21.58/M | 1,186.90 |
| 27.5 M | Computer forms with same specs. 2 - Up. | 22.71/M | 624.52 |
| | TOTAL INVOICE: | | $1,811.42 |

OK [illegible] Mailing #14

Paid
May 14, 8[illegible]
#652-2011
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

RECEIVED F 1 9 1980

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5190

DATE 2/6/80

MH 011703

**TO:**

Reagan for President Committee
1828 L St. N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. 2/1/80 | DDI JOB NO. RFP 2011<br>DDI P.O. NO. CM 1067 9320 2<br>DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 225 | | |
| 2,619 | Burst, trim, fold, match, stamp and insert. | 45.00/M | $117.86 |
| | Postage Used: $393.90 | | |
| | TOTAL INVOICE: | | $117.86 |

9 3 0 4 0 4 2 4 1 2 4

Prospect Okay CJX 2-11-80

Made it 11

Filed

Pmtg 14, 8

#651-24

$11,614 7

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

**INVOICE**

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5263

DATE 2-11-80

**TO:**

Reagan for President Committee
1828 L St. N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

MH-11715

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2-8-80 | RFP 2012 / CM 1238 9321 | | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services GR228 | | |
| 31,472 | Insert,Stamp,Burst,Trim & Fold Match | 45.00/M | 1,416.24 |
| | Postage Used $4,726.20 | | |
| | Invoice Total- | | 1,416.24 |

OK and mailing #12

Pd. May 14, 8
#652 204
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5202

DATE 2-11-80

**TO:**

Reagan for President Committee
1828 L St. NW
Washington, D.C. 20036

**SHIPPED TO:** MH-11716

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 2-8-80 | RFP 2013 / CN 1095 9322 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services<br>GR328 | | |
| 37,166 | Insert,Stamp,Burst,Trim & Fold | 25.75/M | 957.03 |
| | Postage Used $3,128.25 | | |
| | Invoice Total | | 957.03 |

OK Mailing #12

Pd. Trang 14,86
652-8 x4
$11,614.25

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1955

DATE April 21, 19

**TO:**

Reagan for President
c/o Cheryl Swaim
435 N. Lee St.
Alexandria, Va. 22314

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO / DDI P.O. NO / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/19/80 | DDI JOB NO 10595<br>DDI P.O. NO 1698 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 54 M | 2 sheet letters, with 2 color face and back . | 23.97/M | $ 1,294. |
| | Authors Alterations: | | |
| | Line shots: | | 4 |
| | Labor: stripping: | | 36 |
| | TOTAL INVOICE: | | $1,334. |

4.30.80
RFP
CS

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5294

DATE 3-27-80

MH-11806

TO:

Regan for President Committee
1828 L st. N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. RFP 2030<br>DDI P.O. NO. CM 1102<br>DIVISIONAL JOB NO. 9630 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, | | |
| 230,505 | Insert, Burst, fold, stamp and match. | 38.25/M | 8,816.82 |
| | CODE QUANTITY DROP DATE | | |
| | GR233 50,803 3/5/80 | | |
| | " 43,895 3/6/80 | | |
| | " 27,976 3/6/80 | | |
| | " 12,650 3/7/80 | | |
| | " 20,660 3/14/80 | | |
| | " 7,033 3/17/80 | | |
| | " 37,912 3/21/80 | | |
| | " 14,066 3/24/80 | | |
| | " 15,510 3/25/80 | | |
| | 230,505 | | |
| 19,995 | Stamp to projected count: | 5.00/M | 99.98 |
| | | | 8,916.80 |
| | Postage Used: $34,616.25 | | |
| | 20% charge for excess postage affixed on 19,995 pieces @.15¢ due to client over-estimate. | | +599.85 |
| | TOTAL INVOICE: | | $9,516.65 |

3304242

1/4 mailing
all pcs prepaid
Cli

OK CWB!

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5301

DATE April 1, 198

MH 011817

**TO:**

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/31/80 | RFP 2038 / CM 1348 / 9723 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 237. | | |
| 36,755 | Burst, trim and fold, stamp, match, insert and seal. | 45.00/M | 1,653.98 |
| | Postage Used: $5,519.40 | | |
| | TOTAL INVOICE: | | $1,653.98 |

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5309

DATE April 7, 1980

~~MI 011823~~

**TO:**

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. RF 2039<br>DDI P.O. NO. CM 1347<br>DIVISIONAL JOB NO. 9724 | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 4/2/80 | | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 337 | | |
| 43,021 | Burst, trim, and fold, stamp, insert and seal. | 25.75/M | 1,107.79 |
| | Postage Used: $3,620.97 | | |
| | TOTAL INVOICE: | | $1,107.79 |

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5310

DATE April 2, 1980

MH 011819

TO:

Reagan for President Committee
1828 L St., N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. RFP 2037<br>DDI P.O. NO. CM 1357<br>DIVISIONAL JOB NO. 9722 | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/31/80 | | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES, GR 137. | | |
| 11,075 | Burst, trim, fold, stamp carr., & RAEm Match, insert. | 61.75/M | 683.88 |
| | Postage Used: $3,324.90 | | |
| | TOTAL INVOICE: | | $683.88 |

3304242131

OK amB

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1964

DATE April 22, 198

**TO:**

Reagan for President
c/o Black, Manafort & Stone, Inc.
435 N. Lee St.
Alexandria, Va. 22314
Attn: Cheryl Swaim

**SHIPPED TO:**

Wiland & Assoc.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/20/80 | 1866 / 10594 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 57 M | Computer forms, with 2 color face and 2 color back. | 17.41/M | 992.37 |
| | Authors Alterations: | | |
| | Line shots: | | 4.00 |
| | Labor: stripping: | | 36.00 |
| | Blueline and color sep. | | 19.50 |
| | | | 1,051.87 |
| | 4% Va. tax: | | 42.07 |
| | TOTAL INVOICE: | | $1,093.94 |

830404241 32

4-30-80
17H mailing
RFP
Ck

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

**INVOICE**

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1957

DATE April 21, 1

**TO:**

Reagan for President
c/o Cheryl Swaim
435 N. Lee Street
Alexandria, Va. 22314

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/19/80 | 1867 / 10584 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, NEWSPAPER CLIPPINGS. | | |
| 108 M | Newspaper clippings, with 1 color face and blank backs. | 8.80/M | 950.40 |
| | TOTAL INVOICE: | | $950.40 |

330402413

ok

4-30-80
17th mailing
RFP
Cat

$17,527

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield) Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1911

DATE April 15, 198

**TO:**

Reagan for President
c/o Cheryl Swaim
435 Lee Street
Alexandria, Va. 22314

**SHIPPED TO:**

Wiland & Assoc.
Culpepper, Va.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 4/1 4/80 | 1697 / 10593 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 28.5 M | Computer forms, with 2 color face and coded: w/o $ amt. | 20.55/M | 585.67 |
| 27 M | Computer forms, with same specs. Coded: w $ amt. | 20.55/M | 554.85 |
| | | | 1,140.52 |
| | 4% Va. tax: | | 45.62 |
| | TOTAL INVOICE: | | $1,186.14 |

call Gold

[illegible]
Path mailing
all groups PP

[illegible]
#724 - 2.0
$17,[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

RECEIVED FEB 19 1980

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1555

DATE Feb 7, 1980

TO:

Reagan for President
1828 L St., N.W.
Suite 201
Washington, D.C. 20036

Attn: C. Swaim

SHIPPED TO:

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 2/4/80 | 1344 / 10278 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 38,605 | Letters, with 2 color face and back. | 24.39/M | 941.57 |
| | Authors Alterations:<br>Labor: stripping: | | 9.00 |
| | TOTAL INVOICE: | | $950.57 |

Group III - 1+F
Okay
GJ
2-11-80

# 589/204
4-22-80
$1,961.27

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

RECEIVED [illegible] 1 1980

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1703

DATE 3/6/80

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 3/5/80 | 1460 / 10386 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, LETTERS. | | |
| 45 M | 2Sheet letters, with 2 color face and back. | 22.46/M | 1,010.70 |
| | TOTAL INVOICE: | | $1,010.70 |

0330404241 36

#589/204
4-22-80
$1961.27

Group B
RFP-HF
mailing Delivered
on 3.25.80

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

RECEIVED FEB 19 1980

February 15, 1980
Invoice No. 657

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms. Cheryl Swaim

3,518 Live Postage Group I BRE's. (CFTR & RFP) @

.15¢ each = $527.70

BALANCE DUE: $527.70

8304042437

March 24
$ 70.21.17
# 1951/2009

Mailing #13

Telecommunications Industries, Inc
A subsidiary of Hadron Inc
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

February 15, 1980
Invoice No. 656

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

159,059 TELEPOST Letters for RFP and CFTR names, Groups I, II and III generated for mailing February 15, 1980 @ 40¢ each = $63,623.60

| | | |
|---|---|---|
| Payments received: | $24,386.55 | (check no. 372) |
| | 5,613.45 | (check no. 373) |
| | $30,000.00 | |

BALANCE DUE: $33,623.60

Paul

Pete

Jack Lee & 13

8304042413 8

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
[illegible] Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

February 15, 1980
Invoice No. 656

RECEIVED FEB 19 1980

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

159,059 TELEPOST Letters for RFP and CFTR names, Groups I, II and III generated for mailing February 15, 1980 @ 40¢ each
= $63,623.60

Payments received: $24,386.55 (check no. 372) postage
5,613.45 (check no. 373)

$30,000.00

BALANCE DUE: $33,623.60

36236 60
30,000 00
10,000.00 → #1274/2244 March 31 $10,000.00
30,000 00

$7071.17
March 24, 1980 $10,000.00
$1951/2009

$20,000 – #582/204 4/17/80 $20,000.00 final payment

#4454/542
5-2-80
$7021.17

830404241339

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

# TELEPOST

February 15, 1980
Invoice No. 657

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms. Cheryl Swaim

3.518 Live Postage Group I BRE's. (CFTR & RFP) @
.15¢ each = $527.70

BALANCE DUE: $527.70

Paid
Invoice # 13

#445142
2-27-80
5-2-80

3304042410

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
1700 Old Meadow Road
McLean, Virginia
22102
(703) 821-8200

**TELEPOST**

February 11, 1980
Invoice No. 655

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

7,625 Three-page laser letters with two insertions and signature block @ 90c each = $6,862.50

Payments received: $3,992.63 (check no. 1214)

BALANCE DUE: $2,869.87

Paid

Mailing #12

2-5 Paid

#4459/342
5-2-80
$70.21

8 3 0 4 0 4 2 4 1 4 1

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5185

DATE Jan. 31, 1980

TO:

Reagan for President
1828 L St. N.W. Suite 201
Washington, D.C. 20036

SHIPPED TO:

Post Office

MH 011697

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/29/80<br>1/30/80 | RF 2011<br>CM 1067<br>9320 | | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 225. | | |
| 22,389 | Insert, stamp burst, trim & fold, match. | 45.00/M | 1,007.51 |
| | Postage Used: $3,363.15 | | |
| | TOTAL INVOICE: | | $1,007.51 |

3/24/8

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1495

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St. N.W.
Washington, D.C. 20036
Suite 201

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger Editors
East West Hwy.
Hyattsville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/24/80 | 1329 / 10259 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 13.5 M | Computer forms, with 2 color face and blank back. | 32.97/M | 445.09 |
| | Authors Alterations: Labor: stripping: | | 31.50 |
| | TOTAL INVOICE: | | $476.59 |

8 3 0 4 0 4 2 4 1 4 3

1/24/80
* 126 [illegible]
$4[illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1493

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/24/80 | DDI P.O. NO. 1141 / DIVISIONAL JOB NO. 10246 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 26 M | Computer forms, with 2 color face and back. | 29.19/M | 758.94 |
| | Authors Alterations: | | |
| | Line shots: | | 10.80 |
| | Labor: stripping: | | 72.00 |
| | TOTAL INVOICE: | | $841.74 |

3/24/80
# 1267/2264
$40724

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5163

DATE 1-29-80

MH-11682

**TO:**

Reagan for Pres., Committee
1828 L. St. N.W.
Washington, D.C. 20036

**SHIPPED TO:**

DDI

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1-24-80 | RFP 2010 / CM 6253 / 9305 | | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: Mailing Services | | |
| 7,605 | Stamp RAE 3-5¢ | 7.50/M | 57.04 |
| | Postage Used $1,140.75 | | |
| | Invoice Total | | 57.04 |

8304224445

3/24/

$4277.27

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1539

DATE Jan. 31, 1980

**TO:**

Reagan for President
1828 L St., N.W.
uite 201
Washington, D.C. 20036

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/31/80 | 1343 / 10281 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 16,793 | Computer forms, with 2 color face and back. | 48.88/M | 820.84 |
| | Authors Alterations: | | |
| | Line shots: | | 2.70 |
| | Labor: stripping: | | 31.50 |
| | TOTAL INVOICE: | | $855.04 |

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1540

DATE Jan. 31, 19

**TO:**

Reagan for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/31/80 | 134C / 10277 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 16,294 | Computer forms, with 2 color face and coded: No $ amt. | 22.71/M | 370.03 |
| 19,302 | Computer forms, same specs. Coded: with $ amt. | same | 438.34 |
| | Authors Alterations: | | |
| | Line shots: | | 6.00 |
| | Labor: stripping: | | 45.00 |
| | TOTAL INVOICE: | | $859.37 |

3/24/80

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5185

DATE Jan. 31, 198

MH 011697

**TO:**

Reagan for President
1828 L St. N.W. Suite 201
Washington, D.C. 20036

**SHIPPED TO:**

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 1/29/80<br>1/30/80 | RF 2011<br>CM 1067<br>9320 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: MAILING SERVICES<br>GR 225. | | |
| 22,389 | Insert, stamp, burst, trim & fold, match. | 45.00/M | 1,007.5 |
| | Postage Used: $3,363.15 | | |
| | TOTAL INVOICE: | | $1,007.5 |

3/24/8

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1495

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St. N.W.
Washington, D.C. 20036
Suite 201

Attn: C. Swaim

**SHIPPED TO:**

Kiplinger Editors
East West Hwy.
Hyattsville, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/24/80 | 1329 / 10259 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 13.5 M | Computer forms, with 2 color face and blank back. | 32.97/M | 445.09 |
| | Authors Alterations: Labor: stripping: | | 31.50 |
| | TOTAL INVOICE: | | $476.59 |

3/24/80
#126 112264
$445.09

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. A 1493

DATE Jan. 25, 1980

**TO:**

Reagon for President
1828 L St., N.W.
Washington, D.C. 20036
Suite 201

**SHIPPED TO:**

DMS
Waldorf, Md.

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS |
|---|---|---|---|---|
| | 1/24/80 | 1141 / 10246 | SK | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | RE: PRINTING SERVICES, COMPUTER FORMS. | | |
| 26 M | Computer forms, with 2 color face and back. | 29.19/M | 758.94 |
| | Authors Alterations: | | |
| | Line shots: | | 10.80 |
| | Labor: stripping: | | 72.00 |
| | TOTAL INVOICE: | | $841.74 |

3/24/80
# 1267/2264
$469.72

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B 5379

DATE 5-6-80

PH 011212

TO:

Reagan for President Committee
1828 L Street, N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 5-2-80 | CH 2303 / 190 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | Re: Mailing Services GR3422 | | |
| 47,101 | Insert, Imprint, Stamp, Burst, Fold & Trim | $25.75/M | $1,212.8[illegible] |
| | Postage Used $3,964.29 | | |
| | Invoice Total | | $1,212.8[illegible] |

OK [illegible]
17 [illegible]

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B. 5[illegible]

DATE 5-7-80

TO:

Reagan for President Committee
1828 L Street, N.W.
Washington, D.C. 20036

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 5-2-80 / 5-2-80 | GR 2422 / CK 1202 / 179 | | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | Re: Mailing Services GR 2422 | | |
| 35,451 | Insert, Match Imprint, Burst, Trim, Fold, Stamp | $45.00/M | $1,595.[illegible] |
| | Postage Used $5,324.40 | | |
| | INVOICE TOTAL | | $1,595.[illegible] |

OK [illegible]
17th M

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

# INVOICE

9935 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B[illegible]

DATE [illegible]

TO:

[illegible] for President Committee
[illegible]
[illegible], D.C. [illegible]

SHIPPED TO:

[illegible]

| CUSTOMER ORDER NO. | DATE SHIPPED/MAILED. [illegible] | DDI JOB NO. [illegible] DDI P.O. NO. [illegible] DIVISIONAL JOB NO. [illegible] 17 | SALESMAN [illegible] | TERMS NET—30 |
|---|---|---|---|---|

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| [illegible] | DDI Mailing Services | | |
| 11,[illegible] | Imprint, Fold, Insert, Stamp | 61.75/M | 651.[illegible] |
| | [illegible] | | |
| | [illegible] 4,028 0-10-80 | | |
| | [illegible] 2,342 0-10-80 | | |
| | 10,[illegible] | | |
| [illegible] | [illegible] (hourly rate) | 6.00/hr. | [illegible] |
| | [illegible] | | [illegible] |
| | | | 30.00 |
| | | | [illegible] |
| | Postage Used $3,171.19 | | |
| | Invoice total | | 897.96 |

OK [illegible]
#17

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

830402415

# Diversified Direct, Inc.

# INVOICE

2936 Prosperity Avenue · Fairfax (Merrifield), Virginia 22031 · (703) 573-1605

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

NO. B? 5150

DATE 6-2-90

TO:

Black, Manafort & Stone, Inc.
435 North Fox St.
Alexandria, Va. 22314
Attn: [illegible]

SHIPPED TO:

Post Office

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED. | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO. | SALESMAN | TERMS NET—30 |
|---|---|---|---|---|
| | 5-30-90 | [illegible] | [illegible] | |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | DDI Mailing Service | | |
| 527 | Hand affix label, match, stamp, insert | | |
| | code / quantity / drop date / DDI JOB / P.O. | | |
| | BC / 527 / 5-29-90 / 730 / 1530 | | |
| 2,981 | Cheshire, Stamp, Insert | | |
| | BCD / 720 / 5-29-90 / 731 / 1534 | | |
| | BCDE / 1,261 / 5-29-90 / 732 / 1536 | | |
| | DDI MAILING | | 100.00 |
| | CODE / POSTAGE ADV. / POSTAGE USED | | |
| | BC / $75.00 / $64.80 | | |
| | BCD / 120.00 / 117.75 | | |
| | BCDE / 100.10 / 161.05 | | -21.50 |
| | 295.10 / 343.60 | | |
| | Invoice total | | 78.50 |

OK ck #17

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

# Diversified Direct, Inc.

INVOICE

5935 Prosperity Avenue • Fairfax (Merrifield), Virginia 22031 • (703) 573-1605

NO. B

Remit to: DIVERSIFIED DIRECT, INC., c/o U.V.B. BOX 179, ALEXANDRIA, VA 22314

DATE

TO:

SHIPPED TO:

| CUSTOMER ORDER NO. | DATE SHIPPED/ MAILED | DDI JOB NO. / DDI P.O. NO. / DIVISIONAL JOB NO | SALESMAN | TERMS |
|---|---|---|---|---|
| | | | | NET—30 |

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|---|---|---|---|
| | [illegible] | | |
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| | 10 Pm mailing | | |
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| | ask charge what mailing | | |

3304024155

WHITE—CLIENT GREEN—REMITTANCE CANARY—ACCOUNTING PINK—DDI CHRONOLOGICAL
GOLDENROD—DDI JOB JACKET

Telecommunications Industries, Inc.
A subsidiary of Hadron, Inc.
'00 Meadow Road
Vurginia
22102
(703) 821-8200

# TELEPOST

February 11, 1980
Invoice No. 655

RECE

Reagan For President
1828 L Street, N.W., Suite 201
Washington, DC 20036

Attention: Ms Cheryl Swaim

7,625 Three-page laser letters with two insertions and signature block @ 90¢ each = $6,862.50

Payments received: $3,992.63 (check no. 1214)

BALANCE DUE: $2,869.87

9 3 0 4 0 4 2 4 1 5 6

$ 702.17
[illegible]
$ 1451/2009

Mailing #12

Misc. w file

NCAI JUN 5 REC'D

# W[illegible] Associates, Inc.

[illegible] EAST DAVIS ST[illegible] • CULPEPER, VIRGINIA [illegible] • TELEPHONE AREA CODE (703) 825-5100

not the right one

| ORDER NUMBER | ACCOUNT NO. | | DATE | INVOICE NO |
|---|---|---|---|---|
| 20626 | 137 | [illegible]n | May 10, 1979 | 21708 |

SHIPPED TO:

Roger Stone
20 East Windsor Street
Alexandria, Virginia 22301

## INVOICE

| | QUANTITY | UNIT PRICE | EXTENSION | ACCT CODE |
|---|---|---|---|---|
| Select Flag B from Nati[illegible]e Conservative Donors Master File | | | | |
| Process input re[illegible] | 12,937 | $1.25/M | $16.17 | |
| Process output [illegible]ds | 849 | stp.chg. | 4.00 | |
| Prin[illegible] [illegible]achi[illegible] [illegible]abels to Nationwide [illegible]ons [illegible] Flag B (twice) | [illegible] | min.chg. | 12.00 | |
| [illegible] [illegible]abels to Nationwide [illegible] [illegible]nors Flag B | 849 | min.chg. | 50.00 | |
| [illegible] Tax | | | 3.29 | |

8 3 0 4 0 4 2 4 1 5 7

REAGAN FOR PRESIDENT

| | |
|---|---|
| | PAID |
| [illegible] | 6-6-79 |
| [illegible]UNT | 85.46 |
| [illegible]ECK [illegible]UMBER | 776 |
| SEC[illegible] [illegible] | Coun |
| | Comp |

5/23/79

[illegible] A prin[illegible]r
[illegible]r Com. Mailing
[illegible] - we are paying com[illegible]
Charge only

[illegible]OTAL $85.46

[illegible]UNT N/A

[illegible]ED JUN [illegible]

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 1, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrict F. McCartan, Esquire
JONES, DAY, REAVIS & POGUE
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: Matter Under Review (MUR) 1252(80)

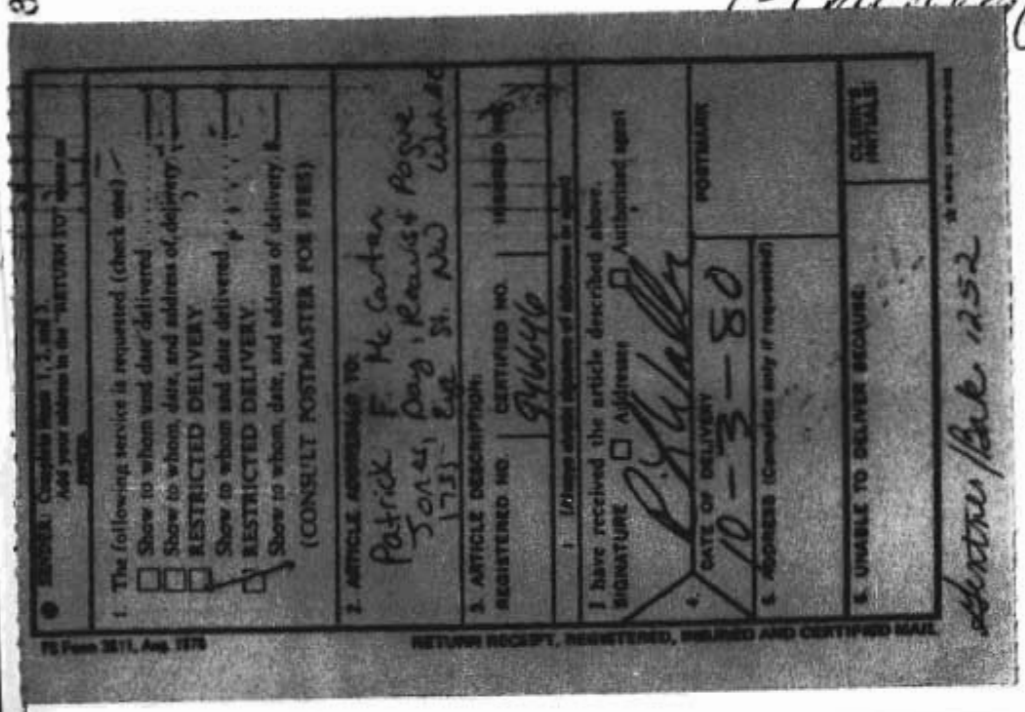
Dear Mr. McCartan:

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, Ronald Reagan and the Reagan for President General Election Committee.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,



UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the Reagan for President General Election Committee is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of the Reagan for President General Election Committee or of its officers, agents, staff members, volunteers or employees. Production is to be made at the Office of General Counsel of the Federal Election Commission at 1325 K Street, N.W., Washington, D.C. on October 17, 1980, at 10:00 a.m. In addition, the Reagan for President General Election Committee is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Reagan for President Committee and the Reagan General Election Committee. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the committee or group in question, and the dates of such service.

3. "Reagan General Election Committee" or "RGEC" shall mean the principal campaign committee (see 2 U.S.C. §431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf and its officers, agents, employees, staff and volunteers.

4. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

5. "FEC Disclosure Reports" shall mean any reports filed by FCM with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

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6. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

7. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relative in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

83040424161

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between RGEC and any of the of the following persons or organizations or their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of either RGEC or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980:

Republican National Committee
1980 Republican Presidential Unity Committee
Fund for a Conservative Majority
Citizens for Reagan in '80
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake
Bailey, Deardourff & Associates, Inc.
Ruth Jones, Ltd.

2. All documents and materials concerning the following expenditures reported by RGEC in FEC disclosure reports:

| Payee | Date | Reported Purpose |
|---|---|---|
| Diversified Direct, Inc. | April 22, May 14 June 18, 1980 | "Direct Mail" |
| Wiland and Associates | April 22, 1980 | "Printing" |
| Telepost | April 17 and May 2, | "Direct mail" |
| Tri State Envelope Corp. | April 22, 1980 | "Stationary" "Direct Mail" |
| Bedford Printing | May 16, 1980 | "Printing" |
| Authur Finkelstein and Associates | April 9, June 5, 1980 | "Consulting" |

a. Please provide a copy of all documents and materials received by RGEC as consideration for the above listed payments.

b. A copy of any survey results, poll, memoranda or report containing survey or polling information obtained by or on behalf of RGEC concerning the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980. As to each survey, poll, memoranda, or report, please note

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the source of, or the vendor responsible for, the survey, poll, memoranda or report and the date on which the survey, poll, memoranda, or report was secured by RGEC.

3. All documents and materials relating to the contractual or professional relationship or any other association from January 1980 to present between RGEC and the following entities, their agents, officers or employees undertaken in connection with efforts on the part of RGEC which relate in any way to the furtherance of the election of Ronald Reagan as the nominee of the Republican Party or Ronald Reagan's general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

Bailey Deardourff & Associates, Inc.
Diversified Direct, Inc.
Wiland and Associates
Telepost
Arthur Finkelstein and Associates
Wiland and Associates
Telepost
Bedford Printing
Ruth Jones, Ltd.

4. All documents and materials concerning a debt of $2,200 listed in the RGEC, FEC disclosure reports as owed to the National Conservative Political Action Committee since February 22, 1980, for "office equipment" and a receipt of $2,200 listed in the National Conservative Political Action Committee's report as paid on July 15, 1980, for a memory typewriter.

5. All telephone bills and/or reports of telephone calls made or received by RGEC from January 1980 to the present.

3304241 63

Please answer the following interrogatories:

A. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of RGEC from January 1980 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of the above individuals or any other individuals who have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any RGEC expenditures which relate in any way to the election of Ronald Reagan as the Presidential nomination of the Republican Party or his general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate in 1980.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials which relate in any to the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

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1/ In lieu of identifying the supervisor of each individual identified in response to interrogatory A, RGEC may provide the Commission with an organizational chart.

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B. Please provide a list of all items (including, but not limited to, office equipment, machinery, furniture, and office supplies) transferred by National Conservative Political Action Committee to RGEC since January 1980, along with an item by item breakdown containing the amount paid, if any, by RGEC for each item.

C. Please provide the date(s) of all discussions, meetings, telephone calls, interviews, or other communications, oral and written, with Anna Chennault from the period of January 1980 to July 20, 1980 which relate in any way to the organization, structure, operation or activities of Americans for Change, the organization structure operation or activities of RGEC or her employment or association with the RGEC.

(1) Identify each participant in all of the above listed discussions, meetings, telephone calls, interviews, or other communications, oral or written.

(2) With respect to each discussion, meeting, telephone conversation, interview, or other communication, oral or written, identified by date and/or participant above, please note the topic of each such discussion, meeting, telephone conversation, interview or communication.

E. List the phone numbers and extensions used by RGEC from January, 1980 to the present, noting the extensions assigned to or used by each person identified in response to interrogatory A.

F. List by date and location all fundraisers held by RGEC since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party,

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his general election for President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate.

G. With respect to each individual identified in response to interrogatory A, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

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WHEREFORE, the Vice Chairman of the Federal Election Commisison has hereunto set his hand at the offices of the Commission at 1325 K Street, Washington, D.C. this 29th day of September, 1980.

John W. McGarry
Joan W. McGarry
Vice Chairman

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

2304042416 7

RECEIVED
GCC 2054
'80 JUL 24 PM 4:03

909249

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N.W.
WASHINGTON, D.C. 20006

IN LOS ANGELES:
2029 CENTURY PARK EAST 90067
(213) 553-3939

TEL. (202) 861-3939
CABLE-ATTORNEYS WASHINGTON
TELEX-DOMESTIC 892410
TELEX-INTERNATIONAL 64363

IN CLEVELAND:
1700 UNION COMMERCE BUILDING 44115
(216) 696-3939

July 24, 1980

BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

Re: Carter-Mondale et. al. v.
Reagan et. al. MUR 1252

Dear Mr. Steele:

I am enclosing an original and six copies of a response in the above-captioned matter.

Very truly yours,

Stephen J. Brogan

Stephen J. Brogan

Enclosures

80 JUL 25 A10:37

9304042416 3

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N.W.
WASHINGTON, D.C. 20006

JONES, DAY, REAVIS & POGUE
1735 EYE STREET, N. W.
WASHINGTON, D. C. 20006

TO:

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

Att: Response to Complaint

CCO# 2054

RECEIVED

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BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, et al., | : | |
| Complainants, | : | |
| v. | : | MUR 1252 |
| RONALD REAGAN, et al., | : | |
| Respondents. | : | |

'80 JUL 25 A10:40

MEMORANDUM OF GOVERNOR RONALD REAGAN, REAGAN FOR PRESIDENT GENERAL ELECTION COMMITTEE, REAGAN FOR PRESIDENT COMMITTEE, REAGAN FOR PRESIDENT COMPLIANCE FUND AND REPUBLICAN NATIONAL COMMITTEE IN RESPONSE TO COMPLAINT


OF COUNSEL:

JONATHAN C. ROSE
ROBERT F. McDERMOTT, JR.
STEPHEN J. BROGAN
JANET L. MILLER
ROBERT C. WEBER
MARY LOUISE WESTMORELAND

JONES, DAY, REAVIS & POGUE
1735 Eye Street, N.W.
Washington, D.C. 20006

BEN W. COTTEN
General Counsel
DONALD L. IVERS
House Counsel
Republican National Committee
310 First St., S.E.
Washington, D.C. 20000

LOREN A. SMITH
Chief Counsel
Reagan for President General Election Committee
901 S. Highland St.
Arlington, Virgina 22204

PATRICK F. McCARTAN
JAMES R. JOHNSON
1735 Eye Street, N.W.
Washington, D.C. 20006

Attorneys for Respondents Governor Ronald Reagan, Reagan for President General Election Committee, Reagan for President Committee, Reagan for President Compliance Fund and Republican National Committee



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BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, et al., | : | |
| Complainants, | : | |
| v. | : | MUR 1252 |
| RONALD REAGAN, et al., | : | |
| Respondents. | : | |

**MEMORANDUM OF GOVERNOR RONALD REAGAN, REAGAN FOR PRESIDENT GENERAL ELECTION COMMITTEE, REAGAN FOR PRESIDENT COMMITTEE, REAGAN FOR PRESIDENT COMPLIANCE FUND AND REPUBLICAN NATIONAL COMMITTEE IN RESPONSE TO COMPLAINT**

This Memorandum, on behalf of Governor Ronald Reagan, the Reagan for President General Election Committee, the Reagan for President Committee, the Reagan for President Compliance Fund and the Republican National Committee (Reagan Respondents), is submitted in response to the Complaint filed with the Federal Election Commission (FEC) on July 2, 1980 by the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (Complainants). Although the Complaint has been filed against Governor Reagan, the three authorized committees responding herein, and five unauthorized, independent political committees, the only relief sought is against Governor Reagan -- a denial of certification of eligibility to receive federal

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funds, pursuant to 26 U.S.C. § 9005, to finance Governor Reagan's campaign for the Presidency of the United States. The Complaint, which does not comply with the requirements of 2 U.S.C. § 437g(a)(1), provides no basis for any further action by the Commission pursuant to 2 U.S.C. § 437g(a)(2) and should be dismissed because it is a frivolous attempt to impede the campaign of the Republican Party's candidate for President contrary to the express provisions of 26 U.S.C. § 9005 and the First Amendment to the Constitution.

## INTRODUCTION

As Complainants well know, it would be virtually impossible at this late date for a major party presidential candidate, whose application for federal funding of his campaign has been either denied or delayed by the FEC, to raise the necessary funds from private sources to mount a credible campaign, particularly in light of the statutory contribution limitations, 2 U.S.C. § 441a, and even more particularly if the candidate is to retain a possibility of ultimately receiving federal funds. Consequently, the practical effect of the relief sought here, which is a political

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rather than a legal objective,[1] is the denial of an opportunity to one of the two major party candidates to mount any sort of an effective campaign for the office of President of the United States.

One would assume that, to justify relief so draconian, Complainants would bring before the FEC conclusive evidence of multiple, knowing and willful violations of the federal election campaign laws. Instead, Complainants have filed 41 pages (excluding appendices, amendments and supplements) of speculation, hearsay and innuendo which, even if remotely credible, would not amount to a violation by the candidate or his authorized campaign committees under the broadest reading of applicable law.

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1. The political nature of the Complaint is evidenced by the manner in which Complainants attempted to spread it across the morning newspapers. Attached hereto as Exhibits 1 & 2 are copies of press releases issued by Complainants trumpeting their filing of the Complaint and their subsequent correspondence with the FEC concerning the disposition of the requests made in the Complaint. In addition to demonstrating that the Complaint was a media event rather than a serious legal charge, the action of Complainants in issuing the press releases is in flagrant disregard of the confidentiality provisions of 2 U.S.C. § 437g(12) and, especially, 11 C.F.R. § 111.21(a) and (b):

> [N]o complaint filed with the Commission... shall be made public... by any person....

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Most of the Complaint is devoted to detailing that Republicans have associated with one another in the past (Complaint, pp. 9-15), have worked together in support of the election of Republican candidates (Complaint, pp. 16-33) and share similar philosophies (Complaint, pp. 33-34). None of the allegations of the Complaint considered separately, nor all of them taken together, amount to even an arguable violation of the federal election campaign laws. Indeed, after detailing all the "evidence" they claim supports this charge, Complainants are still forced to admit in their Complaint that they "cannot establish" that the Reagan Respondents have ever attempted to control or even encourage the efforts of the various unauthorized committees identified in the Complaint (Complaint, p. 33, Strauss Affidavit, ¶ 6).

Lacking any such evidence, and apparently recognizing that there is no evidence of any collusion or coordination among the Reagan Respondents' authorized committees and these unauthorized groups, Complainants urge the Commission to hold the candidates of the Republican Party in violation of the federal election laws because "political professionals" associated with unauthorized committees may be able to use media accounts of Governor Reagan's campaign to determine how their independent efforts in support of

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Governor Reagan's candidacy may be most effective (Complaint, p.33, Strauss Affidavit, ¶¶ 6, 7).

There is not a single allegation in the Complaint that the candidate, now that he is the official presidential nominee of one of the two major parties and now that he has filed the certification required under 26 U.S.C. § 9003(b) and become subject to the provisions of 26 U.S.C. § 9012, or his authorized committees, have done anything to encourage, request or approve any expenditures by an unauthorized committee which have been made or will be made in the general election campaign.[2] Nor, for that matter, does the Complaint allege that either the candidate, or the authorized committees, have done anything to encourage, request or approve any other independent expenditures

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2. Complainants' claim that the unauthorized committees will somehow manage to collect upwards of $50,000,000 to spend to advocate the election of Governor Reagan in the general election campaign borders on the ridiculous. In the first place, as the affidavit of William E. Brock, III indicates, it is unlikely that these committees will be able to raise even a small fraction of the amounts claimed (Brock Affidavit, ¶ 8,attached hereto as Exhibit 3). Examination of the reports which these committees must file with the FEC in the weeks ahead will undoubtedly bear out Mr. Brock's prediction. Moreover, it is extremely unlikely that these committees will choose to spend all amounts they manage to collect to advocate Governor Reagan's election. Much of their efforts will certainly be directed to congressional and local races.

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in the recent primary campaign or any prior campaigns. Finally, the Complaint fails to identify a single, specific expenditure advocating Governor Reagan's election at anytime by anyone.

As the remainder of this Memorandum will demonstrate, the relief demanded by the Complainants is without precedent, rests upon a theory which is contrary to all applicable provisions of the Federal Election Campaign Act (Campaign Act), 12 U.S.C. § 431 et seq., and the Presidential Campaign Fund Act (Fund Act), 26 U.S.C. § 9001, et seq., and would necessitate a construction of these laws which would violate the First Amendment. It will also be seen that the document filed by Complainants fails to meet the requirements of 2 U.S.C. § 437g(a)(1), designed to prevent disruption of the campaign process by the filing of frivolous complaints, and that, far from violating the campaign laws, Reagan Respondents have taken proper and adequate precautions to insure full compliance with the campaign laws.

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## ARGUMENT

### I. The FEC Has No Authority To Deny The Certification Of A Major Party Candidate Under 26 U.S.C. § 9005 Because Of The Pendency Of An Administrative Complaint

Complainants have requested the FEC to deny, or at least delay, the certification of Governor Reagan as

eligible to receive federal campaign funds because of the pendency of their administrative complaint. The FEC, however, has no authority to permit the pendency of administrative enforcement proceedings of the type instituted by Complainants to affect, delay or interrupt the certification process of 26 U.S.C. § 9005.

A. Upon Receipt Of A Properly Executed General Election Certification Submission From A Major Party Presidential Candidate, The FEC Must, Within Ten Days, Certify That Candidate To The Secretary Of The Treasury As Eligible To Receive Federal Campaign Funds

The language of the Fund Act clearly provides that once a major party candidate has "met all applicable conditions for eligibility . . . set forth in Section 9003," the FEC "shall certify to the Secretary of the Treasury" that such candidate is "entitled" to receive payments. 26 U.S.C. § 9005(a) (emphasis added). Under 26 U.S.C. § 9003, the only requirements which a major party candidate must meet in order to be considered an "eligible candidate" under 26 U.S.C. § 9005 are that he (1) "agree" to furnish the Commission with certain reports and evidence of qualified campaign expenditures and to permit an audit and examination by the FEC, and (2) "certify" that he will not incur qualified campaign expenses in excess of the aggregate amount of payments received, and that he has not and

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will not accept contributions to defray qualified campaign expenses.[3] Once the major party candidate submits the statutorily mandated statements in proper form, he is "eligible" to receive payments.[4]

The Fund Act further provides that "eligible candidates of each major party," i.e., those who have met the requirements relating to major party candidates in § 9003, "shall be entitled" to payments of federal campaign funds. 26 U.S.C. § 9004(a) (emphasis added). Hence, once the eligibility requirements of § 9003 are met, a major party candidate has a statutory entitlement to campaign funds and the FEC, within 10 days, "shall certify" that major party candidate to the Secretary of the Treasury for "payment in full" of the appropriate amounts. 26 U.S.C. § 9005(a). The Secretary of the Treasury then "shall pay"

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3. Under 26 U.S.C. § 9005, the FEC is to certify the amounts to which eligible candidates are entitled under 26 U.S.C. § 9004. Section 9004(d) requires that, to be eligible to receive payments, the candidate must also certify that he will not knowingly make campaign expenditures from his personal funds in excess of $50,000. Thus, the last phrase of 26 U.S.C. § 9005(a) relating to "entitlement" under § 9004 incorporates by implication another certification statement which must be received by the FEC prior to certification to the Secretary of the Treasury.

4. The term "eligible candidate," used in § 9005, is defined in the Fund Act to mean those persons who have met the conditions set forth in § 9003. 26 U.S.C. § 9002(4).

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those amounts to the candidate. 26 U.S.C § 9006(b). See also, 11 C.F.R. §§ 141.1-143.3.

The Congressional intent to ensure streamlined certification processes in general elections and prompt payment of funds to candidates who are major party nominees is well expressed in the Senate Report accompanying the 1974 amendments:

> [O]nce someone becomes an unquestionably serious candidate, by virtue of his being a major party nominee, he should be assured of adequate financing to run a fully informative and effective campaign. [However,] [t]he use of matching payments is appropriate in the primary phase, . . . when it is not yet clear who may be the serious candidates and who may be the frivolous ones. But such a scheme, or partial public funding, in the general election would require candidates who have established their legitimacy to devote too much time to endless fund raising at the expense of providing competitive debate of the issues for the electorate. S. Rep. No. 93-689 at 6, supra, (emphasis added).[5]

The Fund Act does not contemplate factors other than the major party candidate's compliance with § 9003(a)

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5. Recognizing the fact that major parties have established stability over the years, the Fund Act creates further preferences in favor of major party candidates. For example, the funds allocated to major party candidates are to be equal, while those allocated to minor party candidates are determined only by relative strength of popularity. S. Rep. No. 689, 93rd. Cong., 2d Sess. 12-13 (1974) reprinted in 1974 Legislative History of Federal Election Campaign Act Amendments at 108-109.

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and § 9003(b) as affecting the determination of whether a major party candidate is "eligible" or "entitled" to receive federal campaign funds.[6] That these statutory provisions do in fact mean what they so plainly say is further established by the case law. While no case has ever presented this specific question under the Fund Act, the cases which have commented upon the qualifying factors and requirements for a major party candidate's eligibility have

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6. Congress in 1974 considered the possibility of requiring presidential candidates to submit documentary evidence to the FEC supporting their certification submission, but eliminated such a provision from the bill before passage: "[T]he amendment . . . eliminates the procedure under which candidates were required to submit records of expenses and proposed expenses in order to obtain certification . . . for payments." H. R. Rep. No. 1239, 93rd Cong., 2d Sess. 33 (1974) reprinted in 1974 History at 667; H. R. Conf. Rep. No. 1438, 93rd Cong., 2d Sess. 107 (1974) reprinted in 1974 History at 1051.

   The Court of Appeals has read a requirement of minimum record production into the certification provisions of the Primary Act, no doubt in response to the differing policies underlying the Primary Act (i.e., the need to prevent payments from going to frivolous candidates) and the significantly different nature of the matters to which a candidate must certify under that statute (i.e., in contrast to the primarily in futuro nature of the general election certification required under the Fund Act, the Primary Act requires a candidate to certify to matters such as his receipt of at least $5,000 in contributions from residents of at least 20 different states, none of which individual contributions can exceed $250.) See Committee to Elect Lyndon LaRouche v. FEC, 613 F.2d 834 (D.C. Cir. 1979), cert. denied, __ U.S. __, 100 S.Ct 1019 (1980).

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not even adverted to any factors or criteria which could affect a major party candidate's eligibility other than those expressly set forth in § 9003. See, e.g., Republican Nat'l Comm. v. FEC, CCH Fed. Election Campaign Fin. Guide ¶ 9101 (S.D.N.Y. 1979); Republican Nat'l Comm. v. FEC, 461 F. Supp. 570, 573 (S.D.N.Y. 1978).

B. The Overall Structure Of The Campaign Laws' Enforcement Provisions Belies Complainants' Claim That FEC Certification Decisions Can Be Controlled Or Affected By Pending Administrative Complaints.

The clear meaning of the statutory language is also bolstered by a careful examination of the structure of the enforcement mechanism which Congress fashioned. The overall structure of the campaign laws reveals that the certification and enforcement processes were intended to operate independently of each other and that the enforcement process was not to impede the certification of major party general election candidates for federal campaign funds. The enforcement process created by Congress requires the FEC to notify the person named in a complaint and give him an opportunity to respond before it conducts any vote on the complaint, other than a vote to dismiss. 2 U.S.C. § 437g(a)(2). Since no action on a complaint other than dismissal may be taken by the FEC prior to its receipt of the response, the delay or denial of certification at a

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time when the FEC has not received a response would run counter to the Congressional intent, as well as the clear language of the statute.

The Campaign Act mandates that an investigation of a complaint be made only if, after receiving the response, the FEC determines under § 437g(a)(2) that it has "reason to believe" a violation has been or is about to be committed. Nothing in the Campaign Act suggests that the FEC can take interim action on a complaint or shortcut the statutory timetable for the enforcement processes.[7] See Hampton v. FEC, CCH Fed. Election Campaign Fin. Guide ¶ 9036 (D.D.C. 1977) at 50,440 n.16. ("[T]he [Campaign Act] appears to contain no provision for the expedited consideration of complaints filed with the Commission.") Indeed, upon completion of the investigation, the Campaign Act requires that the respondent be notified of the results of the investigation and be given yet another opportunity to respond.

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7. The Commission does have discretion to seek extraordinary relief from the courts in the event it determines that a violation has occurred or is about to occur which is of such a magnitude that the interests of the public would be greatly affected. In such a case, the Commission may institute a civil action for relief, including a "permanent or temporary injunction, restraining order, or other order" upon a vote of four members finding "probable cause." 2 U.S.C. § 437g(a)(5)(C),(D).

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If the Commission then determines, by affirmative vote of four of its members, that there is "probable cause" of a violation, the Commission "shall ... endeavor for a period of not less than 30 days to correct or prevent such violation by informal methods of conference, conciliation, and persuasion." 2 U.S.C. § 437g(a)(5)(A). This provision requires the Commission to undertake negotiations before initiating a civil action and requires those negotiations to be held for at least 30 days. Significantly, the Campaign Act states that this process must be used to "correct or prevent" any violation. 2 U.S.C. § 437g(a)(4)(A)(i).

The legislative history of the enforcement provisions illustrates that this detailed enforcement procedure was not to be truncated or abandoned simply because of the pendency of a request for certification. The purpose of the detailed enforcement provisions was three-fold: to permit all investigations to be conducted as expeditiously as advisable, given the delicate nature of alleged campaign law violations; to limit unjustifiable litigation burdens that might otherwise be imposed on the courts and on the individuals against whom charges were filed; and to ensure non-partisan administration of the law. S. Rep. No. 94-677 at 7, supra; H. Rep. No. 94-917 at 4, supra.

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In addition to the many statements made by the Congress regarding the exclusive remedies provided by the Campaign Act, it is a basic legal principle, and one with full application to the election laws, that "precisely drawn [and] detailed [statutory provisions] preempt more general remedies." Walther v. Baucus, 467 F. Supp. 93, 94 (D. Mont. 1979), quoting from Brown v. GSA, 425 U.S. 820, 834 (1976). The remedies available for alleged violations of the election laws are the precisely drawn and detailed statutory provisions discussed above.[8] Despite the specificity of these procedures and remedies, and despite Congress' painstaking considerations of these matters, Congress never granted to the FEC any authority regarding the interlocking of the enforcement mechanism with the certification process so as to prevent certification of a

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8. Not only did Congress consider the remedies to be exclusive, but it also considered them sufficiently varied to provide the Commission with all necessary flexibility to resolve any alleged violations. See e.g., 122 Cong. Rec. S3517 (daily ed. March 16, 1976) (remarks of Senator Cannon) reprinted in 1976 History at 349. ("In addition to exclusive civil enforcement authority, the bill gives the Commission a more varied assortment of enforcement powers . . . . The detailed enforcement procedures . . . will give the Commission a greater number of alternatives in enforcing the law, and at the same time afford a person who makes a good-faith attempt at compliance with the complex requirements of the act a greater degree of protection than presently available.")

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major party general election candidate because of enforcement related matters. Since denial or delay of certification is not mentioned as one of the exclusive remedies available for alleged or proven violations of the campaign laws, such relief cannot be given to the Complainant. Indeed, the statutory scheme makes no allowance for any complainant to demand a specific type of "relief." 2 U.S.C. § 437g(a).

C. The Policies Underlying The Campaign Laws Manifest The Congressional Intent That Major Party Candidates Are To Be Promptly Certified To Receive Funds Upon Compliance With 26 U.S.C. § 9003

In enacting the campaign laws, Congress' primary concern was the assurance of prompt payment of funds to serious presidential candidates so that these candidates could communicate their stand on the issues to the electorate. Such prompt payments would eliminate the necessity of the candidates "scrounging for funds to bring [their] case to the electorate" 120 Cong. Rec. S18539 (daily ed. October 8, 1974) (remarks of Sen. Humphrey) reprinted in 1974 History at 1093, and would permit all concerned to focus their attention on the issues. The Supreme Court itself has acknowledged the importance of uninterrupted funding to the overall statutory scheme when, after striking down that part of the Campaign Act dealing with the composition of the FEC, the Court stayed its decision to

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give the Congress a 30 day grace period in which to reconstitute the FEC before its authority would lapse. Buckley v. Valeo, 424 U.S. 1, 143 (1976).

In the wake of Buckley, Congress received and reviewed a great deal of evidence regarding the potentially disastrous effects upon election campaigns if the certification process somehow delayed prompt payment of federal funds to serious candidates.[9] The remarks submitted to the Congress by Robert Strauss, then Chairman of the Democratic National Committee, are of particular interest on this vital point. Because of Mr. Strauss' long experience in the political arena, and his well publicized role as an active supporter of the campaign laws, those remarks bear quotation:

> My responsibilities as Chairman of the Democratic National Committee, make me focus on the incalculable problems faced by presidential candidates as long as the status of

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9. See, e.g., Federal Election Campaign Act Amendments, 1976: Hearings on S2911 Before the Subcomm. on Privileges and Elections of the Senate Comm. on Rules and Administration, 94th Cong., 2d Sess. 148-150, 156-157, 167-169 (1976) (hereinafter 1976 Hearings) reprinted in 1976 History at 154-156, 162-163, 173-175 (Statements of Comptroller General Staats, FEC Commissioner Harris and Common Cause Vice-President Fred Wertheimer); 122 Cong. Rec. S6366 (daily ed. May 3, 1976) (Remarks of Sen. Hatfield), reprinted in 1976 History at 1092.

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> the FEC remains in question. Most of our candidates cannot sustain even a lapse of a few days in the payment of federal matching funds. Many of our campaigns are operating on a day-to-day cash flow. A time lapse in the certification and distribution of federal funds could be so disruptive to the political process that it could have a dangerous impact on the outcome of both the Democratic and Republican nominating systems. This must be avoided. 1976 Hearings at 211.[10]

Chairman Strauss' comments, directed to both major parties, were correct and forceful in regard to the "dangerous impact" of fund cut-offs upon primary election candidates who still had access to privately raised matching funds. They are far more correct and forceful when applied in the context of a general election for president, when one candidate is requesting that there be a total fund cut-off to his only major party opponent.

This firmly expressed Congressional intent that the certification process not be impeded for serious candidates was also recognized by the Court of Appeals in Committee to Elect Lyndon LaRouche v. FEC, 613 F.2d 834

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10. It is ironic that Mr. Strauss, whose views are so cogently set forth above, is now the central figure in the present effort to produce the result which he so decried in his testimony before the Congress. The seemingly cavalier disregard for his earlier views that Mr. Strauss has demonstrated by associating himself with the present complaint betrays the transparently political motivations which lie behind it.

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(D.C. Cir. 1979), cert. denied, __ U.S. __ (1980). In LaRouche, the Court construed the Presidential Primary Matching Payment Account Act, 26 U.S.C. § 9031 et seq. (Primary Act), and, recognizing the "important impact" of the certification process upon the exercise of First Amendment rights, held, inter alia, that the Commission could not delay a certification under the Primary Act, or investigate the supporting documentation to a candidate's certification submission, unless that submission itself (or other reports on file with the FEC) contained patent irregularities which suggested a possibility of fraud. The Court characterized its ruling as a "limited exception" to the general rule that the FEC may not go beyond the face of a candidate's certification submission. Basing its decision upon the unique policies behind the Primary Act (i.e., to prevent federal funds from being distributed to hopeless candidates in primary elections), the language which affirmatively requires a candidate claiming funds under the Primary Act to "establish his qualifications," and the fact that an alternate interpretation of the statute would be constitutionally impermissible as a prior restraint, the Court held that the FEC could require the candidate to include in his certification submission the supporting documentation which established that the candidate had indeed raised the $5,000 threshold amount in at least 20 states.

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In many respects, LaRouche provides a direct and instructive analogy to the present matter, for in LaRouche, the Court held that no investigation of the correctness of a candidate's certification submission could delay the certification process unless, under an objective standard, the FEC had before it -- in the candidate's submission and other reports -- evidence of the possibility of fraud against the government. Notably, the Court in LaRouche also held that it was an error for the FEC to have begun an investigation of LaRouche's eligibility for matching funds during the certification process because the evidence before the FEC, disturbing as it was, still did not suggest the possibility of fraud. Here, there is nothing in Governor Reagan's submission which suggests anything questionable at all, let alone anything improper. Governor Reagan's certification submission contains exactly what is required under the Fund Act, and, unlike LaRouche, Governor Reagan has filed no other reports under the campaign laws which raise any suggestions of impropriety whatever.

Implicit throughout plaintiff's argument is the notion, nowhere supported or explained, that the policies of the campaign laws would be well served if the FEC found itself empowered to delay the general election certification of major party candidates for the presidency because of the existence of a pending administrative complaint.

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This argument not only sorely misreads the Congressional purpose and intent, as described above, but it also would lead to a situation, which in practice, would prove wholly unworkable. If certification determinations could be delayed or controlled by factors unrelated to the candidate's certification submission -- factors such as, for example, hearsay allegations in an administrative complaint filed by his political opponents to the effect that the candidate may, because of the actions of others, eventually be deemed to be in violation of the campaign laws -- the major party certification process, intended to be a "clear" and "easy" means for funding campaigns,[11] would be distorted beyond recognition.

D. The First Amendment Precludes The Relief Requested By Complainants

(1) Since Certification Is Essential To Mr. Reagan's Right To Speech, A Denial Or Delay Of Certification Would Be An Unjustified Prior Restraint On His Speech

In Buckley v. Valeo, 424 U.S. 1 (1976), the Supreme Court explicitly recognized that speech in a

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11. See 1976 Hearings at 132 (statement by Assistant Attorney General Antonin Scalia).

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campaign is dependent upon the availability of an adequate amount of money:

> A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. 424 U.S. at 19.

And the courts have recognized that the FEC's certification process acutely affects rights of speech:

> [T]he certification decision has an important impact on the exercise of first amendment rights, inasmuch as campaign funds "are often essential if 'advocacy' [or beliefs and ideas] is to be truly or optionally 'effective.'" [citing Buckley v. Valeo, 424 U.S. 1, 65-66] Committee To Elect Lyndon LaRouche v. Federal Election Commission, 613 F.2d 834, 844 (1979).

Denying or delaying Mr. Reagan's receipt of federal funds as requested by Complainants would prevent him from speaking and would, therefore, constitute a prior restraint on his speech.

Complainants urge the Commission to decline certification until it can "determine the extent to which the provisions of the Federal Election Act and the Fund Act are being violated," (Complaint, p. 39). Thus, the

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purported interest sought to be advanced is the prevention of violations of the campaign laws. Even though the asserted interest is valid, it is nonetheless not sufficiently compelling in light of the standard against which it must be measured:

> First Amendment liberties enjoy a preferred place . . . a sanctity and a sanction not permitting dubious intrusions .... [A]ny attempt to restrict these liberties must be justified by clear public interest, threatened not doubtfully or remotely, but by clear and present danger. Only the gravest abuses, endangering paramount interests, give occasion for permissible limitation. Thomas v. Collins, 323 U.S. 516, 530 (1945).

It is clear that any action to deny Mr. Reagan his right of speech on the grounds of the theoretical violations alleged by Complainants is the sort of remote or doubtful threat to the public interest which cannot justify such a drastic infringement of the First Amendment.

(2) There Is A Heavy Presumption Against Prior Restraints And They May Not Be Imposed In Light Of Less Restrictive Alternatives

There is a heavy burden against the constitutional validity of any relief which would require the imposition of a prior restraint. Bantam Books, Inc. v. Sullivan, 372 U.S. 58, 71 (1963). In addition, because freedom of expression is accorded the highest degree of protection, due

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process guarantees in the First Amendment context are more stringent than conventional due process guarantees. Marcus v. Search Warrant, 367 U.S. 717, 730-31 (1961).

Despite these heightened procedural safeguards to protect those against whom a restraint is sought, Complainants argue that it is Governor Reagan who should be forced to show why the remedy of denial should not be imposed (Complaint, pp. 2, 40). In effect, Complainants ask the Commission to find the Reagan Respondents guilty unless they can prove their innocence. Such a position has no place in our system of justice, for to allow it to have a place would "invert the order of things" and "oblige the citizen to establish his own innocence to avoid the penalty." 4 The Works of Alexander Hamilton (Fed. ed. 1904) 269. Nor does Complainants' attempt to shift the burden of proof to Governor Reagan alter the fact that Complainants have made no showing as to why such a drastic remedy is required. The Commission should take no part in relieving complainants of their burden for to do so would merely provide "a short-cut procedure which must inevitably

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result in suppressing protected speech." Speiser v. Randall, 357 U.S. 513, 529 (1958).[12]

Moreover, a prior restraint cannot be imposed when a less restrictive and adequate means to protect the government's interest is available:

> [E]ven though the governmental purpose [may] be legitimate and substantial, that purpose cannot be pursued by means that broadly stifle fundamental personal liberties when the end can be more narrowly achieved. The breadth of [the] abridgment must be viewed in light of less drastic means for achieving the same basic purpose. Shelton v. Tucker, 364 U.S. 479, 488 (1960).

The constitutional requirement that the least restrictive alternative must be chosen when individual rights are at stake applies with greater force in the area

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12. Though it is constitutionally permissible for the Commission to condition certification upon a showing of eligibility, the burden on the candidate must necessarily be limited. An example of the permissible conditions which the Commission can constitutionally impose on a candidate are contained in the Primary Act. Under those provisions, modest threshold requirements are imposed by which the candidate must establish his eligibility. See 26 U.S.C. § 9033 and § 9036. Only such modest requirements which are measured by clear and narrowly drawn objective standards can be constitutionally permitted. Complainants assert here, however, that certification should be conditioned on Governor Reagan's proving his innocence. To require a candidate to prove, in effect, a negative -- which cannot and has not been defined by narrowly objective standards -- would impose an unconstitutional condition.

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of First Amendment interests. Id. at 488. See also, Carroll v. President and Commissioners of Princess Anne, 393 U.S. 175, 183 (1968); Thomas v. Collins, 323 U.S. 516, 540 (1945).

It is clear that a less restrictive and adequate means -- established by Congress and in force under the Commission's authority -- is available here. The statutory scheme which provides for criminal penalties and repayment of the funds is more than adequate to protect the interest in the effective operation of the law and in deterring potential violators.

The Complainants are seeking relief which treads on the most sacred of First Amendment grounds. They seek a prior restraint without a compelling justification, without attempting to meet their heavy burden of proof, and without showing why the means established by Congress are not adequate to meet the interests advanced. A delay in certification would be no less of an infringement on Governor Reagan's speech than a denial. It would place Governor Reagan in a state of limbo and leave him indefinitely denied public financing and concurrently prohibited from accepting funds from private sources. The potential damage of even a temporary denial of his right of speech cannot be overemphasized:

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> [T]iming is of the essence in politics. It is almost impossible to predict the political future; and when an event occurs, it is often necessary to have one's voice heard promptly, if it is to be considered at all. Shuttlesworth v. Birmingham, 394 U.S. 147, 163 (1969) (Harlan, J., concurring).

## II. The Complaint Fails To Charge A Violation Of The Campaign Laws By Governor Reagan Or The Authorized Committees And Should Be Dismissed As To Those Respondents

### A. The Complaint Fails To Meet The Requirements Of § 437g(a)(1) And The Regulations Promulgated Thereunder

Section 437g(a)(1) requires that complaints filed with the FEC be signed, notarized, and the truth of the matters set forth therein be sworn to by the person filing the complaint under penalty of perjury.[13] The

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13. In those rare instances when the Complaint touches on matters which have even an arguable relevance to a violation of the statute, the rather casual attitude Complainants exhibit toward the seriousness of their oath is apparent on the face of the Complaint itself. For example, on page 9 of the Complaint, a conclusory accusation is made that "Mr. Reagan and his associates have chosen to try to 'get around' the law" by "coordinat[ing] contributions through political fronts claiming to be 'independent' committees." Yet on page 33, Complainants expressly admit that, because Congress has not seen fit to provide them with subpoena or cross-examination powers, they have no facts which would provide a basis to believe that Governor Reagan has or is coordinating the efforts of independent expenditure committees.

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applicable regulation, 11 C.F.R. § 111.4, adds the further requirements that the Complaint clearly identify the person who is alleged to have committed a violation, be based on personal knowledge or sources which the Complainants believe are true, and contain a clear and concise recitation of the facts which describe a violation of a statute or regulation.

These unusually strict and formal threshold requirements were designed to deter persons from filing precisely the sort of harassing and frivolous complaints against candidates for public office which has been filed here. 122 Cong. Rec. H. 2542 (1976) (remarks of Rep. Rostenkowski) ("Running for public office is replete with enough hazards of misrepresentation of views and issues without subjecting candidates to attacks that often prove groundless but only after the damage has been done."); accord, 122 Cong. Rec. H. 2533 (1976) (remarks of Rep. Hays).

Complainants' veneer of compliance with these requirements cannot withstand more than superficial scrutiny. Complainants admit that, aside from a few unsupported conclusory allegations, the Complaint consists of nothing more than statements on "the public record" (Complaint, p. 2). In the main, this "public record" described by

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Complainants consists of extracts[14] from unverified and speculative newspaper articles which are entirely irrelevant to whether a violation of law has been or is about to be committed. Thus, there is not a single allegation which purports to be within the personal knowledge

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12. Complainants' extraction process is, at times, so selective as to distort the meaning of the article from which the language is quoted or the conclusion is drawn. For example, on page 15 of the Complaint, a Boston Globe article of 5/28/80 is cited to justify a sinister implication that there was an illegal connection between Governor Reagan and the North Carolina Congressional Club. The Complaint conveniently ignores the statement in the article that "authorities have no evidence of any illegal cooperation or consultation." Boston Globe (May 28, 1980, p. 1). On page 30, the Complaint states that "AFC has announced an intention to make $20-30 million available to the Reagan campaign for TV ads, surrogate speaking tours, and mail promotions," citing a June 6, 1980 article in the Baltimore Sun. The article really states that, "[t]he group hopes to raise between $20 and $30 million as a multicandidate committee, helping GOP congressional and senatorial candidates as well as Mr. Reagan." Baltimore Sun, June 6, 1980, p. A4. Other examples of misleading citations abound. Compare the conclusion sought to be drawn from the Boston Globe article of 5/28/80 on page 16 of the Complaint with the statements in the same article that the Bush campaign found no "convincing evidence of collusion between such groups as FCM and the Reagan campaign," and that FCM officials "vow they will keep their efforts within the letter of the laws." Boston Globe, May 28, 1980, p. 1. Compare also the quotation appearing at page B13 of the June 30, 1980 New York Times of Kenneth F. Boehm which is cited on page 34 of the complaint with the full article which notes that FCM officials have been "scrupulous about discussing their plans with Reagan campaign aids 'to the point that we avoid them at cocktail parties.'" New York Times, June 30, 1980, p. B13.

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of the person attesting to the complaint and the form of oath which appears at the end of the complaint makes it clear that the person signing the complaint is not expressing any belief as to the truth of the matters contained in the articles. The concluding verification is reduced to a statement that if the "matters of record" are true, then the person signing the complaint swears they are true (Complaint, p. 2).

It is precisely this type of sleight of hand with the oath requirement of § 437g(a)(1) which leads complainants to fill the 41 pages of the Complaint with irrelevant innuendo and gratuitous character aspersions. For example, on page 19 of the complaint, it is stated that Peter Flannigan has "been involved in a number of fund raising matters involving corporations and future ambassadorships." The assertion sought to be made under oath is that Mr. Flannigan sold ambassadorships. By using the device of citing to newspaper articles, Complainants seek to dignify such unproven charges by their oath without being responsible for the truth of their statements. It should also be pointed out that this slur has nothing at all to do with any of the matters raised in the Complaint.

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The FEC has expressed concern about the sufficiency of complaints based on newspaper articles in the past. Agenda Document #79-299. In a memorandum addressing these concerns, the FEC General Counsel noted that "[i]f the term 'believes' as used in § 437g(a)(1) connotes personal knowledge, then persons filing a complaint based on news articles would not be proper complainants, even if their complaints were sworn to and notarized." Agenda Document #79-299, p. 1. The General Counsel recommended, however, that the FEC continue to accept complaints based on news articles but only when the news article was "substantive in its facts," and "well-intentioned and substantial." Agenda Document #79-299, pp. 2-3.

The instant complaint fails to satisfy these criteria. As noted previously, the person who signed the Complaint on behalf of the well-financed and sophisticated Complainants expressed no opinion as to the accuracy of the articles and the extracts from the articles were so selective as to be misleading. More importantly, nothing in these articles charges a violation of the campaign laws or presents substantive facts which would amount to a violation by any of the Reagan Respondents.

Reagan Respondents submit that the laudatory purpose of the verification requirements of § 437g(a)(1),

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to prevent frivolous, harassing complaints, would be defeated if the instant complaint were found to be in compliance with those requirements. Complainants have attempted to subvert the enforcement procedures of the FEC by using them as a vehicle to make irrelevant and malicious character attacks on persons who have a different political philosophy than their own. The FEC should put a quick end to this attempt by dismissing the complaint for failure to comply with the statutory verification requirements.

B. The Complaint Should Be Dismissed For Failure To Allege Sufficient Facts Which Would Provide A Reason To Believe That A Violation Has Been Committed Because Acts Of Unauthorized Individuals Or Committees Cannot Constitute Violations By The Candidate Or His Authorized Committees Absent Evidence Of Control, Request Or Encouragement.

Section 437g(a)(1) provides that the FEC may investigate a violation only if it receives a properly verified complaint and it has reason to believe a violation has occurred. H. R. Rep. No. 1057, 94th Cong. 2d Sess. 49 (1976). Thus, before a respondent can be put to the burden of responding to an FEC investigation, the FEC must evaluate the complaint to determine if, from the allegations presented and evidence submitted therewith, there is reason to believe that a person has committed, or is about to commit, a violation of the campaign laws. 2 U.S.C. § 437g(a)(2). Because none of the allegations of

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the Complaint, considered separately or in the aggregate, charge a violation of the law, there is but one conclusion that the FEC should reach: the Complaint must be dismissed without further action. The Complaint alleges that because the named political committees[15] are able to complement the expenditures made by Governor Reagan's authorized committee[16] by referring to media reports, such expenditures are not independent and therefore must be attributed to Governor Reagan. Since these amounts allegedly attributable to Governor Reagan are qualified campaign expenses which have not been accounted for by Governor Reagan, Complainants contend that Governor Reagan has or will exceed the limits on contributions and expenditures, thus violating the campaign laws. Such an analysis entirely misconstrues the statutory language, the Supreme Court decision in Buckley and the legislative history.

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15. A "political committee" means "any committee . . . which receives contributions aggregating in excess of $1,000 during the calendar year or which makes expenditures aggregating in excess of $1,000 during the calendar year . . . ." 2 U.S.C. § 431(d).

16. An "authorized committee" means "the political campaign committee or any other political committee authorized by a candidate . . . to receive contributions or make expenditures on behalf of such candidate." 26 U.S.C. § 9002(1).

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As defined in 2 U.S.C. § 431, the term "independent expenditure" means "an expenditure . . . which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate...." Whether or not an expenditure is to be treated as "independent," therefore, depends upon the degree of control exercised by the candidate over the funds held by the political committees.

It is undisputed that the expenditures made by the political committees have not been made "with cooperation or consultation" or "in concert with or at the request or suggestion of" Governor Reagan. Complainants admit that they know of no communication between Governor Reagan and the political committees (Complaint, p. 33). The attached affidavit of Senator Paul Laxalt confirms Complainants' suspicion that there is no cooperation or consultation between Governor Reagan and the political committees.

Even if the expenditures made by the political committees were deliberately complementary, the legislative history as well as the Supreme Court's interpretation of "independent expenditure" firmly establish that such parallel conduct is insufficient to constitute the degree of

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control necessary to allow regulation under the campaign laws.

In order to pass constitutional muster, the expenditure being restricted or limited must be controlled by the candidate or his authorized committee. Buckley v. Valeo, 424 U.S. 1, 46-47 (1976). This requirement of control by the candidate was scrupulously preserved by Congress in its definition of "independent expenditure" included in the 1976 Amendments to the campaign laws. During the hearing on the proposed amendments, Assistant Attorney General Scalia stated:

> I read [Buckley] to require that control be something more than what one might call passive simultaneous action on the part of another group. I would not think that the requirement of control would be met if a group assessing a particular candidate's campaign figures out on its own what would help him the most and designs a package that will fit very nicely into that campaign. I would think that as long as it is not actively coordinated with the candidate himself or his managers, the constitutional right to engage in such activity would continue to exist. Proposed amendments to the Federal Election Campaign Act: Hearings on S. 2911, S.2912, S.2918, S.2953, S.2980, S.2987 Before the Subcomm. or Privileges and Elections of the Senate Comm. on Rules, 94th Cong., 2d Sess. 139-140 (1976), reprinted in 1976 History at 145-46. (statement of Asst. Atty. Gen. Scalia). (Emphasis added).

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In the House Report which accompanied the House version of the bill (which was later adopted by the Conference Committee), the provision relating to "independent expenditures" was also held to require something more than mere parallel conduct:

> In the definition of "independent expenditures", the phrase "at the . . . suggestion of . . ." is intended to include direct suggestions made by a candidate or his agent, his campaign manager, his campaign treasurer, or any other person responsible for reporting contributions and expenditures in connection with the campaign of the candidate. It is not the Committee's intent to hold a candidate responsible for suggestions by persons over whom he does not exercise any control. Further, for example, if a candidate or some other person suggests in a speech to a group of persons that everything possible should be done to defeat the opponent of the candidate, it is not the intent of the Committee that such a reference in a speech be viewed as a "suggestion" for the purposes of the definition. H. Rep. No. 917, 94th Cong., 2d Sess., 5 (1976).

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See also, H. Conf. Rep. No. 1057 at 38, supra, 1976 History at 1032 ("[W]ith respect to the definition of the term 'independent expenditure', . . . advocacy of the election or defeat of a candidate or a general request for assistance in a speech to a group of persons by itself should not be considered to be a 'suggestion' that such persons make an expenditure to further such election or

defeat"). If a direct statement by the candidate to the listening public is insufficient to establish the degree of control necessary to preclude a finding that an expenditure is "independent", information gleaned from a media report could never even approach the requisite degree of control.

The FEC, too, has recognized that mere parallel conduct does not constitute control by the candidate. The regulations interpreting the definition of "independent expenditure", 11 C.F.R. § 109 (1980), clearly provide that "made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, . . . means any arrangement . . . or direction by the candidate . . . prior to the publication, distribution, display or broadcast of the communication." Thus, not only is active conduct by the candidate required, but the conduct also must occur prior to the expenditure. Since even deliberate parallel conduct by political committees requires that they glean the information from published media reports, it is obvious that the expenditures of the political committees could only be considered "independent".

It is obvious that mere parallel conduct does not deprive expenditures made by political committees of their "independent" characterization. The candidate must

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retain some control over, or give some amount of encouragement to, the political committees before any expenditure is attributable to him. Since Complainants have admitted in the Complaint that they know of no such control, and since the Brock Affidavit affirmatively refutes any allegation that Governor Reagan in any way controls or encourages the expenditures made by the political committees, this necessary control is lacking. The expenditures by the political committees, therefore, cannot be characterized as other than "independent," and Complainants have provided the FEC with nothing upon which it could premise a conclusion that there was reason to believe a violation has been or is about to be committed.

Little more is added to Complainants' underlying theory, that the actions by unauthorized committees of maximizing the effectiveness of their efforts by reading newspapers is somehow a violation by the candidate, by their lenghty recitation of past friendships and associations on the part of those who share a common political philosophy and who have been active in Republican Party politics. If it is not a violation for an independent group to read newspapers to determine how to focus their activities, neither is it a violation if officers of those groups are experienced and knowledgeable "Republican Party professionals" (Strauss Affidavit, ¶ 6).

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It would not be possible to respond specifically to the multitude of alleged past associations and friendships nor would it be appropriate to do so. Complainants have filed an amendment and four supplements to their original Complaint, each document filled with allegations more irrelevant than those of the preceding document. They will undoubtedly add more allegations of friendships and associations in the future. More importantly, responding on a friendship-by-friendship or association-by-association basis would dignify these claims to an extent which they do not merit. A charge that, "[o]n information and belief, William P. Clements, Jr., Harrison Schmitt, James Edwards, Jesse Helms, and Thomas Ellis were delegates to the 1980 Republican National Convention and voted for Governor Reagan as the Party's Presidential Candidate," simply deserves no response (Supplement to Complaint, July 20, 1980, p. 3). Similarly, the charge that Thomas Reed "introduced Governor Reagan to Richard Wirthlin who is now Mr. Reagan's pollster and one of his chief strategists" over 12 years ago (Complaint, p. 19) needs no explanation or excuse even if true. More ominously, these allegations, based on extensive newspaper background searches, take on a pronounced are-you-now-or-have-you-ever-been-a-Republican flavor which the FEC should not countenance.

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Almost all of the allegations refer to relationships or associations which, if true, took place as much as 12 years ago and do not deal with the only conduct placed at issue here -- the conduct of the candidate and the authorized committees in the general election campaign which has just commenced. As the affidavits show, the candidate and his authorized committees have done all that can reasonably be required to ensure that during the general election campaign a wall of separation will exist between authorized and unauthorized campaign activities.

With regard to past relationships and present activities of past associates, it is enough to repeat a sentence from the legislative history of the Campaign Act:

> It is not the Committee's intent to hold a candidate responsible for suggestions by persons over whom he does not exercise any control. H.R. Rep. No. 917, 94th Cong., 2d Sess., 5 (1976), reprinted in 1976 History at 805.

In addition, to give any weight at all to stale allegations of old relationships would raise serious problems under the First Amendment.

C. The First Amendment Precludes The Interpretation Of The Campaign Laws Urged By Complainants

The First Amendment guarantees of free speech and association could not have more urgent application

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than they have to this case. Buckley v. Valeo, 424 U.S. 1, 15 (1976). Complainants seek to restrict severely the First Amendment rights of a candidate for the highest political office in the nation, of all who wish to be free to engage in independent political activity, and of the public to a free and open election for President.

(1) The Individuals, Committees And Groups Named In The Complaint Are Exercising Rights Expressly Protected By Buckley

Complainants request that the Commission find Governor Reagan in violation of the campaign laws because certain named individuals, committees and groups intend to make independent expenditures on behalf of Governor Reagan. In light of the Supreme Court's decision in Buckley, it would be a clearly unconstitutional action for the Commission to find Governor Reagan in violation of the campaign laws on the bases urged by Complainants.

The actions complained of are merely exercises of the rights of expression and association which the Buckley Court indicated would be left protected and undisturbed by its ruling. The Court expressly stated that the effect of its decision on the opportunity for political expression by individuals would be only

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> to compel people who would otherwise contribute amounts greater than the statutory limits to expend such funds on direct political expression, rather than to reduce the total amount of money potentially available to promote political expression. Id. at 22.

With respect to the remaining opportunity for political association, the Court emphasized that individuals would still be "free to become a member of any political . . . association's efforts on behalf of candidates," and that such associations could, if they were able, "aggregate large sums of money to promote effective advocacy" in order "to effectively amplif[y] the voice of their adherents...." Id.

Thus, the individuals, committees and groups named in the Complaint are exercising precisely the rights which the Court in Buckley indicated would be protected by its decision.

(2) Complainants Attack Independent Expenditures On Grounds Rejected By Buckley

Complainants attack independent expenditures on four grounds, all of which were rejected in Buckley as contrary to the protections of the First Amendment.

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First, Complainants argue that independent expenditures illegally circumvent -- "through a loophole" (Complaint, p. 25) -- the prohibitions against a candidate accepting funds from third party sources. When confronted by this argument, the Buckley Court unequivocally stated that the First Amendment right to make independent expenditures could not be abridged because of the government's interest in maximizing the effectiveness of otherwise valid limits on contributions. The Court stated that the resulting burden on basic freedoms would create an unconstitutional infringement on protected rights. 424 U.S. at 44-48.

Secondly, Complainants argue that independent expenditures violate the spirit of the campaign laws and will result in "the appearance or reality of undue influence" (Strauss Affidavit, ¶8). The Buckley Court stated that whatever minimal benefit the government might derive from limiting independent expenditures to avoid the appearance or reality of undue influence could not justify the immense cost to free political expression and association. Id. at 47.[17]

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17. See, Shelton v. Tucker, 364 U.S. 479, 488 (1960) regarding the necessity for the government to use the least restrictive alternative when constitutionally protected interests, particularly First Amendment interests, are at stake. Accordingly, the

[Footnote continued on next page]

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Third, Complainants argue that it violates the spirit of the campaign laws for Governor Reagan to have the independent support of well-financed and well-organized groups (Complaint, pp. 16-33). It is argued that the intent of the campaign laws is to limit the voice of such groups. (Strauss Affidavit, ¶ 12). The Buckley Court, however, rejected this legislative intent as outweighed by the First Amendment interest at stake. The Court explicitly recognized that such a conclusion left undisturbed

> the greater potential voice of affluent persons and well-financed groups, who would remain free to spend unlimited sums directly to promote candidates and policies they favor in an effort to persuade voters. Id. at 26, n.26.

The Court said that to hold otherwise would be constitutionally barred by the First Amendment:

> [T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment . . . . Id. at 48-49.

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Buckley Court indicated that the requirement that independent expenditures over $100 be reported was a less restrictive and equally effective means of insuring against the possibility of corruption or undue influence. 424 U.S. at 44-48.

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Finally, Complainants argue that the ability of any one of the persons, committees, or groups named in the complaint to spend "money as it pleases" (Complaint, p. 25), circumvents the legislative intent to place limits on expenditures to "act as a brake on the skyrocketing cost of political campaigns," 424 U.S. at 26, which are "readily apparent if one looks at the expenses involved in running a major national campaign." (Strauss Affidavit, ¶ 3). The Buckley Court responded to such arguments, as follows:

> The First Amendment denies government the power to determine that spending to promote one's political views in wasteful, excessive, or unwise. In the free society ordained by our Constitution it is not the government but the people -- individually as citizens and candidates and collectively as associations and political committees -- who must retain control over the quantity and range of debate on public issues in a political campaign. 424 U.S. at 57.

(3) Freedoms Of Speech And Association Prohibit Any Finding Of A Violation Based On Complainants' Allegations

Perhaps because the Complainants recognize that the persons, committees and groups named in the Complaint are exercising their protected First Amendment rights as enunciated in Buckley, Complainants have put forth a frivolous factual basis to distinguish the expenditures at issue in the instant case from the expenditures protected

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by Buckley. Complainants urge that the expenditures should be deemed contributions to, and expenditures of, Governor Reagan's campaign because they are expended in "coordination" with the campaign. Complainants concede that they have no evidence which would indicate that any expenditures will be coordinated (Complaint, p. 33). Instead, Complainants seek to have such coordination found on bases that would require the Commission to hold persons in violation of the campaign laws by reason of past and present constitutionally protected activity.

First, Complainants argue that the expenditures which may be made by these individuals, committees or groups named in the Complaint will be coordinated by Governor Reagan's campaign because these persons share a common political philosophy with Governor Reagan and are "most active" (Complaint, p. 10) in support of their shared political beliefs, i.e., "the Reagan gospel" (Complaint, p. 12).

One would expect that all independent expenditures made on behalf of a candidate would be made by persons who share the political beliefs of the candidate or the candidate's party. Obviously, the right to make independent expenditures would be meaningless if non-independence could be presumed from the fact that the

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expenditures were made by persons in political sympathy with the candidate or his party.

Second, Complainants argue that Governor Reagan's campaign should be deemed to have authorized the prospective expenditures because Governor Reagan has engaged in partisan political activities in the course of which he has associated with the individuals, committees and groups named in the Complaint (Complaint, p. 12). Complainants place considerable emphasis on the fact that certain of the individuals named have been active Republicans in the past and have worked on the Presidential campaigns of Presidents Nixon and Ford as well as the campaigns of Governor Reagan. Many of the activities, associations, and positions described by Complainants occurred as long as twelve to twenty-nine years ago.

This emphasis on past political association is a recurring theme in the Complaint. Complainants seek to have the Commission draw inferences that there is illegal activity by reason of such association, despite the fact that these associations are protected as fundamental First Amendment rights. Cousins v. Wigoda, 419 U.S. 477, 487 (1975); NAACP v. Alabama, 357 U.S. 449, 460 (1958); Sweezy v. New Hampshire, 354 U.S. 234, 250 (1957). No inference could be in greater disregard of the Supreme Court's admonition is Kusper v. Pontikes, 414 U.S. 51 (1973):

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> There can no longer be any doubt that freedom to associate with others for the common advancement of political beliefs and ideas is a form of "orderly group activity" protected by the First and Fourteenth Amendments. Id. at 56-57.

These protections of the First Amendment extend not only to individuals but to the committees, groups or parties to which the individuals are affiliated. As the Supreme Court has indicated, for the Commission to fail to afford adequate protections to the committees, groups or parties to which individuals belong would chill the exercise of the freedom of association, as much as would direct interference with the individuals:

> The right to engage in political expression . . . has traditionally been through the media of political associations. Any interference with the freedom of a party is simultaneously an interference with the freedom of its adherents. Sweezy v. New Hampshire, 354 U.S. 234, 250 (1957).

If the Commission were to deem the prospective expenditures to be contributions because of the past associations of certain individuals affiliated with the named committees or groups, there would be a significantly chilling effect on the total level of political activity. In addition, individuals who had worked in the past for a candidate or a party would be effectively denied, indefi-

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nitely, the right to join other committees or groups seeking to make independent expenditure on behalf of the same candidates or party. Moreover, under such an interpretation of the law, one member whose associations are unbeknown to the other members of a group, could be the basis for denying the whole group an effective political voice.

Third, Complainants charge that the individuals, committees and groups named in the Complaint will illegally maximize the effectiveness of their right to free speech by reading, listening and watching the media to learn the strategy of Governor Reagan's campaign. They argue that this use or attention to the media will convert the expenditures into contributions. Since the media is all pervasive in today's society, a course of action by the Commission accepting such an argument would chill the right of persons to make independent expenditures. Such expenditures would be greatly curtailed if persons had to fear that too much knowledge of the candidates, the voters, and the issues might lead the Commission to find that their expenditures were coordinated by the candidate or party on whose behalf the expenditures were made.[18]

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18. Similarly, there would be a chilling effect on the candidates' right to free speech. Candidates would necessarily be guarded in their statements, lest they be held to be attempting to control or coordinate independent expenditures being made on their behalf.

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Moreover, to find a violation of law based on a presumption that independent expenditures will be coordinated through the media would have a chilling effect on the free flow of information and would be inconsistent with the "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open . . . ." New York Times Co. v. Sullivan, 376 U.S. 254, 270 (1964). The First Amendment

> guarantees of freedom of speech and press were not designed to prevent the censorship of the press merely, but any action of the government by means of which it might prevent such free and general discussion of public matters as seems absolutely essential. Bigelow v. Virginia, 421 U.S. 809, 829 (1975).[19]

The overall effect of an interpretation of the statute which would sustain a violation based on the activities outlined by Complainants would be a drastic reduction in protected political activity. It is apparent that individuals would be constrained into "voluntarily"

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19. Complainants also seek to have the Commission influenced by Governor Reagan's exercise of his right under the First Amendment to express his ideas on the campaign laws. Complainants cite (Complaint, p. 9) that certain of the media have reported Governor Reagan's opposition to limits on contributions and spending as if Governor Reagan's exercise of his right to criticize a law is evidence that he is in violation of it.

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refraining from exercising their political rights. Such consequences must be strictly guarded against:

> In the domain of these indispensable liberties, whether of speech, press, or association, the decisions of this Court recognize that abridgment of such rights, even though unintended, may inevitably follow from varied forms of governmental action [even though] the governmental action . . . may appear to be totally unrelated to protected liberties. NAACP v. Alabama, 357 U.S. 449, 461 (1958).17

Individuals might be further constrained by candidates who, fearing punishment for the uncertain legal activity of their third party supporters, might request those supporters to cease such activity. In effect, the candidate would have become a conduit by which a prior restraint is imposed on individuals making independent expenditures:

> Of course the prior restraints at issue in this case are not imposed by the Government directly. But the fact that censorship is indirect, accomplished by means of criminal sanctions . . . in no way diminishes its constitutional infirmity. On the contrary, we think the unconstitutionality of these prior restraints is, if anything, aggravated by the means chosen to enforce them. ACLU v. Jennings, 366 F. Supp. 1041, 1051 (D.D.C. 1973).

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(4) A Construction Of The Campaign Laws As Requested By Complainants Would Necessarily Be Impermissibly Vague

A construction of the campaign laws which would find a violation based on the activities alleged in the Complaint would render the campaign laws impermissibly vague as to the definition of independent expenditures. The "standards of permissible statutory vagueness are strict in the area of free expression." NAACP v. Button, 371 U.S. 415, 432 (1963); Buckley v. Valeo, 424 U.S. 1, 77. The interpretation of the campaign laws urged by Complainants is imprecise. If the Commission were to adopt it, "men of common intelligence [would] necessarily [have to] guess at its meaning." Coates v. Cincinnati, 402 U.S. 611, 614 (1971).

Persons active in politics would not know what form of association with or expressions on behalf of candidates, causes or political parties would render them tainted and raise a presumption that independent expenditures made by them, or organizations to which they belong, are coordinated by the candidate. Nor would such persons know for how long they would be effectively denied the right to make independent expenditures on behalf of that candidate. Similarly, potential presidential candidates, and persons

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who may or may not, at a future time, be part of an authorized committee, would necessarily have to restrict their expression and association for fear that such association might later form the basis for a violation of the campaign laws.

In addition, no standard could be established to indicate the type of speech by a candidate which, when publicized by the media, would raise a presumption that the candidate is signaling persons to make independent expenditures. In the same way, persons making independent expenditures on behalf of a candidate would have no constitutionally adequate standard to judge when they would be considered so knowledgeable or so attuned to a candidate and the electorate that expenditures made in behalf of that candidate would be deemed coordinated. Even the timing and amount of a person's expenditures would be of concern. Persons might avoid spending money in an area, or with respect to an issue which a candidate had neglected for fear of being found to be acting in concert. Similarly, if a candidate were about to visit an area, or had just departed, persons might perceive themselves compelled to avoid making independent expenditures in that area, lest they be charged with coordination.

The chilling effect is exacerbated by the stiff criminal penalties which can be imposed for a violation.

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The campaign laws require that all independent expenditures over $100 be reported and that the persons making the expenditures certify under penalty of perjury that the expenditures are, in fact, independent. Moreover, an expenditure which is not independent is considered to be a contribution to the candidate. 2 U.S.C. § 441a(a)(7)(B)(i). Thus, a person making an expenditure, believing it to be independent, would risk the possibility of also being held to have violated the campaign laws' contribution and reporting requirements. 2 U.S.C. § 441a(a) and § 434(b)(4). In addition, a candidate would necessarily be uncertain as to whether the independent expenditures of others could be deemed to be unreported contributions to the campaign in excess of the limits of the law.

The threat of serious penalty would hang like a sword of Damocles over the heads of candidates and persons interested in making independent expenditures so as to reduce greatly protected political expression and association. Even if a person's expenditures could ultimately be vindicated as legal, it would be "of little consequence -- for the value of a sword of Damocles is that it hangs -- not that it drops." Arnett v. Kennedy, 416 U.S. 134, 231 (1974) (Marshall, J., dissenting). Persons would inevitably "steer far wide of the unlawful zone," Speiser v. Randall, 357 U.S. 513, 526 (1958), and the chilling effect

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from the potential for prosecution, would be "unaffected by the prospects of its success or failure." Dombrowski v. Pfister, 380 U.S. 479, 487 (1965).

This restraint on free expression and association would be further exacerbated by the necessary intricacy and uncertainty of the standard which would emerge. The result would be an unconstitutional "in terrorem mechanism" affecting the nation's political debate. Keyishian v. Board of Regents, 385 U.S. 589, 601 (1967). The Supreme Court has repeatedly recognized that attempts to administer the law on the sort of bases urged by Complainants are invalid because such attempts are too susceptible to improper and discriminatory application, while fostering an interpretation of law which is unworkable and intimidating. See, Gooding v. Wilson, 405 U.S. 518, 528 (1972); Hynes v. Mayor of Oradell, 425 U.S. 610, 622 (1976).[20]

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20. In addition, it should be noted that Complainants seek enforcement of 26 U.S.C. 9012(f). In light of Buckley, that section is unconstitutional since it is overbroad and its deterrent effect on constitutionally protected expression is real and substantial. See Erznoznik v. City of Jacksonville, 422 U.S. 205, 216 (1975); Broadrick v. Oklahoma, 413 U.S. 601, 615 (1973). It would also appear that other provisions relied upon by Complainants may be constitutionally invalid as impermissibly vague, e.g., 11 C.F.R. § 109.1.

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The Complainants seek to have the Commission hold Governor Reagan in violation of the law because third parties seek to exercise their consitutional rights of free expression and association through the constitutionally protected means of making independent expenditures on behalf of a candidate and a political philosophy they support. In an attempt to circumvent the constitutional protection afforded such independent expenditures, Complainants cite theoretical coordination of the expenditures through the media by Governor Reagan's campaign. In addition, Complainants cite a collection of past and present political activities, expressions, and associations, all of which are not only constitutionally protected but encouraged as the foundation of a free society. The Commission could not constitutionally find a violation of the campaign laws on these grounds.

## III. The Candidates And The Authorized Committees Have Taken More Than Adequate Precautions To Ensure That Qualified Campaign Expenditures Are Made Only By The Authorized Committees

The Affidavits of William Brock, III and Senator Paul Laxalt (Exhibits 3 and 4) clearly establish that the authorized committees are acutely aware of the potential problems which could be created by independent expenditure groups. To forestall any such problems the members and staff of the Republican National Committee (RNC) were sent

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a memorandum outlining the requirements of the law and underscoring the RNC's policy of strict observance of these requirement (Brock Affidavit, ¶¶ 9, 10). This admonition was repeated to the newly elected members of the RNC following the conclusion of the 1980 Republican National Convention (Brock Affidavit, ¶ 11). It should further be noted that the RNC advisory councils and committees, having fulfilled their functions relating to the party platform, are being disbanded (Brock Affidavit ¶ 12).[21]

Similarly, Governor Reagan's campaign has exhibited from the outset an awareness of the legal requirements relating to independent expenditure groups and has also taken great pains to inform the campaign staff repeatedly regarding Governor Reagan's campaign policy of strict adherence to these legal requirements (Laxalt Affidavit, ¶ 6). Furthermore, Senator Laxalt has expressly denied the charge that Governor Reagan's campaign has any

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21. By noting that these advisory councils and committees are being disbanded, we do not mean to suggest that their continuation would be improper or that their prior activities and former members should be viewed with concern. We would be reluctant to accord any dignity to the innuendo and rank speculation which the complainants presented to the Commission. Nevertheless, since these "allegations" form a vital part of the pending complaint, the dissolution of the advisory councils and committees provides an added measure of assurance that the fears expressed in the complaint are groundless.

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intention to "get around" the restrictions relating to independent expenditures, as the complaint alleges. (Laxalt Affidavit, ¶5). An integrated campaign plan has been formulated without reference to possible independent expenditures which relies solely on the receipt of federal campaign funds. (Brock Affidavit, ¶¶ 14, 17).

The precautions taken and the assurances given by responsible officials for the Republican Party and Governor Reagan's campaign are more than adequate to ensure that only the authorized committees will engage in qualified campaign expenditures and that the fears and suspicions framed in the Complaint will never in fact materialize.[22]

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22. The firm assurances of Messrs. Brock and Laxalt, provided under penalty of severe criminal sanctions (26 U.S.C. § 9012(d)), stand in marked contrast to the "opinion[s]" and "feel[ings]" offered by Mr. Strauss (Strauss Affidavit, ¶ 2) and to the "facts" glibly recited in the Complaint. The Complaint and its seemingly never-ending amendments and supplements dispatched in each day's mail, viewed charitably, consist of little more than occasional (and irrelevant) organizational affiliations common to a few individuals, liberally sprinkled with references to newspaper articles, of uncertain worth at best.

These articles are nevertheless frequently mischaracterized in the Complaint. For example, on page 26, the Complaint states that "[t]he building address given for the AFC is the same as that apparently used by AEP." (Wall Street Journal, 6/19/80, p. 1). The Complaint neglects to point out, however, that the

[Footnote continued on next page]

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## IV. The Relief Requested By Complainants Would Destroy The Ability Of One Of The Two Major Party Candidates To Mount An Effective Campaign For The Presidency

The affidavits of Messrs. Brock and Laxalt set forth in stark relief the irreversible damage which would be done to Governor Reagan should the Commission deny him the immediate certification of eligibility to which he is entitled.

To begin with, any delay in providing the requisite federal campaign funds would bring Governor Reagan's campaign to a halt. Campaign plans have been formulated exclusively on the premise that the authorized committees will receive $29.4 million in federal campaign funds. (Brock Affidavit, ¶¶ 14, 16, and 17). Stop-gap financing measures could not sustain the campaign if certification were delayed because: (i) commercial loans would be unavailable if there were a cloud over the candidate's

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[Footnote continued from previous page]

article upon which this grave "allegation" is founded also points out: (i) Thomas Reed of AEP termed this fact "purely coincidence"; (ii) "People who ought to know insist it really is a coincidence." and (iii) nothing in the federal law prohibits independent expenditure groups from cooperating with each other. Evidently, Complainants are prepared to rely on their vast appendix of newspaper articles for convenient "facts" only.

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entitlement to federal funding; and (ii) any recourse to private contributions would automatically render the campaign ineligible for the later receipt of federal funds. 26 U.S.C. § 9003(b). Any attempt to seek private contributions would thus constitute an irreversible decision to forego public funding and to finance the campaign entirely from private donations. However, the $1,000 limit placed upon individual contributions, the compressed time frame in which enormous sums would have to be raised, the high transaction costs associated with such private fund-raising, and the disruptive effects caused by imposing extensive fund-raising commitments on an already overburdened campaign, make it totally impossible to mount a private fund-raising effort which would yield anything approaching $29.4 million (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶ 9).

Therefore, Governor Reagan's campaign, confronted with a delay in the receipt of its federal campaign funds, would have no choice but to wait. Any such delay would be disastrous to the campaign. Without funds, Governor Reagan would be unable to travel and to engage in the campaign activities which a nonincumbent must rely upon to generate national and local media coverage. (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶ 8). It would be impossible to rent office space, office equipment or to engage utilities and

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telephone service which are indispensible to the operation of various campaign headquarters throughout the country (Brock Affidavit, ¶ 17). Without funds for salaries, the campaign could not hire full-time professional and clerical staff (Brock Affidavit, ¶ 17). Persons already selected to assume critical positions would inevitably be forced to seek alternative employment in order to meet personal financial needs (Brock Affidavit, ¶ 17). Finally, given the extensive financial commitments, lead time, and preparation necessary to organize a media campaign, the absence of federal funds, even for a short time, would strike a crippling blow to this vital aspect of the campaign (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶¶ 7, 9, 12).

Depriving Governor Reagan's campaign of its federal funds, however briefly, would necessarily have a disastrous impact on the campaign effort and could well determine the outcome of this presidential election. Complainants seek nothing less than irreparable harm to Governor Reagan's campaign effort by delaying or denying it the funds vital to its success. They seek purely and simply to preclude the possibility of a freely and fairly contested presidential election which the Fund Act was intended to promote. The FEC, as the primary guardian of fairness in the campaign process, must reject such an outrageous

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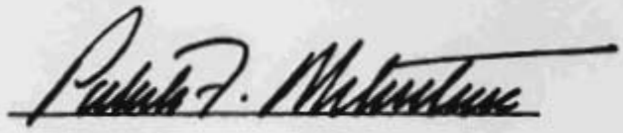
attempt to deny the American people a fair presidential election in 1980.

## CONCLUSION

For all of the foregoing reasons, the FEC should dismiss the Complaint without further proceedings.



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CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.
1413 K STREET, N.W., WASHINGTON, D.C. 20005

PRESS RELEASE

FOR IMMEDIATE RELEASE
JULY 2, 1980

Ambassador Robert S. Strauss, national chairman of the Carter/Mondale Presidential Committee, today issued the following statement:

The Carter/Mondale Presidential Committee is today joining with the Democratic National Committee in a complaint to the Federal Election Commission about the activities of the five major "independent expenditure" committees supporting Ronald Reagan's Presidential candidacy.

In the complaint, we are asking the FEC to determine whether the activities and spending of the "independent" committees--which could spend up to $50 million on Reagan's behalf in the Presidential election, by their own estimate--violate federal election laws, or make Governor Reagan ineligible for public campaign financing.

It was never the intent of the Congress, or of the Supreme Court in the landmark case of Buckley v. Valeo, to permit a Presidential candidate receiving public funds for his campaign, to evade the limits on campaign spending by receiving the benefits of a multi-million dollar parallel campaign operated by former associates and party professionals.

If this type of parallel campaign is not prohibited, the post-Watergate election reforms--public financing of Presidential elections, campaign spending limits, and the rest--are meaningless.

Governor Reagan's supporters, who openly oppose campaign spending limits, are seeking, in effect, to double their candidate's campaign resources, and to create a financial advantage for their candidate of a size not seen in Presidential elections since before Watergate, when Richard Nixon outspent George McGovern by more than $30 million.

For us to stand by without opposing these committees would be irresponsible. These vast sums could make a great difference in a close election. And passive acceptance of this activity could allow back-door destruction of hard-won campaign reforms, which the President and the Democratic Party fought for and continue to support.

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FOR MORE INFORMATION, CALL LINDA PEEK OR
SCOTT WIDMEYER, 202/789-7306

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

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CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.
1413 K STREET, N.W., WASHINGTON, D.C. 20005

PRESS RELEASE

FOR IMMEDIATE RELEASE
JULY 11, 1980

Ambassador Robert S. Strauss, chairman of the Carter/Mondale Presidential Committee, today released the following statement commending yesterday's Federal Election Commission's "independent expenditure" decision. Strauss also released the attached letter from Carter/Mondale special counsel Thomas Barr seeking further FEC action.

The bi-partisan decision by the Federal Election Commission yesterday to initiate a federal court proceeding in connection with the Reagan so-called "independent expenditure" committees represents a crucial and timely commitment by the Commission to protecting the integrity of the post-Watergate election law reforms.

Our understanding is that the Commission will seek a declaratory judgment from the United States District Court for the District of Columbia that the law's limits on contributions made on behalf of a presidential candidate receiving public financing does apply to these Reagan committees and is constitutional.

Such a ruling by the court in effect would prohibit the committees named in our recent complaint from pouring $50 million into the Reagan campaign in addition to the almost $30 million in taxpayer funds that Governor Reagan apparently also intends to seek.

We continue to believe that this type of spending would not only financially unbalance the 1980 campaign in a way not seen since the Watergate year of 1972, but also have the inevitable effect of undermining, if not destroying, the whole system of campaign spending limits and public financing of Presidential elections.

The Commission's decision also has another important message. It puts those who would seek to spend these vast sums on behalf of Governor Reagan on clear notice that the enforcement agency charged with interpreting the election laws thinks that to do so would constitute a potentially criminal violation.

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Although the Commission's decision did not respond to our request that the FEC not certify Governor Reagan's campaign as eligible for public financing until these matters are addressed and resolved, we are asking today that the Commission act quickly on this vital, additional step, which as a practical matter is as necessary to uphold the law as the Commission's commendably decisive court action.

FOR MORE INFORMATION, CALL LINDA PEEK OR
SCOTT WIDMEYER, 202/789-7306

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THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 11, 1980

Carter-Mondale v. Reagan, et al.

Dear Mr. Steele:

Thank you for your letter of July 9, 1980, informing me of the action taken by the Commission with respect to the complaint.

However, your letter does not address the principal point raised by the complaint. The principal relief sought was:

> "1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act;"

and, in the alternative, paragraph 2 of our prayer for relief requested:

> "(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation [which we requested] and determination of the extent to which the Acts are being violated."

Therefore, would you please inform me promptly:

1. What action, if any, the Commission has taken with respect to those prayers for relief;

2. If the Commission has not taken any action, what action it plans to take.

3. If the Commission has no plans to take any further action, whether it intends to give any

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further consideration to those prayers for relief and when such consideration will be given.

4. Whether the Commission will take any action now to insure that the amount Mr. Reagan is certified to receive from the United States Treasury will not be greater than $29.4 million minus any contributions made directly or indirectly to or on behalf of Mr. Reagan;

5. Whether the Commission will give me on behalf of complainants notice as to whether it intends to certify Mr. Reagan as eligible to receive any public funds before such action is taken so that we may take appropriate action to enjoin, or otherwise seek review of, the Commission's action. Seventy-two hours notice would be adequate.

As you know, it is theoretically possible for Mr. Reagan to be certified by the Commission as early as next week. To protect my clients' interests, I, therefore, request that we be provided with answers to these questions by Monday, July 14.

Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D.C. 20463

BY HAND

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AFFIDAVIT OF

WILLIAM E. BROCK, III

DISTRICT OF COLUMBIA ) ss.

I, WILLIAM E. BROCK, III, being first duly sworn, do hereby depose and say:

1. I am Chairman of the Republican National Committee, ("RNC") the governing body of the Republican Party. I have served in that capacity since 1977.

2. I first became involved in politics in 1956 when I worked as a volunteer in support of the reelection of President Eisenhower. I have been an active participant in Republican politics at the national, state and local levels since that time. I was elected to the United States House of Representatives from the 3rd District of Tennessee in 1962 and served four terms. In 1970, I was elected to the United States Senate, where I served until 1977.

3. During the 1974 Congressional Election Campaign, I served as Chairman of the Republican Senatorial Campaign Committee which supports the reelection efforts of Republicans, and recruits and supports the election efforts of Republican Senatorial challengers.

4. In my capacity as Chairman of the RNC, I have supported the election efforts of Republican candidates to federal, state and local offices and have sought to strengthen the Republican Party at all levels.

5. As a result of my experience set forth above, I am fully familiar with the workings of the political process at all levels and with the requirements and techniques of organizing and conducting modern political campaigns.

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6. I am also generally familiar with the provisions of the Federal Election Campaign Laws (the Presidential Election Campaign Fund Act, 26 U.S.C. §9001, et seq., and the Federal Election Campaign Act, 2 U.S.C. §431, et seq.) both as result of serving in the Senate when the two acts were originally passed and as a result of my experience serving as Chairman of the RNC.

7. Based upon my previous political experience and my experience with the requirements of the Federal Election Campaign Laws, it is my understanding that the Republican Party candidates for President and Vice-President, in order to qualify for federal funds in the general election campaign are required, among other things, to certify that: (i) they will not accept private contributions to defray campaign expenses and (ii) they and their authorized campaign organizations will not incur expenses in excess of the amount of federal funds to which they are entitled.

8. It is my further understanding that private individuals and private groups retain the First Amendment right to expend their private funds in support of or in opposition to any presidential candidate, notwithstanding the spending and contribution restrictions placed upon the candidates and their authorized campaign committees. So long as such individuals and groups are genuinely independent and do not act in cooperation with, or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate, it is my understanding that such independent expenditures do not disqualify a candidate from receiving federal funds.

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9. Recognizing that various independent and unauthorized committees planned to function during the 1980 campaign, I directed that RNC staff be advised, by means of a memorandum dated June 19, 1980, a copy of which is attached hereto as Exhibit A, of the requirements of the relevant campaign laws, and that the RNC staff also be admonished to avoid any involvement with individuals or groups intending to engage in independent expenditures in connection with the forthcoming presidential campaign.

10. A copy of the June 19 memorandum was thereafter sent to each member of the RNC and to the executive directors of each state Republican Party organization in all 50 states.

11. On July 18, 1980, at the first meeting of the newly elected RNC in Detroit, Michigan, following the 1980 Republican National Convention, members of the committee were advised by me as follows:

> The RNC is one of the authorized committees for our candidates for president and vice-president. Your actions are important to help insure that our candidates comply with Federal Election Laws. Those laws require that there be no connection between authorized campaign committees and groups who may wish to make independent expenditures on behalf of our candidates or in opposition to Democratic candidates.
>
> It is necessary, then, that those of you who hold a position with an independent expenditure group should terminate your association with any such group.
>
> Those of you who are not members of independent expenditure committees are now advised that your membership on the Republican National Committee will preclude your association with such groups.
>
> If you have any questions about your association with independent expenditure groups, see Ben Cotten or Don Ivers [members of the RNC legal staff].

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12. Since the drafting of the Republican Party Platform and the statement of official Republican Party positions have now been completed, the RNC advisory counsels and committees I appointed to assist in those efforts are now being disbanded. A copy of the letter which is being sent to each member of each advisory counsel or committee is attached hereto as Exhibit B.

13. To the best of my knowledge, information and belief, the RNC has not encouraged, controlled, assisted or coordinated with any unauthorized committee who may have made or who may be making any independent exemption on behalf of the candidate of the Republican Party for President and Vice-President of the United States. Nor, as the instructions set forth above clearly demonstrate, will the RNC do so during the general election campaign.

14. Based upon my extensive political experience with national campaigns, the likelihood of independent groups such as those named in the instant complaint actually organizing themselves effectively in order to raise anything like the amounts suggested in the complaint (tens of millions of dollars) is extremely remote. A national campaign for the Presidency, would be most unwise -- indeed foolhardy and irresponsible -- to base its campaign plans on the speculative possibility: (i) that substantial amounts of independent funds could in fact be raised by the groups named in the complaint or (ii) that any such funds raised would be expended by the independent groups in a manner which would actually benefit its campaign. The Reagan-Bush campaign staff has prepared and is now waiting to implement a campaign strategy which solely and critically depends upon receipt of the $29.4 million dollars promised under the Federal Campaign Election Laws for which the Reagan-Bush Campaign has recently applied.

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15. In addition, as I have stated publicly on earlier occasions (see page A-3, Washington Post, July 1, 1980), I personally am highly concerned about the proposed independent and unuathorized campaign expenditure efforts to the extent they are at all successful. First, the efforts of such independent efforts by definition cannot be controlled by the candidate they are supposed to benefit nor can they be controlled by his organization. Thus, the themes or arguments advanced by such groups are quite likely, if not almost certain, to be counterproductive to the authorized campaign effort. For example, the views or positions expressed by such groups may be wrongfully attributed to the candidate himself. Large groups of voters may thereby be alienated because of efforts over which the candidate himself has no control. Thus, these independent expenditure efforts are likely to produce a fragmented, disorganized and confused election effort which will succeed only in draining vitally-needed funds from the critical tasks of gross-roots party-building.

16. I have had the opportunity to review the complaint of the Carter-Mondale Reelection Committee and the Democratic National Committee against Ronald Reagan, et al., filed before the Federal Election Commission. Based upon my knowledge and experience as Chairman of the RNC, I do not believe that the "facts" and allegations set forth in that complaint establish any basis for an inference that independent campaign expenditure committees are in fact cooperating or coordinating with the authorized Reagan campaign or are in any way operating under its control. To the best of my knowledge, this is not the case. Moreover, I am quite skeptical that any of the groups mentioned in the complaint, have the ability to raise and expend anything approaching the amounts stated in the newspaper clippings.

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17. Based upon my experience as a national party leader, were the Federal Election Commission or any court to delay or deny the Reagan-Bush campaign access to its lawful public funds, any such a delay or denial would produce a crippling of the Reagan-Bush campaign effort from which it could not hope to recover. A non-incumbent challenger for the presidency has no staff or logistical support beyond that which he can pay for with his public campaign funds. Were public funding to the Reagan-Bush campaign to be cut off, neither Governor Reagan nor Ambassador Bush could travel, pay any campaign staff, or begin to establish campaign organizations in any of the 50 states. Such vital services as telephone, office rental equipment, and office space would be impossible to obtain. Both the preparation of vital campaign media materials, and the hiring of necessary campaign field personnel would be stopped in their tracks. At this late stage, to mount an effective effort to raise private funds to run a national presidential campaign, given the $1,000 limit on contributions by any single individual would be virtually impossible. In addition, were the candidate to expend any such funds which could be privately raised, he would be legally ineligible for public funds, if and when they ever became available.

18. If the Reagan-Bush campaign is delayed or denied its lawful access to public funding, the President and Vice-President would be the sole candidates to have continuous access to government funds and staff support by virtue of their respective offices, as well as access to various types of public campaign funds. They and their campaign alone would continue to have access to publicly-provided primary campaign funds prior to

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have access to publicly-provided primary campaign funds prior to the Democratic National Convention and publicly-provided general election campaign funds shortly thereafter.

19. In brief, the Carter-Mondale and Democratic National Committees seem intent on using the legal process to insure that the President has no effective opposition in the general election. They seek to deprive his major party opponent of any ability to speak to the American people. They seek to eliminate any possibility of a free and fair election in 1980. In this way they hope that somehow they will win reelection for President Carter. One can understand why such a cynical maneuver is attempted, but one can hardly believe that result sought is either just or in the public interest.

20. The foregoing statements are true to the best of my knowledge, information, and belief.

William E. Brock, III

Subscribed and sworn to before me this 23rd day of July, 1980.

Philip A. Guarino
Notary Public

My Commission Expires My Commission Expires July 31, 1982

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Republican
National
Committee

**Donald L. Ivers**
House Counsel

**E. Mark Braden**
Deputy House Counsel

MEMORANDUM

TO: RNC Staff
RE: Independent Expenditure Committees
DATE: June 19, 1980

Independent expenditure committees of all sizes and descriptions are being established to participate in the General Election campaign. "Independent expenditure" is defined under the Federal Election Campaign Act as:

> "An expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee, or agent of such candidate." (emphasis supplied)

Federal Election Commission regulations further discuss independent expenditures, clarifying the meaning of the phrase, "made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate" by stating that such phrase means:

> "Any arrangement, coordination or direction by the candidate or his or her agent prior to the publication, distribution, display or broadcast of the communication. An expenditure will be presumed to be so made when it is:
>
> (a) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents...;
>
> (b) Made by or through any person who is, or has been, authorized to raise or expend funds, who is, or has been, an officer of an authorized committee, or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent....

The Federal Election Commission has placed a very narrow construction on the language set forth above.

THE REPUBLICAN NATIONAL COMMITTEE IS, BY LAW, AN AUTHORIZED COMMITTEE AND AGENT OF THE PRESIDENTIAL AND VICE PRESIDENTIAL CAMPAIGN. THEREFORE, NO MEMBER OF THE RNC STAFF SHOULD MEET WITH, PROVIDE INFORMATION TO OR COORDINATE IN ANY MANNER WITH ANY MEMBER OF AN INDEPENDENT EXPENDITURE COMMITTEE OR ANY INDIVIDUAL WHO IS PLANNING FOR, OR IS MAKING, INDEPENDENT EXPENDITURES.

EXHIBIT A

Dwight D. Eisenhower Republican Center: 310 First Street Southeast, Washington, D.C. 20003. (202) 484-6500

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Should you be contacted by an independent expenditure committee or an individual making independent expenditures seeking assistance, you should immediately inform that individual that, due to the restrictions placed upon us by federal law, you must refuse to have any further discussion with them with respect to independent expenditures. Any discussions or coordination with such individuals may be interpreted by the Federal Election Commission as sufficient to remove their activities from the independent expenditure category and result in their activities being allocable to the expenditure limitations of the campaign committee or of the Republican National Committee and/or, place them in a position of having violated the Federal Election Campaign Act.

If you have any questions with respect to this information, please do not hesitate to contact this office at 202/484-6638.

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Republican
National
Committee

Bill Brock
Chairman

July 24, 1980

X

Dear X:

As we move from the Convention into the General Election campaign, I want to express my personal appreciation to you for your outstanding dedication of time and talent to the important policy discussions and the many fine papers we have published from the Advisory Councils and Committees.

The work you have done has, in most cases, been incorporated into the platform. It has provided extremely helpful information for the development of other party positions for the campaign. Most of all, it has contributed to a continued Republican presence in a very creative and important fashion for these past few years, giving us the opportunity to begin this campaign from a much stronger position.

Although, with the work completed, these Advisory Councils and Committees have run their course, I trust that you will agree that, given the excellent work performed, the concept should be reactivated next year. In the meantime, we all have jobs to do in the campaigns to elect Republican candidates at all levels and I know you will give it your best.

Again, thank you for your tremendous contribution. Hope to see you soon.

Very truly yours,

BILL BROCK

BB:dsb

EXHIBIT B

Dwight D. Eisenhower Republican Center, 310 First Street Southeast, Washington, D.C. 20003 (202) 484-6500

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# Brock Calls Independent Efforts for Reagan 'Divisive'

By David S. Broder
Washington Post Staff Writer

Republican National Chairman Bill Brock yesterday said recent polling data point to the possibility of a banner GOP year in 1980. But he warned that unauthorized, independent efforts for Ronald Reagan could "fragment the campaign" and cost Republicans their opportunity.

Brock criticized the "independent ventures" plans of various Reagan supporters, as William J. Casey, director of the official campaign organization for the prospective GOP presidential nominee, announced several aides to former president Gerald R. Ford will take major posts in the Reagan campaign.

In a breakfast meeting with reporters, Brock tipped his hand on a new GOP national poll, which he said shows Republicans running almost even with Democrats in voter preference for the 1980 congressional elections.

According to Brock, the survey by Robert Teeter of Market Opinion Research Corp. in Detroit gave the Democrats only a 52-48 percent lead over the GOP, which he said was the best showing for the Republicans since 1966.

"On every major issue except unemployment, where we broke even, it's an advantage to be a Republican," Brock said.

Others in the GOP hierarchy cautioned that these were partial results and subject to interpretation. But the party chairman coupled them with public polls showing Reagan 10 points ahead of President Carter and said they pointed to the possibility of a great year for the Republicans.

But Brock said he was "extremely concerned" about announced plans by several groups of Republicans, operating independently of the Reagan campaign, to raise and spend millions of dollars in behalf of the former California governor's candidacy. Such expenditures have been allowed by law as long as they are not done in cooperation with the official campaign, but Common Cause, a public advocacy lobby, is expected to announce a legal challenge to them today.

Brock said he opposed the half dozen separate pro-Reagan committees on political grounds, asserting they could lead to a "fragmented, confused, disorganized" campaign.

"If they emphasize different issues than Reagan wants to emphasize, if they run ads that are factually inaccurate, they force us to disavow them—and that's divisive," Brock said.

The chairman said he doubted the independent committees, some headed by well-known Republican officeholders and veterans of the Nixon and Ford administrations, could raise the millions of dollars they have talked about.

But he said that if they succeeded, there would be "a draining of funds for the grass-roots party building" and the support of GOP candidates for offices lower on the ballot.

He accused the promoters of these groups of acting as if "we're going to elect one person and change the whole goddam world."

In urging Republicans interested in Reagan to contribute to the GOP's official campaign committees, Brock said he thought Reagan's high command had the same view of the independent efforts he expressed.

But Casey, Reagan's campaign director, took a noncommittal stand at his press conference later in the day.

"I won't discourage anyone from exercising their constitutional rights," Casey said. "How helpful it is remains to be seen."

Casey did condemn efforts by some conservative groups to kill Sen. Howard H. Baker Jr.'s (Tenn.) vice presidential prospects, calling such activity damaging to Republican unity and the Reagan campaign.

Casey formally announced that two former officials of the Nixon and Ford administrations, Washington lobbyist William Timmons and lawyer James T. Lynn, would join the Reagan campaign. Timmons will be deputy director for campaign operations and Lynn the general counsel.

*Staff writer Bill Peterson contributed to this article.*

EXHIBIT C

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AFFIDAVIT OF

PAUL LAXALT

DISTRICT OF COLUMBIA ) ss.

I, PAUL LAXALT, being first duly sworn, do hereby depose and say:

1. Since 1975 I have served as United States Senator from the state of Nevada. Prior to my election and subsequently I have participated actively in the political process at the national, state, and local levels. Before becoming a United States Senator, I was for a number of years a practicing attorney in Carson City, Nevada; I have also served as Governor and Lieutenant Governor of Nevada.

2. During the 1976 campaign for the Republican nomination for the presidency, I served as Chairman of the Reagan for President Committee.

3. In the 1980 primary campaign just recently concluded, I again served as Chairman of the Reagan for President Committee. I am now Chairman of the Reagan for President General Election Committee. In these respective positions I have had the occasion to become generally familiar with the requirements of the Federal Election Campaign Laws as they apply to campaign contributions, and other related matters.

4. I have had occasion to examine the Complaint filed before the Federal Election Commission by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against Ronald Reagan et al.

5. Based upon my knowledge and experience in the Reagan campaign, the central charge contained in the Complaint, namely: "that Mr. Reagan and his associates have chosen to try

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to 'get around' the [Federal campaign] law [and] to coordinate contributions through political fronts claiming to be 'independent' committees" is baseless and without any foundation in fact.

6. Indeed, the often-stated policy of the Reagan campaign has been and will continue to be not to stimulate or encourage the formation of independent expenditure groups and not to cooperate with, or give prior consent to, or consult with, or make requests or suggestions to any individuals or groups making independent expenditures in support of the Reagan candidacy. This policy was reiterated in meetings held with all key Reagan campaign staff personnel immediately following the conclusion of the Republican National Convention. I am further informed that prior to the convention this same policy against cooperation with independent expenditure efforts was repeatedly stated by those responsible for compliance with the Federal Election Campaign Laws to headquarters, regional and field personnel during the Reagan primary campaign.

7. Given my experience in the Reagan campaigns of 1976 and 1980, I can state unequivocally that the advantages held by an incumbent president over a primary or general election challenger are so immense as to be almost insuperable. A president has free and instant access to the national media from his White House doorstep. By contrast, a challenger must expend scarce campaign funds to travel and engage in various campaign activities in order to attract any significiant media attention.

8. The result sought by the complainants to deprive the Reagan-Bush campaign of its only feasible source of campaign funds based upon the chimerical expectations of expenditures by

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groups independent of and unauthorized by our campaign would torpedo the Reagan-Bush effort and initially guarantee the absence of a freely and fairly-contested presidential election in the fall.

9. Any delay or denial of public funds to the Reagan-Bush general election campaign at this stage would cripple our campaign effort, and irreparably injure our ability to present our case to the American people. At this point, given the amount of time remaining between now and the general election as well as the $1,000 per person contribution limit, there is no way to raise from private sources adequate funding for the general election campaign.

10. This fundamental point was made most effectively by my colleague Robert Strauss, the current Chairman of the Carter-Mondale reelection committee, in testimony before the Congress in 1976:

> My responsibilities as Chairman of the Democratic National Committee, make me focus on the incalculable problems faced by presidential candidates as long as the status of the FEC remains in question. Most of our candidates cannot sustain even a lapse of a few days in the payment of federal matching funds. Many of our campaigns are operating on a day-to-day cash flow. A time lapse in the certification and distribution of federal funds could be so disruptive to the political process that it could have a dangerous impact on the outcome of both the Democratic and Republican nominating systems. This must be avoided. [Emphasis supplied]

This statement is just as valid today in the general election context as it was during the primary campaigns of 1976.

11. Based upon my previous political experience, were a court to grant any form of temporary injunctive relief in connection with the Reagan-Bush request for certification of

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eligibility for federal campaign funds, it could have drastic political consequences beyond those caused by the interruption in public funding. Such an action would inevitably -- even though mistakenly -- be misperceived by some members of the public as a judicial determination that the Reagan campaign had done something unlawful or improper, even though nothing could be futher from the truth. Given the sensitivity of the American public to charges of misconduct by elected officials, the corrosive impression created by the initial adverse publicity attending such a judicial action could never be completely removed even after the Reagan campaign was completely vindicated, as it assuredly would be.

12. The result sought by the complainants would leave President Carter in full possession of his pre- and post- convention campaign war chests provided by the public in addition to the vast professional staff and other government resources available to him as President. In addition, he will be principally featured at the publicly-funded events of the Democratic National Convention in further promotion of his candidacy. In contrast, Ronald Reagan and George Bush would be grounded with no campaign funds whatsoever. They would be effectively denied their basic First Amendment rights to communicate with the American people. The Congress never contemplated such an unjust result when it passed the campaign laws which are the subject of the instant complaint.

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13. The foregoing statements are true and correct to the best of my knowledge, information, and belief.

PAUL LAXALT

Subscribed and sworn to before me this 23rd day of July 1980.

Donna E. Wood
NOTARY PUBLIC

My Commission Expires 1-1-82

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 25, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
Jones, Day, Reavis and Pogue
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. McCartan:

On July 7, 1980, the Federal Election Commission notified your clients, Ronald Reagan and the Reagan for President General Election Committee ("the Committee") of a complaint that Mr. Reagan and the Committee have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to Mr. Reagan and the Committee at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that Mr. Reagan and the Committee have or will violate 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from certain political action committees. The Commission has decided to take no further action at this time with regard to the alleged violations by Ronald Reagan and his authorized committees of 2 U.S.C. § 441a(b) and 26 U.S.C. §§ 9003(b)(1) and 9012(a). The Commission also found no reason to believe that Ronald Reagan or the Committee violated 2 U.S.C. § 434 and no reason to believe that they violated 26 U.S.C. § 9012(b) as a result of acceptance of contributions by Americans for an Effective Presidency and Americans for Change. Reports on the Commission's findings are attached.

We acknowledge receipt of your response to this matter which was dated July 24, 1980. You may submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of the issues raised. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against Mr. Reagan and the Committee, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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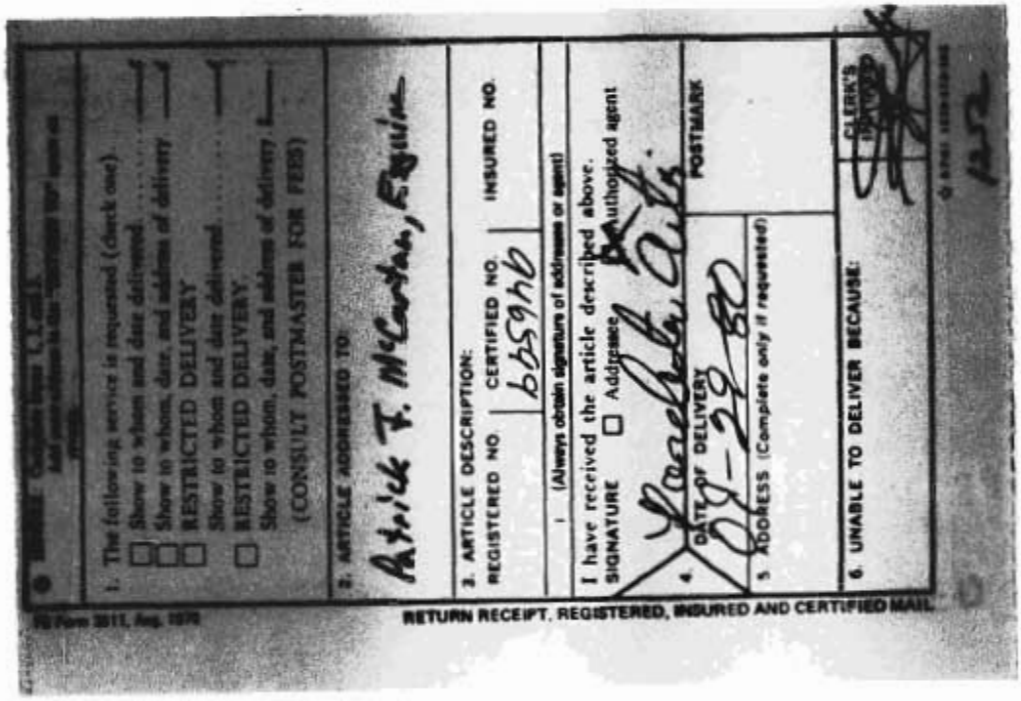
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

JOHN WARREN McGARRY
Vice-Chairman

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SEP 1980

SEP 25 1980

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE SEP 25 1980

MUR NO. 1252

STAFF MEMBER (S) & TEL. NO.

Marsha Gentner

Anne A. Weissenborn
(202) 523-5071

RESPONDENT Reagan for President
General Election Committee

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complaiinants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 2 U.S.C. § 9003(b)(i);

3. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limit;

4. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limits;

5. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.SC. § 441a(f) by knowingly exceeding Mr. Reagan's expenditure limits;

6. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing properly to report contributions and expenditures.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 441a(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

26 U.S.C. § 9003(b)(2) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they have not and will not receive contributions to defray qualified campaign expenses. Complainants allege that Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses because contributions made to Fund for a Conservative Majority ("FCM"), National Conservative Political Action Committee ("NCPAC"), and Americans for Change ("AFC") are in fact direct or indirect contributions to Mr. Reagan, and because expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in connection with or in concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1(c).

26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. § 9003(b)(2) would more properly be applicable to consideration of possible violations of Section § 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 441a(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 441a. Complainants allege that Mr. Reagan and his authorized committee have or will accept contributions which exceed these limitations..

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there is reason to believe that the expenditures by FCM are not "independent expenditures" but rather in-kind contributions to Mr. Reagan.

1. Fund for a Conservative Majority ("FCM")

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent prior occasions by the authorized Reagan committee. 1/ As noted above, the existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. §109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980 as relating to Reagan for President and for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan Committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution-in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution-in-kind if candidate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/22/80 "Printing" |
| Telepost | 6/24 "Direct Mail" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

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2. National Conservative Political Action Committee ("NCPAC")

NCPAC is a multi-candidate committee which first registered on March 27, 1975. The complaint contains no allegations of NCPAC officer overlap with the official 1980 Reagan committees. 4/ As with FCM, however, the complaint and NCPAC reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors as those used by the authorized Reagan committee shortly before that time 5/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC. See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." Again, an expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. As previously noted, this raises questions as to whether the polling results were "accepted" by the authorized Reagan

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4/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

5/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing" contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member (See Part A-4 above); and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(b)(4); AO 1979-80; MUR 321. 4/

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

4/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCPAC, and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore his authorized committee, the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE SEP 2 1980

MUR NO. 1252

STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT Ronald Reagan

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complaiinants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2);

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3. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limit;

4. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(b) by exceeding his expenditure limits;

5. That Mr. Reagan has violated or will violate 2 U.SC. § 441a(f) by knowingly exceeding his expenditure limits;

6. That Mr. Reagan has violated or will violate 2 U.S.C. § 434 by failing properly to report contributions and expenditures

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 44la(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

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FCM also reported an expenditure made on March 26, 1980 as relating to Reagan for President and for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan Committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution-in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candidate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing" contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member (See Part A-4 above); and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(b)(4); AO 1979-80; MUR 321. 4/

---

3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

4/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCPAC, and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore his authorized committee, the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that Ronald Reagan has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f).

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# REAGAN for PRESIDENT

901 South Highland Street
Arlington, Virginia 22204
(703) 685-3400

RECEIVED
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July 24, 1980

The Honorable Max L. Friedersdorf
Chairman
Federal Election Commission
1325 K. Street, N.W.
Washington, D. C. 20463

Dear Mr. Chairman:

Please consider this our committee's preliminary response to MUR 1257. This is based upon my review of the initial complaint and some of its "back-up."

As you know from your consideration of this "back-up", it is voluminous (hundreds of pages of xeroxed clippings from the press, FEC registration statements and other documents) and it is irrelevant. This irrelevance is further compounded by the fact that the complaint appears to lack any legal theory or factual coherence. Thus, while a full review of the complaint's appendix would take several months, I feel the Commission may quickly dispose of this matter on the basic legal issues.

If I may characterize complainants' best position, it is:

1. Ronald Reagan's campaign is run by Republicans.
2. Most publicly announced independent expenditure efforts are run by Republicans.
3. Some of these Republicans know each other. Some even once worked together in the Nixon Administration or knew someone who did.
4. Therefore, they will probably violate the law by coordinating their efforts, or at least they will watch Walter Cronkite or TV and coordinate their efforts with him or with his account of the Reagan campaign's strategy.

80 JUL 25 A10:36

Reagan for President – United States Senator Paul Laxalt, Chairman; Bay Buchanan, Treasurer.
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

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RECEIVED

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While this theory may be somewhat humorous, it is hardly funny when a President of the United States is asking that the FEC impose a prior restraint upon his rival candidate's ability to speak and campaign.

For the record, the Reagan campaign stands ready to cooperate with the Commission in the enforcement of the law and this inquiry. The Reagan campaign intends to have and believes it has had no cooperation with any independent expenditure effort on Governor Reagan's behalf. The Reagan-Bush campaign is committed to both the letter and the spirit of the law. We believe that this mass of unfocused material fails to provide the Commission with reason to believe that a violation has been, or is about to be, committed and must be dismissed without further action. If the FEC takes a different position I would welcome and expect the opportunity to respond.

Yours truly,

Loren A. Smith

Loren A. Smith
Chief Counsel
Reagan-Bush Committee

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RECEIVED

'80 JUL 24 PM 4:30

# REAGAN for PRESIDENT

901 South Highland Street
Arlington, Virginia 22204
(703) 685-3400

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Reagan for President – United States Senator Paul Laxalt, Chairman. Bay Buchanan, Treasurer.
A copy of our reports filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

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RECEIVED

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Loren A. Smith

Loren A. Smith
Chief Counsel
Reagan-Bush Committee

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# REAGAN for PRESIDENT

901 South Highland Street
Arlington, Virginia 22204
(703) 685-3400

July 24, 1980

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Chairman
Federal Election Commission
1325 K. Street, N.W.
Washington, D. C. 20463

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Reagan for President – United States Senator Paul Laxalt, Chairman. Bay Buchanan, Treasurer.
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

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Yours truly,

Loren A. Smith

Loren A. Smith
Chief Counsel
Reagan-Bush Committee

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REAGAN for PRESIDENT
901 South Highland Street
Arlington, Virginia 22204

OGC

8304042422

The Honorable Max L. Friedersdorf
Chairman
Federal Election Commission
1325 K. Street, N.W.
Washington, D. C. 20463

RECEIVED
'80 JUL 24 PM 4:29

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

ACKNOWLEDGEMENT OF RECEIPT

This is to acknowledge receipt of a letter from the Federal Election Commission addressed to:

Loren Smith
General Counsel
Reagan for President Committee
901 S. Highland Street
Arlington, Virginia

July 16, 1980
Date of receipt

Justin E. Marks
Signature of recipient

On behalf of:
Loren Smith

8304042428

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Thomas D. Barr
One Chase Manhattan Plaza
New York, N.Y. 10005

RE: Complaint of Carter-Mondale Presidential Committee, Inc. v. Ronald Reagan, et al (filed July 2, 1980)

Dear Mr. Barr:

The Commission has voted to deny your request, on behalf of complainant Carter-Mondale Presidential Committee ("C-M"), for expedited investigation of the above-referenced matter and to schedule a hearing with respondents' counsel in order to implement such expedited discovery. The application of 2 U.S.C. § 437g(a)(1) to this matter requires that the respondents alleged in your complaint to have committed a violation of the Federal Election Campaign Act ("FECA") be provided 15 days in which to demonstrate that no action should be taken against them, prior to a Commission determination of reason to believe that such a violation occurred. The Commission has determined that only if a finding of "reason to believe" is made will the Commission proceed with an investigation of the alleged violation. See 2 U.S.C. § 437g(a)(2). Thus, the Commission believes it inappropriate at this time to grant the expedited investigation schedule that C-M has requested. Of course, should the Commission determine, after the appropriate statutory period, that based on the C-M complaint there is reason to believe a violation of FECA occurred, it will proceed with an investigation, and such appropriate relief, as quickly as is possible without denying respondents any due process rights to which they may be entitled.

The Commission has determined, however, that under 26 U.S.C. § 9011(b) it will file an action in the district court seeking declaratory relief to the effect that 26 U.S.C. § 9012(f) does

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apply to "independent expenditure committees" and that, as applied, that provision is constitutional. This action will not deal with the question of whether the defendants are in fact independent expenditure committees as opposed to committees connected to Ronald Reagan. That essentially factual issue will be dealt with by the Commission in the normal course of its investigative and enforcement proceedings.

The Commission has also voted to deny the C-M request to make the investigation of this matter, should one be undertaken, public. 2 U.S.C. § 437g(a)(12) expressly forbids the Commission from making such investigation public, absent the written consent of the respondent(s) permitting the Commission to do so. No exceptions to this confidentiality rule are provided in FECA.

The Commission appreciates your concern that this matter be resolved as soon as possible, and continues to welcome any information or other aid the Carter-Mondale Committee can provide. If you should have any questions concerning the procedures followed by the Commission in reviewing a complaint, or with respect to the foregoing information, please call Marsha Gentner or Patricia F. Bak, the attorneys assigned to this matter, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock
John C. White

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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One Chase Manhattan Plaza
New York, N.Y. 10005

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Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock
John C. White

MGG
7/9/80

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1930

HAND DELIVERED

William Brock
Chairman
The Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

Dear Mr. Brock:

Enclosed is a copy of the letter the Federal Election Commission today directed be sent to counsel for the Carter-Mondale Presidential Committee, Inc.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1980

HAND DELIVERED

Loren Smith
General Counsel
Reagan for President
901 South Highland Street
Arlington, Virginia 22204

Dear Mr. Smith:

Enclosed is a copy of the letter the Federal Election Commission today directed be sent to counsel for the Carter-Mondale Presidential Committee, Inc.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1980

HAND DELIVERED

John C. White, Chairman
The Democratic National Committee
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Mr. White:

Enclosed is a copy of the letter the Federal Election Commission today directed be sent to counsel for the Carter-Mondale Presidential Committee, Inc.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

33040424290

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1980

FEDERAL EXPRESS

Ronald Reagan
Rancho del Cielo
El Refugio Road
Santa Barbara, California

Dear Mr. Reagan:

Enclosed is a copy of the letter the Federal Election Commission today directed be sent to counsel for the Carter-Mondale Presidential Committee, Inc.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

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OGC GCC #1896


Pierson, Ball & Dowd
1000 Ring Building
1200 18th Street, N.W.
Washington, D.C. 20036
TEL.(202) 331-8566
CABLE ADDRESS "PIERBALL"


MUR 1252


W. THEODORE PIERSON
HAROLD DAVID COHEN
WILLIAM F. WETMORE, JR.
WILLIAM A. GEOGHEGAN
DAVID MACHANIC
WILLIAM S. GREEN
J. LAURENT SCHARFF
FRANCIS T. COLEMAN
WILLIAM S. D'ANICO
BRIAN A. JOHNSON
FREDERIC T. SPINDEL
GORDON W. HATHEWAY, JR.
MARK J. TAUBER
JOHN J. DUFFY
RICHARD M. SINGER
JOEL M. HANNE
JACK N. GOODMAN
VAUGHN W. ROYAL
MICHAEL F. MARINO III
JERALD N. FRITZ
LAWRENCE E. CARR III
JAMES K. JACKSON
KARL W. SONNEMAN
* NOT A MEMBER OF D. C. BAR

HARRISON T. SLAUGHTER
DEAN BURCH
ROBERT B. YORTY
WILLIAM D. BITTMAN
PETER D. O'CONNELL
VIRGINIA LEE RILEY
W. THEODORE PIERSON, JR.
JAMES J. FREEMAN
THOMAS C. FOX
WILLIAM H. FITZ
STEPHAN E. LAWTON
GEORGE R. CLARK
JOHN R. ERICKSON
MICHAEL MINNIS *
NORMAN L. EULE
T. TIMOTHY RYAN, JR.
BENJAMIN J. GRIFFIN
BENJAMIN F. P. IVINS
MAURICE BASKIN
ELIZABETH B. CARDER
E. MICHAEL FLANAGAN
LINDA A. SCHNEIDER

OKLAHOMA OFFICE
CITY NATIONAL BANK TOWER
SUITE 750
OKLAHOMA CITY, OKLA. 73102
TEL. (405) 235-7686

COUNSEL
THOMAS N. DOWD
ROBERT B. HANKINS

LOWELL J. BRADFORD
RETIRED (1980)


July 7, 1980


RECEIVED
GENERAL COUNSEL
80 JUL 10 P4:15


Mr. Max L. Friedersdorf, Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: Carter/Mondale Committee Complaint

Dear Mr. Chairman:

The purpose of this letter is to inform you that we represent Mr. Stuart Spencer of Newport Beach, California. It is our understanding that Mr. Spencer has been named in a complaint filed by the Carter/Mondale Committee and the Democratic National Committee.

Mr. Spencer has advised us that he is not an officer or participant in any independent activity supporting the candidacy of Gov. Ronald Reagan. In particular, Mr. Spencer has advised us that on June 22, 1980 he notified an officer of the Committee for an Effective Presidency, Mr. Peter Flanigan of New York City, that he had made a final decision not to participate in any independent activity during this upcoming general election. Accordingly, any factual allegation set forth in the Carter/Mondale complaint regarding Mr. Spencer's independent activity is clearly erroneous.

We would appreciate all future correspondence regarding Mr. Spencer's involvement in alleged independent activity be through the undersigned. If you have any questions with regard to this letter, please feel free to contact me at your convenience.

Sincerely,

PIERSON, BALL & DOWD

Timothy Ryan

T. Timothy Ryan, Jr.

TTR:jmb
cc: Charles N. Steele, Esq.
Mr. Stuart Spencer


9304042292

Pierson, Ball & Dowd
1200 18th Street, N.W.
Washington, D.C. 20036

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Mr. Max L. Friedersdorf
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

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Pierson, Ball & Dowd
1000 Ring Building
1200 18th Street, N.W.
Washington, D.C. 20036

MUR 1252

TEL. (202) 331-8566
CABLE ADDRESS "PIERBALL"

OKLAHOMA OFFICE
CITY NATIONAL BANK TOWER
SUITE 780
OKLAHOMA CITY, OKLA. 73102
TEL. (405) 235-7666

COUNSEL
THOMAS N. DOWD
ROBERT S. HANKINS

LOWELL J. BRADFORD
RETIRED (1980)



W. THEODORE PIERSON
HAROLD DAVID COHEN
WILLIAM F. WETMORE, JR.
WILLIAM A. GEOGHEGAN
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LINDA A. SCHNEIDER

* NOT A MEMBER OF D. C. BAR


July 7, 1980

Mr. Max L. Friedersdorf, Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

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Sincerely,

PIERSON, BALL & DOWD

T. Timothy Ryan, Jr.

TTR:jmb
cc: Charles N. Steele, Esq.
Mr. Stuart Spencer

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Pierson, Ball & Dowd
1200 18th Street, N.W.
Washington, D.C. 20036

WASHINGTON, DC 20
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1980

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D.C.
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Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

830 042425

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ronald Reagan
Rancho del Cielo
El Refugio Road
Santa Barbara, California

Re: MUR 1252

Dear Mr. Reagan:

This letter is to notify you that on July 2, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") and Chapter 95 of Title 26, U.S. Code. We have numbered this matter MUR 1252. Please refer to this number in all future correspondence.

A copy of the complaint is enclosed. We understand that complainant hand delivered a copy of the complaint including exhibits to you on July 2, 1980. Therefore, we have not enclosed a copy of these extensive exhibits to the complaint. However, if you would like another copy of the exhibits, we would, of course, provide it upon request.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against your Committee in connection with this matter. Your response 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.

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.

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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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

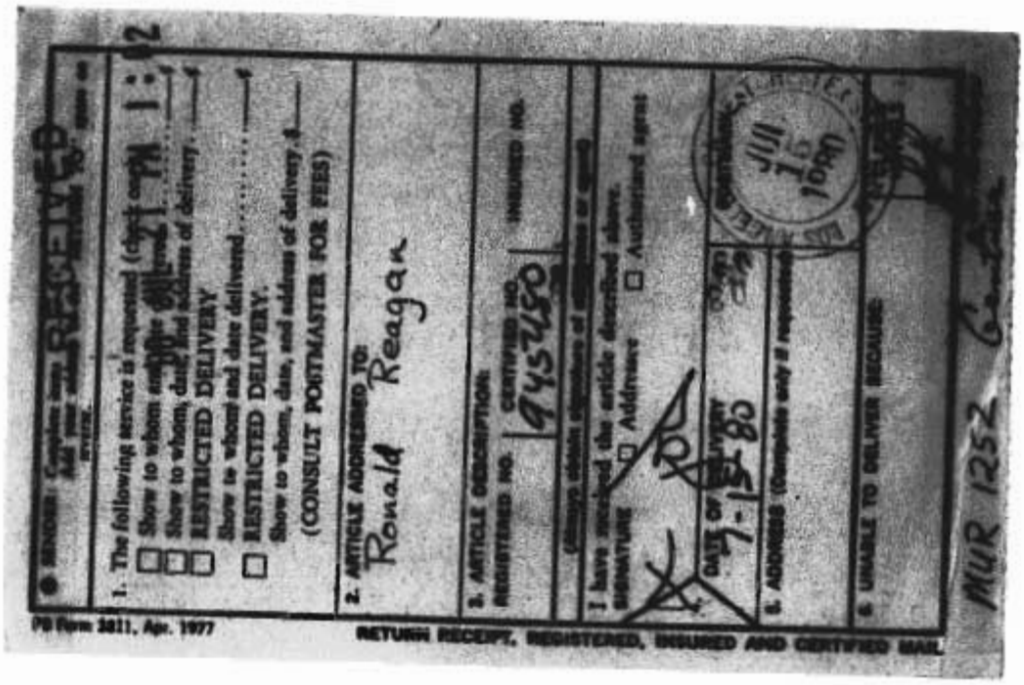
If you have any questions, please contact Marsha Gentner, the attorney assigned to this matter, at (202) 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosures

1. Complaint
2. Procedures

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file

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Loren Smith
General Counsel
Reagan for President
901 South Highland Street
Arlington, Virginia 22204

Re: MUR 1252

Dear Mr. Smith:

This letter is to notify you that on July 2, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") and Chapter 95 of Title 26, U.S. Code. We have numbered this matter MUR 1252. Please refer to this number in all future correspondence.

A copy of the complaint is enclosed. We understand that complainant hand delivered a copy of the complaint including exhibits to you on July 2, 1980. Therefore, we have not enclosed a copy of these extensive exhibits to the complaint. However, if you would like another copy of the exhibits, we would, of course, provide it upon request.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against your Committee in connection with this matter. Your response 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.

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.

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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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

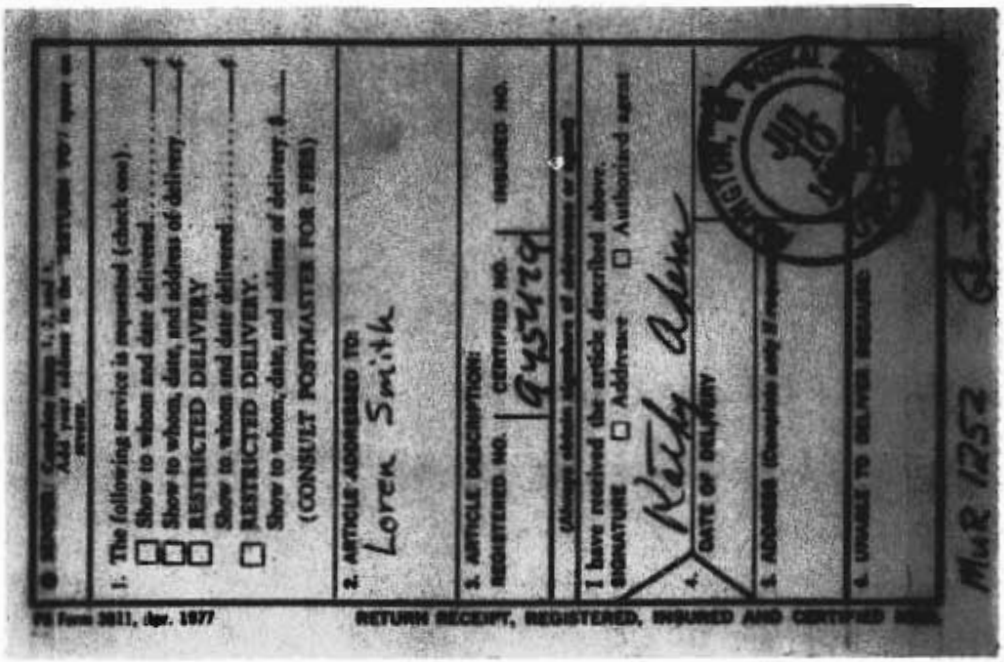
If you have any questions, please contact Marsha Gentner, the attorney assigned to this matter, at (202) 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosures

1. Complaint
2. Procedures



II5

FEDERAL ELECTION COMMISSION

Memorandum to Charles N. Steele

from Thomas J. Whitehead

Anne A. Weissenborn

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ____ | (1) Classified Information | ____ | (6) Personal privacy |
| ____ | (2) Internal rules and practices | ____ | (7) Investigatory files |
| ____ | (3) Exempted by other statute | ____ | (8) Banking Information |
| ____ | (4) Trade secrets and commercial or financial information | ____ | (9) Well Information (geographic or geophysical) |
| X | (5) Internal Documents | | |

Signed Anne A. Weissenborn

Date 6/20/83

FEC 9-21-77

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#5

FEDERAL ELECTION COMMISSION

Routing cards

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ____ | (1) Classified Information | ____ | (6) Personal privacy |
| ____ | (2) Internal rules and practices | ____ | (7) Investigatory files |
| ____ | (3) Exempted by other statute | ____ | (8) Banking Information |
| ____ | (4) Trade secrets and commercial or financial information | ____ | (9) Well Information (geographic or geophysical) |
| X | (5) Internal Documents | | |

Signed Anne R. Weissenborn

Date 6/22/83

FEC 9-21-77

83040424301

HAND DELIVERED

20774

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N.Y. 10549
(914) 666-2750

July 28, 1982

Mr. Charles Steele
General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 1252/1299

Dear Mr. Steele:

Please find attached Arthur Finkelstein's responses to your questions. The numbers correspond to the FEC's questions.

Thank you for giving Mr. Finkelstein an extension.

Sincerely,

Ronald W. Finkelstein

RWF:dhd

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HAND DELIVERED

RECEIVED
Cat # 82-27
82 AUG 5 P1:31

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N.Y. 10549
(914) 666-2750

AUG 5 P3:56

FEDERAL ELECTION COMMISSION
July 28, 1982

RE: MUR 1252/1299

1a. I was not called often - And I can't recall each call, but I received calls by and large from people with the Committee who know me from previous campaigns and not necessarily campaign related. Among calls that were related, were calls from Elizabeth Doyle in New York State, Frank Donatelli, the Mid-West Coordinator, and the New Hampshire State Chairman Senator Gordon Humphrey.

b. During normal business hours.

c. Frank Donatelli asked me if I would speak in Wisconsin. Elizabeth Doyle asked me if I thought Reagan would win. Senator Humphrey asked me what Ronald Reagan should do after the Iowa loss.

d. I wasn't engaged in strategy with anyone by phone other than New Hampshire. In New Hampshire I suggested that Governor Reagan should go on television and speak out strongly on conservative principles.

e. I have no reason to believe any specific action was taken on my advice.

2a. I went to New Hampshire to look at their campaign plan and make suggested changes. I made none other than they should buy television time for older voters.

I met with Bob Monier and others I don't recall.

b. None. I looked at the Reagan announcement speech before he gave it. I went to Los Angeles to see the speech - I read it in my hotel room. The speech was left in an envelope with a secretary.

c. Reagan volunteers. Topic - Why Reagan would win.

3. I played no role in the utilization of the F.C.M. survey.

Arthur J. Finkelstein

8-4-82
Date

Dion P. Hoey
Sworn to Notary

DION P. HOEY
NOTARY PUBLIC, State of New York
No. 4743224
Qualified in Nassau County
Commission Expires March 30, 1983

8 3 0 4 0 4 2 4 3 0 3

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

REQUEST FOR ANSWERS TO ADDITIONAL WRITTEN QUESTIONS

TO: Arthur J. Finkelstein
Arthur J. Finkelstein and Associates
117 Smith Avenue
Mount Kisco, New York 10549

Arthur J. Finkelstein is asked to submit responses in writing and under oath to the interrogatories propounded herein to the Federal Election Commission within ten days of receipt of this request.

1. In sub-section A, paragraph 3 of your July 1, 1982 response to question A of the Commission's Request for Answers to Written Questions, dated June 5, 1982, you indicated that between September, 1979 and February 28, 1980, you were involved in "occasional phone conversations concerning strategy" in connection with your work for the Reagan for President Committee for which you received compensation in February, March and April, 1982. Please answer the following questions with regard to these conversations:

   a. With which individual or individuals at the Reagan for President Committee were the conversations conducted?

   b. When did these conversations take place?

   c. What particular element(s) of strategy was discussed during each conversation?

   d. What was the strategy discussed? In particular, did the strategy discussed involve campaigns in certain specific states? If so, which states?

   e. To your knowledge, was any action taken as a result of these strategy discussions? If so, what action?

2. In sub-section A, paragraph 5 of your July 1, 1982 response, you also cite "three or so days of work" for the Reagan for President Committee in New Hampshire, California and a one hour speech in Wisconsin. Please answer the following questions with regard to these assignments.

   a. What was the specific nature of your work for the Reagan for President Committee in New Hampshire?

   Who served as your contact(s) within the Reagan for President Committee regarding this assignment in New Hampshire?

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b. What was the specific nature of your work for the Reagan for President Committee in California? More I went to LA. to have moved speech

Who served as your contact(s) within the Reagan for President Committee regarding this assignment in California? John Sears

c. Before what organization or group did you speak in Wisconsin on behalf of the Reagan for President Committee? A luncheon w/ Lee Kelly

What was the topic of this speech? A pep talk why he was going to win

3. Sub-section C, paragraph 5 of your response could be read as stating that you personally played a role in using the results of the survey in Wisconsin which your organization undertook for FCM. Is that a correct interpretation? If not, please clarify the meaning of your response.

No

3304042305

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, New York 10549

RECEIVED

82 AUG 5 P1:31

Mr. Charles Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

MUR 1252/1299

8304042306

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1982

Arthur J. Finkelstein
Arthur J. Finkelstein and
Associates
117 Smith Avenue
Mount Kisco, New York 10549

RE: MUR 1252/1299

Dear Mr. Finkelstein:

Your responses of July 1, 1982, to interrogatories submitted by this Office on June 9, 1982, have been received. We appreciate your cooperation in the investigation involved in MUR 1252/1299.

Because your answer to question A lacks specificity, and the answer to question C is unclear, it is necessary that we obtain further information. Therefore, you will find enclosed a series of additional questions to which we ask you to respond.

Thank you for your continued cooperation.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosure

8304042437

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

REQUEST FOR ANSWERS TO ADDITIONAL WRITTEN QUESTIONS

TO: Arthur J. Finkelstein
Arthur J. Finkelstein and Associates
117 Smith Avenue
Mount Kisco, New York 10549

Arthur J. Finkelstein is asked to submit responses in writing and under oath to the interrogatories propounded herein to the Federal Election Commission within ten days of receipt of this request.

1. In sub-section A, paragraph 3 of your July 1, 1982 response to question A of the Commission's Request for Answers to Written Questions, dated June 5, 1982, you indicated that between September, 1979 and February 28, 1980, you were involved in "occasional phone conversations concerning strategy" in connection with your work for the Reagan for President Committee for which you received compensation in February, March and April, 1982. Please answer the following questions with regard to these conversations:

   a. With which individual or individuals at the Reagan for President Committee were the conversations conducted?

   b. When did these conversations take place?

   c. What particular element(s) of strategy was discussed during each conversation?

   d. What was the strategy discussed? In particular, did the strategy discussed involve campaigns in certain specific states? If so, which states?

   e. To your knowledge, was any action taken as a result of these strategy discussions? If so, what action?

2. In sub-section A, paragraph 5 of your July 1, 1982 response, you also cite "three or so days of work" for the Reagan for President Committee in New Hampshire, California and a one hour speech in Wisconsin. Please answer the following questions with regard to these assignments.

   a. What was the specific nature of your work for the Reagan for President Committee in New Hampshire?

   Who served as your contact(s) within the Reagan for President Committee regarding this assignment in New Hampshire?

83040424308

b. What was the specific nature of your work for the Reagan for President Committee in California?

Who served as your contact(s) within the Reagan for President Committee regarding this assignment in California?

c. Before what organization or group did you speak in Wisconsin on behalf of the Reagan for President Committee?

What was the topic of this speech?

3. Sub-section C, paragraph 5 of your response could be read as stating that you personally played a role in using the results of the survey in Wisconsin which your organization undertook for FCM. Is that a correct interpretation? If not, please clarify the meaning of your response.

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201985 GCC# 8067

HAND DELIVERED

Arthur J. Finkelstein & Associates
117 Smith Avenue
Mount Kisco, N.Y. 10549
(914) 666-2750

82 JUL 6 P4:25

DATE: July 1, 1982

TO: Federal Election Commission

FROM: Arthur J. Finkelstein & Associates, Inc.

RE: MUR 1252/1299

A. Between September, 1979 and February 28, 1980 I was retained as a consultant by the Reagan for President Committee, but was not utilized extensively. During this period the total scope of services were:

1. Reviewed Ronald Reagan's announcement speech.
2. Conducted Iowa statewide survey, 600 interviews prior to January delegate caucuses. All services were terminated as of February 28, 1980.
3. During the time period mentioned, occassional phone conversations concerning strategy - Plus perhaps three or so days of work: One in New Hampshire, one in California, and one hour speech in Wisconsin.
4. I did not, nor did anyone at A.J.F. & Associates, Inc., have any further contact with any representative with the Ronald Reagan for President Committee.

B. No

C. Conducted statewide Wisconsin survey, 600 interviews, in March, 1980 and gave report.

No, I did not nor did anyone else to my knowledge at A.J.F. & Associates, Inc. suggest that the Fund for a Conservative Majority pay for an opinion survey in Wisconsin in March, 1980. Ralph Galliano, former executive director of F.C.M., came to us with the idea to "piggy-back" questions on a survey originally planned for our client Doug Cofrin, United States candidate for Senate.

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In the formulation of questions to be asked during the March, 1980 survey in Wisconsin paid for by F.C.M., we wrote the questions. Submitted them to F.C.M. in draft form. They made changes and returned the final draft to us.

I never informed representatives of F.C.M. of information concerning the Reagan for President Committee's strategy or any other matters. No such information was used in the formulation of questions to be used in the March, 1980 survey in Wisconsin by F.C.M.

I, nor any other representative of Arthur J. Finkelstein & Associates, Inc., played a role in the utilization by F.C.M. of the information derived from the March, 1980 survey in Wisconsin.

D. The nature of work done by representatives of Arthur J. Finkelstein & Associates, Inc. and myself for the National Conservative Political Action Committee included surveys for which our firm was compensated and voluntarily speaking at NCPAC campaign schools without compensation.

The payment of $2,000 on May 9, 1980 was made for a survey of the Fifth Missouri Congressional District. This survey was designed to probe the feasibility of defeating Congressman Richard Bolling.

The payment of $10,700 on November 13, 1980 was made for a statewide survey of Iowa. This survey was designed to probe the feasibility of defeating Senator John Culver.

300 interviews and 500 interviews were the sample sizes for the 5th Missouri C.D. and Iowa surveys, respectively. Interviews were conducted randomly within predetermined election units of registered voters.

In the formulation of questions to be asked in these surveys paid for by NCPAC, we wrote the questions. Submitted them to NCPAC in draft form. NCPAC made the changes they desired.

I never informed representatives of NCPAC of information concerning the Reagan for President Committee's, or the Reagan/Bush Committee's strategy, priorities or concerns. No such information was used in the formulation of questions to be used in these surveys. Nor was I aware, other than through normal news channels, of the Reagan or Reagan/Bush strategies.

Arthur J. Finkelstein — Date: 6-30-82

Sworn to Notary Dion P. Hoey

DION P. HOEY
NOTARY PUBLIC, State of New York
No. 4743224
Qualified in Nassau County
Commission Expires March 30, 1983

83040424311

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 9, 1982

Arthur J. Finkelstein
Arthur J. Finkelstein and
Associates
117 Smith Avenue
Mount Kisco, New York 10549

RE: Matter Under Review
(MUR) 1252/1299

Dear Mr. Finkelstein:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, you will find enclosed a series of questions to which we ask you to respond concerning your activities on behalf of the Reagan for President Committee, the Reagan/Bush Committee, the Fund for a Conservative Majority, and the National Conservative Political Committee during 1979 and 1980.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the persons or committees with respect to whom the investigation is being carried out.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions.

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If you have any questions, please direct them to Anne A. Weissenborn, the attorney handling this matter, at (202) 523-4175.

Thank you for your cooperation.

Sincerely,

Charles N. Steele
General Counsel

83040424313

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

Request for Answers to Written Questions

TO: Arthur J. Finkelstein
Arthur J. Finkelstein and Associates
117 Smith Avenue
Mount Kisco, New York 10549

RE: MUR 1252/1299

Arthur J. Finkelstein is asked to submit responses in writing and under oath to the interrogatories propounded herein to the Federal Election Commission within ten days of receipt of this request.

Please answer the following interrogatories:

A. Describe the nature of your work as a political consultant for the Reagan for President Committee between March, 1979 and July 15, 1980.

Describe in detail the specific services and activities which you performed in connection with your work for the Reagan for President Committee for which you received compensation in February, March and April, 1980. What was the date of your final assignment as a consultant for this Committee?

Did you maintain contacts with representatives of the Reagan for President Committee after completion of your final assignment and through the remainder of 1980? If so, with whom did you remain in contact?

B. Did you ever serve as a consultant for the Reagan/Bush Committee? If so, please describe your responsibilities in this regard.

C. Describe the nature of your work, and that of other representatives of Arthur J. Finkelstein and Associates, for the Fund for a Conservative Majority ("FCM") in 1979 and 1980?

Did you, or anyone else at your firm, suggest that FCM pay for an opinion survey in Wisconsin in March, 1980? If your answer is yes, please describe the circumstances that led to this suggestion. If your answer is no, please state who originated the idea for such a survey?

Please describe your role, and the roles of others at Arthur J. Finkelstein and Associates, in the formulation of questions to be asked during the March, 1980 survey in Wisconsin paid for by FCM?

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Did you ever inform representatives of FCM of information concerning the Reagan for President Committee's strategy, priorities or concerns which was gleaned as a result of your work as a consultant for the latter committee?

Did you use any such information in the formulation of questions to be used in the March, 1980 survey in Wisconsin by FCM? If your answer is yes, please specify the information used.

Please describe your role, or that of other representatives of Arthur J. Finkelstein, in the utilization by FCM of information derived from the March, 1980 survey in Wisconsin conducted by your firm for FCM.

D. Please describe the nature of your work, and that of other representatives of Arthur J. Finkelstein and Associates, for the National Conservative Political Action Committee ("NCPAC") in 1979 and 1980.

Please summarize the content of the surveys undertaken by Arthur J. Finkelstein and Associates for NCPAC for which payments of $2,000 and $10,700 were made on May 9, 1980 and November 13, 1980, respectively.

What were the populations targeted by these surveys?

Please describe your role, and the roles of others at Arthur J. Finkelstein and Associates, in the formulation of questions to be asked during these NCPAC surveys.

Did you ever inform representatives of NCPAC of information concerning the Reagan for President Committee's, or the Reagan/Bush Committee's, strategy, priorities or concerns which was gleaned as a result of your work as a consultant for an authorized Reagan committee?

Did you use any such information in the formulation of questions to be used in the voter surveys paid for by NCPAC on May 9, 1980 and November 13, 1980?

83040424315

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 7, 1982

Edward L. Weidenfeld, Esquire
McKenna, Conner and Cuneo
1575 Eye Street, N.W.
Washington, D.C. 20005

RE: Outstanding Matters Involving the Reagan for President Committee and the Reagan/Bush Committee

Dear Mr. Weidenfeld:

On May 6, 1982, during a telephone conversation with Anne Weissenborn of this Office, you requested a complete listing of all open matters under review involving the Reagan for President Committee and the Reagan/Bush Committee. These matters are as follows:

| | |
|---|---|
| MUR 950 | Reagan for President |
| MUR 1142/1255 | Reagan for President |
| MUR 1252 | Reagan for President and Reagan/Bush |
| MUR 1349 | Reagan for President |
| MUR 1360 | Reagan for President |
| MUR 1401 | Reagan/Bush |

It is in the mutual interest of both the Commission and your clients to resolve these matters in the near future. We look forward to meeting with you shortly in order to pursue conciliation as to as many of these matters as possible.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

8304042316

Cc# 6034

# Milton Reporting, Inc.

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
M.M. Hope
Treasurer

General Stenotype Reporting
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

2 JAN 7 P4:03

January 7, 1982

Anne Weissenborn, Esq.
Federal Election Commission
1325 K Street, N.W.-7th Floor
Washington, D.C.

Re: Americans For Change, et al.
Case No. MUR-1252
Deposition of E. Michael Lawrence
November 17, 1981

8304042431 7

Dear Ms Weissenborn:

The deponent has been notified by letter dated November 30, 1981 of the availability of the original copy of the above referenced deposition for reading and signing in our office.

As of this date, we have not heard from the deponent requesting an extension of time nor indicating a desire to read and sign the transcript. Therefore, the original copy (unsigned) is being forwarded to ~~XXXXXXXXXXXXXXXXXXXXXXXX~~ your office for filing.

Sincerely,

Fred R. Joyce,
General Mgr.

cc:
file
court

**Milton Reporting, Inc.**

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
M.M. Hope
Treasurer

General Stenotype Reporting
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

November 30, 1981

E. Michael Lawrence
Regional Vice President
Wiland & Associates Inc.
P. O. Box 5445
Fredericksburg, Virginia 22401

Dear Mr. Lawrence:

On behalf of counsel who took your deposition on November 17, 1981, you are hereby notified that the transcript of your deposition is now ready and available at the above address for reading and signing, as requested by you.

If by December 31, 1981, we have not received any request for extension of time or otherwise heard from you, it will be assumed that reading and signing are no longer desired, and the deposition will be filed.

Please contact Mr. Fred Joyce when you come to the office for directions on the procedure and rules for making any changes.

Sincerely,

Sandra Vinson

Sandra Vinson
Reporter/Notary

cc: Ms. Weissenborn, file.

9304024316

Ccc# 6035

# Milton Reporting, Inc.

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
M.M. Hope
Treasurer

*General Stenotype Reporting*
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

January 7, 1982

Anne Weissenborn, Esq.
Federal Election Commission
1325 K Street, N.W.-Suite 700
Washington,D.C. 20463

re: Americans for Change, et al.
MUR 1252 - Deposition of Thomas Mitchell

Dear Ms Weissenborn:

Enclosed herewith is the original (unsigned) copy of the deposition of Mr. Thomas Mitchell. Mr. Mitchell was notified via letter dated October 22, 1981 of the availability of his deposition for reading and signing. As of this date, we have not heard from him, therefore, we are forwarding to your office for filing.

Sincerely,

Fred R. Joyce,
General Mgr.

cc:
file

83040424319

2 JAN 7 P4:03

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**Milton Reporting, Inc.**

*General Stenotype Reporting*

(Notary Public D.C. - Virginia - Maryland)

1601 CONNECTICUT AVENUE N.W. SUITE #301

WASHINGTON, D.C. 20009

833-3598

Official Transcript

Ann Weissenborn, Esq.
Federal ElectionCommission
1325 K Street, N.W. - 7th Floor
Washington,D.C.

ORIGINAL FOR FILING

Bcc# 5995

# Milton Reporting, Inc.

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
Y. Deutschman
Treasurer

*General Stenotype Reporting*
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

1 DEC 30 AM 11:37

December 22, 1981

George P. McDonnell
413 Green Street
Alexandria, Virginia 22314

Re: Federal Election Case In the Matter of Americans for Change, et al.

Dear McDonnell:

On behalf of counsel who took your deposition on December 9, 1981 you are hereby notified that the transcript of your deposition is now ready and available at the above address for reading and signing as requested by you.

Kindly let the undersigned know when you will be in.

If it is not convenient for you to come to our offices, we would suggest you read counsel's carbon copy, prepare an errata sheet, sign the errata sheet before a notary public, return it to our office and we will attach it to the court copy of the transcript and proceed to file it with the court.

If by **January 29, 1982,** we have not received any request for extension of time or otherwise heard from you, it will be assumed that reading and signing are no longer desired, and the deposition will be filed.

Very sincerely yours,

MILTON REPORTING, INC.

Lu Anne Dawson

Reporter/Notary
Lu Anne Dawson

cc:
file
Federal Election Commission

83040043211

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MILTON REPORTING, INC.

[redacted]

Official Reporters

[redacted]

Official Transcript

Anne Weissenborn, Esq.
Attorney, FEC
Seventh Floor
1325 K Street, N. W.
Washington, D. C.

[redacted] ONE COPY

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. George McDonald
Diversified Direct, Inc.
413 Green Street
Alexandria, Virginia 22314

RE: MUR 1252/1299

Dear Mr. McDonald:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony on December 9, 1981, at 3:00 p.m. has been issued. The Commission does not consider you a respondent in this matter, but rather a witness only.

The subject matter of the deposition will deal primarily with the nature and operation of your business and with your relationships with the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club (now the Congressional Club), the Reagan for President Committee and the Reagan Bush Committee during the 1979-80 election cycle.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of your attorney prior to the date of the deposition.

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Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00 plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

If you are unable to appear on the above date, please contact Anne A. Weissenborn at (202) 523-4175.

Sincerely,

Charles N. Steele
General Counsel

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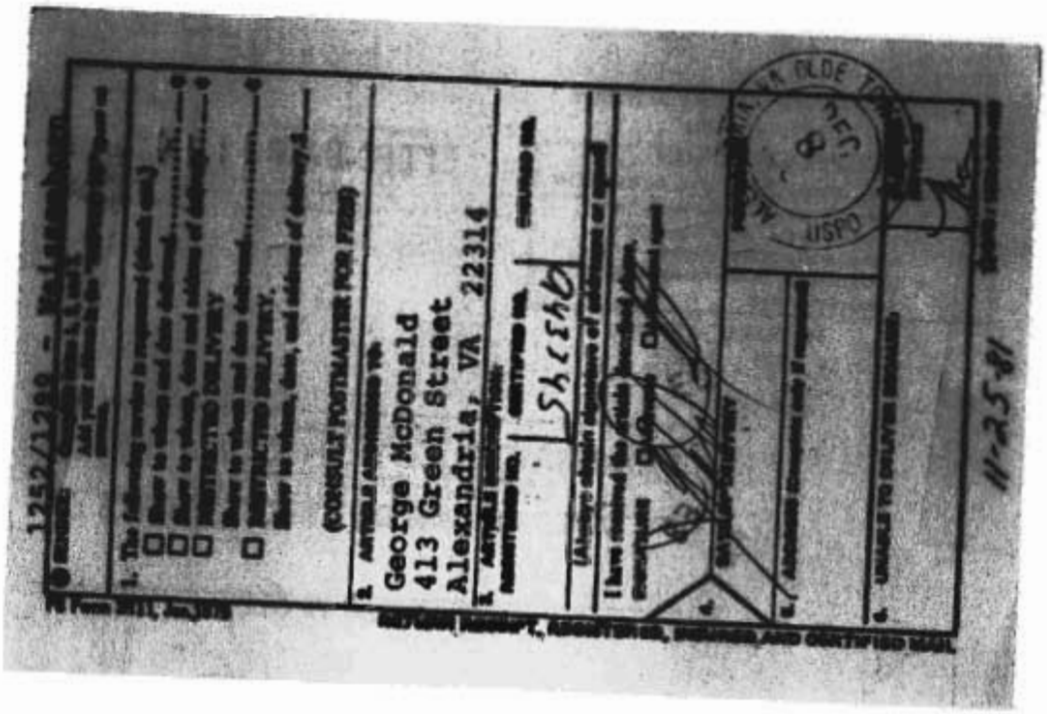

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | MUR 1252/1299 |
| Republican National Committee | ) | |
| Americans for Change | ) | |
| Congressional Club | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

George McDonald
Diversified Direct, Inc.
413 Green Street
Alexandria, Virginia 22314

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition as a representative of Diversified Direct, Inc., with regard to the Commission's investigation of MUR 1252/1299 relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition will be concerned with any contracts or other agreements entered into with the Reagan for President Committee, the Reagan-Bush Committee, the Fund for a Conservative Majority, the National Conservative Political Action Committee, and the North Carolina Congressional Club (now The Congressional Club) for services rendered between January 1, 1980 and November 4, 1980, as well as the details of the particular expenditures made to Diversified Direct, Inc., by the above-listed committees between January 1, 1980 and January 1, 1981.

9304042432

The deposition shall take place at 3:00 a.m., Wednesday, December 9, 1981, at the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C.

WHEREAS, the Chairman of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 20th day of November, 1981.

John Warren McGarry

John Warren McGarry

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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Acc# 5875

**Milton Reporting, Inc.**

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
M.M. Hope
Treasurer

*General Stenotype Reporting*
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

November 30, 1981

E. Michael Lawrence
Regional Vice President
Wiland & Associates Inc.
P. O. Box 5445
Fredericksburg, Virginia 22401

Dear Mr. Lawrence:

On behalf of counsel who took your deposition on November 17, 1981, you are hereby notified that the transcript of your deposition is now ready and available at the above address for reading and signing, as requested by you.

If by December 31, 1981, we have not received any request for extension of time or otherwise heard from you, it will be assumed that reading and signing are no longer desired, and the deposition will be filed.

Please contact Mr. Fred Joyce when you come to the office for directions on the procedure and rules for making any changes.

Sincerely,

Sandra Vinson

Sandra Vinson
Reporter/Notary

cc: Ms. Weissenborn, file.

DEC 1 All: 45

8304024327

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/JODY CUSTER

DATE: NOVEMBER 16, 1981

SUBJECT: SUBPOENA RE: MUR 1252/1299

The attached subpoena, which was Commission approved in October 1980, has been signed and sealed this date.

Attachment

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#GCC#5794

81 NOV 13 PM 2:56

A search of our records does not reveal a corporation by the name of

Diversified Printing Services

Diversified Mailing Services, Inc., changed its name to Diversified Direct, Inc.

The fee for the plain copy of the other charters is $20.50.

8304043225

1252

Weissenborn

RECEIVED
NOV 13 P12:56

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1981

Ms. Edna Gaskins
State Corporation Commission
P.O. Box 1197
Richmond, Virginia 23209

Dear Ms. Gaskins:

We wish to request a copy of the articles of incorporation and of any subsequent amendments for each of the following entities:

6.00 Richard A. Viguerie Co., Inc. 159011
7777 Leesburg Pike
Falls Church, Virginia 22043

8.50 Diversified Mail Marketing, INC F27159
7777 Leesburg Pike
Falls Church, Virginia 22043

Diversified Printing Services
2936 Prosperity Avenue
Fairfax, Virginia 22031

Diversified Mailing Services, INC 197005 old name
7777 Leesburg Pike
Falls Church, Virginia 22043

3.00 Metro Printing and Mailing, Service, Inc. F26804
1200 South Sterling Blvd.
Sterling, Virginia 22170

3.00 Diversified Direct, Inc. 197005
2936 Prosperity Avenue
Fairfax, Virginia 22031

NOV 1981 STATE CORPORATION COMMISSION

3304042430

We understand that this information will be forwarded at 50 cents per page. Please inform us of the total cost involved and we will arrange for pre-payment.

Thank you for your attention to this request.

Sincerely,

Charles N. Steele
General Counsel

3 3 0 4 0 4 2 4 3 3 1

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BOX 1197, RICHMOND, VIRGINIA 23209

RECEIVED

RICHMOND VA NOV 15 1981 684262 20¢

Charles N. Steele
Federal Election Commission
Washington, DC 20463

83040424033

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1981

Ms. Edna Gaskins
State Corporation Commission
P.O. Box 1197
Richmond, Virginia 23209

MUR 1252

Dear Ms. Gaskins:

We wish to request a copy of the articles of incorporation and of any subsequent amendments for each of the following entities:

Richard A. Viguerie Co., Inc.
7777 Leesburg Pike
Falls Church, Virginia 22043

Diversified Mail Marketing
7777 Leesburg Pike
Falls Church, Virginia 22043

Diversified Printing Services
2936 Prosperity Avenue
Fairfax, Virginia 22031

Diversified Mailing Services
7777 Leesburg Pike
Falls Church, Virginia 22043

Metro Printing and Mailing
1200 South Sterling Blvd.
Sterling, Virginia 22170

Diversified Direct, Inc.
2936 Prosperity Avenue
Fairfax, Virginia 22031

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We understand that this information will be forwarded at 50 cents per page. Please inform us of the total cost involved and we will arrange for pre-payment.

Thank you for your attention to this request.

Sincerely,

Charles N. Steele
General Counsel

8304042433

ECTION COMMISSION
ON, D.C. 20463

ess
ivate Use $300

POSTAGE AND FEES PAID

U.S. MAIL

Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

RETURN TO SENDER

FORWARDING ORDER EXPIRED

CERTIFIED

94-3202C

8 3 0 4 0 4 2 4 3 3 5

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

DATE 11-12-81

TO: File

FROM: A.W

REMARKS: Resent to:

1101 International Pkwy.
Fredricksburg, VA
22403

8 3 0 4 0 4 2 4 3 3 6

9-22-81

1. The following service is requested (check one)
☐ Show to whom and date delivered
☐ Show to whom, date and address of delivery
☐ RESTRICTED DELIVERY
Show to whom and date delivered
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

Wiland and Associates
219 East Davis Street
Culpeper, Va. 22701

3. ARTICLE DESCRIPTION

REGISTERED NO. | CERTIFIED NO. | INSURED NO.

C 6 6 2 1 0

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY

5. ADDRESSEE'S ADDRESS (Only if requested)

6. UNABLE TO DELIVER BECAUSE:

1252/1299 Weisgerber

U.S. POSTAGE
PAID
CULPEPER
VA.

USE ZIP CODE

SYSTEM

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/JODY CUSTER

DATE: NOVEMBER 3, 1981

SUBJECT: SUBPOENAS RE: MUR 1252/1299

The attached subpoenas, which were Commission approved in October 1980, have been signed and sealed this date.

Attachments

8304024357

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wiland and Associates
1101 International Parkway
Fredericksburg, Virginia 22403

RE: MUR 1252/1299

Dear Sir:

The Federal Election Commission, established in April, 1971, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony on November 16, 1981, at 2:00 p.m. has been issued. The Commission does not consider you a respondent in this matter, but rather a witness only.

The subject matter of the deposition will deal primarily with the nature and operation of your business and with your relationships with the Fund for a Conservative Majority, the Reagan for President Committee and the Reagan Bush Committee during the 1979-80 election cycle.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of your attorney prior to the date of the deposition.

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Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00 plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Anne A. Weissenborn at (202) 523-4175 within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

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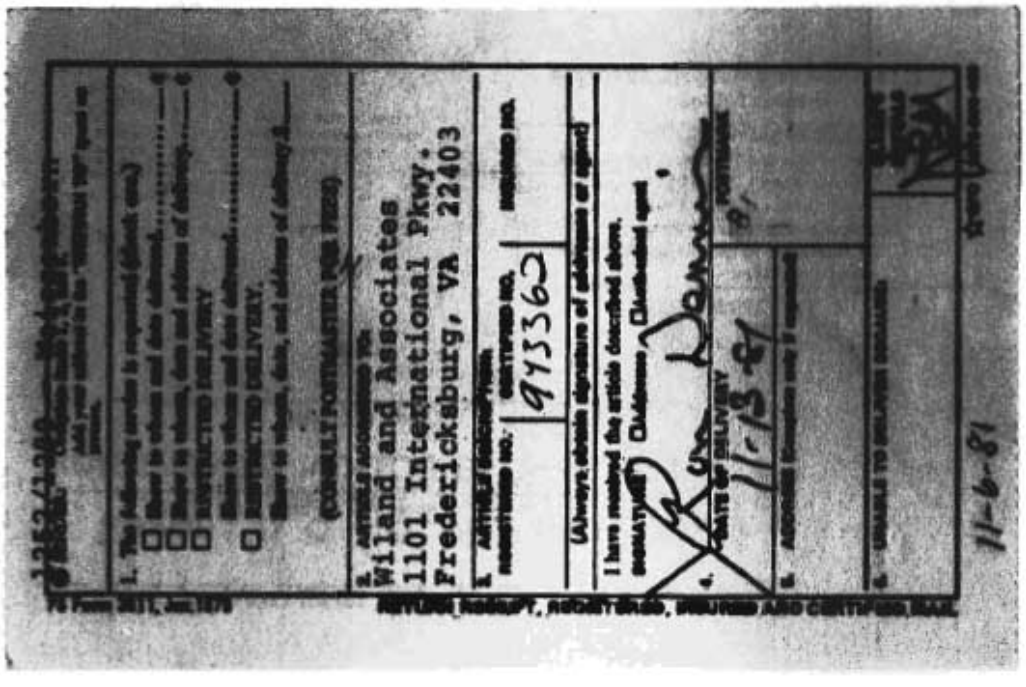

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | MUR 1252/1299 |
| Pepublican National Committee | ) | |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:
Wiland and Associates
1101 International Parkway
Fredericksburg, Virginia 22403

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252/1299 relating to possible violations of 2 U.S.C. 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

Wiland and Associates should designate one person to appear for this deposition as its agent. The person selected should be the individual most knowledgeable about any contracts or other agreements entered into with the Reagan for President Committee, the Reagan-Bush Committee, and the Fund for a Conservative Majority for services rendered between January 1, 1980 and November 4, 1980, as well as the details of the particular expenditures made to Wiland and Associates by the above committees between January 1, 1980 and January 1, 1981.

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The deposition shall take place at 2:00 p.m., Monday, November 16, 1981, at the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C.

WHEREAS, the Chairman of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 3rd day of Nov., 1981.

John Warren McGarry
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

3304042341

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wiland and Associates
1101 International Parkway
Fredericksburg, Virginia 22403

RE: MUR 1252/1299

Dear Sir:

The Federal Election Commission, established in April, 1971, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony on November 16, 1981, at 2:00 p.m. has been issued. The Commission does not consider you a respondent in this matter, but rather a witness only.

The subject matter of the deposition will deal primarily with the nature and operation of your business and with your relationships with the Fund for a Conservative Majority, the Reagan for President Committee and the Reagan Bush Committee during the 1979-80 election cycle.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of your attorney prior to the date of the deposition.

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LW 11/9/80

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00 plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Anne A. Weissenborn at (202) 523-4175 within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 23, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

RE: Matter Under Review 1252/1299

Dear Sir:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252/1299. In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact Anne A. Weissenborn, the staff attorney assigned to this matter, at (202) 523-4175.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Ronald Reagan | ) | |
| Reagan for President General | ) | |
| Election Committee | ) | MUR 1252/1299 |
| Republican National Committee | ) | |
| Americans for Change | ) | |
| Congressional Club | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political | ) | |
| Action Committee | ) | |

TO:

Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252/1299 relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1)n and 9012(f) by the above named respondents.

Wiland and Associates should designate one person to appear for this deposition as its agent. The person selected should be the individual most knowledgeable about any contracts or other agreements entered into with the Reagan for President Committee, the Reagan-Bush Committee, the Fund for a Conservative Majority, and the National Conservative Political Action Committee for services rendered between January 1, 1980 and November 4, 1980, as well as the details of the particular expenditures made to Wiland and Associates by the above-listed committees between January 1, 1980 and January 1, 1981.

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The deposition shall take place at 2:00 p.m., Friday, October 16, 1981, at the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C.

WHEREAS, the Chairman of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 23rd day of September, 1981.

John Warren McGarry

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

3304042431 6

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

RE: Matter Under Review 1252/1299

Dear Sir:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252/1299. In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact Anne A. Weissenborn, the staff attorney assigned to this matter, at (202) 523-4175.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8304042437

AW 9/3/81

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE MWE

FROM: MARJORIE W. EMMONS/JODY CUSTER jc

DATE: NOVEMBER 4, 1981

SUBJECT: SUBPOENA REGARDING MUR 1252/1299

The attached subpoena which was Commission approved in October 1980 has been signed and sealed this date.

Attachment

93040424346

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 6, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Diversified Direct, Inc.
2936 Prosperity Avenue
Fairfax, Virginia 22031

RE: MUR 1252/1299

Dear Sir:

The Federal Election Commission, established in April, 1971, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, Internal Revenue Code of 1954. In connection with an investigation being conducted by the Commission, the attached subpoena which requires you to appear and give sworn testimony on November 16, 1981, at 2:00 p.m. has been issued. The Commission does not consider you a respondent in this matter, but rather a witness only.

The subject matter of the deposition will deal primarily with the nature and operation of your business and with your relationships with the Fund for a Conservative Majority, the National Conservative Political Action Committee, the Reagan for President Committee and the Reagan Bush Committee during the 1979-80 election cycle.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us, in writing, of the name and address of your attorney prior to the date of the deposition.

8 3 0 4 0 4 2 4 3 4 9

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00 plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Anne A. Weissenborn at (202) 523-4175 within two days of your receipt of this notification.

Sincerely,

Charles N. Steele
General Counsel

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Ronald Reagan | ) | |
| Reagan for President General | ) | |
| Election Committee | ) | MUR 1252/1299 |
| Republican National Committee | ) | |
| Americans for Change | ) | |
| Congressional Club | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political | ) | |
| Action Committee | ) | |

TO:

Diversified Direct, Inc.
2936 Prosperity Avenue
Fairfax, Virginia 22031

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252/1299 relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

Diversified Direct, Inc., should designate one person to appear for this deposition as its agent. The person selected should be the individual most knowledgeable about any contracts or other agreements entered into with the Reagan for President Committee, the Reagan-Bush Committee, the Fund for a Conservative Majority, and the North Carolina Congressional Club (now the Congressional Club) for services rendered between January 1, 1980 and November 4, 1980, as well as the details of the particular expenditures made to Diversified Direct, Inc., by the above-listed committees between January 1, 1980 and January 1, 1981.

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The deposition shall take place at 10:00 a.m., Thursday, November 19, 1981, at the Office of General Counsel, Federal Election Commission, 1325 K Street, N.W., Washington, D.C.

WHEREAS, the Chairman of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this 4th day of November, 1981.

John Warren McGarry

John Warren McGarry

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

3304042435 2

**Milton Reporting, Inc.**

*General Stenotype Reporting*
Suite 301
1601 Connecticut Ave., N.W.
Washington, D.C. 20009

R.E. Milton
President
F.R. Joyce
V.P. & General Mgr.
M.M. Hope
Treasurer

Phone:
202-833-3598
202-833-3599

Notary Public
D.C.-Va.-Md.

October 22, 1981

Thomas Mitchell
Director of Marketing
Telecommunications Industries, Inc.
1700 Old Meadow Road
McLean, Virginia 22102

Re: Deposition before the Federal Election Commission,
Monday, October 19, 1981.

Dear Mr. Mitchell:

On behalf of counsel who took your deposition on October 19, 1981, you are hereby notified that the transcript of your deposition is now ready and available at the above address for reading and signing, as requested by you.

Kindly let the undersigned know when you will be in.

If by November 23, 1981 we have not received any request for an extension of time or otherwise heard from you, it will be assumed that reading and signing are no longer desired, and the deposition will be forwarded to the Federal Election Commission.

Very sincerely yours,

MILTON REPORTING, INC.

Rebekah J. Johnson

Rebekah J. Johnson
Reporter/Notary

cc:
file
Anne Weissenborn, Attorney

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GCC#4906


WILMER, CUTLER & PICKERING

1666 K STREET, N. W.

WASHINGTON, D. C. 20006

CABLE ADDRESS: WICRING WASH., D. C.

INTERNATIONAL TELEX: 440-239

TELEX: 89-2402

TELEPHONE 202 872-6000

EUROPEAN OFFICE

1 COLLEGE HILL

LONDON, EC4R 2RA, ENGLAND

TELEPHONE 01-236-2401

TELEX: 851 883242

CABLE ADDRESS: WICRING LONDON



LLOYD N. CUTLER
JOHN H. PICKERING
J. ROGER WOLLENBERG
CHARLES C. GLOVER, III
MARSHALL HORNBLOWER
HENRY T. RATHBUN
REUBEN CLARK
SAMUEL J. LANAHAN
WILLIAM R. PERLIK
SAMUEL A. STERN
ARNOLD M. LERMAN
ROBERT P. STRANAHAN, JR.
MAX O. TRUITT, JR.
JOEL ROSENBLOOM
HOWARD P. WILLENS
ANDREW T. A. MACDONALD
ROBERT A. HAMMOND, III
ARTHUR Z. GARDINER, JR.
DANIEL K. MAYERS
TIMOTHY B. DYK
DAVID R. ANDERSON
J. RODERICK HELLER, III
ARTHUR F. MATHEWS
JAMES S. CAMPBELL
DENNIS M. FLANNERY
DANIEL MARCUS
JAMES ROBERTSON
RAYMOND C. CLEVENGER, III

LOUIS R. COHEN
MICHAEL R. KLEIN
STEPHEN A. WEISWASSER
TIMOTHY N. BLACK
SALLY KATZEN
F. DAVID LAKE, JR.
PAUL J. HOGE, JR.
WILLIAM C. GIFFORD
STEPHEN F. BLACK
RONALD J. GREENE
JAY F. LAPIN
DEANNE C. SIEMER
GARY G. WILSON
C. LORING JETTON, JR.
WILLIAM T. LAKE
MICHAEL L. BURACK
MICHAEL S. HELFER
NEIL J. KING
ROBERT S. McCAW
A. DOUGLAS MELAMED
RICHARD W. CASS
WILLIAM J. KOLASKY, JR.
A. STEPHEN HUT, JR.
DAVID R. JOHNSON
JOHN ROUNSAVILLE, JR.
ROGER M. WITTEN
JOHN H. HARWOOD II

EZEKIEL S. STODDARD
DONALD F. TURNER
LESTER MURICK
COUNSEL

HUGH R. M. SMITH
OF COUNSEL

JUDITH BAILEY
DAVID M. BECKER
JONATHAN BECKER
BRUCE M. BERMAN
SUSAN LOW BLOCH
ALAN M. BRAVERMAN
LYNN BRESNAN
WILLIAM D. BRIGHTON
RUSSELL J. BRUEHMER
JAMES E. COLEMAN, JR.
THOMAS F. CONNELL
BRUCE E. COOLIDGE
JOHN F. COONEY
MARY CAROLYN COX
JUANITA A. CROWLEY
JANE TUCKER DANA
CHARLES E. DAVIDOW
SETH A. DAVIDSON
MARIE H. DOLAND
PATRICIA D. DOUGLASS
STEPHEN P. DOYLE
DANIEL M. DRORY
CAROL H. FISHMAN
MARK L. GERCHICK
RICHARD F. GOODSTEIN
JOSEPH A. GRUNOFEST
EDWARD T. HAND
ALLEN H. HARRISON, JR.
BARRY M. HELLER
CLIFFORD S. HENDLER
LAUREN S. HOMER
FERN S. KAPLAN
SHERYL L. KATZ
CAMERON F. KERRY
DAVID R. KEYSER
STEPHEN W. KIDDER
JAMES T. KILBRETH III

JOSEPH E. KILLORY, JR.
WAYNE A. KOONCE
GERALD J. LAPORTE
TERRENCE J. LEAHY
CHRISTOPHER R. LIPSETT
MAURY J. MECHANICK
LOWELL S. MILLER
DUANE D. MORSE
MICHAEL NEELEY-KVARNE
PHOEBE HADDON NORTHCROSS
JOHN PAYTON
WILLIAM J. PERLSTEIN
JOAN S. POWERS
ROBERT M. POZIN
CLAUDIA RISET
WILLIAM R. RICHARDSON, JR.
KATHLEEN M. RUSSO
BRUCE D. RYAN
ANDREA TINKO SALLET
MICHAEL S. SCHOOLER
KAREN ROSER SCHWARTZ
ROBERT M. SEDGWICK, JR.
LESLIE C. SEEMAN
KEVIN E. SMITH
ALAN S. STERNSTEIN
THOMAS J. SUGRUE
HELEN TORELLI
ANDREW N. VOLLMER
KATHY S. WEINMAN
ARTHUR H. WEISBURD
ANDREW S. WEISSMAN
BARBARA S. WELLBERY
DAVID WESTIN
THOMAS W. WHITE
JUDITH BARRY WISH
GEORGE S. WOLFE
JOHN W. ZUCKER


June 19, 1981

1 JUN 19 P1:25

BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Dear Mr. Steele:

This letter further supplements the Complaint that Common Cause filed almost nine months ago, on September 26, 1980, against five so-called "independent expenditure" committees.

1. The Complaint alleged that the respondent committees were interlocked with official Reagan campaign committees through a number of common consultants, vendors, and suppliers of campaign products and services. See Complaint, ¶ 18e. Additional evidence of such interlocking relationships is contained in the expenditure and disbursement reports for 1980 filed with the Commission by the respondent committees, by various Reagan committees, and by the Republican National Committee. That evidence shows the following:


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a. Americans for Change ("AFC"), the National Conservative Political Action Committee ("NCPAC"), the North Carolina Congressional Club ("NCCC"), and the Reagan For President Committee all shared the services of MediAmerica of Alexandria, Virginia. MediAmerica is a direct mail house that provided services in connection with printing and mailing Reagan support letters, telephone banks, promotional material, mailing services, advertising, and media buys.

b. NCPAC, NCCC, and the Reagan For President Committee shared the services of Arthur J. Finkelstein & Associates of Mount Kisco, N.Y. Mr. Finkelstein is a political consultant whose firm does polling and survey research. See also Complaint, p. 18. This common vendor relationship made coordination particularly easy, since Mr. Finkelstein served on the governing board of NCPAC. See Group Research Report, April 30, 1980 at 16.

c. AFC and the Republican National Committee shared the services of Preferred Lists of Boston, Massachusetts, a supplier of mailing lists.

d. AFC and the Republican National Committee shared the services of Bishop, Bryant & Associates of Arlington, Virginia, a political consulting firm.

e. AFC and the Republican National Committee shared the services of Campaign Marketing Group of Washington, D.C., a political telephoning and mailing house.1/

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1/ There appear to have been even more interlocks. For example, AFC, the Fund For a Conservative Majority ("FCM"), NCPAC, the Reagan For President Committee, the Republican

[Footnote continued next page]

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This pervasive pattern of shared vendors and consultants easily suffices to support a finding of coordination, cooperation, and consultation between the respondent committees and the Reagan campaign. See Complaint, p. 19; 11 C.F.R. § 109.1(b)(4)(i)(B); FEC Advisory Opinion No. 1980-116, CCH Fed. Elec. Campaign Fin. Guide ¶ 5565 at 10,696-97 (November 14, 1980); FEC Advisory Opinion No. 1979-80, CCH Fed. Elec. Campaign Fin. Guide ¶ 5469 at 10,527-29 (Mar. 12, 1980).

2. Common Cause's Complaint also alleged the existence of numerous interlocks between the managers of the respondent committees and personnel of authorized committees or agents of the Reagan campaign. See, e.g., Complaint, ¶¶ 18a, 22, 24, 31. An additional such interlock has come to our attention, and it is significant.

Respondent NCPAC undertook a general election campaign effort called "The Ronald Reagan Victory Fund." See Complaint, ¶ 13. The director of "The Ronald Reagan Victory Fund" was David Keene. See Conservative Digest, Dec. 1980, at 4; Group Research Report, September 29, 1980, at 29. Mr. Keene was one of the managers of the 1980 primary campaign for the Republican Vice Presidential candidate, George Bush. See The Washington Star, February 1, 1981, at A-3; Evans-Novak Political Report, May 27, 1980 (No. 386), at 3.

Because of Mr. Keene's service as a campaign director for Mr. Reagan's running mate, "The Ronald Reagan Victory Fund" campaign that Mr. Keene also directed cannot be considered "independent." See 11 C.F.R. § 109.1(b)(4)(i)(B). The Commission has held that much less significant contacts with a candidate's primary campaign foreclose "independent" status. In Response to Opinion Request No. 777 (Dec. 7, 1976), a volunteer worker in Gerald Ford's 1976 primary campaign left the Ford campaign organization shortly after Mr. Ford was nominated as the 1976 Republican Presidential candidate. The

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[Footnote continued from preceding page]

Presidential Unity Committee, and the Republican National Committee shared the services of Envelopes Unlimited of Rockville, Maryland, a printing house and office supplier. NCPAC, NCCC and the Republican National Committee shared the services of Prep Inc. of Alexandria, Virginia, a printing and mailing house. And AFC, NCPAC, NCCC and the Republican National Committee shared the services of Systems '80 of Bethesda, Maryland, a printing and mailing house.

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worker proposed to form a separate political committee to make "independent expenditures" advocating Mr. Ford's election. The Commission held that he could not do so. See Complaint, pp. 13-14. Since that volunteer worker's more limited participation in the Ford primary campaign disqualified him from undertaking "independent expenditure" activities, then, a fortiori, Mr. Keene's extensive experience as a director of the Bush primary campaign must have the same result.[2] Accord, FEC Advisory Opinion 1980-116, CCH Fed. Elec. Campaign Fin. Guide ¶ 5565 at 10,696-97 (November 14, 1980); FEC Advisory Opinion 1979-80, CCH Fed. Elec. Campaign Fin. Guide ¶ 55469 at 10,528; FEC Policy Statement (1976), CCH Fed. Elec. Campaign Fin. Guide ¶ 9006 at 50,289.

Very truly yours,

Michael L Burack

Michael L. Burack
One of Counsel for Common Cause

cc: Counsel for Respondents

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2/ The fact that Mr. Bush was the Vice Presidential, rather than the Presidential, candidate on the national ticket does not alter this conclusion. The NCPAC effort directed by Mr. Keene sought to further the general election campaign of the Reagan-Bush ticket. The Fund Act does not distinguish between Presidential and Vice Presidential candidates who are seeking election together through the use of public funds. See, e.g., 26 U.S.C. §§ 9002(11), 9003.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/JODY CUSTER

DATE: MAY 18, 1981

SUBJECT: MUR 1252 - Interim Investigative Report #2, dated 5-14-81; Received in OCS 5-15-81, 10:50

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 2:00, May 15, 1981.

There were no objections to the Interim Investigative Report at the time of the deadline.

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May 15, 1981

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Interim Invest Report distributed to the Commission. Thank you.

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BEFORE THE FEDERAL ELECTION COMMISSION
May 14, 1981

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

SENSITIVE

81 MAY 15 A10: 50

In the Matter of )
)
The Reagan/Bush Committee, ) MUR 1252
et. al. )

INTERIM INVESTIGATIVE REPORT #2

Document production continues pursuant to subpoenas issued to respondents in this matter, and is virtually complete with regard to all except the National Conservative Political Action Committee ("NCPAC"). On April 21, 1981, the District Court for the District of Columbia denied NCPAC's motion for a stay of production pending appeal of the court's decision in FEC v. National Conservative Political Action Committee, a subpoena enforcement action. Counsel indicated his intention to advise production; however, no documents have yet been produced. No appeal of the District Court's decision was ever filed. Therefore, absent production within the next week, a motion to show cause why NCPAC should not be found in contempt will be filed.

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14 May 1981
Date

Charles N. Steele
General Counsel

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/JODY CUSTER jc

DATE: APRIL 3, 1981

SUBJECT: MUR 1252 Interim Investigative Report #1, dated April 1, 1981; Received in OCS, April 2, 1991, 10:56

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 4:00, April 2, 1981.

There were no objections to the Interim Investigative Report at the time of the deadline.

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April 2, 1981

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Interim Invest Report distributed to the Commission. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

Before the Federal Election Commission

81 APR 2 A10: 56

In the Matter of )
)
)
Ronald Reagan, et al. )

MUR 1252

Interim Investigative Report #1

On September 3, 1980, in response to a complaint filed by the Carter/Mondale Reelection Committee, Inc., the Commission found reason to believe that the Fund for a Conservative Majority ("FCM"), the National Conservative Political Action Committee ("NCPAC"), and Americans for Change ("AFC") had violated 2 U.S.C. § 441a(a), 26 U.S.C. § 9012(f) and 2 U.S.C. § 432(e)(4); that Ronald Reagan and his authorized committees had violated or would violate 2 U.S.C. § 441a(f); and that the North Carolina Congressional Club ("NCCC") had violated 2 U.S.C. § 432(e)(4). On September 23, 1980, the Commission approved the issuance of subpoenas and orders to the above named committees and to certain named individuals and business organizations.

To date AFC and FCM have complied by producing documents and by responding to interrogatories. The Reagan/Bush Committee has complied in part, claiming privilege as to certain items requested. The process of production by Reagan/Bush has been hampered by lack of personnel to undertake the task of copying the voluminous numbers of documents involved; however, this problem should be solved shortly. Production by the Republican National Committee is now scheduled for April 9. Although production has

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been promised by counsel for NCCC, none has materialized and the issue is being pursued.

NCPAC has complied in part; however, on January 9, 1981, counsel for that committee informed the Commission that it would not voluntarily produce the requested information not yet supplied. On January 23, 1981, this Office filed in the U.S. District Court for the District of Columbia a petition for an order to show cause why the subpoena and order served upon NCPAC should not be enforced. On February 26, 1981, Judge John Pratt signed an order requiring such production by NCPAC on March 27, 1981. On March 26 the Committee filed with the District Court a motion for a stay of the court's order pending appeal. This Office is now in the process of preparing a response to this motion for stay.

The subpoenas and orders approved by the Commission for issuance to named individuals and business entities will be issued as needed following preliminary analysis of all of the materials produced by the respondent committees.

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1 April 1981
Date

Charles N. Steele

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
)
Americans for Change, ) MUR 1252
et al. )

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on December 12, 1980, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions in MUR 1252:

1. Deny FCM's and NCPAC's motions for rescission of the Commission's merger of MURs 1252 and 1299.

2. Send to the counsel for respondents FCM and NCPAC the letter (Attachment I) appended to the FEC General Counsel's December 4, 1980 report in this matter.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioner Friedersdorf dissented; Commissioner Aikens abstained.

Attest:

12/9/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY MWE

DATE: DECEMBER 8, 1980

SUBJECT: MUR 1252 - OBJECTION FILED RE. G.C. REPORT PER DENIAL OF RESCISSION OF COMMISSION's MERGER OF MUS 1252 and 1299

The above-named document was circulated on a 48 hour vote basis at 2:00 p.m. on December 5, 1980.

Commissioner Frank Reiche submitted an objection at 10:33 a.m. on December 8, 1980.

This matter will be placed on the Executive Session Agenda for Tuesday, December 9, 1980.

We understand from Ms. Colgan in your Docket Room that this MUR will follow MUR 1271 already on the agenda for December 9, 1980.

Attached is a copy of Commissioner Reiche's vote sheet on which he makes a comment.

Attachment as noted

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48 HOUR TALLY SHEET

BY

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

80 DEC 8 A10: 33

Date and Time Transmitted: FRIDAY, 12-5-80
2:00

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

AUTHORIZATION SHEET ATTACHED

RETURN TO OFFICE OF COMMISSION SECRETARY BY: TUESDAY, DECEMBER 9, 1980
2:00

MUR No. 1252 - General Counsel's Report in Opposition to Motions of Respondents Fund For A Conservative Majority and NCPAC for Rescission of Commission's Merger of MUR 1252 and MUR 1299, 12-4-80

( ) I approve the recommendation

(✓) I object to the recommendation

COMMENTS: Query -- has respondent's case been damaged by the merger? MUR

Date: 12/5/80 Signature: Frank P. Reiche

A DEFINITE VOTE IS REQUIRED AND ALL SHEETS SIGNED AND DATED. PLEASE RETURN ONLY THE VOTE SHEETS TO THE OFFICE OF THE COMMISSION SECRETARY NO LATER THAN THE DATE AND TIME SHOWN ABOVE.

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December 4, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached General Counsel's Report distributed to the Commission on a 48 hour tally basis. Thankyou.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Americans for Change, )
et al. )

80 DEC 4 P5: 48

GENERAL COUNSEL'S REPORT IN OPPOSITION TO MOTIONS OF RESPONDENTS FUND FOR A CONSERVATIVE MAJORITY ("FCM") AND NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE ("NCPAC") FOR RESCISSION OF THE COMMISSION'S MERGER OF MUR 1252 AND MUR 1299

BACKGROUND

By letter dated October 27, 1980, counsel for respondent FCM, Curtis Herge requested that the Commission reconsider its action and rescind its decision in merging the complaints filed in MUR 1252 (filed by Carter-Mondale Reelection Committee) and MUR 1299 (filed by Common Cause). By letter dated October 28, 1980, Counsel Herge made an identical appeal on behalf of his client co-respondent, NCPAC.

Respondents argue that the Commission in voting to merge MUR 1252 and MUR 1299; 1) acted in contravention of the plain words of 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.6(a) and in so doing, 2) found reason to believe FCM and NCPAC violated the statute as alleged by Common Cause and 3) precluded respondents from taking advantage of their statutorially provided for opportunity to demonstrate that no action should be taken.

ANALYSIS

It should be noted that merger of the two complaints was first recommended to the Office of General Counsel by counsel for FCM and NCPAC, Robert Sparks, one of Mr. Herge's associates, at a meeting with Commission staff and Assistant General Counsel Larry Noble. Mr. Sparks indicated at that meeting that he would submit a motion requesting merger of the two complaints on behalf of his clients. In a conversation with Mr. Noble after the Commission received FCM's and NCPAC's motions to rescind the merger, Mr. Sparks admitted he had changed his position and failed to inform the Commission of his altered position prior to the Commission merger of the two matters.

Beyond this however, the action of the Commission in merging the two matters was based upon the sound judgment that the Common Cause complaint named no additional respondents to those mentioned in MUR 1252; both complaints alleged a violation of the FECA and Fund Act contribution and expenditure limitations by virtue of the expenditures made by respondents; and both relied upon virtually the same allegations of fact and pointed to virtually the same evidence in support of their identical claims against

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respondents. To make another finding of RTB and to conduct an identical, parallel investigation would be both repetitive and unnecessary. To have treated the two complaints separately would have required the Commission to reconsider and review the same factual and legal allegations already put before it and cause Commission staff and respondents as well, to undertake unnecessary and duplicative work.

Contrary to Mr. Herge's assertion, the Commission did not find reason to believe that FCM or NCPAC violated the FECA or Fund Act in connection with the Common Cause complaint as it had already done so upon identical facts as alleged by the complaint in MUR 1252. Merger of the two matters, therefore, did not deprive either respondent of their rights under the statute since no action was taken by the Commission with respect to any alleged violation of the statute. The determination by the Commission to merge the two matters into one investigative endeavor, thus has significance, if any, only as an internal action taken by the Commission to insure competent, consistent, and expeditious handling of the cases before it.

RECOMMENDATION

There appearing to be no violation of respondent's rights and no provision under the statute for consideration of respondents' motions for rescission of this Commission action, and for all the reasons stated above, the Office of General Counsel recommends denial of respondents, FCM's and NCPAC's motions for rescission of the Commission's merger of MURs 1252 and 1299.

The Office of General Counsel also recommends that the attached letter (Attachment I) be sent to counsel for respondents FCM and NCPAC.

4 December 1980
Date

Charles N. Steele
General Counsel

Attachments

I. Letter of October 27, 1980 from Curtis Herge on behalf of FCM requesting rescission of Commission's merger of MURs 1252 and 1299.

II. Letter of October 28, 1980 from Curtis Herge on behalf of NCPAC requesting rescission of Commission's merger of MURs 1252 and 1299.

III. Draft response to Curtis Herge

IV. Commission Denial of Motions to Rescind the Commission's merger of MURs 1252 and 1299

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910929
GCC #3154
Attachment I

SEDAM & HERGE
A PROFESSIONAL CORPORATION
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7600 OLD SPRINGHOUSE ROAD
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(703) 821-1000

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J. CURTIS HERGE

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MICHAEL D. HUGHES
A. MARK CHRISTOPHER
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1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006
(202) 393-7124
TWX/TELEX: 710-831-0596
CABLE: SEDAMHERGE

80 OCT 29 P 1: 5

October 27, 1980

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
80 OCT 29 P 4: 29

Honorable Max L. Friedersdorf
Chairman, Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

Re: MUR 1252 and MUR 1299

Dear Mr. Friedersdorf:

On September 25, 1980, the Federal Election Commission ("the Commission") notified the undersigned counsel for Fund For A Conservative Majority ("FCM") that with respect to that certain complaint filed with the Commission on July 2, 1980 by the Carter-Mondale Reelection Committee, Inc. (MUR 1252), the Commission had found reason to believe that FCM had violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Chapter 95, Title 26, U.S. Code.

By letter dated October 2, 1980, Mr. Charles N. Steele, General Counsel to the Commission, notified FCM that Common Cause had also filed a complaint with the Commission, denominated MUR 1299 by the Commission, alleging that FCM, together with other named respondents, may have violated certain provisions of the Act, and Chapters 95 and 96 of Title 26, U.S. Code. On October 20, 1980, counsel for FCM filed with the Commission, pursuant to 2 U.S.C. §437g(a)(1) and 11 C.F.R. 111.6, FCM's response to the Common Cause complaint. In its response, FCM asserted that no action should be taken against FCM on the basis of the complaint, and that the complaint should be dismissed as to FCM, on the ground that the complaint failed to meet the technical requirements of 11 C.F.R. 111.4, in that it did not contain a clear and concise recitation of facts which describe a violation of a statute or regulation over which the Commission has jurisdiction.

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FCM has not been notified of any action by the Commission with respect to FCM's response to the Common Cause complaint. However, counsel for FCM has been notified by Mr. Steele, by letter dated October 23, 1980, that on October 15, 1980, the Commission voted to merge the complaint filed by Common Cause (MUR 1299) with the complaint of the Carter-Mondale Reelection Committee (MUR 1252), and to treat both as a single investigatory matter. From that decision FCM appeals, moves the Commission to reconsider its action and rescind its decision merging both complaints, and to consider each complaint on its own merits.

When it voted to merge MUR 1252 and MUR 1299, the Commission acted without having considered FCM's response to the Common Cause complaint and, in point of fact, before FCM had even responded to that complaint. The Commission's purported merger of the complaints is not only untimely and prejudicial to FCM, but is also beyond the scope of its authority. Further, it is FCM's position that the effect of the merger is to accelerate the investigatory process as to MUR 1299 to the same stage as MUR 1252. In short, by failing to consider FCM's response to the Common Cause complaint, and by merging the complaints, the Commission has omitted a step in the investigatory scheme set by Congress, and has instead taken a step unauthorized and unrecognized by either Congressional statute or Commission regulation.

Section 437g(a)(1) of the Act provides in part:

> Before the Commission conducts <u>any</u> vote on the complaint, other than a vote to dismiss, any person so notified [of the filing of a complaint] shall have the opportunity to demonstrate, in writing, to the Commission within 15 days after notification that no action should be taken against such person on the basis of the complaint. [Emphasis supplied.]

The Commission's regulations provide:

> The Commission <u>shall not taken any action</u>, or make any finding, against a respondent other than action dismissing the complaint, unless it has

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> considered such response or unless no such response has been served upon the Commission within the fifteen (15) day period specified in 11 C.F.R. 111.6(a). [11 C.F.R. 111.6(b)Emphasis supplied.]

The Commission could not take the action which it did in MUR 1299, because, on October 15, 1980, when it purported to merge MUR 1252 and MUR 1299, FCM had not yet been afforded the opportunity granted it by statute and regulation to respond to the Common Cause complaint. The Commission acted before the period within which FCM was required to respond, and before it had in fact responded to the complaint. The Commission was therefore absolutely barred by statute and its own regulation from taking <u>any action</u> when it did, other than action dismissing the complaint.

The Commission's purported merger of MUR 1299 with MUR 1252 is tantamount to a determination by the Commission of reason to believe that as to the Common Cause complaint (MUR 1299), FCM has violated a statute or regulation cognizable by the Commission. The merger has effectively accelerated the investigatory process as to MUR 1299, for the Commission has already found reason to believe as to MUR 1252. Therefore, the Commission's action in merging the complaints is to the detriment of respondent FCM; it is "action taken against a respondent," 11 C.F.R. 111.6(b), and is expressly prohibited by regulation. Even if the Commission does not agree that it has accelerated the investigatory process to the detriment of FCM, it has clearly violated the plain wording of §437g(a)(1) of the Act, which prohibits <u>any</u> vote on a complaint, other than a vote to dismiss, during the pendency of the period of response to that complaint.

Not only is the Commission's action untimely, but the action itself is unsanctioned, either by statute or regulation. There is no authorization for the Commission to merge one complaint with another, particularly in the absence of a request for such a merger from the complainant or any of the respondents. The procedure to be followed by the Commission in reviewing and investigating complaints, voting to take action thereon, dismissing complaints, making

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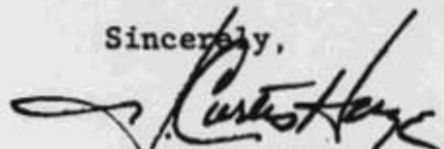
findings thereon, or seeking judicial relief with respect to any violation of any statute or regulation cognizable by the Commission, is expressly set out in the regulations of the Commission. The Commission's authority is a creature of statute and regulation and it cannot be expanded by custom, practice, or expediency. There is no statutory or regulatory provision which permits the Commission to merge one complaint with another, and its purported merger is therefore beyond its authority and without effect.

For the reasons advanced above, FCM contends that the Commission's purported merger of MUR 1252 and MUR 1299 is not permitted by law and operates to the detriment of respondent FCM. Accordingly, FCM requests the Commission to rescind its "merger" of the complaints, to consider each on its own merits, and to dismiss MUR 1299 as to FCM for the reasons stated in FCM's response thereto, filed with the Commission on October 20, 1980.

Please feel free to contact me if you have any questions on this matter.

Sincerely,



J. Curtis Herge

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S. Carr

Attachment II

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
7600 OLD SPRINGHOUSE ROAD
McLEAN, VIRGINIA 22102

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GLENN J. SEDAM, JR.
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CABLE: SEDAMHERGE

80 OCT 29 P1:51

October 28, 1980

Honorable Max L. Friedersdorf
Chairman, Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

80 OCT 29 P5:09

RECEIVED
GENERAL COUNSEL

Re: MUR 1252 and MUR 1299

Dear Mr. Friedersdorf:

On September 25, 1980, the Federal Election Commission ("the Commission") notified the undersigned counsel for National Conservative Political Action Committee ("NCPAC") that with respect to that certain complaint filed with the Commission on July 2, 1980 by the Carter-Mondale Reelection Committee, Inc. (MUR 1252), the Commission had found reason to believe that NCPAC had violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Chapter 95, Title 26, U.S. Code.

By letter dated October 2, 1980, Mr. Charles N. Steele, General Counsel to the Commission, notified NCPAC that Common Cause had also filed a complaint with the Commission, denominated MUR 1299 by the Commission, alleging that NCPAC, together with other named respondents, may have violated certain provisions of the Act, and Chapters 95 and 96 of Title 26, U.S. Code. On October 20, 1980, counsel for NCPAC filed with the Commission, pursuant to 2 U.S.C. §437g(a)(1) and 11 C.F.R. 111.6, NCPAC's response to the Common Cause complaint. In its response, NCPAC asserted that no action should be taken against NCPAC on the basis of the complaint, and that the complaint should be dismissed as to NCPAC, on the ground that the complaint failed to meet the technical requirements of 11 C.F.R. 111.4, in that it did not contain a clear and concise recitation of facts which describe a violation of a statute or regulation over which the Commission has jurisdiction.

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NCPAC has not been notified of any action by the Commission with respect to NCPAC's response to the Common Cause complaint. However, counsel for NCPAC has been notified by Mr. Steele, by letter dated October 23, 1980, that on October 15, 1980, the Commission voted to merge the complaint filed by Common Cause (MUR 1299) with the complaint of the Carter-Mondale Reelection Committee (MUR 1252), and to treat both as a single investigatory matter. From that decision NCPAC appeals, moves the Commission to reconsider its action and rescind its decision merging both complaints, and to consider each complaint on its own merits.

When it voted to merge MUR 1252 and MUR 1299, the Commission acted without having considered NCPAC's response to the Common Cause complaint and, in point of fact, before NCPAC had even responded to that complaint. The Commission's purported merger of the complaints is not only untimely and prejudicial to NCPAC, but is also beyond the scope of its authority. Further, it is NCPAC's position that the effect of the merger is to accelerate the investigatory process as to MUR 1299 to the same stage as MUR 1252. In short, by failing to consider NCPAC's response to the Common Cause complaint, and by merging the complaints, the Commission has omitted a step in the investigatory scheme set by Congress, and has instead taken a step unauthorized and unrecognized by either Congressional statute or Commission regulation.

Section 437g(a)(1) of the Act provides in part:

> Before the Commission conducts <u>any</u> vote on the complaint, other than a vote to dismiss, any person so notified [of the filing of a complaint] shall have the opportunity to demonstrate, in writing, to the Commission within 15 days after notification that no action should be taken against such person on the basis of the complaint. [Emphasis supplied.]

The Commission's regulations provide:

> The Commission <u>shall not take any action</u>, or make any finding, against a respondent other than action dismissing the complaint, unless it has

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> considered such response or unless no such response has been served upon the Commission within the fifteen (15) day period specified in 11 C.F.R. 111.6(a). [11 C.F.R. 111.6(b), Emphasis supplied.]

The Commission could not take the action which it did in MUR 1299, because, on October 15, 1980, when it purported to merge MUR 1252 and MUR 1299, NCPAC had not yet been afforded the opportunity granted it by statute and regulation to respond to the Common Cause complaint. The Commission acted before the period within which NCPAC was required to respond, and before it had in fact responded to the complaint. The Commission was therefore absolutely barred by statute and its own regulation from taking <u>any action</u> when it did, other than action dismissing the complaint.

The Commission's purported merger of MUR 1299 with MUR 1252 is tantamount to a determination by the Commission of reason to believe that as to the Common Cause complaint (MUR 1299), NCPAC has violated a statute or regulation cognizable by the Commission. The merger has effectively accelerated the investigatory process as to MUR 1299, for the Commission has already found reason to believe as to MUR 1252. Therefore, the Commission's action in merging the complaints is to the detriment of respondent NCPAC; it is "action taken against a respondent," 11 C.F.R. 111.6(b), and is expressly prohibited by regulation. Even if the Commission does not agree that it has accelerated the investigatory process to the detriment of NCPAC, it has clearly violated the plain wording of §437g(a)(1) of the Act, which prohibits <u>any</u> vote on a complaint, other than a vote to dismiss, during the pendency of the period of response to that complaint.

Not only is the Commission's action untimely, but the action itself is unsanctioned, either by statute or regulation. There is no authorization for the Commission to merge one complaint with another, particularly in the absence of a request for such a merger from the complainant or any of the respondents. The procedure to be followed by the Commission in reviewing and investigating complaints, voting to take action thereon, dismissing complaints, making

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findings thereon, or seeking judicial relief with respect to any violation of any statute or regulation cognizable by the Commission, is expressly set out in the regulations of the Commission. The Commission's authority is a creature of statute and regulation and it cannot be expanded by custom, practice, or expediency. There is no statutory or regulatory provision which permits the Commission to merge one complaint with another, and its purported merger is therefore beyond its authority and without effect.

For the reasons advanced above, NCPAC contends that the Commission's purported merger of MUR 1252 and MUR 1299 is not permitted by law and operates to the detriment of respondent NCPAC. Accordingly, NCPAC requests the Commission to rescind its "merger" of the complaints, to consider each on its own merits, and to dismiss MUR 1299 as to NCPAC for the reasons stated in NCPAC's response thereto, filed with the Commission on October 20, 1980.

Please feel free to contact me if you have any questions on this matter.

Sincerely,

J. Curtis Herge
Counsel for National
Conservative Political
Action Committee

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Attachment III

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Curtis Herge, Esquire
SEDAM & HERGE
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252

Dear Mr. Herge:

The Commission has received the Motions to Rescind the Commission's decision to merge Matters Under Review (MURs) 1252 and 1299 filed by you on behalf of your clients, Fund for a Conservative Majority ("FCM") and the National Conservative Political Action Committee ("NCPAC"). The Commission reviewed and considered the papers submitted on October 27, and 28, 1980 and on November , 1980, voted to deny FCM's and NCPAC's motions. A copy of the Commission's denial of FCM's and NCPAC's motions is enclosed.

For the record, two points should be noted; 1) the Commission merger of these two matters was initially suggested by counsel for FCM and NCPAC, Robert Sparks, at a meeting in early October with Commission staff, and 2) as you were notified by letter dated September 25, 1980, the Commission found reason to believe, based on a complaint filed by the Carter-Mondale Reelection Committee, Inc., that your clients FCM and NCPAC had violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and Chapter 95, Title 26 U.S. Code ("the Fund Act").

As your associate, Mr. Robert Sparks, has been told in the course of numerous conversations with the staff assigned to this case, the Commission did not make any additional finding of reason to believe with respect to your clients in connection with the complaint filed subsequently by Common Cause. A finding of reason to believe is a triggering mechanism for the initiation of an investigation of alleged violations of the law by the Federal Election Commission, a non-adjudicatory, investigatory agency. As Mr. Sparks was also informed, insofar as the complaint filed by Common Cause alleged the same violations of the Act, and Fund Act contribution and expenditure limitations by virtue of expenditures made by the same named respondents and relied upon virtually the same allegations of fact and pointed to the same evidence in support of their identical claims, the two matters were merged into one investigative endeavor, thus avoiding duplicative efforts on the part of both the Commission and the respondents.

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As you are aware, FCM and NCPAC were provided an opportunity to demonstrate that no action should have been taken by the Commission prior to the Commission's finding of reason to believe. Moreover, you are of course free at anytime to bring forth whatever information you may deem relevant to the Commission's investigation of the alleged violations of the statute by your clients. In addition, should the General Counsel ultimately recommend to the Commission that it proceed to a consideration of a finding of probable cause to believe FCM and/or NCPAC violated the law, you will of course receive a copy of the General Counsel's brief and be able, pursuant to 2 U.S.C. § 437g(a)(3), to submit a brief stating the position of your client(s) on the legal and factual issues of the case and reply to the brief of the General Counsel.

I hope that this eliminates any questions you might have had regarding the Commission's merger of these two matters. However, should you have any additional questions or problems, please contact Ms. Marsha Gentner, the attorney assigned to this case at (202) 523-5071.

Sincerely,

Charles N. Steele
General Counsel

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Attachment IV

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DENIAL OF MOTIONS TO RESCIND THE
COMMISSION'S MERGER OF MATTERS
UNDER REVIEW 1252 and 1299

The Federal Election Commission hereby denies the Motions of Fund for a Conservative Majority ("FCM") and National Conservative Political Action Committee ("NCPAC") to Rescind the Commission's Merger of Matters Under Review (MURs) 1252 and 1299.

Max L. Friedersdorf
Chairman

John W. McGarry
Vice Chairman

Thomas E. Harris
Commissioner

Joan D. Aikens
Commissioner

Frank P. Reiche
Commissioner

Robert O. Tiernan
Commissioner

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: DECEMBER 4, 1980

SUBJECT: ORDERS IN RELATION TO MUR 1252

The attached orders, approved by a vote of 4-2 on December 2, 1980, have been signed and sealed this date.

ATTACHMENT:
1. Americans for Change
2. Reagan Bush General Election Committee

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| North Carolina Congressional Club | ) | MUR 1252 |
| Americans for an Effective Presidency | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on November 5, 1980, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 1252:

1. Based upon a reconsideration of the complaint in MUR 1252, find reason to believe that the North Carolina Congressional Club and the Americans for an Effective Presidency have or will violate 26 U.S.C. §9012(f) by making excessive independent expenditures in support of Ronald Reagan.

2. Send the letters attached to the General Counsel's October 27, 1980 report in this matter.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

Attest:

11-5-80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: OCTOBER 28, 1980

SUBJECT: A "NO" Vote - MUR 1252 - Memorandum to the Commission dated 10-27-80

You were notified of an objection by Commissioner Friedersdorf to the above-named document at the close of business October 27, 1980.

Commissioner Aikens has a submitted an "No" vote in this matter.

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48 HOUR TALLY SHEET

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON D.C. 20463

80 OCT 28 P 3: 31

Date and Time Transmitted: MONDAY, 10-27-80
11:00

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE

MUR No. 1252 - Memorandum to the Commission dated 10-27-80

( ) I approve the recommendation

( ) I object to the recommendation

COMMENTS: Voting "No"

Date: 10-27-80 Signature: D Aikens

A DEFINITE VOTE IS REQUIRED AND ALL SHEETS SIGNED AND DATED. PLEASE RETURN ONLY THE VOTE SHEETS TO THE OFFICE OF THE COMMISSION SECRETARY NO LATER THAN THE DATE AND TIME SHOWN ABOVE.

83040424330

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: OCTOBER 27, 1980

SUBJECT: OBJECTION - MUR 1252 - Memorandum to the Commission dated 10-27-80; Received in OCS 10-27-80, 11:33

The above-named document was circulated on a 48 hour vote basis at 3:00, October 27, 1980.

Commissioner Friedersdorf submitted an objection at 3:35, October 27, 1980.

This matter will be placed on the Executive Session Agenda for Thursday, November 6, 1980.

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October 27, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Memo distributed to the Commission on an expedited basis. (Not pink paper). Thank you.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

80 OCT 27 A11:33

October 27, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Recommendation to find reason to believe in MUR 1252

On October 15, 1980, the Commission voted to delay action on the recommendation of the Office of General Counsel to find reason to believe that the North Carolina Congressional Club (NCCC) and the Americans for an Effective Presidency (AEP) have or will violate 26 U.S.C. § 9012(f) by making independent expenditures in excess of $1,000, until the expiration of the 15 day period in which to respond to the complaint in MUR 1299. 1/ That period has now ended, and therefore the Office of General Counsel renews its recommendation that the Commission find reason to believe that AEP and NCCC have or will violate 26 U.S.C. § 9012(f). See General Counsel's Memorandum to Commission, Complaint in MUR 1299, at 2-3 (October 7, 1980).

RECOMMENDATION

1. Based upon a reconsideration of the complaint in MUR 1252, find reason to believe that the North Carolina Congressional Club and the Americans for an Effective Presidency have or will violate 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan.

2. Send the attached letters.

---

1/ On October 22, 1980, letters were mailed to counsel for both NCCC and AEP notifying them of the Commission's determination to merge the complaint in MUR 1299 with MUR 1252 and treat it as a single investigatory matter.

ATTACHMENTS

I. Letter and notification to John Bolton

II. Letter and notification to Roderick Hills

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John R. Bolton, Esquire
Covington and Burling
888 16th Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. Bolton:

On September 25, 1980 you were notified of the Commission's findings concerning your client, North Carolina Congressional Club (NCCC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252.

This letter is to further notify you that, upon reconsideration of the complaint in MUR 1252, the Commission has found reason to believe NCCC violated 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan. A report on the Commission's finding is attached. You may also submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of this matter. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCCC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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 have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

Enclosure

Attachment I

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1299

STAFF MEMBER(S) & TEL. NO.

Marsha G. Gentner

Anne A. Weissenborn
(202) 523-5071

COMPLAINANT'S NAME Carter/Mondale Reelection Committee
Democratic National Committee

RESPONDENT"S NAME North Carolina Congressional Club

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which alleges that the North Carolina Congressional Club (hereinafter "NCCC") is violating 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of the candidacy of Ronald Reagan and both 2 U.S.C. § 9012(f) and 2 U.S.C.§ 441a(a) by making excessive in-kind contributions to Ronald Reagan and his principal campaign committee.

PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidates. Therefore, if an unauthorized committee expends more that $1000 on behalf of such a candidate, that committee has violated 26 U.S.C. § 9012(f), whether of not the committee is "independent" of the candidate's authorized committee.

As the complaint demonstrates, NCCC is soliciting funds in excess of $1,000 to be used "to purchase radio and television time in which to air advertisements supporting Ronald Reagan." The Office of General Counsel has recommended that the Commission find reason to believe that NCCC has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found that the North Carolina Congressional Club has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Roderick M. Hills, Esquire
Lathams, Watkins and Hills
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1252

Dear Mr. Hills:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Americans for an Effective Presidency (AEP) with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252.

This letter is to further notify you that upon reconsideration of the complaint in MUR 1252, the Commission has found reason to believe AEP violated 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan. A report on the Commission's finding is attached. You may also submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of this matter. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against AEP, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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 have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

Enclosure

Attachment II

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1299

STAFF MEMBER(S) & TEL. NO.

Marsha G. Gentner

Anne A. Weissenborn
(202) 523-5071

COMPLAINANTS' NAMES Carter/Mondale Reelection Committee
Democratic National Committee

RESPONDENT'S NAME Americans for an Effective Presidency

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which alleges that Americans for an Effective Presidency (hereinafter "AEP") is violating 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of the candidacy of Ronald Reagan and both 2 U.S.C. § 9012(f) and 2 U.S.C.§ 441a(a) by making excessive in-kind contributions to Ronald Reagan and his principal campaign committee.

PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidates. Therefore, if an unauthorized committee expends more that $1000 on behalf of such a candidate; that committee has violated 26 U.S.C. § 9012(f), whether of not the committee is "independent" of the candidate's authorized committee.

As the complaint demonstrates, AEP is soliciting funds in excess of $1,000 to be used "to purchase professionaly prepared television, radio, and newspaper advertising in support of the candidacy of Ronald Reagan." The Office of General Counsel has recommended that the Commission find reason to believe that AEP has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found that Americans for an Effective Presidency has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: OCTOBER 22, 1980

SUBJECT: MUR 1252 - Memorandum to the Commission dated 10-20-80, with Proposed Letters Received in OCS 10-20-80, 3:45

The above-named document was circulated on a 24 hour no-objection basis at 11:00, October 21, 1980.

At the time of the deadline Commissioner Friedersdorf had submitted an objection "For the Record Only"; Commissioners Aikens and Reiche returned their vote sheets without objections; and Commissioners Tiernan, McGarry, and Harris had not returned their vote sheets.

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October 20, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Memo distributed to the Commission on a 24 hour no-objection basis. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 OCT 20 P3: 45

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 20, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

RE: Letters in MUR 1252

On October 15, 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and instructed the Office of General Counsel to redraft and recirculate letters to the respondents in MUR 1299 informing them of this Commission action. In addition, the Commission voted to deny respondent North Carolina Congressional Club's (NCCC) request for an extension of time in which to reply to the complaint in MUR 1299, instructing the Office of General Counsel to draft and circulate a letter to NCCC counsel informing him of this action, as well. Attached are those letters which the Office of General Counsel recommends the Commission approve and send to respondents.

RECOMMENDATION

1. Approve and send the attached letters.

Attachments
Letter to John Bolton
Letters to Curtis Herge
Letter to Jan Baran

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

HAND DELIVERED

John R. Bolton, Esquire
Covington and Burling
888 16th Street, N.W.
Washington, D.C. 20006

RE: MUR 1252 and MUR 1299

Dear Mr. Bolton:

This Office has received your letter of October 3, 1980 requesting an extension of time until October 24, 1980 in which to submit North Carolina Congressional Club's response to the complaint filed in the above referenced action. As you are probably aware, the Commission is under a statutory duty to conduct its investigations expeditiously, and therefore feels it cannot sanction any delay in the processing or consideration of this matter. Accordingly, on October 15, 1980, the Commission voted to deny your request for an extension. However, the Commission also voted on that date to merge the complaint in MUR 1299 with MUR 1252, and to treat them as a single investigatory matter.

If you have any questions about this or any other Commission action, please call Marsha Gentner at 523-5071.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252 and MUR 1299

Dear Mr. Herge:

On September 25, 1980 you were notified of the Commission's findings concerning your client, National Conservative Political Action Committee (NCPAC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to NCPAC. This letter is to further notify you that on October 15, 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252 and MUR 1299

Dear Mr. Herge:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Fund for a Conservative Majority (FCM), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to FCM. This letter is to further notify you that on October 15, 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

8304042439E

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1252 and MUR 1299

Dear Mr. Baran:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Americans for Change (AFC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to AFC. This letter is to further notify you that on October 15, 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Americans for Change, | ) | |
| Americans for an Effective Presidency, | ) | MUR 1299 |
| Fund for a Conservative Majority, | ) | |
| North Carolina Congressional Club, | ) | |
| National Conservative Political Action Committee | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on October 15, 1980, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 1299:

1. Merge MUR 1252 and MUR 1299.

2. Take no action at this time with respect to recommendations 2, 3, and 4 in the General Counsel's October 7, 1980 report on MUR 1299.

Commissioners Aikens, Friedersdorf, Harris, McGarry, and Reiche voted affirmatively for the decision. Commissioner Tiernan was not present at the time of the vote.

Attest:

10/15/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE MWE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY mc

DATE: OCTOBER 8, 1980

SUBJECT: OBJECTION - MUR 1299 - Memorandum to the Commission dated 10-7-80, "Complaint"; Received in OCS 10-7-80, 4:35

The above-named document was circulated on an EXPEDITED basis at 9:00, October 8, 1980.

Commissioner Friedersdorf submitted an objection at 11:37, October 8, 1980.

This matter will be placed on the Executive Session Agenda for Wednesday, October 15, 1980.

Commissioner Aikens submitted an objection at 12:34 this date.

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: OCTOBER 8, 1980

SUBJECT: OBJECTION - MUR 1299 - Memorandum to the Commission dated 10-7-80: Received in OCS 10-7-80, 4:35

The above-named document was circulated on an EXPEDITED basis at 5:30, October 7, 1980.

Commissioner Friedersdorf submitted an objection to the memorandum at 11:37, October 8, 1980.

MUR 1299 will be placed on the Executive Session Agenda for Wednesday, October 15, 1980.

Commissioner Aikens submitted an objection at 12:34, this date.

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October 7, 1980

MEMORANDUM TO: Marjorie W. Emmonss

FROM: Elissa T. Garr

SUBJECT: MUR 1299

Please have the attached Memo distributed to the Commission on an expedited basis. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

80 OCT 7 P4: 35

October 7, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Complaint in MUR 1299

On September 29, 1980, a complaint was filed with the Commission by Common Cause, alleging that Americans for Change, (AFC), Americans for an Effective Presidency (AEP), Fund for a Conservative Majority (FCM), the North Carolina Congressional Club (NCCC), and the National Conservative Political Action Committee (NCPAC) have violated the Federal Election Campaign Act and the Presidential Election Campaign Fund Act. (A copy of the complaint is attached.) Specifically, Common Cause alleges that AFC, AEP, FCM, NCCC and NCPAC have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures; and have also violated that statutory provision (as well as 2 U.S.C. § 441a(a)) by making excessive in-kind contributions to Ronald Reagan and his principal campaign committee. Common Cause alleges these in-kind contributions have resulted from AFC, AEP, FCM, NCCC and NCPAC expenditures because the committees are not independent from Mr. Reagan and his authorized committees. Pursuant to 2 U.S.C. § 437g(a), a copy of the complaint was sent to each of the respondents.

MUR 1252 is the result of a similar complaint against these same respondents. 1/ In that MUR, the Commission has found reason to believe that AFC, FCM and NCPAC have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures and 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making prohibited in-kind contributions (via expenditures which may not have been made independently from the authorized Reagan committees). 2/ Respondents were notified of this Commission action and an authorized Commission investigation was commenced.

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1/ Ronald Reagan and his authorized committees were named as respondents in MUR 1252, as well.

2/ Motions to make a similar finding against AEP and NCCC failed to receive the affirmative votes of four Commissioners.

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The Office of General Counsel recommends that the Common Cause complaint received by the Commission (MUR 1299) be merged with MUR 1252. The Common Cause complaint names no additional respondent not named (or considered by the Commission) in MUR 1252. Both the complaint in MUR 1252 and the Common Cause complaint allege a violation of the FECA and Fund Act contribution and expenditure limitations by virtue of the expenditures made by respondents; and both rely on the same allegations of fact and point to the same evidence in support of their identical charges against the respondents. Although Common Cause requests that its complaint be treated separately from the complaint in MUR 1252, it appears that to do so would require the Commission to again consider and review the same factual and legal allegations it has just recently discussed extensively and voted on in executive session, and would not contribute to the expeditious resolution of these matters. Should the Commission approve the recommendation to merge MURs 1252 and 1299, the Office of General Counsel would also recommend that the attached letters be sent to the respondents. 3/

Also attached is a letter from counsel for AFC requesting that the Commission "dismiss" its finding of reason to believe that AFC violated 26 U.S.C. § 9012(f) by making excessive independent expenditures, in light of the decision in FEC v. Americans for Change, et al, No. 80-1754 (D.D.C. September 20, 1980) (three-judge court). In that action the court found that while the FEC has correctly interpreted § 9012(f) as applying to political committee independent expenditures, that section of the Fund Act is unconstitutional as so applied. 4/ However, as the Commission has decided to appeal the lower court's decision in FEC v. Americans for Change, in order to preserve the integrity of its position, the Commission should not rescind or revoke its finding of reason to believe based on a violation of § 9012(f)'s expenditure limitation. The Office of General Counsel also notes in this regard that the Commission did not find reason to believe that 26 U.S.C. § 9012(f) was violated by AEP's and NCCC's expenditures of over $1000 in support of the candidacy of Ronald Reagan, although both the Common Cause complaint and the complaint in MUR 1252 make this allegation. 5/ The Office of General Counsel recommends that in order to be

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3/ As is always the case, no notification of this or any other Commission action will be sent to the complainant until dismissal or final resolution of the matter.

4/ Common Cause has filed a notice of appeal to the Supreme Court in that action. See 26 U.S.C. § 9011(b).

5/ The Commission did, however, name AEP as one of the defendents in FEC v. Americans for Change, supra.

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consistent that the Commission also find that there is reason to believe that AEP and NCCC have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan, and send the attached letters and notifications.

Finally, as it is less than 30 days prior to the election, the Office of General Counsel recommends that the Commission's recently adopted expedited compliance procedures be followed in these two matters.

Recommendations

1. Merge MUR 1252 and MUR 1299.

2. Deny the Motion to Dismiss of AFC.

3. Find reason to believe AEP and NCCC have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

4. Send the attached letters.

Attachments

Complaint - I
Letter from AFC counsel - II
Letters and Notifications - III

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September 26, 1980

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BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Dear Mr. Steele:

I enclose for filing with the Federal Election Commission an original and two copies of a Complaint by Common Cause against five so-called "independent expenditure" committees currently engaged in campaign activities in support of Ronald Reagan's candidacy. The respondent committees are Americans for Change, Americans for an Effective Presidency, Fund for a Conservative Majority, North Carolina Congressional Club, and National Conservative Political Action Committee. I have served the Complaint on respondents today by having copies hand-delivered to them or their counsel.

I also enclose copies of Notices of Appeal that have today been filed by Common Cause, David Cohen and Winifred Long in Common Cause v. Schmitt, C.A. No. 80-1609 (D.D.C.) and Federal Election Commission v. Americans for Change, C.A. No. 80-1754 (D.D.C.).

Very truly yours,

Michael L. Burack

Michael L. Burack
One of Counsel for Common Cause

Enclosures
cc: Counsel for Respondents

Attachment I

BEFORE THE
FEDERAL ELECTION COMMISSION

| | |
|---|---|
| COMMON CAUSE<br>2030 M Street, N.W.<br>Washington, D.C. 20036<br>(202) 833-1200<br><br>Complainant,<br><br>v.<br><br>AMERICANS FOR CHANGE<br>and its project<br>"Reagan For President in '80"<br><br>AMERICANS FOR AN EFFECTIVE<br>PRESIDENCY<br><br>FUND FOR A CONSERVATIVE<br>MAJORITY and its project<br>"Citizens For Reagan in '80"<br><br>NORTH CAROLINA CONGRESSIONAL<br>CLUB and its project<br>"Americans For Reagan"<br><br>NATIONAL CONSERVATIVE POLITICAL<br>ACTION COMMITTEE and its project<br>"The Ronald Reagan Victory<br>Fund"<br><br>Respondents. | COMPLAINT |

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## COMPLAINT OF COMMON CAUSE

### INTRODUCTION

1. This complaint charges that the respondent committees are violating the Federal Election Campaign Act, 2 U.S.C. §§ 431 et seq., as amended ("FECA"), and the

Presidential Election Campaign Fund Act, 26 U.S.C. §§ 9001 et seq., as amended ("Fund Act"). Each of the respondent committees is raising a substantial amount of money from contributors and is expending that money to support the election of Ronald Reagan, the Republican candidate for President. Since Mr. Reagan has received public financing, the respondent committees are violating the Fund Act whether or not they are acting independently of the official Reagan campaign. 26 U.S.C. § 9012(f)(1). But, given the nature of the committees and the totality of the circumstances, it would ignore reality to conclude that these shadow campaigns are independent.

2. Congress provided public financing to presidential candidates under the Fund Act as an optional alternative to conducting a privately financed campaign. The activities of the respondent committees pose a grave threat to public financing. If this Commission sanctions these activities, similar organizations will proliferate in future elections. Private "committee" expenditures will come to play a major or even dominant role in the election of the President. Presidential candidates will be deprived of the choice Congress intended to give them: to conduct and direct campaigns for office free from the entanglements of private financial support. Presidential candidates will once again be beholden to private financiers.[1/] The idea of public funding as an optional alternative to private financing will be corrupted.

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1/ See Deposition of Douglas L. Bailey (at p. 28) in Republican National Committee v. Federal Election Commission,

[Footnote continued next page]

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3. The Supreme Court has upheld public financing, saying that it "furthers, not abridges, pertinent First Amendment values." Buckley v. Valeo, 424 U.S. 1, 93 (1976). See Republican National Committee v. Federal Election Commission, 487 F. Supp. 280, aff'd, 100 S. Ct. 1639 (1980). Congress has wide latitude to effectuate public financing by limiting activity that would subvert it. Congress has done so by limiting the activities of committees like the Respondents, while leaving unfettered all truly independent political speech by individuals and groups. To conclude that Congress cannot proscribe activities of entities such as Respondents could mean that this Nation cannot constitutionally have a workable scheme of public financing. The First Amendment -- whose values public financing enhances -- does not require that perverse result.

4. We respectfully urge the Commission to exercise its powers to investigate the respondent committees and to conclude, in light of appropriate standards, that their activities violate the FECA and Fund Act.

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[Footnote continued from preceding page]

487 F. Supp. 280, aff'd 100 S. Ct. 1639 (1980) ("the people who wield the authority coming out of private fundraising are . . . the people who raise the money . . . . [T]he guy who can raise $50,000 in contributions is the guy who is incredibly important to that campaign and therefore has a significant amount of power.") Mr. Bailey is a Media Director of Respondent Americans for an Effective Presidency.

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JURISDICTION

5. As the Commission's General Counsel said in arguing for the dismissal of Common Cause v. Schmitt, Civil Action No. 80-1609 (D.D.C.), "[t]he activities of the [independent expenditure] committees are what is sought to be inquired into" and "that is precisely what the Congress created the Commission to look at."[2/]

6. Specifically, the Commission has jurisdiction to investigate the charges in this Complaint under 2 U.S.C. § 437g.

7. In addition, because the allegations in this Complaint inevitably bear on whether the Commission properly certified funds to the official Reagan campaign under 26 U.S.C. § 9005 and whether the official Reagan campaign will have to return all or some part of the public funds it has received under 26 U.S.C. § 9007(b), the Commission has jurisdiction to investigate the charges under 26 U.S.C. § 9009(b).

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2/ Transcript of August 6, 1980 Oral Argument in Common Cause v. Schmitt, p. 15.

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PARTIES

8. Complainant Common Cause is a non-profit membership corporation organized under the laws of the District of Columbia. It has approximately 225,000 dues paying members in the fifty states and the District of Columbia. Common Cause is organized to promote, on a non-partisan basis, its members' interests in social welfare, civic betterment, and social improvement. Common Cause seeks to achieve these objectives by making government more responsive to the needs and demands of citizens through reform of the electoral process.

9. Respondent Americans For Change ("AFC") registered with the Commission on May 23, 1980.[3/] AFC is attempting to raise between $20,000,000 and $30,000,000 through large-scale nationwide solicitation of contributions.[4/] It intends to use the money to purchase large amounts of radio and television time, as well as blocks of newspaper and magazine space, in which to run professionally prepared advertisements in support of the candidacy of Ronald Reagan.[5/] In addition,

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3/ Exhibit 1 to the Commission's Rule 1-9(h) Statement filed with the three-judge court in Federal Election Commission v. Americans For Change, Civil Action No. 80-1754 (filed August 4, 1980). (Such exhibits will hereafter be cited as "FEC Exhibit __.")

4/ The Washington Post, June 6, 1980, pp. A1, A3; The Wall Street Journal, June 19, 1980, p. 1; FEC Exhibit 2, p. 3.

5/ The Baltimore Sun, June 6, 1980, p. A4; The Washington Post, June 6, 1980, p. A3.

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AFC intends to prepare and distribute Ronald Reagan buttons, window signs, bumper stickers, brochures, and other campaign literature.[6/] AFC's activities are being undertaken under the name "Reagan For President in '80."[7/]

10. Respondent Americans for an Effective Presidency ("AEP") registered with the Commission on July 9, 1980.[8/] AEP is attempting to raise between $3,000,000 and $8,000,000 through a large-scale nationwide fundraising campaign involving both personal and direct-mail solicitation.[9/] AEP intends to use all or most of the money to purchase professionally prepared television, radio, and newspaper advertising in support of the candidacy of Ronald Reagan.[10/] All the decisions on how to spend the money are made by AEP's Expenditures Committee, which is also responsible for hiring all staff and authorizing all fundraising.[11/] AEP has been described as "a full-scale campaign -- lacking nothing but a candidate -- on a parallel track."[12/]

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6/ FEC Exhibit 4.

7/ FEC Exhibit 2.

8/ FEC Exhibit 12.

9/ FEC Exhibit 13, p. 5; The Washington Post, July 10, 1980, p. A3.

10/ FEC Exhibit 13, p. 5.

11/ Id., p. 4.

12/ The Washington Star, June 2, 1980, p. A1.

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11. Respondent Fund for a Conservative Majority ("FCM") most recently registered with the Commission on May 10, 1979.[13/] FCM is attempting to raise between $3,000,000 and $10,000,000 through a large-scale nationwide direct-mail fundraising campaign.[14/] It intends to use the money to purchase large amounts of radio and television time, as well as blocks of newspaper and magazine space, in which to run professionally prepared advertisements in support of the candidacy of Ronald Reagan. In addition to these advertisements, FCM intends to prepare and distribute Ronald Reagan buttons, posters, lapel pins, brochures, and other campaign literature.[15/] FCM's activities to further Ronald Reagan's candidacy are being undertaken under the name "Citizens for Reagan in '80."[16/]

12. Respondent North Carolina Congressional Club ("NCCC") most recently registered with the Commission on October 10, 1979.[17/] NCCC is attempting to raise up to $4,000,000 to purchase radio and television time in which to air advertisements supporting Ronald Reagan.[18/] The money is

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13/ FEC Exhibit 6.

14/ The Washington Star, June 2, 1980, p. A1.

15/ FEC Exhibits 10, 11.

16/ Id.

17/ FEC Exhibit 16.

18/ FEC Exhibits 17, 18; The New York Times, July 15, 1980, p. B9.

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being raised from the general public by, inter alia, direct mail solicitation using form letters.[19/] NCCC's activities to further Ronald Reagan's candidacy are being undertaken under the name "Americans For Reagan."[20/] Senator Jesse Helms heads "Americans For Reagan."

13. Respondent National Conservative Political Action Committee ("NCPAC") registered with the Commission on March 27, 1975.[21/] NCPAC is attempting to raise and spend between $1,000,000 and $5,000,000 on behalf of Ronald Reagan's candidacy.[22/] NCPAC is raising the money through direct-mail solicitations using computerized form letters. NCPAC used such solicitations to raise money that it spent on behalf of Ronald Reagan during the 1980 primaries.[23/] NCPAC's effort is being undertaken under the name "The Ronald Reagan Victory Fund."[24/] NCPAC plans to use and is using the money it raises to purchase, in various regions of the country, television and

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19/ FEC Exhibits 17, 18.

20/ Id.; The New York Times, July 15, 1980, p. B9.

21/ FEC Exhibit 20.

22/ The New York Times, July 15, 1980, p. B9.

23/ FEC Exhibit 21.

24/ The New York Times, July 2, 1980, p. A17; The Wall Street Journal, June 19, 1980, p. 1.

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other advertisements that support Ronald Reagan's candidacy and oppose that of Jimmy Carter.[25/]

RESPONDENTS' VIOLATIONS

I.

Respondents' Activities Are Illegal Whether or Not They Are Independent of the Official Reagan Campaign.

14. Respondents are now violating 26 U.S.C. § 9012(f)(1). That statute reads:

> "it shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, in an aggregate amount exceeding $1,000."

Section 9012(f)(1) applies to and limits Respondents' activities, whether or not Respondents are independent of the official Reagan campaign, and as thus applied is constitutional. See Complaint of the Federal Election Commission in Federal Election Commission v. Americans For Change, supra (filed July 15, 1980).

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25/ The Washington Post, Sept. 24, 1980, p. A3.

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II.

Respondents' Activities Are Illegal Because They Are Not Independent of the Official Reagan Campaign.

15. Respondents' expenditures on behalf of Ronald Reagan's candidacy are not independent of the official Reagan campaign and therefore violate the FECA and Fund Act as set forth below.

16. Section 431(17) of the FECA defines an "independent expenditure" as "an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate." See 11 C.F.R. § 109.1(a) and (b). The Fund Act does not expressly define the term "independent expenditure," but its legislative history indicates Congressional concern that the statute could be evaded unless "the candidate knows nothing about it [the allegedly independent activity] and there is no subterfuge about it. . . ." 117 Cong. Rec. 42626 (1971) (remarks of Sen. Pastore). When assessing the independence of an expenditure in support of a publicly financed Presidential candidate, Section

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431(17) should be construed to be in pari materia with the Fund Act and with the Fund Act's purposes in mind.

17. Proof that the official Reagan campaign expressly requested or suggested that a Respondent make expenditures on Mr. Reagan's behalf would, of course, compel the conclusion that the Respondent was not independent. But the ban on non-independent expenditures would be easy to evade if proof of an express request were invariably required.[26/] Longstanding friendships and working relationships, shared familiarity with the tactics of running a national political campaign, shared consultants and contributor lists, interlocking personnel, public announcements, and other publicity make the official and shadow campaigns fully aware of what each other is doing. Such mutual awareness can give rise to mutual understandings that, even when tacit, permit committees like Respondents and the candidates they support to count on each other and thereby achieve effective coordination. This is especially the case where a major component of the

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26/ See Leventhal, Courts and Political Thickets, 77 Colum. L. Rev. 345, 365 (1977) (recounting how "federal ceilings on both contributions and expenditures were widely circumvented through the proliferation of committees. Committees openly supporting candidates called themselves independent, claiming to operate without the knowledge or consent of the candidates . . . . Often they were vest pocket committees.")

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overall effort to elect the candidate is spot media advertising. In such circumstances, committees like Respondents, far from being sources of independent expression, become mere pocketbooks for increased media advertising by a campaign that was supposed to be run with a finite amount of public funds. Obviously, if the ban on coordinated expenditures is to be effective, Respondents' lack of independence from the official Reagan campaign must be provable by reasonable inferences from evidence of behavior other than clandestine meetings.

18. The totality of the circumstances, assessed realistically and with common sense, should determine whether Respondents' activities are independent of the official Reagan campaign. The indicia discussed below bear importantly on that assessment and should be considered by the Commission. Taken together, they point very directly to the conclusion that Respondents' activities are not independent.

a. Membership. Each of Respondents was founded or is managed by persons who have or have had close personal and professional links to Mr. Reagan, members of his official campaign, the Republican National Committee, and other intermediary groups such as Citizens for the Republic. Some were Reagan delegates at the Republican National Convention.[27/]

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27/ They include, on information and belief, Jesse Helms (NCCC), Harrison Schmitt (AFC), James Edwards (AFC), and William Clements (AEP).

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Stan Huckaby, AFC's Treasurer, is also an officer of one of Reagan's authorized campaign committees, the 1980 Republican Presidential Unity Committee.[28/]

These facts on their face indicate lack of independence. In addition, these close associations and prior collaborations provide the opportunity for communications concerning campaign strategy, or did so sufficiently in the past to reduce any current need for direct communication. Such interlocks and professional relationships make it all the more inevitable that Respondents and the official Reagan campaign will take account of each other's activities, thereby establishing the basis for effective coordination.

For these reasons, the Commission has found such circumstances not merely to create a presumption of non-independence but, indeed, to render it irrebuttable. See Response to Opinion Request No. 777 (Dec. 7, 1976). That case involved a volunteer worker in Gerald Ford's 1976 primary campaign. The worker, whose activities included delegate recruiting, was not an officer of the Ford campaign committee and was not authorized to raise or expend funds for or on

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28/ See Statement of Candidacy of Ronald Reagan, June 26, 1980; Statement of Organization of 1980 Republican Presidential Unity Committee, May 16, 1980; Statement of Organization of Americans For Change, May 23, 1980.

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behalf of the committee. The worker left the organization shortly after Mr. Ford was nominated. He proposed to form a separate political committee to make "independent expenditures" advocating Mr. Ford's election. The Commission held that he could not do so:

> "In the view of a majority of the Commissioners, contacts with campaign personnel and receiving information and knowledge of campaign plans or needs, were inevitable. Thus, the Commission concluded that the presumption, stated in § 109.1(b)(4)(i) of the Commission's proposed regulations, could not be rebutted . . . ."

There is ample precedent outside the election-law area for finding non-independence in the presence of interlocking relationships. Congress has itself recognized the danger of coordination and concerted action posed by interlocks. See, e.g., Clayton Act § 8, 15 U.S.C. § 19. Interlocks may "lead to exchanges of information, joint ventures [and] parallel behavior . . . ." 5 P. Areeda & D. Turner, Antitrust Law, 359 (1980). See also United States v. Sears, Roebuck & Co., 111 F. Supp. 614, 616 (S.D.N.Y. 1953) (Weinfeld, J.) (interlocking directorates "foster joint action").

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b. Size and organization. Because each Respondent plans to spend amounts of money that may exceed or be appreciable percentages of the public grant the official Reagan campaign will have, Respondents will be more than noticeable to the official campaign. That fact, particularly when combined with Respondents' membership, leads directly to the inescapable conclusion that the official Reagan campaign cannot help but be aware of their activities. In these circumstances, it is unrealistic to assume that the Reagan campaign, even if it tries, can avoid being influenced by Respondents' presence. The predictable reactions of the official Reagan campaign and Respondents to each other are the essence of concerted activity in this field.

c. Conscious Parallelism. That Respondents and the official campaign will complement and supplement each other's activities is not just an inevitable by-product; it is the very essence of Respondents' plans. Each Respondent is consciously attempting to conduct a parallel shadow campaign. They intend to fill the gaps in, or reenforce, the official campaign, principally by buying spot media advertisements. In view of the professional campaign experience and resources Respondents will bring to bear, they will be able to focus their efforts to complement the official campaign and will be perceived by the official campaign as doing so. Respondents

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efforts should thus provide the official Reagan campaign with considerable flexibility, in that the official campaign can count on Respondents to fill gaps the official campaign publicly announces. In such circumstances, it is unrealistic to conclude that Respondents and the official campaign are acting independently.

d. Indirect Communications. Respondents and the official campaign are achieving effective coordination by indirectly communicating to each other information concerning their campaign plans, with the inevitable and probably planned effect of influencing each other's activities. The official Reagan campaign has released detailed information concerning its strategy and plans,[29/] with full awareness of the plans of Respondents to run shadow campaigns. Respondents rely on the information released by the official Reagan campaign.[30/] The official Reagan campaign knows that Respondents rely on such information, and Respondents know that the official Reagan campaign knows. While further factual development on this point is certainly appropriate, there is already ample reason to believe that such information is released by the Reagan

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29/ See, e.g., The Wall Street Journal, July 14, 1980, pp. 1, 10; Newsweek, July 28, 1980, p. 32.

30/ See The New York Times, June 30, 1980, p. B13.

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campaign with a view toward having expenditures made by Respondents, that a mutual understanding exists to that effect, and that Respondents have acted on the basis of that understanding.[31/] The Commission has recognized that the transmission of such campaign strategy information may render the activities of the recipient non-independent:

> ". . . . [A]n expenditure is presumed not to be independent if it is based on information about the candidate's plans, projects or needs provided to the expending person by the candidate, or candidate's agents, with a view toward having an expenditure made . . . ."[32/]

That is the case here.

e. Interlocking consultants, vendors, and suppliers. There are interlocks between Respondents and campaign consultants, vendors, and suppliers of campaign products and services to the official Reagan campaign.

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31/ For instance, spokesmen for the official Reagan campaign have publicized the fact that "the South will be handled almost as a separate campaign" and that "'[w]e plan to use a Southern strike force of surrogates . . . to take the battle to Carter's base' . . . ." The Wall Street Journal, July 14, 1980, p. 1. Respondent NCPAC has now publicly announced that, starting September 29 and running through the election, it will buy television time in Alabama, Louisiana, Mississippi, and Florida to broadcast anti-Carter commercials. The Washington Post, September 24, 1980, p. A3.

32/ FEC Advisory Opinion No. 1979-80, CCH Fed. Elec. Campaign Fin. Guide ¶ 5469, at 10,527 (March 12, 1980).

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Respondents share campaign consultants and vendors with the campaign. Most notably, the polling and survey research firm of Arthur J. Finkelstein & Associates, which has assisted FCM, NCCC and NCPAC, has also aided the official Reagan campaigns in both 1976 and 1980. Moreover, Mr. Finkelstein is a member of the Advisory Committee on Campaign Services of the Republican National Committee -- an authorized Reagan committee.[33/] Similar interlocks exist with other firms.[34/]

Such sharing makes coordination virtually inevitable. Political consultants, such as Mr. Finkelstein, Mr. Viguerie and others, are not disinterested dispensers of advice. They are intensely political individuals with a large stake in the effectiveness of the overall pro-Reagan campaign. Such consultants are in a position to steer their pro-Reagan

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33/ See Affidavit of William E. Brock, III, Exhibit A, filed July 24, 1980, on behalf of Ronald Reagan and the Reagan For President General Election Committee in Carter-Mondale Reelection Committee v. Federal Election Commission, No. 80-1842 (D.C. Cir.). Mr. Reagan recently installed Drew Lewis, a Reagan campaign official, as deputy chairman and chief operating officer of the Republican National Committee. See The Washington Post, June 14, 1980, p. A1.

34/ Upon information and belief, Bruce Eberle Associates, Inc. and Richard A. Viguerie Company, Inc. and their subsidiaries have assisted one or more of the Respondents as well as the official Reagan campaign. These companies provide direct-mail and associated services. See The Baltimore Sun, June 6, 1980, p. A4 (Eberle); The New York Times, July 20, 1980, p. A14 (Viguerie).

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clients, both official and unofficial, in ways that will harmonize their activities. It is totally unrealistic to expect that political consultants intent on the success of the Reagan candidacy would let other clients with similar aims take actions that would interfere with the common goal.

Recognizing this truth, the Commission's General Counsel has indicated that "cooperation or consultation" between political committees may be found where the "two entities consistently purchase goods and services from common sources." FEC General Counsel's Report in the Matter of ACU/CVF, MUR 203 & 203(a), at 5-6 (Nov. 11, 1977). And in FEC Advisory Opinion No. 1979-80, supra, the Commission stated that:

> "use of an agent of a candidate or candidate's campaign committee by a political committee to make independent expenditures . . . raises the presumption that the expenditure is made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, a candidate or an agent or authorized committee of such candidate. Thus, use of an agent is presumed to destroy the independence of the expenditure and may result in an in-kind contribution." ¶ 5469 at 10,527 (emphasis added).

f. Coordinated Events. Respondents have coordinated certain of their campaign efforts so as to coincide with efforts of the official Reagan campaign. For example,

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certain Respondents have held press conferences and issued solicitation letters in conjunction with the Republican National Convention.[35/]

g. Use of the Candidate's Name. Respondents (except possibly AEP) are carrying on their activities under names calculated to create the impression that they are official campaign organizations authorized by Mr. Reagan -- names such as "Reagan For President in '80" (AFC), "Citizens For Reagan in '80" (FCM), "Americans For Reagan" (NCCC), and "The Ronald Reagan Victory Fund" (NCPAC).[36/] They proclaim themselves to be part of "the Reagan team."[37/] This use of Mr. Reagan's name is fully known to Mr. Reagan and his authorized committees. Indeed, AFC and NCPAC issued solicitation appeals from the Republican National Convention using the names "Reagan For President in '80" and "Americans For Reagan."[38/] Neither

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35/ See FEC Exhibit 3 (AFC press conference); FEC Exhibit 18 (NCCC solicitation); The New York Times, July 15, 1980, p. B9 (NCPAC press conference previewing TV commercials).

36/ Congress has recognized that such use of a candidate's name indicates that the committee using it is a committee that the candidate has authorized. See H. Rep. No. 96-422, 96th Cong., 1st Sess. (1979), quoted in 1979-3 U.S. Code Cong. & Admin. News 2860, 2873. The Commission recently made the same point. See Memorandum of Points and Authorities in Support of Plaintiff's Motion for Summary Judgment, at 19 n.21, in Federal Election Commission v. Americans for Change, supra (filed August 4, 1980). In addition, this practice appears to violate 2 U.S.C. § 432(e)(4).

37/ FEC Exhibit 10, p. 8.

38/ See FEC Exhibits 2, 18.

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Mr. Reagan nor any of his campaign staff has directed Respondents not to use Mr. Reagan's name in this manner.[39] They have, instead, acquiesced in the appearance that Respondents' activities are authorized by and are part of the official Reagan campaign. This aura of official status makes Respondents' activities an all the more effective adjunct to the official campaign.

h. Use of materials provided by the candidate. FCM's operations on behalf of Ronald Reagan's candidacy stem in significant part from Ronald Reagan and his campaign organizations:

> "The fountainhead of Mr. Reagan's mail drive [to support his 1980 primary campaign] was a list of 180,000 names left over from his unsuccessful 1976 Presidential campaign. The list became the property of Citizens for the Republic, an organization started by Mr. Reagan and his aides as a fund-raising vehicle for conservative causes. The Citizens for the Republic's list, in turn, has been rented in a growing mailing-list market to a wide array of conservative groups, including the Fund for a Conservative Majority."[40]

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39/ See, for example, the Affidavit of William E. Brock, III, supra.

40/ The New York Times, June 30, 1980, p. B13.

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Such use of solicitation tools obtained from (and still used by) the Reagan organization rebuts any possible claim to independence.

19. No doubt, each Respondent may offer explanations for why one or another of the foregoing indicia of coordination does not necessarily reflect such coordination in its case. But where, as here, membership, size, sheer noticeability, conscious parallelism, indirect communications, interlocking personnel, shared consultants and vendors, coordinated events, and use of the candidate's name and campaign materials are all present, it is impossible to conclude that Respondents and the official campaign are acting independently of one another in any realistic sense. On the contrary, these factors all point to the conclusion that Respondents -- manned by party professionals with close personal and professional links to the official campaign and consciously paralleling the official Reagan campaign -- have developed an effectively coordinated, symbiotic modus operandi with the official campaign. They are essentially providing coordinated additional pocketbooks to support the official campaign. Respondents' shadow campaigns are no more independent of the official Reagan campaign than real shadows are of the objects that form them.

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20. It is already clear, and will become clearer as the campaign progresses, that Respondents' expenditures are not independent of the official Reagan campaign. The following publicly available material concerning each Respondent both supports that conclusion and provides investigatory leads the Commission might wish to pursue.

21. AFC. Literature distributed to the public and the press by AFC, at the Republican National Convention, describes the purpose of the "Reagan For President in '80" operation as follows:

> "The federal law prohibits you from contributing directly to the Reagan general election campaign and limits the amount of funds that he can spend on voter educational material."41/

* * *

> "'Reagan for President in '80' is being sponsored by Americans For Change, because federal campaign financing laws prohibit national candidates from accepting personal contributions since they receive federal funds."42/

* * *

> "If you want to see a change in this nation in 1980 it's going to take much more than the $29 million that the federal government is allowing Ronald Reagan."43/

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41/ FEC Exhibit 4.

42/ FEC Exhibit 2, p. 2.

43/ Id.

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* * *

"By joining with thousands of your interested and concerned citizens you can participate in the newly founded 'Reagan for President in '80,' project, established to raise over $20 million on behalf of Ronald Reagan."44/

22. AFC is closely linked, through its organizers and officers, to the Republican Party, the Republican National Committee, and the official Reagan campaign organization:

a. Harrison Schmitt, the Chairman of AFC, is a member of the Republican National Committee Advisory Council on Economic Affairs45/ and was a Reagan delegate to the 1980 Republican National Convention.

b. John Harmer, the Co-Chairman of AFC, is Ronald Reagan's former Lieutenant Governor.46/

c. Stan Huckaby, the Assistant Treasurer and Custodian of Records of AFC, is the Treasurer of the 1980 Republican Presidential Unity Committee, an authorized committee of Ronald Reagan, and has served as a paid consultant to the Republican National Committee.47/ He maintains his office at the Republican National Committee headquarters.48/

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44/ Id., p. 5 (emphasis added)

45/ Republican National Committee Advisory Councils Committees Directory, July 1979.

46/ Los Angeles Times, June 6, 1980, Section 1, p. 5; The Washington Post, June 6, 1980, p. A3.

47/ See Expenditure Report for the Republican National Committee, Schedule A, April 1980 and June 1980.

48/ FEC Exhibit 1 (referring to 310 First Street, S.E., Washington, D.C.).

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d. James Edwards, a member of the AFC steering committee, is a member of the Republican National Committee Advisory Council on Natural Resources[49] and was a Reagan delegate to the 1980 Republican National Convention.

e. George Murphy, a member of the AFC steering committee, is a member of the Policy Board of the Republican National Committee Advisory Council on National Security and International Affairs.[50]

f. Anna Chennault, a member of the AFC steering committee, is the Co-Chair of the Nationalities Division of the Reagan For President Committee, a member of the Republican National Committee Advisory Committee on Fiscal Affairs, and an ex-officio member of the Republican National Committee Executive Committee.[51]

23. AFC held a press conference in conjunction with and as part of the 1980 Republican National Convention; the press conference used Convention facilities and was announced on the official Convention calendar of events for July 16, 1980.[52] AFC also held a post-Convention fundraiser in

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49/ The Washington Post, June 6, 1980, p. A3; Republican National Committee Advisory Councils Committees Directory, July 1979.

50/ The Washington Post, June 6, 1980, p. A3; Republican National Committee Advisory Councils Committees Directory, July 1979.

51/ The Washington Post, June 6, 1980, p. A3; List of Officers, Executive Committee and Members of the Republican National Committee, June 12, 1980, p. 2; Reagan For President Press Release, July 12, 1980; Republican National Committee Advisory Councils Committees Directory, July 1979.

52/ FEC Exhibit 3.

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Houston, precisely where and when the candidates went after the Convention. AFC's solicitation letter concerning that fundraiser, signed by Chairman Harrison Schmitt, states:

> "Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.
>
> ". . . .
>
> "I will fly to Houston directly from the National Convention along with John Harmer, Ronald Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.
>
> "Please join the team now. Send your checks for Reagan for President in '80 . . . ."53/

24. AEP. AEP is closely linked, through its organizers, officers and agents, to the Republican Party, the Republican National Committee and past and present campaign organizations for Ronald Reagan and other Party candidates. For example:

> a. Peter Flanigan, the Chairman of AEP, is a member of the Policy Board of the Republican National Committee Advisory Council on Economic Affairs. He was the Deputy Campaign Chairman of the official 1968 general election campaign for the Republican Party candidate.54/

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53/ FEC Exhibit 5 (emphasis added).

54/ Republican National Committee Advisory Councils Committees Directory, July 1979; Who's Who in American Politics.

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b. Stuart Spencer, who was involved in the organization of AEP and who was to run its operation,[55] now works for the official Reagan campaign.[56] He ran Mr. Reagan's campaigns for Governor of California in 1966 and 1970 and was the national political director for the official 1976 general election campaign for the Republican Party candidate.[57]

c. William Clements, who was involved in the organization of AEP, serves as the Chairman of the official Reagan campaign in Texas and is a member of the Republican National Committee Advisory Council on National Security and International Affairs.[58]

d. Thomas Reed, the Chairman of the Expenditures Committee of AEP, was the Chairman of Ronald Reagan's 1970 gubernatorial re-election campaign and is a past member of the Republican National Committee. He has directed and chaired political campaigns for the last 14 years.[59]

e. Don Fierce, the Staff Director of AEP, was a regional political director for the official 1976 general election campaign

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55/ Business Week, June 23, 1980, p. 147; Evans-Novak Political Report, May 27, 1980, p. 3; The Washington Post, May 28, 1980, p. 5; The Washington Star, June 2, 1980, pp. A1, A4; The Washington Star, June 5, 1980, p. A3; The New York Times, June 23, 1980, p. A21.

56/ Newsweek, July 28, 1980, p. 32.

57/ S. Blumenthal, The Permanent Campaign (1980), Chapter 8.

58/ The Washington Star, June 2, 1980, p. A1; Dallas Times Herald, June 25, 1980, p. A29; Republican National Committee Advisory Councils Committees Directory, July 1979.

59/ FEC Exhibit 13, p. 4; Who's Who in America.

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for the Republican Party candidate. He has also managed numerous other official Republican campaigns.60/

f. Bailey, Deardourff & Associates, the Media Directors of AEP, served as the advertising agency for the official 1976 general election campaign for the Republican Party candidate.61/

25. FCM. FCM calls its shadow campaign "Citizens for Reagan in '80." That name and Mr. Reagan's picture (together with that of Mrs. Reagan) are prominently displayed in the literature FCM distributes.62/

26. FCM's literature characterizes its activities as a "campaign" and states, among other things:

> "'Citizens for Reagan in '80' is working in key primary states such as New Hampshire, Florida, Texas and California, and at the important state conventions of Virginia and Missouri. Mailings, newspaper and radio ads, billboards and other political campaign activities will continue to be sponsored by this independent campaign."63/

* * *

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60/ FEC Exhibit 13, p. 4.

61/ Id., p. 5; FEC Exhibit 14.

62/ FEC Exhibit 10.

63/ Id., p. 3 (emphasis added).

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"Once Reagan is nominated at the Republican convention, we will not stop our campaign -- no indeed. 'Citizens for Reagan in '80' will continue to campaign right up to election day.

"As an independent campaign, 'Citizens for Reagan in '80' is not bound by the federal law to disband after Ronald Reagan's nomination. However, the only money the official Ronald Reagan campaign will have after his nomination will be that which the Federal Election Commission gives him.

"As an independent effort 'Citizens for Reagan in '80' has no limit on expenditures before or after the nomination.

"Ronald Reagan can win in 1980. But to win he needs your help today."64/

27. The coupon enclosed with FCM's form solicitation letters, to be returned by contributors with their money states:

"Count me on the Reagan Team for 1980! I am most happy to join 'Citizens for Reagan in '80' . . . ."65/

28. FCM's post-Convention mailings more explicitly suggest coordination between FCM and the official Reagan campaign. A recent solicitation letter, mailed in an envelope

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64/ Id., pp. 5-6.

65/ Id., p. 8.

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reading "DATELINE: REPUBLICAN CONVENTION, DETROIT 11:03 PM. WEDS JULY 16, 1980," states:

> "TONIGHT RONALD REAGAN WAS NOMINATED FOR PRESIDENT!
>
> "NOW OUR WORK REALLY BEGINS . . . .
>
> "BY LAW YOU CANNOT CONTRIBUTE DIRECTLY TO REAGAN'S CAMPAIGN NOW THAT HE HAS BEEN NOMINATED.
>
> "SO IT IS OBVIOUS THAT RONALD REAGAN NEEDS 'CITIZENS FOR REAGAN IN '80' . . . .
>
> "YOUR CONTRIBUTION IS NEEDED. CAMPAIGN PLANS; NATIONAL ADVERTISING ON TV AND RADIO; FULL PAGE ADS IN NEWSPAPERS; ELECTION MAILINGS PIN-POINTED TO SELECTED VOTERS ARE ALL WAITING FOR THE FUNDS TO BE RAISED.
>
> "RONALD REAGAN NEEDS YOU TO SUPPORT 'CITIZENS FOR REAGAN IN '80' IF HE IS TO BE ELECTED PRESIDENT."66/

29. FCM's campaign strategy is to parallel and supplement the official Reagan campaign:

> "FCM has monitored the Reagan campaign closely: Whenever he is in trouble or broke, they move in swiftly and skillfully."67/

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66/ FEC Exhibit 11, p. 1 (emphasis in original).

67/ The Boston Globe, May 28, 1980, p. 1. The article descibes how FCM's close monitoring of both the Bush and the Reagan campaigns had enabled the group to provide Mr. Reagan with critical infusions of money, manpower, and advertising in the New Hampshire, Pennsylvania, and Texas primaries.

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* * *

> "Thus, in the closing weeks of the New Hampshire primary, when Mr. Reagan was approaching the limit of what he was allowed to spend under Federal law, the Fund for a Conservative Majority spent $60,000 to $65,000 on a variety of activities, including radio advertising and busing volunteers to the campaign front."68/

FCM is able to achieve this high degree of coordination in large part by monitoring information released by the official Reagan campaign organization, including descriptions of the Reagan campaign strategy.69/ According to FCM's Treasurer, "we pretty much know what the Reagan campaign strategy is from the newspapers".70/

30. As indicated above, FCM uses campaign-related products and services that are used by, and in some cases originated with, official Reagan campaign organizations, including a list of 180,000 names compiled for the 1976 Reagan campaign.71/ Expenditure reports filed by FCM with the Commission reveal other instances where FCM has consulted with,

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68/ The New York Times, June 30, 1980, p. B13 (emphasis added).

69/ Id.

70/ Id.

71/ The New York Times, June 30, 1980, p. B13.

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and purchased campaign-related products and services from, the same vendors and firms that consult with and work for the official Reagan campaign.

31. NCCC. When NCCC's leader, Senator Helms, was asked at the Republican National Convention whether he had had any recent discussions with Mr. Reagan, he replied:

> "Well, as you may know, we have had an independent effort going on in North Carolina. The law forbids me to consult with him and it's been an awkward situation. I've had had to, sort of, talk indirectly with Paul Laxalt [Mr. Reagan's campaign manager] and hope that he would pass along, uh, and I think the messages have gotten through all right."72/

Senator Helms worked actively for Ronald Reagan at the Republican National Convention and was instrumental in formulating the Republican platform upon which Ronald Reagan is running.73/

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72/ The Washington Post, July 29, 1980, p. A10; July 16, 1980 ABC broadcast from the Republican National Convention.

73/ The Washington Post, July 17, 1980, pp. D1, D13.

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32. The literature distributed by NCCC states that NCCC plans to undertake a campaign effort on behalf of Ronald Reagan:

> "Although Ronald Reagan will be limited in spending this fall by federal law, you and I can help him overcome the odds by waging an independent effort through Americans for Reagan.
>
> "As an independent campaign, Americans for Reagan can spend an unlimited amount of money on behalf of Ronald Reagan."[74]

33. One of the organizers of this effort is Bruce Eberle, who heads a direct mail agency that raised money for Mr. Reagan in 1976[75] and that has, upon information and belief, worked in concert with Citizens for the Republic, an extension of the 1976 Reagan campaign.

34. NCPAC. NCPAC and Mr. Reagan have collaborated in the past. Indeed, in its May 15, 1980, solicitation letter requesting contributions to "help Governor Reagan's campaign," respondent NCPAC stated:

> "When NCPAC was founded in 1976 Ronald Reagan signed a letter personally asking his supporters and other conservatives all over the country to help us. In fact NCPAC was the only organization Ronald Reagan helped in 1976.

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74/ FEC Exhibit 17, p. 2.

75/ The Baltimore Sun, June 6, 1980, p. A4.

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> "Many thousands of convervatives responded to his call. He is one of the main reasons NCPAC is here today . . . ."[76]

35. NCPAC has urged contributors to inform the official Reagan campaign of their contributions:

> "If you can send a contribution to NCPAC to help us help Governor Reagan, I am also asking you to send him the enclosed postcard telling him of your support."[77]

36. NCPAC plans to use the money it raises to purchase large amounts of radio and television time in which to prepare professional advertisements for Ronald Reagan.[78] Ten such advertisements were previewed at a press conference held by NCPAC in Detroit on July 14, 1980, in conjunction with the Republican National Convention.[79]

37. The foregoing allegations provide ample reason to believe that Respondents are not independent of the official Reagan campaign and, accordingly, are violating the federal election laws:

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76/ FEC Exhibit 21, p. 2 (emphasis added).

77/ Id. The postcard appears at page 5.

78/ Id.

79/ The New York Times, July 15, 1980, p. B9.

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a. Respondents are in violation of 26 U.S.C. § 9012(f)(1), even if that section reaches only activities by non-authorized political committees that are not independent of a publicly financed candidate's official campaign.

b. Respondents' expenditures will constitute expenditures by the official Reagan campaign. See 26 U.S.C. § 9002(11) (following ¶ (C)); 2 U.S.C. § 441a(b)(2)(B); 11 C.F.R. §§ 109.1(c) & 110.8(g). This will, with virtual certainty, give rise to a violation of 26 U.S.C. § 9012(a)(1) and 2 U.S.C. § 441a(b)(1)(B) which make it unlawful for a major-party candidate to incur campaign expenditures in excess of the amount of public financing he receives.[80/] See also 26 U.S.C. § 9003(b)(1); 2 U.S.C. § 441a(f).

c. Respondents' expenditures will constitute contributions to the official Reagan campaign. See 2 U.S.C. § 441a(a)(7)(B)(i); 11 C.F.R. § 109.1(c). This will give rise to violations of 26 U.S.C. § 9012(b)(1), which makes it unlawful for a major-party candidate who receives public financing to accept contributions.[81/] See also 26 U.S.C. § 9003(b)(2); 2 U.S.C. § 441a(f).

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80/ Respondents have announced that they intend to raise in the aggregate between $27,000,000 and $57,000,000 -- far more than would be necessary to put Mr. Reagan's total expenditures over the $29,440,000 limit.

81/ Both Section 9012(a)(1) and Section 9012(b)(1) require that the proscribed action be done "knowingly and

[Footnote continued next page]

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d. As contributions to the official Reagan campaign, Respondents' expenditures will also violate 2 U.S.C. § 441a(a) by exceeding the statutorily prescribed contribution limitations.

RELIEF

38. We respectfully urge the Commission to conduct a prompt, thorough investigation into these allegations. In a case of this kind, it is of the utmost importance that the Commission issue subpoenas, take depositions, and pursue by other appropriate means the discovery needed to inquire into the facts surrounding Respondents' operations and activities. The facts outlined above themselves indicate that Respondents are committing serious violations of the FECA and Fund Act.

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[Footnote continued from preceding page]

willfully." That is the case here. Mr. Reagan and his official campaign organization are fully aware of the activities of the so-called "independent expenditure" committees that support his candidacy. Mr. Reagan personally and the Reagan For President General Election Committee have intervened in a pending case involving the activities of these committees. Carter-Mondale Reelection Committee v. Federal Election Commission, supra. There is no indication that Mr. Reagan or his campaign organization has taken any affirmative steps to seek to halt the "independent" expenditures being made on his behalf. The affidavit submitted in that case on July 24, 1980, by Paul Laxalt, the Chairman of the Reagan campaign, does not state that any such steps have been taken; it makes only the much weaker assertion that the Reagan campaign has not encouraged, stimulated, or requested such expenditures. And that assertion may, of course, be proven incorrect.

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Those facts also provide a road map of evidentiary leads the Commission might wish to follow.

39. The Commission need not feel constrained to conduct this investigation under the cumbersome and time-consuming procedures set forth in 2 U.S.C. § 437g. Instead, it may and should treat this as an investigation conducted pursuant to the authority granted it by Section 9009(b) of the Fund Act. That would permit the Commission to expedite the investigation. It goes without saying that expedition is important to the parties and to the integrity of the electoral process.

RELATED MATTERS

40. In Common Cause v. Schmitt, supra, Common Cause and other plaintiffs alleged that the activities of three of the respondent committees are illegal (a) because they violate 26 U.S.C. § 9012(f)(1), whether or not the committees are independent of the official Reagan campaign; and (b) because the committees are not independent of that campaign. The Commission intervened and moved to dismiss the suit, on the ground that it had exclusive jurisdiction of the matter. The three-judge district court dismissed the suit, but has not yet issued its opinion. Common Cause believes the court's decision is erroneous and is seeking judicial review.

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41. In Federal Election Commission v. Americans for Change, supra, the Commission sought a judicial declaration that three of the respondent committees are violating 26 U.S.C. § 9012(f)(1), whether or not they are independent of the official Reagan campaign. The three-judge court dismissed the complaint. Common Cause believes the court's ruling was erroneous and that the Commission should seek judicial review.

42. The Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee ("Carter-Mondale") have filed a complaint with the Commission that questions, inter alia, the legality of Respondents' activities. That complaint is still pending and presumably the Commission is investigating the charges as it is required to do. While Common Cause's Complaint herein is distinct from the Carter-Mondale complaint, the two complaints obviously touch the same subject matter. The pendency of the Carter-Mondale complaint should not be allowed to interfere with the Commission's expeditious investigation of this Complaint. Indeed, evidence developed by the Commission in that matter may bear on the charges herein;

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if so, such evidence should be considered as part of the record developed with respect to this Complaint.

Respectfully submitted,

Michael L Burack

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September 26, 1980

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VERIFICATION

The undersigned counsel for complainant swears that the statements in this complaint are based upon the sources indicated and, as such, are true and correct to the best of his information and belief.

Michael L Burack

Michael L. Burack

Subscribed and sworn
before me this 26th day
of September, 1980.

Robert D. Carter

Notary Public

My Commission Expires May 31, 1984

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MWE

80 OCT 1 P5:25

October 1, 1980

Federal Election Commission
1325 K Street, N. W.
Washington, D. C. 20463

Re: MUR 1252

Dear Madame & Sirs:

I am in receipt of your letter dated September 25, 1980. Pursuant to your suggestion in paragraph 2 of your letter, Americans For Change ("AFC") will submit additional factual and legal materials, which will demonstrate that the FEC erred in finding "reason to believe" that AFC contravened certain provisions of the Federal Election Campaign Act, as amended ("Act") or Chapter 95 of Title 26 of the United States Code.

AFC strongly objects to the FEC's finding for the following reasons. First, the FEC has chosen to ignore the recent decision of a three-judge court which unanimously rejected the FEC's argument that 26 U.S.C. §9012(f) limits independent expenditures. FEC v. Americans For Change, No. 80-1754 (D.D.C. August 28, 1980) (three-judge court) (order granting summary judgment in favor of AFC and co-defendants). Notwithstanding the Court's order, the FEC has found that AFC, a party to the above-mentioned suit, may have made "excessive independent expenditures." Such a finding is in direct conflict with the order in FEC v. AFC and, therefore, there is no basis in law for the FEC's finding. Either the FEC has made an inadvertent error or it has decided not to abide by a judicial determination.

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Attachment II

Second, the FEC has not adhered to its own regulations or the Act, 2 U.S.C. §437g(a)(1) and, therefore, has seriously affected the due process rights of AFC. The report that accompanied your letter of September 25 states that the FEC finding relating to the use of Governor Reagan's name was based on allegations made by complainants in a "July 21, 1980, supplement to their complaint." AFC has never received this "supplement" from either the complainant or the FEC. As I previously noted in my letter of July 31, 1980, 11 C.F.R. §111.5 requires the General Counsel to notify respondents of complaints filed with the FEC in order to afford respondents a bona fide opportunity to demonstrate that the FEC should take no action on the allegations. AFC has never been afforded such an opportunity with regards to allegations raised in the so-called "supplement" of July 21, 1980. This denial of due process renders the FEC's finding procedurally deficient. Furthermore the allegations are meritless, since Governor Reagan's name is not, and never has been used in AFC's committee name as is apparent from AFC's registration statement filed with the FEC and all notices contained in AFC literature pursuant to 2 U.S.C. §441d.

Finally, AFC has been, and will continue to be, independent of Governor Reagan and his campaign. As the FEC has already been informed, Ms. Anna Chennault is not and never has been a member of AFC's National Steering Committee, nor of AFC's Executive Committee, the group that makes AFC's expenditure decisions. Ms. Chennault has never been privy to any information about AFC's activities or plans regarding independent expenditures in support of Governor Reagan. She has never participated in any activities on behalf of AFC, including independent expenditures. With respect to Mr. Stan Huckaby, he is not and never has been a participant in any decisions made by AFC regarding any independent expenditures in support of Governor Reagan. Mr. Huckaby does not have the authority and in fact has never incurred <u>any</u> expenditures on behalf of AFC. All checks are signed by persons other than Mr. Huckaby. No independent expenditures are made by or through Mr. Huckaby. The report accompanying your letter also refers to Senator Harrison Schmitt, AFC's Chairman, who had been listed in 1979 as a member of a Republican

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National Committee Advisory Council. Senator Schmitt has not participated in the activities of the Advisory Council nor attended any of its meetings. He is not and never has been an officer of the Republican National Committee.

In conclusion, the FEC's action as described in your letter of September 25, 1980, is contrary to a decision of a three-judge panel of the United States District Court for the District of Columbia, a serious denial of due process, and contrary to the facts. We demand immediate action by the FEC in dismissing all allegations against AFC, if not upon receipt of this letter then within 24 hours after the filing of additional factual and legal materials.

Sincerely,

Jan W. Baran

JWB:gh

cc: Senator Harrison Schmitt
Honorable Max Friedersdorf
Honorable John McGarry
Honorable Joan Aikens
Honorable Thomas Harris
Honorable Frank Reiche
Honorable Robert Tiernan

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1252 and MUR 1299

Dear Mr. Baran:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Americans for Change (AFC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to AFC. We acknowledge receipt of your response to this complaint, which was dated , 1980. This letter is to further notify you that on , 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

In addition, the Commission has also determined to decline to grant AFC's Motion to Dismiss (contained in your letter of October 1, 1980). The Commission believes that the lower court decision in FEC v. Americans for Change, et al, No. 80-1754 (D.D.C. 1980), is not dispositive of the question of the constitutionality of 26 U.S.C. § 9012(f), as that decision is currently on appeal before the Supreme Court. See 26 U.S.C. § 9011(b). Therefore, until such time as a final decision has been rendered by the Court on the constitutional validity of § 9012(f), the Commission feels it must proceed with its usual compliance procedures where, as here, a complaint has been filed alleging a violation of a statutory provision which the Commission is charged with enforcing.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

Attachment III

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

John R. Bolton, Esquire
Covington and Burling
888 16th Street, N.W.
Washington, D.C. 20006

Re: MUR 1252 and MUR 1299

Dear Mr. Bolton:

On September 25, 1980 you were notified of the Commission's findings concerning your client, North Carolina Congressional Club (NCCC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to NCCC. We acknowledge receipt of your response to this complaint, which was dated , 1980. This letter is to further notify you that on , 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

In addition, the Commission has found reason to believe NCCC violated 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan. A report on the Commission's finding is attached. You may also submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of this matter. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCCC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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 have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1299

STAFF MEMBER(S) & TEL. NO.

Marsha G. Gentner

Anne A. Weissenborn
(202) 523-5071

COMPLAINANT'S NAME Carter/Mondale Reelection Committee
Democratic National Committee

RESPONDENT"S NAME North Carolina Congressional Club

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which alleges that the North Carolina Congressional Club (hereinafter "NCCC") is violating 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of the candidacy of Ronald Reagan and both 2 U.S.C. § 9012(f) and 2 U.S.C.§ 441a(a) by making excessive in-kind contributions to Ronald Reagan and his principal campaign committee.

PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidates. Therefore, if an unauthorized committee expends more that $1000 on behalf of such a candidate, that committee has violated 26 U.S.C. § 9012(f), whether of not the committee is "independent" of the candidate's authorized committee.

As the complaint demonstrates, NCCC is soliciting funds in excess of $1,000 to be used "to purchase radio and television time in which to air advertisements supporting Ronald Reagan." The Office of General Counsel has recommended that the Commission find reason to believe that NCCC has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found that the North Carolina Congressional Club has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252 and MUR 1299

Dear Mr. Herge:

On September 25, 1980 you were notified of the Commission's findings concerning your client, National Conservative Political Action Committee (NCPAC), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to NCPAC. We acknowledge receipt of your response to this complaint, which was dated , 1980. This letter is to further notify you that on , 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252 and MUR 1299

Dear Mr. Herge:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Fund for a Conservative Majority (FCM), with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to FCM. We acknowledge receipt of your response to this complaint, which was dated , 1980. This letter is to further notify you that on , 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

If you have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Roderick M. Hills, Esquire
Lathams, Watkins and Hills
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1252 and MUR 1299

Dear Mr. Hills:

On September 25, 1980 you were notified of the Commission's findings concerning your client, Americans for an Effective Presidency (AEP) with respect to the complaint filed by the Carter-Mondale Reelection Committee and captioned MUR 1252. On September 29, 1980 the Commission received a complaint filed by Common Cause against your client, and a copy of that complaint was mailed to AEP. We acknowledge receipt of your response to this complaint, which was dated , 1980. This letter is to further notify you that on , 1980, the Commission voted to merge the complaint in MUR 1299 with MUR 1252, and to treat it as a single investigatory matter.

In addition, the Commission has found reason to believe AEP violated 26 U.S.C. § 9012(f) by making excessive independent expenditures in support of Ronald Reagan. A report on the Commission's finding is attached. You may also submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of this matter. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against AEP, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions with respect to this or any other Commission action, please call Marsha G. Gentner, Anne A. Weissenborn, or Patricia F. Bak at (202) 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1299

COMPLAINANTS' NAMES Carter/Mondale Reelection Committee
Democratic National Committee

STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner
Anne A. Weissenborn
(202) 523-5071

RESPONDENT'S NAME Americans for an Effective Presidency

## BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which alleges that Americans for an Effective Presidency (hereinafter "AEP") is violating 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of the candidacy of Ronald Reagan and both 2 U.S.C. § 9012(f) and 2 U.S.C.§ 441a(a) by making excessive in-kind contributions to Ronald Reagan and his principal campaign committee.

## PRELIMINARY FACTUAL BASIS AND LEGAL ANALYSIS

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidates. Therefore, if an unauthorized committee expends more that $1000 on behalf of such a candidate, that committee has violated 26 U.S.C. § 9012(f), whether of not the committee is "independent" of the candidate's authorized committee.

As the complaint demonstrates, AEP is soliciting funds in excess of $1,000 to be used "to purchase professionaly prepared television, radio, and newspaper advertising in support of the candidacy of Ronald Reagan." The Office of General Counsel has recommended that the Commission find reason to believe that AEP has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

## COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found that Americans for an Effective Presidency has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures.

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# WILMER & PICKERING

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ANDREW S. WEISSMAN
BARBARA S. WELLBERY
DAVID WESTIN
THOMAS M. WHITE
JUDITH BARRY WISH
GEORGE S. WOLFE


December 4, 1980

BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463


80 DEC 4 P5:25
RECEIVED
CLERK'S OFFICE


Re: Complaint of Common Cause re "Independent Expenditure" Committees.

Dear Mr. Steele:

I wish to call your attention to the Commission's recent Advisory Opinion No. 1980-116 (issued Nov. 14, 1980) ("the Opinion"), which bears directly on aspects of Common Cause's September 26, 1980 Complaint. The request for the Opinion posited a political committee that was "totally independent of any other political committee, candidate or political party"; the request inquired what the effect would be on the committee's "independent" status if persons who, on a reimbursed basis, make speeches and engage in campaign activity on behalf of a presidential candidate were also to make speeches and raise funds on behalf of the committee. The


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Opinion correctly concluded that in those circumstances the committee could not be deemed independent, even if the persons do nothing on behalf of the presidential candidate except make speeches -- and in particular, even if they neither make, nor have authority to make, expenditures on behalf of the candidate.

The Opinion's conclusion is directly relevant to certain allegations in Common Cause's Complaint. As the Complaint pointed out (inter alia), organizers, officers and agents of several of the respondent committees worked actively for Mr. Reagan's nomination and election and held positions in authorized committees of the Reagan campaign. (See Complaint ¶¶ 18a, 18e, 22, 24, 31.) As part of its investigation in connection with the Complaint, the Commission should inquire into the nature of the campaign activities (including, but not limited to, speeches) of those individuals and into whether they received any reimbursement from any authorized committees or agents of the Reagan campaign for any of their activities. If such activities were reimbursed directly or indirectly, in full or in part, then, under the Opinion, the respondent committees cannot be deemed independent.

A finding of reimbursement is, of course, not limited to situations in which out-of-pocket expenses are initially

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borne by the respondent committee and later repaid by the official campaign. Reimbursement is also made where the official campaign bears the cost of items, services, or facilities that are used by the respondent committees. For example, certain of the committees apparently utilized services and facilities at the 1980 Republican National Convention to conduct press conferences and distribute hand-outs. (See Complaint ¶¶ 18f & n.35, 23, 28, 36.) If the Republican National Committee -- an authorized committee of the official Reagan campaign -- in fact bore the cost of respondents' use of those services and facilities, respondents were spared the out-of-pocket expense of obtaining equivalent services and facilities. The result, clearly, would be that the official campaign effectively reimbursed the respondent committees for such expenses. A similiar analysis would apply, and the same conclusion would follow, if the respondent committees obtained and used mailing lists derived from the Reagan campaign organization without paying for them, or without making more than a token payment. (See Complaint ¶ 18h.)

There are, as Common Cause's Complaint sets forth, a number of other bases for concluding that respondents were not independent of the official Reagan campaign. Thus, respondents' expenditures may be unlawful even if none of the respondent committees are found to fall within the scope of the

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Opinion. Coming within the Opinion's coverage is therefore not a necessary condition for a finding of non-independence. It is, however, a sufficient condition for a finding of non-independence, and for that reason, the Opinion is important to this matter.

Very truly yours,

Michael L. Burack

Michael L. Burack
One of Counsel for Common Cause

cc: Counsel for Respondents

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From: Clifford B. Hendler
WILMER, CUTLER & PICKERING
1666 K STREET, N.W.
WASHINGTON, D.C. 20006

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Street
Washington, D.c. 20463

1346 QCC#3353


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BARBARA S. WELLBERY
DAVID WESTIN
THOMAS W. WHITE
JUDITH BARRY WISH
GEORGE B. WOLFE


November 17, 1980

BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Re: Complaint of Common Cause

Dear Mr. Steele:

On September 26, 1980, Common Cause filed a Complaint against five so-called "independent expenditure" committees engaged in campaign activities in support of the candidacy of President-Elect Reagan. By this letter, I am transmitting to you additional materials in support of that Complaint, and in particular in support of Common Cause's contention that the respondent committees were not acting independently of the official Reagan campaign.

I enclose with this letter an affidavit of David Schwartzbaum dated October 18, 1980, and an affidavit of Peter Butzin dated November 6, 1980. Each affiant testifies that campaign materials prepared and paid for by one of the respondent committees were stocked in offices of the official Reagan campaign. The offices in question were located in Rochester, New York, and Tallahassee, Florida. The use of the material by these campaign offices constitutes cooperative activities by the committee and the campaign. In addition, by establishing the existence of contacts between at least one of the purportedly "independent" committees and official campaign offices, the affidavits further demonstrate the need for a detailed investigation into the activities of the respondent committees.

Very truly yours,

Michael L Burack

Michael L. Burack
One of Counsel for
Common Cause

Enclosures
cc: Counsel for Respondents


80 NOV 17 P4:16
FEDERAL ELECTION COMMISSION
83040124435

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From: MLBurack
WILMER & PICKERING
1666 K STREET, N.W.
WASHINGTON, D.C. 20006

Charles Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

BY HAND

# AFFIDAVIT OF PETER BUTZIN

City of Tallahassee )
) ss:
State of Florida )

Peter Butzin, being duly sworn, deposes and states as follows:

1. I reside at 1628 Woodgate Way, Tallahassee, Florida.

2. On or about October 21, 1980, I entered the Leon County Republican Party Headquarters at the corner of Monroe and College Street in Tallahassee, Florida. On the window ledge in the headquarters was a display of campaign literature. There was a stack of bumper stickers on the ledge. The bumper stickers contained the word "Reagan" in large white letters on a dark blue background. The bumper stickers also contained the following statement in the lower right hand corner:

> "Paid for by Americans for Reagan, U.S. Senator Jesse Helms, Honorary National Chairman, 3825 Barrett Drive, Suite 300, Dept. 24, Raleigh, NC 27609. An independent project of the Congressional Club."

3. Attached to this affidavit is one of the bumper stickers, referred to above, that was on the window ledge at the Reagan Bush headquarters in Tallahassee.

Dated:

Peter Butzin

Subscribed and sworn to before me this 6 day of November, 1980.

Eleanor J. Erwin
Notary Public
My commission expires: May 27, 1983

# AFFIDAVIT OF DAVID SCHWARTZBAUM

City of Rochester )
) ss:
State of New York )

David Schwartzbaum, being duly sworn, deposes and states as follows:

1. I reside at 22 Coniston Drive, Rochester, New York.

2. On the morning of Monday, October 6, 1980, I entered the Reagan Bush Committee Headquarters at 159 East Main Street, Rochester, New York. Inside, next to the door, I saw a table displaying campaign literature of the Reagan Bush Committee. There was a large stack of bumper stickers on the table. The bumper stickers contained the words "Reagan Bush" in large white letters on a dark blue background. The bumper stickers, in their original form, had also contained the following statement:

> "Paid for by Americans for Reagan, 3825 Barrett Drive, Suite 300, Dept. 24, Raleigh, NC 27609. An independent project of the Congressional Club."

This statement was, however, inked out with a black magic marker.

3. Attached to this affidavit is one of the bumper stickers, referred to above, that was on the table at the Reagan Bush Committee headquarters in Rochester. The inked-out statement is in the lower right hand corner.

Dated: October 18, 1980

David Schwartzbaum
David Schwartzbaum

Subscribed and sworn to before me this 18 day of October, 1980.

Pauline Di Matteo
Notary Public
My commission expires: March 30, 1982

PAULINE DI MATTEO
Notary Public in the State of New York
MONROE COUNTY
Commission Expires March 30, 1982

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From: MLB
WILMER & PICKERING
1666 K STREET, N.W.
WASHINGTON, D.C. 20006

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

BY HAND

MUR 1299

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1980

CERTIFIED MAIL
RETURN MAIL REQUESTED

Michael L. Burack
Counsel, Common Cause
Wilmer and Pickering
1666 K Street, N.W.
Washington, D.C. 20006

Dear Mr. Burack:

Your letter of October 15, 1980, has been received. Under seaparate cover you will receive notification that this office has determined that your suggestion involving the Committee for an Independent Judiciary ("CIJ") is an improper complaint.

With regard to your letter of October 10, 1980, and to your most recent statements concerning Americans Concerned for the Judiciary ("ACJ"), we are notifying ACJ that the committee will no longer be considered a respondent in MUR 1299. This notification is based upon your statement in your letter of October 15 that you did not intend your letter of October 10 to be an amendment of your earlier complaint and upon the fact that the October 10 letter did not constitute a proper, separate complaint because it was not sworn and notarized pursuant to 2 U.S.C. § 437g(a).

If you wish the above two committees to become the subjects of a matter or matters under review, it will be necessary for you to file proper complaints against them. Otherwise they cannot be considered as possible subjects of Commission investigations.

Sincerely,

Charles N. Steele
General Counsel

cc
Americans Concerned for the Judiciary

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Hamilton Loeb, Treasurer
Americans Concerned for the Judiciary
1988 L Street, N.W.
Suite 800
Washington, D.C. 20036

Re: MUR 1299

Dear Mr. Loeb:

On October 10, 1980, you were informed that the Federal Election Commission had received an amendment to an earlier complaint which alleged that your committee had violated sections of Title 26, U.S.C. Code, and of the Federal Election Campaign Act of 1971, as amended. Since that date the complainant, Common Cause, in a letter dated October 15, 1980, has stated that Common Cause did not intend its October 10, 1980 letter to be considered an amendment to its earlier complaint. (See enclosed letter.)

The Commission cannot conduct an investigation of a committee unless that committee is a respondent by virtue of an amendment to a complaint or unless a separate complaint has been received. Such a complaint must be signed, sworn and notarized by the complainant, pursuant to 2 U.S.C. § 437g(a)(1). The Common Cause letter of October 10 was not sworn and notarized and thus does not constitute a proper complaint. Enclosed is a copy of a letter informing Common Cause of the deficiencies in its complaint.

We would like to remind you that you and your committee are still subject to the provisions of 2 U.S.C. § 437(g)(12) with regard to confidentiality. Thus the fact that you were notified of a complaint filed and the contents of that notification and of the complaint must not be made public. If you have any questions, please contact Marsha Gentner or Anne Weisenborn, the attorneys assigned to this matter, at (202)523-5071.

Sincerely,

Charles N. Steele
General Counsel

Enclosures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Michael L. Burack
Wilmer & Pickering
1666 K Street, N.W.
Washington, D.C.

Dear Mr. Burack:

We have received your letter of October 15 , 1980, inquiring into the possibility of a violation of the Federal Election Campaign Act of 1971, as amended (the "Act").

As set forth in 2 U.S.C. § 437g(a)(1), any person who believes that there has been a violation of any law within the Commission's jurisdiction may file a written complaint. In order for the Commission to take action on such a complaint, its contents must be sworn to and signed in the presence of a notary, and notarized. Your letter did not satisfy this requirement of the Act.

In addition, Commission Regulations, found at 11 C.F.R. § 111.4, provide that a complaint:

(1) must contain the full name and address of the person making the complaint;

(2) should clearly identify as a respondent each person or entity who is alleged to have committed a violation;

(3) should identify the source of information upon which the complaint is based;

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(4) should contain a clear and concise recitation of the facts describing the violation of a statute or law over which the Commission has jurisdiction; and

(5) should be accompanied by supporting documentation if known and available to the person making the complaint.

Finally, please include your telephone number, as well as the full names and addresses of all respondents.

Enclosed please find a copy of §§ 111.4 - 111.10 of Commission regulations which deal with preliminary enforcement procedures. I hope that an examination of these materials will answer most of your questions, and will enable you to be specific in any assertions or allegations you might make in the event you wish to file a legally sufficient complaint with the Commission.

Please contact Elissa Garr, 202-523-4073, of this office should you have any questions about the procedures which should be followed.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel
202-523-4175

Enclosure

cc: Committee for an Independent Judiciary

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY mc

DATE: OCTOBER 15, 1980

SUBJECT: SUBPOENA/ORDER IN RELATION TO MUR 1252

The attached subpoena/order in relation to MUR 1252, approved by a vote of 4-2 on October 15, 1980, has been signed and sealed this date.

ATTACHMENT:
Subpoena/Order -NCCC

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | MUR 1252 |
| North Carolina Congressional Club | ) | |
| ("NCCC") | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 15, 1980, the Commission authorized by a vote of 4-2 issuance of the subpoena/order and sending of the letter to NCCC as attached to the General Counsel's October 14, 1980 memorandum.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the action. Commissioners Aikens and Friedersdorf cast dissenting votes.

Attest:

10/15/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 10-14-80, 5:00
Circulated on an Expedited basis: 10-15-80, 9:00

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE mwe

FROM: MARJORIE W. EMMONS/MARGARET CHANEY mc

DATE: OCTOBER 15, 1980

SUBJECT: MUR 1252 - Memorandum to the Commission dated 10-14-80

Attached are copies of Commissioners Aikens' and Friedersdorf's vote sheets showing their dissenting votes are for the record rather than having the matter placed on an executive session.

ATTACHMENTS:
Copies of Vote Sheets (2)

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

DATE AND TIME TRANSMITTED: WEDNESDAY, 10-15
9:00

COMMISSIONER AIKENS, FRIEDERSDORF, HARRIS, McGARRY, REICHE, TIERNAN

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE
AUTHORIZATION SHEET ATTACHED

MUR NO. 1252 - Memorandum to the Commission dated 10-14-80

( ) I approve the recommendation and issuance of subpoena/order.

( ) I object to the recommendation and issuance of subpoena/order.

COMMENTS: Voting "No" (Not for agenda)

Date: 10-15-80 Signature: J. Aikens

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

80 OCT 16 P2:31

DATE AND TIME TRANSMITTED: WEDNESDAY, 10-15
9:00

COMMISSIONER AIKENS, FRIEDERSDORF, HARRIS, McGARRY, REICHE, TIERNAN

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE

AUTHORIZATION SHEET ATTACHED

MUR NO. 1252 - Memorandum to the Commission dated 10-14-80

( ) I approve the recommendation and issuance of subpoena/order.

(✓) I object to the recommendation and issuance of subpoena/order.

COMMENTS: Pre-record.

Date: 10-15-80 Signature: Max L. Friedersdorf

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

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October 14, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Pleasehhave the attached Memo distributed to the Commission under the old expedited procedures. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 OCT 14 P5: 01

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 14, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Authorization to Issue Subpoena and Order in connection with MUR 1252(80)

On September 3, 1980, the Commission found reason to believe that the North Carolina Congressional Club ("NCCC") violated 2 U.S.C. § 432(e)(4). The attached subpoena and order to answer interrogatories are directed toward investigation of this charge with specific inquiry directed to the origin of NCCC's "project" Americans for Reagan and its relationship to NCCC.

Recommendation

That the Commission authorize the attached subpoena and order and cover letter to NCCC.

Attachments

Subpoena/order
Letter
Authorization Form

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN ANSWERS

TO:

North Carolina Congressional Club
3825 Barret Drive,
Raleigh, North Carolina 27609

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the North Carolina Congressional Club is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of the North Carolina Congressional Club or of their officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at

In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the North Carolina Congressional Club. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the entity in question, and the dates of such service.

3. "North Carolina Congressional Club" or "NCCC" shall mean its predecessors, affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on behalf of NCCC, and its officers, agents, employees, staff, and volunteers.

4. "Americans for Reagan" shall mean what NCCC has described as a "project" of the NCCC.

5. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

6. "Organizer" with reference to a project or group, shall mean any person who has directly or indirectly participated in the formation, planning, structure or organization of the project or group in question, including, but not limited to, attendance or participation in any meetings, discussions or communications concerning the project or group from the period from January 1980 to the group or project's inception.

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7. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relating in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or aprt of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed objection or privilege.

Please produce in their entirety the following:

1. All documents and materials concerning or relating to the formation, organization, planning, or undertaking of Americans for Reagan.

2. All documents and materials concerning any solicitation or request for funds for Americans for Reagan or by NCCC which relate in any way to the furtherance of the election of Ronald Reagan as the presidential nominee of the Republican Party or the general election of Ronald Reagan as president in 1980 or which would aid in the defeat of any other 1980 presidential candidate.

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Please answer the following interrogatories:

A. Describe the relationship between the Americans for Reagan and NCCC, noting specifically:

(1) the date on which Americans for Reagan was organized or formed;

(2) whether Americans for Reagan maintains bank accounts or an accounting of receipts and expenditures separate and apart from NCCC;

(3) whether Americans for Reagan employs a staff separate and apart from that of NCCC;

(4) whether solicitations or requests for contributions to Americans for Reagan request that checks be made payable to NCCC or to Americans for Reagan or to either NCCC or Americans for Reagan;

(5) whether monies received from checks received by NCCC which were made payable to NCCC have been used by Americans for Reagan,

(6) and in whose name the account is held into which funds contributed to or received for Americans for Reagan are deposited.

B. Please identify who participated in any way, directly or indirectly, in the planning, organization, and formation of Americans for Reagan, noting, where applicable, the position held with NCCC by each person so identified.

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WHEREFORE, the Vice Chairman of the Federal Election Commisison has set his hand at the offices of the Commission at 1325 K Street, N.W., Washington, D.C. this day of , 1980.

John W. McGarry
Vice Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. John Bolton
Covington & Burling
888 16th Street, N.W.
Washington, D.C. 20006

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. Bolton:

Enclosed is a subpoena to produce certain documents and materials and order to anwer written questions issued by the Federal Election Commission ("Commission")to your client, North Carolina Congressional Club.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

In the Matter of

| | | |
|---|---|---|
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | |
| Americans for Change | ) | MUR 1252 (80) |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |
| North Carolina Congressional Club | ) | |

AUTHORIZATION TO ISSUE SUBPOENA TO
PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

The Federal Election Commission hereby authorizes the issuance of a subpoena to produce documents and materials and an order to issue written questions in connection with MUR 1252(80) to:

North Carolina Congressional Club
3825 Barret Drive
Raleigh, North Carolina 27609

Max L. Friedersdorf
Chairman

Thomas E. Harris
Commissioner

John W. McGarry
Vice Chairman

Robert O. Tiernan
Commissioner

Joan D. Aikens
Commissioner

Frank P. Reiche
Commissioner

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Ronald Reagan, et al. )

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on September 23, 1980, do hereby certify that the Commission decided by a vote of 4-2 to issue the subpoenas and orders and cover letters attached to the General Counsel's September 19, 1980 report to the following persons, committees and vendors: Americans for Change, Fund for a Conservative Majority, National Conservative Political Action Committee, Reagan for President General Election Committee, Republican National Committee, Senator Paul Laxalt, Senator Harrison H. Scmitt, William Brock, John Deardourff, Ms. Anna Chennault, Arthur J. Finkelstein, Stuart Spencer, Carl T. Curtis, Stanley Huckaby, Kenneth Boehm, Ralph J. Galliano, Robert C. Heckman, David Keene, The Honorable George Murphy, Ms. Bay Buchanan, The Honorable William P. Clements, Jr., John T. Dolan, William J. Casey, James Lake, Franklyn Nofziger, Anthony Dolan, Diversified Direct, Inc., Bedford Printing Co., Tri State Envelope Corp., Wiland and Associates, and Telepost.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision and Commissioner Aikens and Friedersdorf

Continued

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dissented in the vote.

Attest:

9/25/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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EXECUTIVE SESSION
September 23, 1980

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Authorization to Issue Subpoenas and Orders in Connection with MUR 1252(80)

On September 3, 1980, the Commission found reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, and Americans for Change have or will violate 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f); that Ronald Reagan and his authorized committee have violated or will violate 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f), and that the Fund for a Conservative Majority, Americans for an Effective Presidency, Americans for Change, the North Carolina Congressional Club, and the National COnservative POlitical Action Committee have violated 2 U.S.C. § 432(e)(4). As part of its investigation the Office of General Counsel recommends that the Commission issue the attached subpoenas and orders to the persons, committees and vendors listed below:

SUBPOENAS TO PRODUCE DOCUMENTS
AND ORDERS TO ANSWER WRITTEN QUESTIONS

Americans for Change
Fund for a Conservative Majority
National Conservative Political Action Committee
Reagan for President General Election Committee
Republican National Committee

SUBPOENAS TO APPEAR FOR DEPOSITIONS
UPON ORAL EXAMINATION

Senator Paul Laxalt
Senator Harrison H. Schmitt
William Brock
John Deardourff
Ms. Anna Chennault
Arthur J. Finkelstein

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Stuart Spencer
Carl T. Curtis
Stanley Huckaby
Kenneth Boehm
Ralph J. Galliano
Robert C. Heckman
David Keene
The Honorable George Murphy
Ms. Bay Buchanan
The Honorable William P. Clements, Jr.
John T. Dolan
William J. Casey
James Lake
Franklyn Nofziger
Anthony Dolan
Diversified Direct, Inc.
Bedford Printing Co.
Tri State Envelope Corp.
Wiland and Associates
Telepost

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RECOMMENDATION

That the Commission authorize the attached subpoenas and orders and cover letters to Americans for Change, Fund for a Conservative Majority, National Conservative Political Action Committee, Reagan for President General Election Committee, Republican National Committee, Senator Paul Laxalt, Senator Harrison H. Schmitt, William Brock, Ms. Anna Chennault, Arthur J. Finkelstein, Stuart Spencer, Carl T. Curtis, Stanley Huckaby, Kenneth Boehm, Ralph J. Galliano, Robert C. Heckman, David Keene, the Honorable George Murphy, Ms. Bay Buchanan, the Honorable William P. Clements, Jr., John T. Dolan, William J. Casey, James Lake, Franklyn Nofziger, Anthony Dolan, Diversified Direct, Inc., Bedford Printing Co., Tri State Envelope Corp., Wiland and Associates, and Telepost.

Attachments
Subpoenas/Orders - 31
Letters - 31
Authorization Form

3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
BAKER & HOSTETLER
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. Baran

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, Americans for Change.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

8304042491

UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Americans for Change
1225 19th Street, N.W.
Washington, D.C. 20036

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of or of its officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at

In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Americans for Change. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the entity in question, and the dates of such service.

3. "Americans for Change" or "AFC" shall mean its predecessors, affiliates, committees, subcommittees; divisions, branches, projects, as well as any other bodies which conduct business on behalf of AFC, and its officers, agents, employees, staff, and volunteers.

4. Reagan General Election Committee shall mean the principal campaign committee (see 2 U.S.C. § 431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf, and its officers, agents, employees, staff and volunteers.

5. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

6. "FEC Disclosure Reports" shall mean any reports filed by FCM with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

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7. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

8. "Organizer" with reference to a project or group, shall mean any person who has directly or indirectly participated in the formation, planning, structure or organizational of the project or group in question including, but not limited to, attendance or participation in any meetings, discussions or communications concerning the project or group from the period from January 1979 to the group or project's inception.

9. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relative in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between AFC and any of the of the following persons or organizations or their officials, employees,

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staff members, volunteers, organizers, or agents which relate in any way to the efforts of either AFC or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election for President in 1980.

Republican National Committee
Reagan for President Committee
Reagan General Election Committee
Reagan-Bush Committee
Reagan for President Compliance Fund
1980 Republican Presidential Unity Committee
Ruth Jones, Ltd.
Bailey, Deardourff & Associates, Inc.
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Fund for a Conservative Majority
Citizens for Reagan in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake
Stan Huckaby

2. All documents and materials concerning the formation, organization, planning, or undertaking of AFC.

3. All articles of incorporation, by-laws, rules, regulations procedural manuals, policy statements, governing instruments, or other documentaion of policies or procedures of AFC.

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4. All documents and materials concerning or reflecting any AFC decisions to expend funds which would in any way further the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

5. A copy of any survey results, poll, or memoranda or report containing polling or survey information obtained by or on behalf of AFC concerning the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980. As to each survey, poll, memoranda or report, please note the source of, or the vendor responsible for, the survey, poll, memoranda or report and the date on which the survey, poll, memoranda or report was secured by AFC.

6. All documents and materials relating to any AFC expenditure of funds for the financing of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic or other form of campaign materials prepared for Ronald Reagan, the Reagan for President Committee, the Reagan General Election Committee, or the Reagan Bush-Committee, the 1980 Republican Presidential Unity Committee, the Reagan for President Compliance Fund, or the Republican National Committee.

7. All documents and materials disseminated, or republished by AFC which contain, in whole or in part, any broadcast or any written, graphic or other form of campaign materials prepared or

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used by Ronald Reagan, the Reagan for President Committee, the Reagan General Election Committee, the Reagan-Bush Committee, the Reagan for President Compliance Fund, or the Republican National Committee.

8. All documents and materials concerning any solicitation or request for funds for AFC which relate in any way to the furtherande of the election of Ronald Reagan as the Presidential nominee of the Republican Party, or the general election of Ronald Reagan for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

9. All telephone bills and/or other records of telephone calls made or received by AFC from January, 1980 to the present.

Please answer the following interrogatories:

A. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of AFC. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of of the above individuals and any other individuals who, have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any expenditures which relate in any way to the furtherance of the

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1/ In lieu of identifying the supervisor of each individual identified in response to interrogatory A, AFC may provide the Commission with a copy of its organizational chart.

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election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials produced by AFC which relate in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other Presidential candidate in 1980.

B. Please provide all date(s) of any meetings, discussions, or other communications concerning the planning, organization, formation, structure, or activities of AFC prior to May 23, 1980.

(1) Identify all of the participants in and all of those in attendance at each of the above meetings, discussions or other communications.

C. Please supply a list of the addresses of each office used by AFC, and the dates of such use from the time of its organization to the present.

D. List the phone numbers and extensions used by AFC since January, 1980 to the present, noting the extensions assigned to or used by each person identified in response to interrogatory A.

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E. List by date and location all fundraisers held by AFC since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, his general election for President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate.

F. With respect to each individual identified in response to interogatory A, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated with the particular organization, group, project or company and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

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WHEREFORE, the of the Federal Election Commission has hereunto set his hand at the office of the Commission at 1325 K Street, N.W., Washington, D.C., this day of , 1980.

_____

ATTEST:

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Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
SEDAM & HERGE
7600 Old Springhouse Road
McLean, Virginia 22102

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. Herge

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, Fund for a Conservative Majority.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Fund for a Conservative Majority
1022 Wilson Boulevard
Arlington, Virginia 22209

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of or of its officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Fund for a Conservative Majority and/or Citizens for Reagan in '80. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the entity in question , and the dates of such service.

3. "Fund for a Conservative Majority" or " FCM" shall mean its predecessors, affiliates, committees, subcommittees; divisions, branches, projects, as well as any other bodies which conduct business on behalf of FCM, and its officers, agents, employees, staff, and volunteers.

4. "Citizens for Reagan in 80" shall mean what FCM has described as a "project" of the FCM.

5. Reagan General Election Committee shall mean the principal campaign committee (see 2 U.S.C. § 431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf, and its officers, agents, employees, staff and volunteers.

6. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

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7. "FEC Disclosure Reports" shall mean any reports filed by FCM with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

8. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

9. "Organizer" with reference to a project or group, shall mean any person who has directly or indirectly participated in the formation, planning, structure or organization of the project or group in question, including, but not limited to, attendance or participation in any meetings, discussions or communications concerning the project or group from the period from January 1980 to the group or project's inception.

10. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relating in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between FCM and for Citizens for Reagan in '80 and any of the following persons or organizations or

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their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of either FCM and/or Citizens for Reagan in '80 or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980.

Reagan-Bush Committee
Republican National Committee
Reagan for President Committee
Reagan General Election Committee
1980 Republican Presidential Unity Committee
Ruth Jones, Ltd.
Reagan for President Compliance Fund
Bailey, Deardourff & Associates, Inc.
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake

2. All documents and materials concerning or relating to the formation, organization, planning, or undertaking of Citizens for Reagan in '80.

3. All documents and materials concerning or reflecting any FCM or Citizens for Reagan in '80 decisions to expend funds which would in any way further the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

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4. All documents and materials concerning the following expenditures reported by FCM in FEC disclosure reports:

| Payee | Date | Reported Purpose |
|---|---|---|
| Diversified Direct, Inc. | May 27 and June 24, 1980 | Printing; Reagan U.S. President |
| Wiland and Associates | May 27, 1980 | Printing; Reagan U.S. President |
| Telepost | June 24, 1980 | Direct mail; Reagan U.S. President |

a. Please provide a copy of each item printed for use by FCM as consideration for the above listed payments.

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5. All documents and materials concerning the FCM expenditure on March 26, 1980, to Arthur Finkelstein and Associates, the purpose of which was listed on FCM disclosure reports to the FEC as for a survey for Ronald Reagan, U.S. President.

a. A copy of any survey results, poll, memoranda, or report which was transferred to FCM by Arthur Finkelstein and Associates, its agents, or employees in connection with the above expenditure.

6. All documents and materials relating to the contractual or professional relationship or any other association from January 1980 to the present, between FCM and/or Citizens for Reagan in '80

and the following entities, their agents, officers or employees undertaken in connection with any efforts on the part of FCM and/or Citizens for Reagan in '80 which would relate in any way to the furtherance of the election of Ronald Reagan as the Presidential nomineee of the Republican Party, or Ronald Reagan's general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate:

Diversified Direct, Inc.
Wiland and Associates
Telepost
Arthur Finkelstein and Associates

7. All documents and materials relating to the financing by FCM and/or Citizens for Reagan in '80 of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic or other form of campaign materials prepared by or for Ronald Reagan, the Reagan for President Committee, the Reagan General Election Committee, the Reagan-Bush Committee, the Reagan for President Compliance Fund, the 1980 Republican Presidential Unity Committee, or the Republican National Committee.

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8. All documents and materials disseminated, distributed or republished by FCM and/or Citizens for Reagan in '80 which contain, in whole or in part, any broadcast or any written, graphic or other form of campaign materials prepared or used by Ronald Reagan, the Reagan for President Committee, the Reagan General Election Committee, the Reagan-Bush Committee, the Reagan for President Compliance Fund, the 1980 Republican Presidential Unity Committee, or the Republican National Committee.

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9. All documents and materials concerning any solicitation or request for funds for Citizens for Reagan in '80 or by FCM which relate in any way to the furtherance of the election of Ronald Reagan as the Presidential nominee of the Republican Party, or the general election of Ronald Reagan as President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

10. All telephone bills and/or other records of telephone calls made or received by FCM and Citizens for Reagan in "80 since January 1980.

Please answer the following interrogatories:

A. Describe the relationship between Citizens for Reagan in '80 and FCM, noting specifically:

(1) whether the Citizens for Reagan in '80 maintains bank accounts or an accounting of receipts and expenditures separate and apart from FCM;

(2) whether Citizens for Reagan in '80 employs a staff separate and apart from that of FCM;

(3) whether solicitations or requests for contributions to Citizens for Reagan in '80 request that checks be made payable to FCM or to Citizens for Reagan in '80 or to either FCM or Citizens for Reagan in '80;

(4) whether monies received from checks received by FCM which were made payable to FCM have been used by Citizens for Reagan in '80,

(5) and in whose name the account is held into which funds contributed to or received for Citizens for Reagan in '80 are deposited.

B. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of FCM and Citizens for Reagan in '80 from September 1979 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any FCM and/or Citizens for Reagan in '80 expenditures which may each provide the

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1/ In lieu of identifying the supervisor of each individual identified in interrogatory B, FCM and Citizens for Reagan in '80 Commission with organizational charts.

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relate in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials produced by either FCM or Citizens for Reagan in '80 which relate in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of other 1980 Presidential candidate.

(3) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the planning, organization, and formation of Citizens for Reagan in 80.

C. List the phone numbers and extensions used by FCM and Citizens for Reagan in '80 since January, 1980, noting the extensions assigned to or used by each person identified in response to interrogatory B.

D. List by date and location all fundraisers held by FCM and/or Citizens for Reagan in '80 since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, his general election for President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate.

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E. With respect to each individual identified in response to interrogatory B, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated with the particular organization, project, or company and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

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WHEREFORE, the of the Federal Election Commission has hereunto set his hand at the offices of the Commission at 1325 K Street, N.W., Washington, D.C. this day of , 1980.

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ATTEST:

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Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
SEDAM & HERGE
7600 Old Springhouse Road
McLean, Virginia 22102

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. Herge:

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, National Conservative Political Action Committee.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

National Conservative Political Action Committee
1500 Wilson Boulevard, # 573
Arlington, Virginia 22209

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of or of its officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at

In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the National Conservative Political Action Committee and the Ronald Reagan Victory Fund. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the entity in question, and the dates of such service.

3. "National Conservative Political Action Committee" or "NCPAC" shall mean its predecessors, affiliates, committees, subcommittees; divisions, branches, projects, as well as any other bodies which conduct business on behalf of NCPAC, and NCPAC's officers, agents, employees, staff, and volunteers.

4. "Ronald Reagan Victory Fund" shall mean what NCPAC has described as a "project" of NCPAC.

5. Reagan General Election Committee shall mean the principal campaign committee (see 2 U.S.C. § 431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf, and its officers, agents, employees, staff and volunteers.

6. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

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7. "FEC Disclosure Reports" shall mean any reports filed by NCPAC with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

8. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

9. "Organizer" with reference to a project or group, shall mean any person who has directly or indirectly participated in the formation, planning, structure or organization of the project or group in question, including, but not limited to, attendance at or participation in any meetings, discussions or communications concerning the project or group from the period from January 1980 to the group or project's formal inception.

10. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relating in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between NCPAC and/or the Ronald Reagan Victory Fund and any of the or the following persons

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or organizations or their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of either NCPAC and/or the Ronald Reagan Victory Fund or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980:

Reagan for President Committee
Reagan-Bush Committee
Reagan for President Compliance Fund
Republican National Committee
Reagan General Election Committee
1980 Republican Presidential Unity Committee
Ruth Jones, Ltd.
Bailey, Deardourff & Associates, Inc.
North Carolina Congressional Club
Americans for Reagan
Fund for a Conservative Majority
Citizens for Reagan in '80
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake

2. All documents and materials concerning or relating to the formation, organization, planning, or undertaking of the Ronald Reagan Victory Fund.

3. All documents and materials concerning or reflecting any NCPAC or Ronald Reagan Victory Fund decisions to expend funds which would in any way further the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

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4. All documents and materials concerning the following expenditures reported by NCPAC in FEC disclosure reports:

| Payee | Date | Reported Purpose |
|---|---|---|
| Diversified Direct, Inc. | May 23, June 13, June 20, and June 27, 1980 | Printing; Ronald Reagan U.S. President |
| Tri State Envelope Corp. | June 20, 1980 | Printing; Ronald Reagan U.S. President |

a. Please provide a copy of each item printed for use by NCPAC as consideration for the above listed payments.

5. All documents and materials concerning the NCPAC expenditure on June 5, 1980, to Arthur Finkelstein and Associates, the purpose of which was described in NCPAC's response of July 22, 1980, to FEC MUR 1252 as a "polling expense".

a. A copy of any survey results, poll, memoranda, or report which was transferred to NCPAC by Arthur Finkelstein and Associates, its agents, or employees in connection with the above expenditure.

6. All documents and materials relating to the contractual or professional relationship or any other association from January 1980, to present, between NCPAC and/or the Ronald Reagan Victory Fund and the following entities, their agents, officers or employees undertaken in connection with efforts on the part of NCPAC and/or

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the Ronald Reagan Victory Fund which would relate in any way to furtherance of the election of Ronald Reagan as the Presidential nominee of the Republican Party, or Ronald Reagan's general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate:

Diversified Direct, Inc.
Tri State Envelope Corp.
Arthur Finkelstein and Associates

7. All documents and materials relating to any NCPAC and/or Ronald Reagan Victory Fund expenditure of funds for the financing of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic or other form of campaign materials prepared by Ronald Reagan, the Reagan for President Committee, the Reagan General Election Committee, the Reagan Bush Committee, the Reagan for President Compliance Fund, the 1980 Republican Presidential Unity Committee, or the Republican National Committee.

8. All documents and materials disseminated, distributed or republished by NCPAC and/or the Ronald Reagan Victory Fund which contain, in whole or in part, any broadcast or any written, graphic or other form of campaign materials prepared or used by Ronald Reagan, the

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Reagan for President Committee, the Reagan General Election Committee, the Reagan-Bush Committee, the Reagan for President Compliance Fund, the 1980 Republican Presidential Unity Committee, or the Republican National Committee.

9. All documents and materials concerning any solicitation of or request for funds for the Ronald Reagan Victory Fund or by NCPAC which relate in any way to the furtherance of the election of Ronald Reagan as the Presidential nominee of the Republican Party, or the general election of Ronald Reagan as President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

10. All telephone bills and/or other records of telephone calls made or received by NCPAC and the Ronald Reagan Victory Fund from January, 1980 to the present.

11. All documents and materials concerning a debt of $2,200 listed in Reagan for President Committee FEC disclosure reports as owed to NCPAC since February 22, 1980, for "office equipment" and all documents and materials concerning the receipt of $2,200 listed in the NCPAC FEC disclosure reports as coming from Reagan for President Committee on July 15, 1980, for a "memory typewriter".

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Please answer the following interrogatories:

A. Describe the relationship between the Ronald Reagan Victory Fund and NCPAC, noting specifically:

(1) whether the Ronald Reagan Victory Fund maintains bank accounts or an accounting of receipts and expenditures separate and apart from NCPAC;

(2) whether the Ronald Reagan Victory Fund employs a staff separate and apart from that of NCPAC;

(3) whether solicitations or requests for contributions to the Ronald Reagan Victory Fund request that checks be made payable to NCPAC or to the Ronald Reagan Victory Fund or to either NCPAC or the Ronald Reagan Victory Fund;

(4) whether monies received from checks from NCPAC which were made payable to NCPAC have been used by the the Ronald Reagan Victory Fund, and

(5) in whose name the account is held into which funds contributed to or for the Ronald Reagan Victory Fund are deposited.

B. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of NCPAC and the Ronald Reagan Victory Fund from September 1979 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

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1/ In lieu of identifying the supervisor of each individual identified in response to interrogatory B, NCPAC and the Ronald Reagan Victory Fund may each provide the Commission with organizational charts.

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(1) Please identify which of the above individuals and any other individuals who have, participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any NCPAC or Ronald Reagan Victory Fund expenditures which relate in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other Presidential candidate in 1980.

(2) Please identify which of the above individuals and and other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials produced by either NCPAC or the Ronald Reagan Victory Fund which relate in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980 or which would aid in the defeat of any other 1980 presidential candidate.

(3) Please identify which of the above individuals and any other individuals have participated in any way, directly or indirectly in the planning, organization, and formation of the Ronald Reagan Victory Fund.

C. Please provide a list of all items (including, but not limited to, office equipment, machinery, furniture, and office supplies) transferred by NCPAC to the Reagan General Election Committee

3304042452 2

since January 1980, along with an item by item breakdown containing the original cost of each item paid by NCPAC, and the amount paid, if any, by the Reagan General Election Committee for each item.

D. List the phone numbers and extensions used by NCPAC and the Ronald Reagan Victory Fund since January 1980, noting the extensions assigned to or used by each person identified in response to interrogatory B.

E. List by date and location all fundraisers held by NCPAC and/or the Ronald Reagan Victory Fund since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party, or his general election for President in 1980, or which in any way aided in the defeat of any other 1980 Presidential candidate.

F. With respect to each individual identified in response to interogatory B, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership, with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated with the particular group, organization, project, or company and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic

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Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

WHEREFORE, the of the Federal Election Commission has hereunto set his hand at the offices of the Commission at 1325 K Street, N.W., Washington, D.C., this day of , 1980.

_____

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

3304042452

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
JONES, DAY, REAVIS & POGUE
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. McCartan:

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, Ronald Reagan and the Ronald Reagan General Election Committee.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of or of its officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at

In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Reagan for President Committee and the Reagan General Election Committee. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with the committee or group in question, and the dates of such service.

3. "Reagan General Election Committee" or "RGEC" shall mean the principal campaign committee (see 2 U.S.C. §431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf and its officers, agents, employees, staff and volunteers.

4. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

5. "FEC Disclosure Reports" shall mean any reports filed by FCM with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

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6. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

7. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relative in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, please furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege or objection.

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Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between RGEC and any of the of the following persons or organizations or their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of either RGEC or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980:

Republican National Committee
1980 Republican Presidential Unity Committee
Fund for a Conservative Majority
Citizens for Reagan in '80
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake
Bailey, Deardourff & Associates, Inc.
Ruth Jones, Ltd.

2. All documents and materials concerning the following expenditures reported by RGEC in FEC disclosure reports:

| Payee | Date | Reported Purpose |
|---|---|---|
| Diversified Direct, Inc. | April 22, May 14 June 18, 1980 | "Direct Mail" |
| Wiland and Associates | April 22, 1980 | "Printing" |
| Telepost | April 17 and May 2, | "Direct mail" |
| Tri State Envelope Corp. | April 22, 1980 | "Stationary" "Direct Mail" |
| Bedford Printing | May 16, 1980 | "Printing" |
| Authur Finkelstein and Associates | April 9, June 5, 1980 | "Consulting" |

a. Please provide a copy of all documents and materials received by RGEC as consideration for the above listed payments.

b. A copy of any survey results, poll, memoranda or report containing survey or polling information obtained by or on behalf of RGEC concerning the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980. As to each survey, poll, memoranda, or report, please note

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the source of, or the vendor responsible for, the survey, poll, memoranda or report and the date on which the survey, poll, memoranda, or report was secured by RGEC.

3. All documents and materials relating to the contractual or professional relationship or any other association from January 1980 to present between RGEC and the following entities, their agents, officers or employees undertaken in connection with efforts on the part of RGEC which relate in any way to the furtherance of the election of Ronald Reagan as the nominee of the Republican Party or Ronald Reagan's general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

Bailey Deardourff & Associates, Inc.
Diversified Direct, Inc.
Wiland and Associates
Telepost
Arthur Finkelstein and Associates
Wiland and Associates
Telepost
Bedford Printing
Ruth Jones, Ltd.

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4. All documents and materials concerning a debt of $2,200 listed in the RGEC, FEC disclosure reports as owed to the National Conservative Political Action Committee since February 22, 1980, for "office equipment" and a receipt of $2,200 listed in the National Conservative Political Action Committee's report as paid on July 15, 1980, for a memory typewriter.

5. All telephone bills and/or reports of telephone calls made or received by RGEC from January 1980 to the present.

Please answer the following interrogatories:

A. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants or other agents of RGEC from January 1980 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of the above individuals or any other individuals who have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any RGEC expenditures which relate in any way to the election of Ronald Reagan as the Presidential nomination of the Republican Party or his general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate in 1980.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials which relate in any to the election of Ronald Reagan as the Presidential nominee of the Republican Party or his general election for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

---

1/ In lieu of identifying the supervisor of each individual identified in response to interrogatory A, RGEC may provide the Commission with an organizational chart.

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B. Please provide a list of all items (including, but not limited to, office equipment, machinery, furniture, and office supplies) transferred by National Conservative Political Action Committee to RGEC since January 1980, along with an item by item breakdown containing the amount paid, if any, by RGEC for each item.

C. Please provide the date(s) of all discussions, meetings, telephone calls, interviews, or other communications, oral and written, with Anna Chennault from the period of January 1980 to July 20, 1980 which relate in any way to the organization, structure, operation or activities of Americans for Change, the organization structure operation or activities of RGEC or her employment or association with the RGEC.

(1) Identify each participant in all of the above listed discussions, meetings, telephone calls, interviews, or other communications, oral or written.

(2) With respect to each discussion, meeting, telephone conversation, interview, or other communication, oral or written, identified by date and/or participant above, please note the topic of each such discussion, meeting, telephone conversation, interview or communication.

E. List the phone numbers and extensions used by RGEC from January, 1980 to the present, noting the extensions assigned to or used by each person identified in response to interrogatory A.

F. List by date and location all fundraisers held by RGEC since January, 1980 which related in any way to the election of Ronald Reagan as the Presidential nominee of the Republican Party,

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his general election for President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate.

G. With respect to each individual identified in response to interrogatory A, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated and the position(s) held with each.

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80
The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

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WHEREFORE, the of the Federal Election Commisison has hereunto set his hand at the offices of the Commission at 1325 K Street, Washington, D.C. this day of , 1980.

_____

ATTEST:

_____
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
JONES, DAY, REAVIS & POGUE
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: Matter Under Review (MUR) 1252(80)

Dear Mr. McCartan:

Enclosed is a subpoena to produce certain documents and materials and order to answer written questions issued by the Federal Election Commission ("Commission") to your client, Republican National Committee.

The subpoena requires that production of specified documents be made at the time and place stated therein and that responses to the interrogatories be propounded to the Commission within ten (10) days of your receipt of the enclosed order.

If you have any questions, please contact staff attorney Ms. Marsha Gentner at (202) 523-5071 or Ms. Patricia F. Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosures: Subpoena

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UNITED STATES OF AMERICA
FEDERAL ELECTION COMMISSION

SUBPOENA TO PRODUCE DOCUMENTS AND MATERIALS
AND ORDER TO ANSWER WRITTEN QUESTIONS

TO:

Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

RE: MUR 1252

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. §§ 437d(a)(1) and (3), the is hereby ordered to produce for inspection and copying all documents and materials listed below that are in the possession or control of or of its officers, agents, staff members, volunteers or employees. Production is to be made at on 1980, at

In addition, is hereby ordered to submit responses in writing and under oath to the interrogatories propounded herein, to the Federal Election Commission within ten (10) days of its receipt of this order.

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As used in this subpoena, the terms listed below are defined as follows:

1. The term "documents and materials" shall mean the original, all copies, and drafts of writings of any kind, printed, audio, visual, or electronic materials including but not limited to correspondence, memoranda, reports, transcripts, minutes, pamphlets, leaflets, notes, letters, lists, telexes, telegrams, messages (including reports, notes, memoranda and any other documentation of telephone conversations and conferences), calendar and diary entries, contracts, data, agendas, articles, visual aides, computer print-outs, account statements, billing forms, receipts, checks and other negotiable paper, solicitation materials, records and compilations in the possession, custody or control of the Republican National Committee. Designated "documents and materials" are to be taken as including all attachments, enclosures and other documents that are attached to, relate to, or refer to such designated "documents and materials."

2. "Identify" with respect to individuals shall mean to give the full name, last known residence address of such individual, the last known place of business where such individual is or was employed, the title of the job or position held with entity in question, and the dates of such service.

3. "Republican National Committee" or "RNC" shall mean its predecessors, affiliates, committees, subcommittees; divisions, branches, projects, as well as any other bodies which conduct business on behalf of the RNC and the RNC's officers, agents, employees, staff, and volunteers.

4. "Reagan General Election Committee" shall mean the principal campaign committee (see 2 U.S.C. § 431(5)) of Ronald Reagan, the 1980 Republican nominee for the office of President, the committee's predecessors (including, but not limited to the Reagan for President Committee), affiliates, committees, subcommittees, divisions, branches, projects, as well as any other bodies which conduct business on its behalf, and its officers, agents, employees, staff and volunteers.

5. All references to the "FEC" shall mean the Federal Election Commission, its auditors, attorneys, and other employees.

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6. "FEC Disclosure Reports" shall mean any reports filed by the RNC with the FEC pursuant to the requirements of 2 U.S.C. §§ 431-455.

7. "Agent" shall mean any person who has actual, oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate; or any person who has been placed in a position within the campaign organization where it could reasonably appear that in the ordinary course of campaign-related activities he or she may authorize expenditures. See 11 C.F.R. § 109.1(b)(5).

8. "Organizer" with reference to a project or group, shall mean any person who has directly or indirectly participated in the formation, planning, structure or organizational of the project or group in question including, but not limited to, attendance or participation in any meetings, discussions or communications concerning the project or group from the period from January 1979 to the group or project's formal inception.

9. The term "concerning" with reference to a subject or object shall mean mentioning, discussing, or directly or indirectly regarding, referring, or relative in any way to that subject or object.

If any document called for herein is withheld under a claim of privilege or objection, furnish a list identifying each such document for which the privilege or objection is claimed, together with the following information:

(a) a description of the subject matter;
(b) the date of the document;
(c) the name and title of the author;
(d) the name and title of the person to whom the document was addressed;
(e) the name and title of the person to whom the document was actually sent;
(f) the identity of any other person who read all or part of the document;
(g) the number of pages;
(h) the paragraph of this subpoena to which the document is otherwise responsive, and
(i) the nature of the claimed privilege.

Please produce in their entirety the following:

1. All documents and materials concerning meetings, discussions, correspondence, or other communications between the RNC and any

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of the following persons or organizations or their officials, employees, staff members, volunteers, organizers, or agents which relate in any way to the efforts of the RNC or the below listed organizations or individuals with respect to Ronald Reagan's nomination as the Republican candidate for President or Ronald Reagan's general election campaign for President in 1980:

Reagan for President Committee
Reagan General Election Committee
1980 Republican Presidential Unity Committee
Reagan-Bush Committee
Reagan for President Compliance Fund
Ruth Jones, Ltd.
Bailey, Deardourff & Associates, Inc.
Fund for a Conservative Majority
Citizens for Reagan in 1980
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Anna Chennault
Stuart Spencer
Senator Jesse Helms
James Lake

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2. All documents and materials relating to the contractual or professional relationship or any other association from January 1980 to present, between the RNC and the following entities, their agents, officers, or employees undertaken in connection with efforts on the part of the RNC which relate in any way to Ronald Reagan's general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

Bailey, Deardourff and Associates, Inc.
Diversified Direct, Inc.
Wiland and Associates
Telepost
Arthur Finkelstein and Associates
Bedford Printing
Ruth Jones, Ltd.

3. All telephone bills and/or other records of telephone calls made or received by the RNC from May, 1980 to the present.

Please answer the following interrrogatories:

A. Please identify all officers, directors, employees, staff members, media time buyers, volunteers, consultants, advisory council members or other agents of the RNC from September 1979 to the present. With respect to each individual identified, please identify that person's supervisor.[1/]

(1) Please identify which of the above individuals has and any other individuals who have participated in any way, directly or indirectly, in the oral or written authorization (express or implied) of any RNC expenditures which relate in any way to Ronald Reagan's general election campaign for President in 1980 or which would aid in the defeat of any other 1980 Presidential candidate.

(2) Please identify which of the above individuals and any other individuals who have participated in any way, directly or indirectly, in the production, conception, drafting, writing, editing, approval, review, presentation, printing, publication, distribution or dissemination of documents and materials which relate in any way to Ronald Reagan's campaign election for President in 1980, or which would aid in the defeat of any other Presidential candidate in 1980.

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1/ In lieu of identifying the supervisor of each individual identified, in response to interrogatory A, RNC may provide the Commission with an organizational chart.

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B. List the phone numbers and extensions used by RNC from May, 1980 to the present, noting the extensions assigned to or used by each person identified in response to interrogatory A.

C. List by date and location all fundraisers held by RNC since May, 1980 which related in any way to the election of Ronald Reagan as the President in 1980 or which related in any way to the defeat of any other 1980 Presidential candidate .

D. With respect to each individual identified in response to interrogatory A, please note whether that individual has had any past, or has any present association, either by way of employment, position, or membership with any of the below listed organizations, projects, or companies. With respect to each such association, note the dates during which each such person was so associated, with position(s) held with each.

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Exhibit 1

Americans for Change
Reagan for President in '80
Americans for an Effective Presidency
Fund for a Conservative Majority
Citizens for Reagan in '80
The Republican Party
The Reagan for President Committee
Group '80
1980 Republican Presidential Unity Committee
Citizens for the Republic
Richard A. Viguerie Co., Inc.
Arthur J. Finkelstein & Associates
Ruth Jones, Ltd.
Bruce Eberle Associates, Inc.
Decision Making Information, Inc.
Bailey, Deardourff & Associates, Inc.
Citizens for the Republic
North Carolina Congressional Club
Americans for Reagan
National Conservative Political Action Committee
The Ronald Reagan Victory Fund
Committee for Independent Expenditures for Republicans
Target 80

The Conservative Coalition
The Conservative Caucus
Reagan 80
1980 United Republican Committee
Committment 80

WHEREFORE, the of the Federal Election Commission has hereunto set his hand at the office of the Commission at 1325 K Street, N.W., Washington, D.C., this day of , 1980.

ATTEST:
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Senator Paul Laxalt
Russell Senate Office Building
Room 315
Washington, D.C. 20510

Re: Matter Under Review 1252(80)

Dear Senator Laxalt:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

| | | |
|---|---|---|
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Senator Paul Laxalt
Russell Senate Office Building
Room 315
Washington, D.C. 20510

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

on

WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

83040424544

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Senator Harrison H. Schmitt
Russell Senate Office Building
Room 248
Washington, D.C. 20510

Re: Matter Under Review 1252(80)

Dear Senator Schmitt:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

| | | |
|---|---|---|
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Senator Harrison H. Schmitt
Russell Senate Office Building
Room 248
Washington, D.C. 20510

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

on

WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William Brock, Chairman
Republican National Committee
310 FIrst Street, S.E.
Washington, D.C. 20003

Re: Matter Under Review 1252(80)

Dear Mr. Brock:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

3304024547

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

| | | |
|---|---|---|
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

William Brock, Chairman
Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

on

WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

8304042451 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Deardourff
Bailey, Deardourff & Associates
6720 Old McLean Village Drive
McLean, Virginia 22101

Re: Matter Under Review 1252(80)

Dear Mr. Deardourff:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

John Deardourff
Bailey, Deardourff & Associates
6720 Old McLean Village Drive
McLean, Virginia 22101

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

on

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

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65

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Anna Chennault
1511 K Street, N.W.
Suite 1020
Washington, D.C. 20005

Re: Matter Under Review 1252(80)

Dear Ms. Chennault:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Ms. Anna Chennault
1511 K Street, N.W.
Suite 1020
Washington, D.C. 20005

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

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65

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Arthur J. Finkelstein
Arthur J. Finkelstein & Associates
117 Smith Avenue
Mounte Kisco, New York 10549

Re: Matter Under Review 1252(80)

Dear Mr. Finkelstein:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 5 5

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Mr. Arthur J. Finkelstein
Arthur J. Finkelstein & Associates
117 Smith Avenue
Mounte Kisco, New York 10549

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 5 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stuart Spencer
Spencer, Roberts & Associates
17692 Cowan Street
Irvine, California 92704

Re: Matter Under Review 1252(80)

Dear Mr. Spencer:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 5 5

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Reagan for President General Election Committee | ) | |
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| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Mr. Stuart Spencer
Spencer, Roberts & Associates
17692 Cowan Street
Irvine, California 92704

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8304042456

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Carl T. Curtis
6613 31st Place, N.W.
Washington, D.C. 20015

Re: Matter Under Review 1252(80)

Dear Mr. Curtis:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Carl T. Curtis
6613 31st Place, N.W.
Washington, D.C. 20015

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stanley Huckaby
Republican National Committee
310 FIrst Street, S.E.
Washington, D.C. 20003

Re: Matter Under Review 1252(80)

Dear Mr. Huckaby:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Mr. Stanley Huckaby
Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kenneth Boehm
1538 Moorings Drive # 21-B
Reston, Virginia 22090

Re: Matter Under Review 1252(80)

Dear Mr. Boehm:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 5 1

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Reagan for President General Election Committee | ) | |
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| National Conservative Political Action Committee | ) | |

TO:

Kenneth Boehm
1538 Moorings Drive # 21-B
Reston, Virginia 22090

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 5 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ralph J. Galliano
1011 Arlington Boulevard
Arlington, Virginia 22209

Re: Matter Under Review 1252(80)

Dear Mr. Galliano:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 5 0

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
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| National Conservative Political Action Committee | ) | |

TO:

Ralph J. Galliano
1011 Arlington Boulevard
Arlington, Virginia 22209

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 5 5

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert C. Heckman
2708 Pleasantdale, # 202
Vienna, Virginia 22170

Re: Matter Under Review 1252(80)

Dear Mr. Heckman:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 3 7

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Robert C. Heckman
2708 Pleasantdale, # 202
Vienna, Virginia 22170

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 5 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Keene
NCPAC
1500 Wilson Blvd. #573
Arlington, Virginia 22209

Re: Matter Under Review 1252(80)

Dear Mr. Keene:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 6 7

80

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

David Keene
NCPAC
1500 Wilson Blvd. #573
Arlington, Virginia 22209

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

83040424536

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Honorable George Murphy
905 16th Street, N.W. #304
Washington, D.C. 20006

Re: Matter Under Review 1252(80)

Dear Mr. Murphy:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 5 3

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

The Honorable George Murphy
905 16th Street, N.W. #304
Washington, D.C. 20006

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

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WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

83040424576

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Bay Buchanan, Treasurer
Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

Re: Matter Under Review 1252(80)

Dear Ms. Buchanan:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 7 1

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

Ms. Bay Buchanan, Treasurer
Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

At the instance of the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(3), you are hereby subpoenaed to appear for oral deposition with regard to the Commission's investigation of MUR 1252(80) relating to possible violations of 2 U.S.C. §§ 432(e)(4), 441a(a), 441a(f) and 26 U.S.C. §§ 9012(b)(1) and 9012(f) by the above named respondents.

The deposition shall take place at

on

WHEREAS, the of the Federal Election Commission has hereto set his hand at the Office of the Commission, 1325 K Street, N.W., Washington, D.C. 20463, this day of , 1980.

Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 7 2

85

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Honorable William P. Clements, Jr.
Office of the Governor
State Capital
Austin, Texas 78711

Re: Matter Under Review 1252(80)

Dear Governor Clements:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

If you should have any questions or problems with respect to the enclosed subpoena or proposed schedule for deposition, please contact either staff attorney, Ms. Marsha Gentner at (202) 523-5071 or staff attorney, Ms. Patricia Bak at (202) 523-4060.

Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 7 3

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

| | | |
|---|---|---|
| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

The Honorable William P. Clements, Jr.
Office of the Governor
State Capital
Austin, Texas 78711

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 7 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John T. Dolan
3129 S. 14th Street
Arlington, Virginia 22204

Re: Matter Under Review 1252(80)

Dear Mr. Dolan:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 7 5

88

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

| | | |
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| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

John T. Dolan
3129 S. 14th Street
Arlington, Virginia 22204

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

83040245776

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William J. Casey, Campaign Manager
Reagan for President General Election Committee
901 South Highland Street
Arlington, Virginia 22204

Re: Matter Under Review 1252(80)

Dear Mr. Casey:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 7 7

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Reagan for President General Election Committee | ) | |
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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

TO:

William J. Casey, Campaign Manager
Reagan for President General Election Committee
901 South Highland Street
Arlington, Virginia 22204

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

8304042457

91

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James Lake
2819 Fort Hill Drive
Alexandria, Virginia 22310

Re: Matter Under Review 1252(80)

Dear Mr. Lake:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 7 9

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Ronald Reagan | ) | |
| Reagan for President General Election Committee | ) | |
| Republican National Committee | ) | MUR 1252(80) |
| Americans for Change | ) | |
| Fund for a Conservative Majority | ) | |
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TO:

James Lake
2819 Fort Hill Drive
Alexandria, Virginia 22310

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

83040424580

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Franklyn Nofziger
9841 Airport Blvd.
Los Angeles, California 90045

Re: Matter Under Review 1252(80)

Dear Mr. Nofziger:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 8 1

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

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Franklyn Nofziger
9841 Airport Blvd.
Los Angeles, California 90045

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

83040124593

95

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Anthony Dolan
310 N. Pitt Street
Alexandria, Virginia

Re: Matter Under Review 1252(80)

Dear Mr. Dolan:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 8 3

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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Anthony Dolan
310 N. Pitt Street
Alexandria, Virginia

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

3304124584

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Diversified Direct, Inc.
2936 Prosperity Avenue
Fairfax, Virginia 22031

Re: Matter Under Review 1252(80)

Dear Sir:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8 3 0 4 0 4 2 4 5 8 5

98

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| Ronald Reagan | ) | |
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TO:

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2936 Prosperity Avenue
Fairfax, Virginia 22031

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

83040424538

99

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bedford Printing Co.
1107 Downtown Boulevard
Raleigh, North Carolina 27603

Re: Matter Under Review 1252(80)

Dear Sir:

Enclosed is a subpoena to appear for deposition upon oral examination in connection with the Federal Election Commission's ("Commission's") investigation of Matter Under Review (MUR) 1252(80). In accord with the Commission's regulation found at 11 C.F.R. § 111.14, witness fee checks will be tendered to witnesses at the time and place at which the witness appears for deposition, as noted in the enclosed subpoena.

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

3304042537

100

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

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| Fund for a Conservative Majority | ) | |
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TO:

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1107 Downtown Boulevard
Raleigh, North Carolina 27603

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Marjorie W. Emmons
Secretary to the Commission

8 3 0 4 0 4 2 4 5 9 5

101

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Tri State Envelope Corporation
6900 Faigle Road
Beltsville, Maryland 20705

Re: Matter Under Review 1252(80)

Dear Sir:

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
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TO:

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6900 Faigle Road
Beltsville, Maryland 20705

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Attest: _____

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Marjorie W. Emmons
Secretary to the Commission

3 3 0 4 0 4 2 4 5 9 0

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

Re: Matter Under Review 1252(80)

Dear Sir:

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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| National Conservative Political Action Committee | ) | |

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Wiland and Associates
219 East Davis Street
Culpeper, Virginia 22701

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Attest: _____

_____
Marjorie W. Emmons
Secretary to the Commission

3304042459

105

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Telepost
1700 Old Meadow Road
McLean, Virginia 22102

Re: Matter Under Review 1252(80)

Dear Sir:

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Sincerely,

Charles N. Steele
General Counsel

Enclosure: Subpoena

8304042459

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

SUBPOENA TO APPEAR FOR DEPOSITION
UPON ORAL EXAMINATION

In the Matter of

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TO:

Telepost
1700 Old Meadow Road
McLean, Virginia 22102

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Marjorie W. Emmons
Secretary to the Commission

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UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

In the Matter of

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| Republican National Committee | ) | MUR 1252(80) |
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| Fund for a Conservative Majority | ) | |
| National Conservative Political Action Committee | ) | |

AUTHORIZATION TO ISSUE SUBPOENAE TO PRODUCE DOCUMENTS AND MATERIALS AND TO APPEAR FOR DEPOSITION UPON ORAL EXAMINATION AND ORDERS TO ANSWER WRITTEN QUESTIONS

The Federal Election Commission hereby authorizes the issuance of subpoenae to produce documents and materials and to appear for deposition upon oral examination, and orders to answer written questions, in connection with MUR 1252(80) to:

Senator Paul Laxalt
Russell Senate Office Building
Room 315
Washington, D.C. 20510

Senator Harrison H. Schmitt
Russell Senate Office Building
Room 248
Washington, D.C. 20510

William Brock, Chairman
Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

John Deardourff
Bailey, Deardourff & Associates
6720 Old McLean Village Drive
McLean, Virginia 22101

8 3 0 4 0 4 2 4 5 9 5

Ms. Anna Chennault
1511 K Street, N.W.
Suite 1020
Washington, D.C. 20005

Mr. Arthur J. Finkelstein
Arthur J. Finkelstein & Associates
117 Smith Avenue
Mounte Kisco, New York 10549

Mr. Stuart Spencer
Spencer, Roberts & Associates
17692 Cowan Street
Irvine, California 92704

Carl T. Curtis
6613 31st Place, N.W.
Washington, D.C. 20015

Mr. Stanley Huckaby
Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

Kenneth Boehm
1538 Moorings Drive # 21-B
Reston, Virginia 22090

Ralph J. Galliano
1011 Arlington Boulevard
Arlington, Virginia 22209

Robert C. Heckman
2708 Pleasantdale, # 202
Vienna, Virginia 22170

David Keene
NCPAC
1500 Wilson Blvd. #573
Arlington, Virginia 22209

The Honorable George Murphy
905 16th Street, N.W. #304
Washington, D.C. 20006

Ms. Bay Buchanan, Treasurer
Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

83040424596

The Honorable William P. Clements, Jr.
Office of the Governor
State Capital
Austin, Texas 78711

John T. Dolan
3129 S. 14th Street
Arlington, Virginia 22204

William J. Casey, Campaign Manager
Reagan for President General Election Committee
901 South Highland Street
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James Lake
2819 Fort Hill Drive
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Franklyn Nofziger
9841 Airport Blvd.
Los Angeles, California 90045

Anthony Dolan
310 N. Pitt Street
Alexandria, Virginia

<u>VENDORS</u>

Diversified Direct, Inc.
2936 Prosperity Avenue
Fairfax, Virginia 22031

Bedford Printing Co.
1107 Downtown Boulevard
Raleigh, North Carolina 27603

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219 East Davis Street
Culpeper, Virginia 227-1

8 3 0 4 0 4 2 4 5 9 7

Telepost
1700 Old Meadow Road
McLean, Virginia 22102

RESPONDENTS

Reagan for President General Election Committee
901 South Highland
Arlington, Virginia 22204

Fund for a Conservative Majority
1022 Wilson Boulevard
Arlington, Virginia 22209

Americans for Change
1225 19th Street, N.W.
Washington, D.C. 20036

National Conservative Political Action Committee
1500 Wilson Boulevard #573
Arlington, Virginia 22209

Republican National Committee
310 First Street, S.E.
Washington, D.C. 20003

8 3 0 4 0 4 2 4 5 9 8

Max L. Friedersdorf
Chairman

Thomas E. Harris
Commissioner

John W. McGarry
Vice Chairman

Robert O. Tiernan
Commissioner

Joan D. Aikens
Commissioner

Frank P. Reiche
Commissioner

GCC#2975

MUR 1299


WILMER & PICKERING
1666 K STREET, N. W.
WASHINGTON, D. C. 20006

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INTERNATIONAL TELEX: 440-239
TELEX: 89-2402
TELEPHONE 202 872-6000

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1 COLLEGE HILL
LONDON, EC4R 2RA, ENGLAND
TELEPHONE 01-236-2401
TELEX: 851 883242
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EZEKIEL G. STOODARD
DONALD F. TURNER
COUNSEL

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BARBARA S. WELLBERY
DAVID WESTIN
THOMAS W. WHITE
JUDITH BARRY WISH
GEORGE S. WOLFE


October 15, 1980

BY HAND

Charles Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Dear Mr. Steele:

By letter to you dated October 10, 1980, I suggested that the Commission examine closely the activities of an allegedly "independent" political committee called Americans Concerned for the Judiciary ("ACJ"). I am writing now to make a similar suggestion in connection with another such committee, the Committee for an Independent Judiciary ("CIJ"). CIJ has stated that it supports the reelection of President Carter because of the position on the appointment of federal judges taken in the 1980 Republican Platform. To the extent that CIJ makes expenditures intended to further the defeat of Ronald Reagan or the election of President Carter, which if made by President Carter's official committee would constitute qualified campaign expenses, CIJ will be violating 26 U.S.C. § 9012(f). To the extent that CIJ does so in direct or indirect coordination with the official Carter campaign, CIJ will also be violating other provisions of the federal election laws.

For these reasons, we believe that the Commission should examine the activities of CIJ, as well as those of ACJ. I wish to point out, however, in response to your letter to me of October 10, that neither my October 10 letter to you


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nor this letter is intended to amend Common Cause's previously filed complaint.

Very truly yours,

Michael L Burack

Michael L. Burack
Counsel for Common Cause

83040424600

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PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requeste -k one).
- ☐ Show to whom and date deli ..... ¢
- ☐ Show to whom, date, and add -livery ¢
- ☐ RESTRICTED DELIVERY Show to whom and date del ..... ¢
- ☐ RESTRICTED DELIVERY Show to whom, date, and au ry. $
- (CONSULT POSTMASTE )

2. ARTICLE ADDRESSED TO: Michael Burack

3. ARTICLE DESCRIPTION:

| REGISTERED NO. | CERTIFIED NO. | INSURED NO. |
|---|---|---|
| | 946 [illegible] | |

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY

POSTMARK: OCT 14 1980

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

1299 AU

☆ GPO: 1979-277-944

PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
- ☐ Show to whom, date, and address of delivery ¢
- ☐ RESTRICTED DELIVERY Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY Show to whom, date, and address of delivery. $
- (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO: Hamilton Loeb Esq. Americans Concerned for the Judiciary

3. ARTICLE DESCRIPTION:

| REGISTERED NO. | CERTIFIED NO. | INSURED NO. |
|---|---|---|
| | 946854 | |

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent

4. DATE OF DELIVERY October 14, 1980

POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

MUR 1299 AU

☆ GPO: 1979-277-944

MUR 1299

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
- ☐ Show to whom, date, and address of delivery ..... ¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Hamilton Loeb
1988 L Street, N.W., Suite 800
Washington, D.C. 20036

3. ARTICLE DESCRIPTION:
REGISTERED NO. | CERTIFIED NO. 947109 | INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
S. Abell

4. DATE OF DELIVERY
POSTMARK
NOV 4 AON

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:
CLERK'S INITIALS

PS Form 3811, Aug. 1978
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL
☆ GPO: 1979-272-303

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MUR 1299

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
- ☐ Show to whom and date delivered ..... ¢
- ☐ Show to whom, date and address of delivery ..... ¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery $____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Michael Burack

3. ARTICLE DESCRIPTION:
REGISTERED NO. | CERTIFIED NO. 280 636 | INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Mary H. Rich

4. DATE OF DELIVERY 11/3/80
POSTMARK NOV 08

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:
CLERK'S INITIALS

PS Form 3811, Jan. 1978
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL
☆ GPO: 1979-265-040

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 10, 1980

SPECIAL DELIVERY
RETURN RECEIPT REQUESTED

Hamilton Loeb, Treasurer
Americans Concerned for the Judiciary
1988 L Street, N.W.
Suite 800
Washington, D.C. 20036

RE: MUR 1299

Dear Mr. Loeb,

This letter is to notify you that on October 10, 1980, the Federal Election Commission received an amendment to an earlier complaint which alleges that your committee has violated certain sections of Title 26, U.S. Code, and of the Federal Election Campaign Act of 1971, as amended. A copy of the original complaint and of the amendment are enclosed. We have numbered this matter MUR 1299. 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 your committee in connection with this matter. You may respond to the allegations made against you within 15 days of receipt of this letter. The complaint may be dismissed by the Commission prior to receipt of the response if the alleged violations are not under the jurisdiction of the Commission or if the evidence submitted does not indicate that a violation of the Act or of Title 26 has been committed. Should the Commission dismiss the complaint, your committee will be notified by mailgram. If no response is filed within the 15 day statutory requirement, the Commission may take further action based on available information.

You are encouraged to respond to this notification promptly. In order to facilitate an expeditious response to this notification, we have enclosed a pre-addressed, postage paid, special delivery envelope.

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.

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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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Anne A. Weissenborn or Marsha G. Gentner, the attorneys assigned to this matter, at (202) 523-5071.

Sincerely,

Charles N. Steele
General Counsel

Enclosures

Complaint and Amendment
Procedures
Envelope

83040424650

October 10, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1299

Please have the attached amendment to MUR1299 distributed to the Commission on an informational basis. Thank you.

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MUR 1299

GCC #2930


WILMER & PICKERING

1666 K STREET, N. W.

WASHINGTON, D. C. 20006

CABLE ADDRESS: WICRING WASH., D. C.

INTERNATIONAL TELEX: 440-239

TELEX: 89-2402

TELEPHONE 202 872-6000

EUROPEAN OFFICE

1 COLLEGE HILL

LONDON, EC4R 2RA, ENGLAND

TELEPHONE 01-236-2401

TELEX: 851 883242

CABLE ADDRESS: WICRING LONDON



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BRUCE MAXIMOV
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THOMAS J. SUGRUE
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HELEN TORELLI
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KATHY S. WEINMAN
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ANDREW S. WEISSMAN
BARBARA S. WELLBERY
DAVID WESTIN
THOMAS W. WHITE
JUDITH BARRY WISH
GEORGE S. WOOTE


October 10, 1980


OCT 10 P12:23


BY HAND

Charles Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Re: Common Cause v. Americans for Change, et al.

Dear Mr. Steele:

On September 26, 1980, Common Cause filed a Complaint with the Commission naming as respondents five allegedly "independent" political committees that are currently engaging in media campaigns in support of the candidacy of Ronald Reagan. We are writing now to call the Commission's attention to a new allegedly "independent" political committee.

Americans Concerned for the Judiciary ("ACJ") recently registered as a political committee. ACJ has stated that it intends to take public issue with the plank in the 1980 Republican Platform concerning the appointment of federal judges. To the extent that ACJ makes expenditures intended to further the defeat of Ronald Reagan or the election of President Carter, which if made by President Carter's offical committee would constitute qualified campaign expenses, ACJ will be violating 26 U.S.C § 9012(f). To the extent that ACJ does so in direct or indirect coordination with the official Carter campaign, ACJ will also be violating other provisions of the federal election laws. We urge the Commission, as it considers the activities of the five previously named committees, to examine closely the actions of ACJ as well.

Very truly yours,

Michael L. Burack

Michael L. Burack
Counsel for Common Cause


3304042606

MLburack

WILMER & PICKERING
1666 K STREET, N. W.
WASHINGTON, D. C. 20006

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BY HAND

Charles Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 10, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael L. Burack
Counsel, Common Cause
Wilmer and Pickering
1666 K Street, N.W.
Washington, D.C. 20006

Dear Mr. Burack,

This latter is to acknowledge receipt of the October 10, 1980, amendment to your complaint of September 26, 1980, which alleges violations of the Federal Election Campaign laws by Americans Concerned for the Judiciary. Staff members have been assigned to analyze your new allegations. The respondent will be notified of this complaint within 24 hours and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondent's notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office.

Please be advised that this matter shall remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless the respondent notifies the Commission in writing that they wish the matter to be made public.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1980

John R. Bolton, Esquire
Covington and Burling
888 16th Street, N.W.
Washington, D.C. 20006

RE: MUR 1299

Dear Mr. Bolton:

We are in receipt of your letter of October 3, 1980 notifying the Commission that you are serving as counsel for the North Carolina Congressional Club ("NCCC") in the above-referenced matter. Accordingly, pursuant to your telephone conversation with Marsha Gentner of our office, enclosed please find a copy of the complaint in MUR 1299 which was previously mailed to NCCC.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

Complaint

3304042460

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Honorable Harrison H. Schmitt
Chairman
Americans for Change
218 North Lee Street
Alexandria, Virginia 22314

Re: MUR 1299

Dear Senator Schmitt:

This letter is to notify you that on September 29, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1299. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Marsha Gentner or Anne Weissenborn, the attorneys assigned to this matter at (202) 52305071. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

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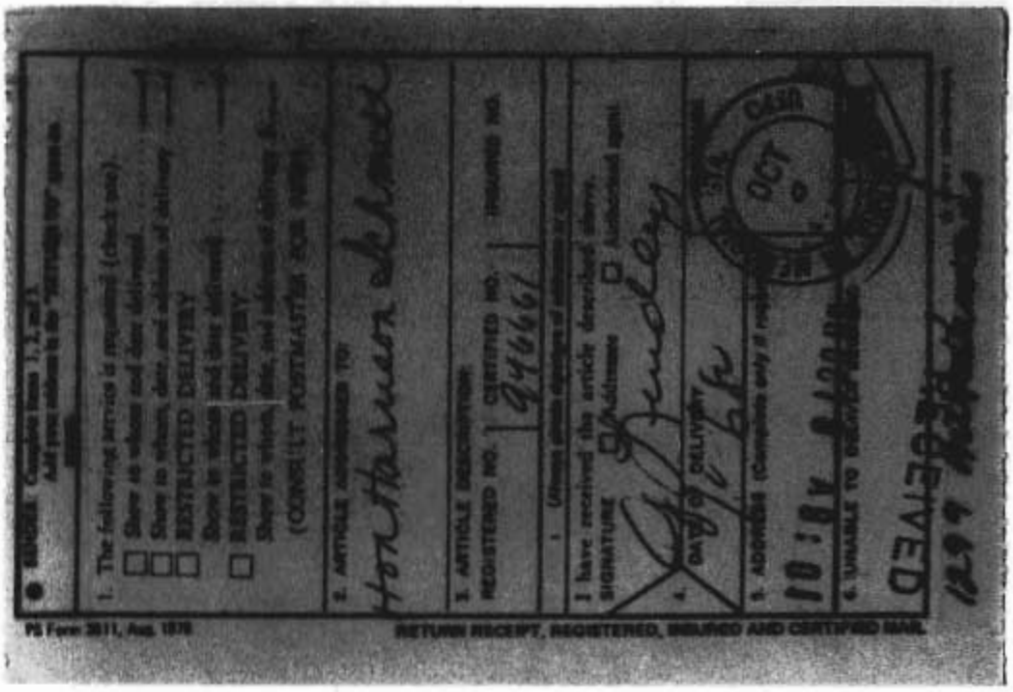

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Peter Flanigan, Chairman
Americans for an Effective
Presidency
1225 19th Street, N.W.
Suite 415
Washington, D.C. 20036

Re: MUR 1299

Dear Mr. Flanigan:

This letter is to notify you that on September 29, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1299. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

3 3 0 4 0 4 2 4 6 1 2

If you have any questions, please contact Anne Weissenborn or Marsha Gentner, the attorneys assigned to this matter at (202) 523-5071. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

83040424513

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fund for a Conservative Majority
1022 Wilson Blvd.
Suite 1401
Arlington, Virginia 22209

Re: MUR 1299

Dear Sir or Madam:

This letter is to notify you that on September 29, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1299. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

8 3 0 4 0 4 2 4 6 1

If you have any questions, please contact Anne Weissenborn or Marsha Gentner, the attorneys assigned to this matter at (202) 523-5071. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

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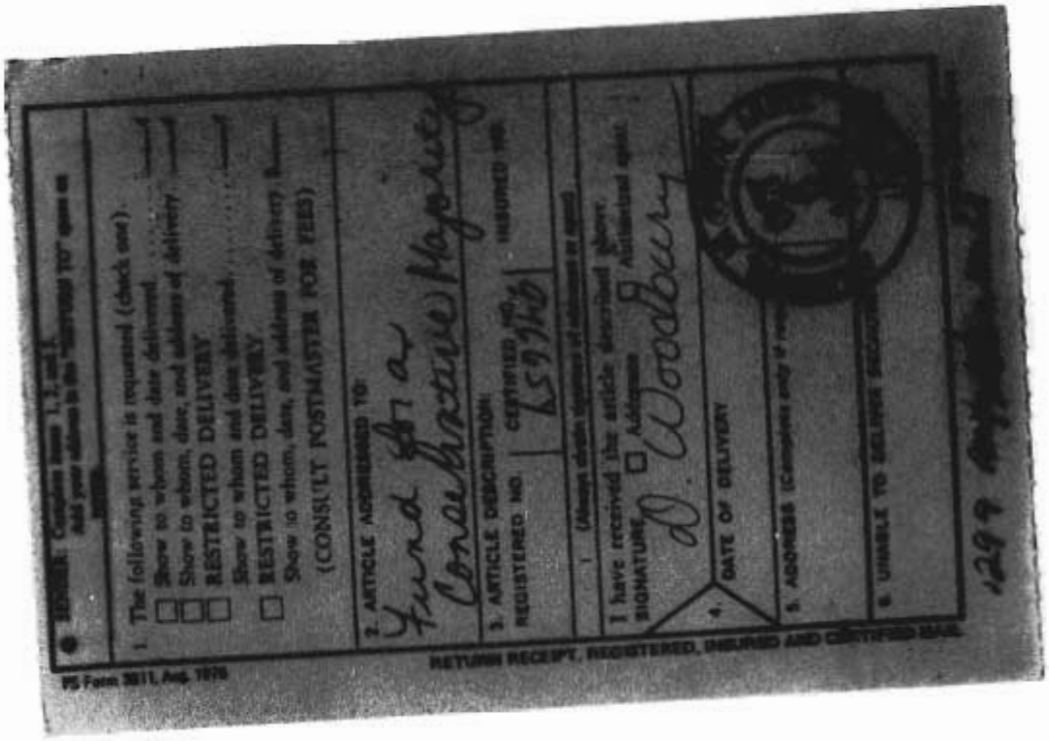
PS Form 3811, Aug. 1978
RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL
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RESTRICTED DELIVERY
Show to whom and date delivered
RESTRICTED DELIVERY
Show to whom, date, and address of delivery
(CONSULT POSTMASTER FOR FEES)
2. ARTICLE ADDRESSED TO:
Fund for a Conservative Majority
3. ARTICLE DESCRIPTION:
REGISTERED NO. | CERTIFIED NO. | INSURED NO.
159746
I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
D. Woodbury
4. DATE OF DELIVERY
5. ADDRESS (Complete only if requested)
6. UNABLE TO DELIVER BECAUSE:
1299

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Thomas F. Ellis, Chairman
North Carolina Congressional
Club
P.O. Box 18848
3825 Barret Drive
Raleigh, North Carolina 27609

Re: MUR 1299

Dear Mr. Ellis:

This letter is to notify you that on September 29, 1980, the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1299. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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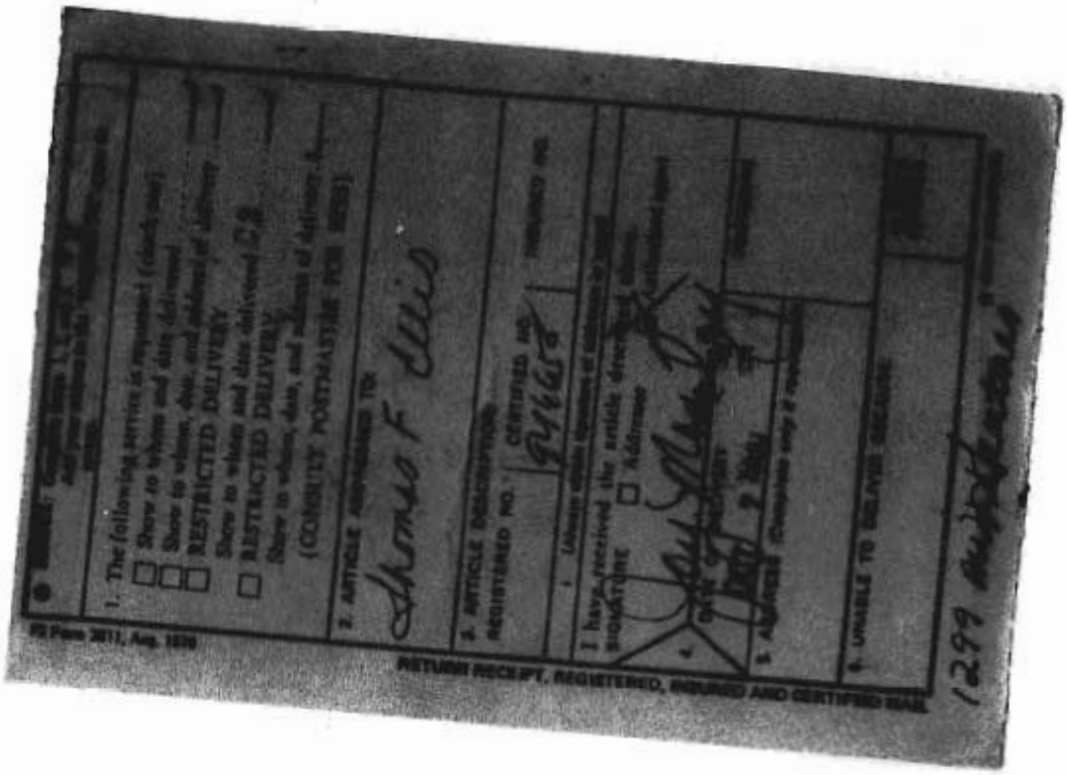
If you have any questions, please contact Marsha Gentner or Anne Weissenborn, the attorneys assigned to this matter at (202) 523-5061. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John T. Dolan, Chairman
National Conservative Political
Action Committee
1500 Wilson Blvd.
Suite 513
Arlington, Virginia 22209

Re: MUR 1299

Dear Mr. Dolan:

This letter is to notify you that on September 29, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1299. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Marsha Gentner of Weissenborn, the attorneys assigned to this matter at (202) 523-5071. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

8 3 0 4 0 1 2 4 6 1 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 2, 1980

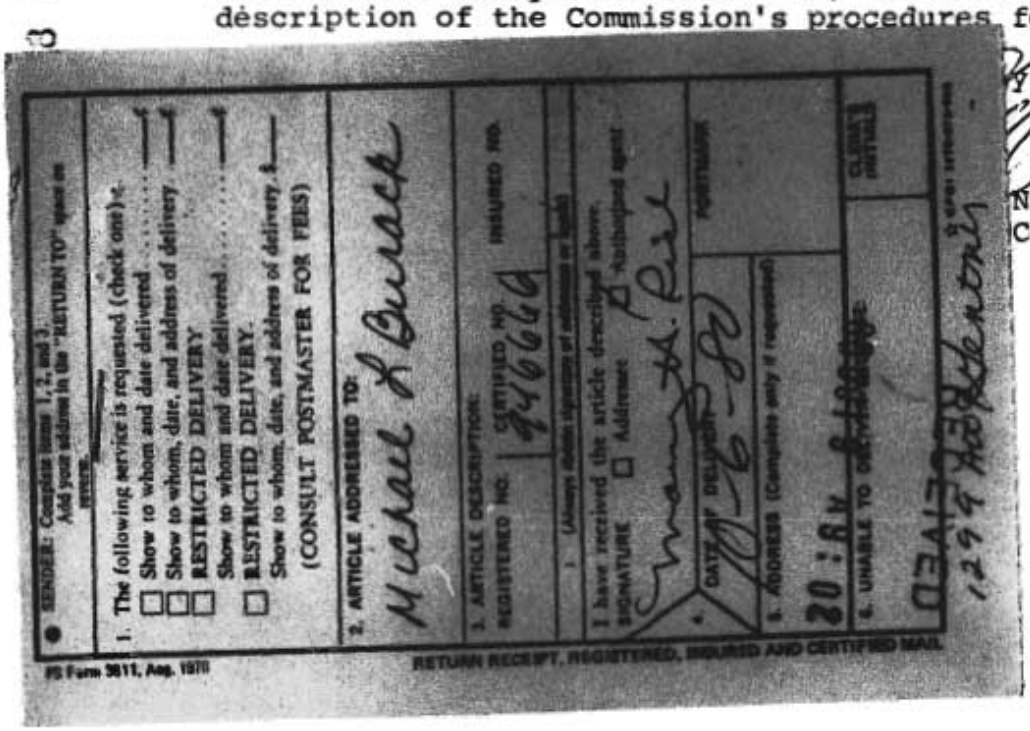
CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael L. Burack
Wilmer and Pickering
1666 K Street, N.W.
Washington, D.C. 20008

Dear Mr. Burack:

This letter is to acknowledge receipt of your complaint of September 26, 1980, against Americans for Change, National Conservative Political Action Committee, Americans for an Effective Presidency, Fund for a Conservative Majority, and North Carolina Congressional Club which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 5 days and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondents' notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

N. Steele
Counsel


SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.
1. The following service is requested (check one).
Show to whom and date delivered
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RESTRICTED DELIVERY
Show to whom and date delivered
RESTRICTED DELIVERY
Show to whom, date, and address of delivery
(CONSULT POSTMASTER FOR FEES)
2. ARTICLE ADDRESSED TO:
Michael L Burack
3. ARTICLE DESCRIPTION:
REGISTERED NO.
CERTIFIED NO. 946664
INSURED NO.
(Always obtain signature of addressee or agent)
I have received the article described above.
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Addressee
Authorized agent
DATE OF DELIVERY
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6. UNABLE TO DELIVER BECAUSE:
CLERK'S INITIALS
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# WILMER & PICKERING

1666 K STREET, N. W.

WASHINGTON, D. C. 20006

CABLE ADDRESS: WICRING WASH., D. C.

INTERNATIONAL TELEX: 440-239

TELEX: 89-2402

TELEPHONE 202 872-6000

EUROPEAN OFFICE

1 COLLEGE HILL

LONDON, EC4R 2RA, ENGLAND

TELEPHONE 01-236-2401

TELEX: 851 883242

CABLE ADDRESS: WICRING LONDON



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HUGH R. M. SMITH
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EZEKIEL G. STODDARD
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SUSAN LOW BLOCH
ALAN N. BRAVERMAN
LYNN BREEMAN
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BARBARA S. WELLBERY
DAVID WESTIN
THOMAS W. WHITE
JUDITH BARRY WISH
GEORGE S. WOLFE


September 26, 1980


10 SEP29 A8:21

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BY HAND

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
7th Floor
Washington, D.C. 20463

Dear Mr. Steele:

I enclose for filing with the Federal Election Commission an original and two copies of a Complaint by Common Cause against five so-called "independent expenditure" committees currently engaged in campaign activities in support of Ronald Reagan's candidacy. The respondent committees are Americans for Change, Americans for an Effective Presidency, Fund for a Conservative Majority, North Carolina Congressional Club, and National Conservative Political Action Committee. I have served the Complaint on respondents today by having copies hand-delivered to them or their counsel.

I also enclose copies of Notices of Appeal that have today been filed by Common Cause, David Cohen and Winifred Long in Common Cause v. Schmitt, C.A. No. 80-1609 (D.D.C.) and Federal Election Commission v. Americans for Change, C.A. No. 80-1754 (D.D.C.).

Very truly yours,

Michael L. Burack

Michael L. Burack
One of Counsel for Common Cause

Enclosures
cc: Counsel for Respondents

BEFORE THE
FEDERAL ELECTION COMMISSION

| | |
|---|---|
| COMMON CAUSE<br>2030 M Street, N.W.<br>Washington, D.C. 20036<br>(202) 833-1200<br><br>Complainant,<br><br>v.<br><br>AMERICANS FOR CHANGE<br>and its project<br>"Reagan For President in '80"<br><br>AMERICANS FOR AN EFFECTIVE<br>PRESIDENCY<br><br>FUND FOR A CONSERVATIVE<br>MAJORITY and its project<br>"Citizens For Reagan in '80"<br><br>NORTH CAROLINA CONGRESSIONAL<br>CLUB and its project<br>"Americans For Reagan"<br><br>NATIONAL CONSERVATIVE POLITICAL<br>ACTION COMMITTEE and its project<br>"The Ronald Reagan Victory<br>Fund"<br><br>Respondents. | COMPLAINT |

83040422622

## COMPLAINT OF COMMON CAUSE

### INTRODUCTION

1. This complaint charges that the respondent committees are violating the Federal Election Campaign Act, 2 U.S.C. §§ 431 *et seq.*, as amended ("FECA"), and the

Presidential Election Campaign Fund Act, 26 U.S.C. §§ 9001 et seq., as amended ("Fund Act"). Each of the respondent committees is raising a substantial amount of money from contributors and is expending that money to support the election of Ronald Reagan, the Republican candidate for President. Since Mr. Reagan has received public financing, the respondent committees are violating the Fund Act whether or not they are acting independently of the official Reagan campaign. 26 U.S.C. § 9012(f)(1). But, given the nature of the committees and the totality of the circumstances, it would ignore reality to conclude that these shadow campaigns are independent.

2. Congress provided public financing to presidential candidates under the Fund Act as an optional alternative to conducting a privately financed campaign. The activities of the respondent committees pose a grave threat to public financing. If this Commission sanctions these activities, similar organizations will proliferate in future elections. Private "committee" expenditures will come to play a major or even dominant role in the election of the President. Presidential candidates will be deprived of the choice Congress intended to give them: to conduct and direct campaigns for office free from the entanglements of private financial support. Presidential candidates will once again be beholden to private financiers.[1/] The idea of public funding as an optional alternative to private financing will be corrupted.

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1/ See Deposition of Douglas L. Bailey (at p. 28) in Republican National Committee v. Federal Election Commission,

[Footnote continued next page]

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3. The Supreme Court has upheld public financing, saying that it "furthers, not abridges, pertinent First Amendment values." Buckley v. Valeo, 424 U.S. 1, 93 (1976). See Republican National Committee v. Federal Election Commission, 487 F. Supp. 280, aff'd, 100 S. Ct. 1639 (1980). Congress has wide latitude to effectuate public financing by limiting activity that would subvert it. Congress has done so by limiting the activities of committees like the Respondents, while leaving unfettered all truly independent political speech by individuals and groups. To conclude that Congress cannot proscribe activities of entities such as Respondents could mean that this Nation cannot constitutionally have a workable scheme of public financing. The First Amendment -- whose values public financing enhances -- does not require that perverse result.

4. We respectfully urge the Commission to exercise its powers to investigate the respondent committees and to conclude, in light of appropriate standards, that their activities violate the FECA and Fund Act.

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[Footnote continued from preceding page]

487 F. Supp. 280, aff'd 100 S. Ct. 1639 (1980) ("the people who wield the authority coming out of private fundraising are . . . the people who raise the money . . . . [T]he guy who can raise $50,000 in contributions is the guy who is incredibly important to that campaign and therefore has a significant amount of power.") Mr. Bailey is a Media Director of Respondent Americans for an Effective Presidency.

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JURISDICTION

5. As the Commission's General Counsel said in arguing for the dismissal of Common Cause v. Schmitt, Civil Action No. 80-1609 (D.D.C.), "[t]he activities of the [independent expenditure] committees are what is sought to be inquired into" and "that is precisely what the Congress created the Commission to look at."[2/]

6. Specifically, the Commission has jurisdiction to investigate the charges in this Complaint under 2 U.S.C. § 437g.

7. In addition, because the allegations in this Complaint inevitably bear on whether the Commission properly certified funds to the official Reagan campaign under 26 U.S.C. § 9005 and whether the official Reagan campaign will have to return all or some part of the public funds it has received under 26 U.S.C. § 9007(b), the Commission has jurisdiction to investigate the charges under 26 U.S.C. § 9009(b).

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2/ Transcript of August 6, 1980 Oral Argument in Common Cause v. Schmitt, p. 15.

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PARTIES

8. Complainant Common Cause is a non-profit membership corporation organized under the laws of the District of Columbia. It has approximately 225,000 dues paying members in the fifty states and the District of Columbia. Common Cause is organized to promote, on a non-partisan basis, its members' interests in social welfare, civic betterment, and social improvement. Common Cause seeks to achieve these objectives by making government more responsive to the needs and demands of citizens through reform of the electoral process.

9. Respondent Americans For Change ("AFC") registered with the Commission on May 23, 1980.[3/] AFC is attempting to raise between $20,000,000 and $30,000,000 through large-scale nationwide solicitation of contributions.[4/] It intends to use the money to purchase large amounts of radio and television time, as well as blocks of newspaper and magazine space, in which to run professionally prepared advertisements in support of the candidacy of Ronald Reagan.[5/] In addition,

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3/ Exhibit 1 to the Commission's Rule 1-9(h) Statement filed with the three-judge court in Federal Election Commission v. Americans For Change, Civil Action No. 80-1754 (filed August 4, 1980). (Such exhibits will hereafter be cited as "FEC Exhibit __.")

4/ The Washington Post, June 6, 1980, pp. A1, A3; The Wall Street Journal, June 19, 1980, p. 1; FEC Exhibit 2, p. 3.

5/ The Baltimore Sun, June 6, 1980, p. A4; The Washington Post, June 6, 1980, p. A3.

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AFC intends to prepare and distribute Ronald Reagan buttons, window signs, bumper stickers, brochures, and other campaign literature.[6/] AFC's activities are being undertaken under the name "Reagan For President in '80."[7/]

10. Respondent Americans for an Effective Presidency ("AEP") registered with the Commission on July 9, 1980.[8/] AEP is attempting to raise between $3,000,000 and $8,000,000 through a large-scale nationwide fundraising campaign involving both personal and direct-mail solicitation.[9/] AEP intends to use all or most of the money to purchase professionally prepared television, radio, and newspaper advertising in support of the candidacy of Ronald Reagan.[10/] All the decisions on how to spend the money are made by AEP's Expenditures Committee, which is also responsible for hiring all staff and authorizing all fundraising.[11/] AEP has been described as "a full-scale campaign -- lacking nothing but a candidate -- on a parallel track."[12/]

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6/ FEC Exhibit 4.

7/ FEC Exhibit 2.

8/ FEC Exhibit 12.

9/ FEC Exhibit 13, p. 5; The Washington Post, July 10, 1980, p. A3.

10/ FEC Exhibit 13, p. 5.

11/ Id., p. 4.

12/ The Washington Star, June 2, 1980, p. A1.

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11. Respondent Fund for a Conservative Majority ("FCM") most recently registered with the Commission on May 10, 1979.[13/] FCM is attempting to raise between $3,000,000 and $10,000,000 through a large-scale nationwide direct-mail fundraising campaign.[14/] It intends to use the money to purchase large amounts of radio and television time, as well as blocks of newspaper and magazine space, in which to run professionally prepared advertisements in support of the candidacy of Ronald Reagan. In addition to these advertisements, FCM intends to prepare and distribute Ronald Reagan buttons, posters, lapel pins, brochures, and other campaign literature.[15/] FCM's activities to further Ronald Reagan's candidacy are being undertaken under the name "Citizens for Reagan in '80."[16/]

12. Respondent North Carolina Congressional Club ("NCCC") most recently registered with the Commission on October 10, 1979.[17/] NCCC is attempting to raise up to $4,000,000 to purchase radio and television time in which to air advertisements supporting Ronald Reagan.[18/] The money is

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13/ FEC Exhibit 6.

14/ The Washington Star, June 2, 1980, p. A1.

15/ FEC Exhibits 10, 11.

16/ Id.

17/ FEC Exhibit 16.

18/ FEC Exhibits 17, 18; The New York Times, July 15, 1980, p. B9.

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being raised from the general public by, inter alia, direct mail solicitation using form letters.[19/] NCCC's activities to further Ronald Reagan's candidacy are being undertaken under the name "Americans For Reagan."[20/] Senator Jesse Helms heads "Americans For Reagan."

13. Respondent National Conservative Political Action Committee ("NCPAC") registered with the Commission on March 27, 1975.[21/] NCPAC is attempting to raise and spend between $1,000,000 and $5,000,000 on behalf of Ronald Reagan's candidacy.[22/] NCPAC is raising the money through direct-mail solicitations using computerized form letters. NCPAC used such solicitations to raise money that it spent on behalf of Ronald Reagan during the 1980 primaries.[23/] NCPAC's effort is being undertaken under the name "The Ronald Reagan Victory Fund."[24/] NCPAC plans to use and is using the money it raises to purchase, in various regions of the country, television and

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19/ FEC Exhibits 17, 18.

20/ Id.; The New York Times, July 15, 1980, p. B9.

21/ FEC Exhibit 20.

22/ The New York Times, July 15, 1980, p. B9.

23/ FEC Exhibit 21.

24/ The New York Times, July 2, 1980, p. A17; The Wall Street Journal, June 19, 1980, p. 1.

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other advertisements that support Ronald Reagan's candidacy and oppose that of Jimmy Carter.[25/]

## RESPONDENTS' VIOLATIONS

### I.

### Respondents' Activities Are Illegal Whether or Not They Are Independent of the Official Reagan Campaign.

14. Respondents are now violating 26 U.S.C. § 9012(f)(1). That statute reads:

> "it shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidates, in an aggregate amount exceeding $1,000."

Section 9012(f)(1) applies to and limits Respondents' activities, whether or not Respondents are independent of the official Reagan campaign, and as thus applied is constitutional. See Complaint of the Federal Election Commission in Federal Election Commission v. Americans For Change, supra (filed July 15, 1980).

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25/ The Washington Post, Sept. 24, 1980, p. A3.

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II.

Respondents' Activities Are Illegal Because They Are Not Independent of the Official Reagan Campaign.

15. Respondents' expenditures on behalf of Ronald Reagan's candidacy are not independent of the official Reagan campaign and therefore violate the FECA and Fund Act as set forth below.

16. Section 431(17) of the FECA defines an "independent expenditure" as "an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate." See 11 C.F.R. § 109.1(a) and (b). The Fund Act does not expressly define the term "independent expenditure," but its legislative history indicates Congressional concern that the statute could be evaded unless "the candidate knows nothing about it [the allegedly independent activity] and there is no subterfuge about it. . . ." 117 Cong. Rec. 42626 (1971) (remarks of Sen. Pastore). When assessing the independence of an expenditure in support of a publicly financed Presidential candidate, Section

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431(17) should be construed to be in pari materia with the Fund Act and with the Fund Act's purposes in mind.

17. Proof that the official Reagan campaign expressly requested or suggested that a Respondent make expenditures on Mr. Reagan's behalf would, of course, compel the conclusion that the Respondent was not independent. But the ban on non-independent expenditures would be easy to evade if proof of an express request were invariably required.[26/] Longstanding friendships and working relationships, shared familiarity with the tactics of running a national political campaign, shared consultants and contributor lists, interlocking personnel, public announcements, and other publicity make the official and shadow campaigns fully aware of what each other is doing. Such mutual awareness can give rise to mutual understandings that, even when tacit, permit committees like Respondents and the candidates they support to count on each other and thereby achieve effective coordination. This is especially the case where a major component of the

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26/ See Leventhal, Courts and Political Thickets, 77 Colum. L. Rev. 345, 365 (1977) (recounting how "federal ceilings on both contributions and expenditures were widely circumvented through the proliferation of committees. Committees openly supporting candidates called themselves independent, claiming to operate without the knowledge or consent of the candidates . . . . Often they were vest pocket committees.")

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overall effort to elect the candidate is spot media advertising. In such circumstances, committees like Respondents, far from being sources of independent expression, become mere pocketbooks for increased media advertising by a campaign that was supposed to be run with a finite amount of public funds. Obviously, if the ban on coordinated expenditures is to be effective, Respondents' lack of independence from the official Reagan campaign must be provable by reasonable inferences from evidence of behavior other than clandestine meetings.

18. The totality of the circumstances, assessed realistically and with common sense, should determine whether Respondents' activities are independent of the official Reagan campaign. The indicia discussed below bear importantly on that assessment and should be considered by the Commission. Taken together, they point very directly to the conclusion that Respondents' activities are not independent.

a. Membership. Each of Respondents was founded or is managed by persons who have or have had close personal and professional links to Mr. Reagan, members of his official campaign, the Republican National Committee, and other intermediary groups such as Citizens for the Republic. Some were Reagan delegates at the Republican National Convention.[27/]

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27/ They include, on information and belief, Jesse Helms (NCCC), Harrison Schmitt (AFC), James Edwards (AFC), and William Clements (AEP).

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Stan Huckaby, AFC's Treasurer, is also an officer of one of Reagan's authorized campaign committees, the 1980 Republican Presidential Unity Committee.[28/]

These facts on their face indicate lack of independence. In addition, these close associations and prior collaborations provide the opportunity for communications concerning campaign strategy, or did so sufficiently in the past to reduce any current need for direct communication. Such interlocks and professional relationships make it all the more inevitable that Respondents and the official Reagan campaign will take account of each other's activities, thereby establishing the basis for effective coordination.

For these reasons, the Commission has found such circumstances not merely to create a presumption of non-independence but, indeed, to render it irrebuttable. See Response to Opinion Request No. 777 (Dec. 7, 1976). That case involved a volunteer worker in Gerald Ford's 1976 primary campaign. The worker, whose activities included delegate recruiting, was not an officer of the Ford campaign committee and was not authorized to raise or expend funds for or on

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28/ See Statement of Candidacy of Ronald Reagan, June 26, 1980; Statement of Organization of 1980 Republican Presidential Unity Committee, May 16, 1980; Statement of Organization of Americans For Change, May 23, 1980.

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behalf of the committee. The worker left the organization shortly after Mr. Ford was nominated. He proposed to form a separate political committee to make "independent expenditures" advocating Mr. Ford's election. The Commission held that he could not do so:

> "In the view of a majority of the Commissioners, contacts with campaign personnel and receiving information and knowledge of campaign plans or needs, were inevitable. Thus, the Commission concluded that the presumption, stated in § 109.1(b)(4)(i) of the Commission's proposed regulations, could not be rebutted . . . ."

There is ample precedent outside the election-law area for finding non-independence in the presence of interlocking relationships. Congress has itself recognized the danger of coordination and concerted action posed by interlocks. See, e.g., Clayton Act § 8, 15 U.S.C. § 19. Interlocks may "lead to exchanges of information, joint ventures [and] parallel behavior . . . ." 5 P. Areeda & D. Turner, Antitrust Law, 359 (1980). See also United States v. Sears, Roebuck & Co., 111 F. Supp. 614, 616 (S.D.N.Y. 1953) (Weinfeld, J.) (interlocking directorates "foster joint action").

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b. Size and organization. Because each Respondent plans to spend amounts of money that may exceed or be appreciable percentages of the public grant the official Reagan campaign will have, Respondents will be more than noticeable to the official campaign. That fact, particularly when combined with Respondents' membership, leads directly to the inescapable conclusion that the official Reagan campaign cannot help but be aware of their activities. In these circumstances, it is unrealistic to assume that the Reagan campaign, even if it tries, can avoid being influenced by Respondents' presence. The predictable reactions of the official Reagan campaign and Respondents to each other are the essence of concerted activity in this field.

c. Conscious Parallelism. That Respondents and the official campaign will complement and supplement each other's activities is not just an inevitable by-product; it is the very essence of Respondents' plans. Each Respondent is consciously attempting to conduct a parallel shadow campaign. They intend to fill the gaps in, or reenforce, the official campaign, principally by buying spot media advertisements. In view of the professional campaign experience and resources Respondents will bring to bear, they will be able to focus their efforts to complement the official campaign and will be perceived by the official campaign as doing so. Respondents

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efforts should thus provide the official Reagan campaign with considerable flexibility, in that the official campaign can count on Respondents to fill gaps the official campaign publicly announces. In such circumstances, it is unrealistic to conclude that Respondents and the official campaign are acting independently.

d. Indirect Communications. Respondents and the official campaign are achieving effective coordination by indirectly communicating to each other information concerning their campaign plans, with the inevitable and probably planned effect of influencing each other's activities. The official Reagan campaign has released detailed information concerning its strategy and plans,[29/] with full awareness of the plans of Respondents to run shadow campaigns. Respondents rely on the information released by the official Reagan campaign.[30/] The official Reagan campaign knows that Respondents rely on such information, and Respondents know that the official Reagan campaign knows. While further factual development on this point is certainly appropriate, there is already ample reason to believe that such information is released by the Reagan

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29/ See, e.g., The Wall Street Journal, July 14, 1980, pp. 1, 10; Newsweek, July 28, 1980, p. 32.

30/ See The New York Times, June 30, 1980, p. B13.

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campaign with a view toward having expenditures made by Respondents, that a mutual understanding exists to that effect, and that Respondents have acted on the basis of that understanding.[31/] The Commission has recognized that the transmission of such campaign strategy information may render the activities of the recipient non-independent:

> ". . . . [A]n expenditure is presumed not to be independent if it is based on information about the candidate's plans, projects or needs provided to the expending person by the candidate, or candidate's agents, with a view toward having an expenditure made . . . ."[32/]

That is the case here.

e. Interlocking consultants, vendors, and suppliers. There are interlocks between Respondents and campaign consultants, vendors, and suppliers of campaign products and services to the official Reagan campaign.

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31/ For instance, spokesmen for the official Reagan campaign have publicized the fact that "the South will be handled almost as a separate campaign" and that "'[w]e plan to use a Southern strike force of surrogates . . . to take the battle to Carter's base' . . . ." The Wall Street Journal, July 14, 1980, p. 1. Respondent NCPAC has now publicly announced that, starting September 29 and running through the election, it will buy television time in Alabama, Louisiana, Mississippi, and Florida to broadcast anti-Carter commercials. The Washington Post, September 24, 1980, p. A3.

32/ FEC Advisory Opinion No. 1979-80, CCH Fed. Elec. Campaign Fin. Guide ¶ 5469, at 10,527 (March 12, 1980).

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Respondents share campaign consultants and vendors with the campaign. Most notably, the polling and survey research firm of Arthur J. Finkelstein & Associates, which has assisted FCM, NCCC and NCPAC, has also aided the official Reagan campaigns in both 1976 and 1980. Moreover, Mr. Finkelstein is a member of the Advisory Committee on Campaign Services of the Republican National Committee -- an authorized Reagan committee.[33/] Similar interlocks exist with other firms.[34/]

Such sharing makes coordination virtually inevitable. Political consultants, such as Mr. Finkelstein, Mr. Viguerie and others, are not disinterested dispensers of advice. They are intensely political individuals with a large stake in the effectiveness of the overall pro-Reagan campaign. Such consultants are in a position to steer their pro-Reagan

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33/ See Affidavit of William E. Brock, III, Exhibit A, filed July 24, 1980, on behalf of Ronald Reagan and the Reagan For President General Election Committee in Carter-Mondale Reelection Committee v. Federal Election Commission, No. 80-1842 (D.C. Cir.). Mr. Reagan recently installed Drew Lewis, a Reagan campaign official, as deputy chairman and chief operating officer of the Republican National Committee. See The Washington Post, June 14, 1980, p. A1.

34/ Upon information and belief, Bruce Eberle Associates, Inc. and Richard A. Viguerie Company, Inc. and their subsidiaries have assisted one or more of the Respondents as well as the official Reagan campaign. These companies provide direct-mail and associated services. See The Baltimore Sun, June 6, 1980, p. A4 (Eberle); The New York Times, July 20, 1980, p. A14 (Viguerie).

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clients, both official and unofficial, in ways that will harmonize their activities. It is totally unrealistic to expect that political consultants intent on the success of the Reagan candidacy would let other clients with similar aims take actions that would interfere with the common goal.

Recognizing this truth, the Commission's General Counsel has indicated that "cooperation or consultation" between political committees may be found where the "two entities consistently purchase goods and services from common sources." FEC General Counsel's Report in the Matter of ACU/CVF, MUR 203 & 203(a), at 5-6 (Nov. 11, 1977). And in FEC Advisory Opinion No. 1979-80, supra, the Commission stated that:

> "use of an agent of a candidate or candidate's campaign committee by a political committee to make independent expenditures . . . raises the presumption that the expenditure is made with the cooperation or prior consent of, or in consultation with, or at the request or suggestion of, a candidate or an agent or authorized committee of such candidate. Thus, use of an agent is presumed to destroy the independence of the expenditure and may result in an in-kind contribution." ¶ 5469 at 10,527 (emphasis added).

f. Coordinated Events. Respondents have coordinated certain of their campaign efforts so as to coincide with efforts of the official Reagan campaign. For example,

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certain Respondents have held press conferences and issued solicitation letters in conjunction with the Republican National Convention.[35/]

g. Use of the Candidate's Name. Respondents (except possibly AEP) are carrying on their activities under names calculated to create the impression that they are official campaign organizations authorized by Mr. Reagan -- names such as "Reagan For President in '80" (AFC), "Citizens For Reagan in '80" (FCM), "Americans For Reagan" (NCCC), and "The Ronald Reagan Victory Fund" (NCPAC).[36/] They proclaim themselves to be part of "the Reagan team."[37/] This use of Mr. Reagan's name is fully known to Mr. Reagan and his authorized committees. Indeed, AFC and NCPAC issued solicitation appeals from the Republican National Convention using the names "Reagan For President in '80" and "Americans For Reagan."[38/] Neither

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35/ See FEC Exhibit 3 (AFC press conference); FEC Exhibit 18 (NCCC solicitation); The New York Times, July 15, 1980, p. B9 (NCPAC press conference previewing TV commercials).

36/ Congress has recognized that such use of a candidate's name indicates that the committee using it is a committee that the candidate has authorized. See H. Rep. No. 96-422, 96th Cong., 1st Sess. (1979), quoted in 1979-3 U.S. Code Cong. & Admin. News 2860, 2873. The Commission recently made the same point. See Memorandum of Points and Authorities in Support of Plaintiff's Motion for Summary Judgment, at 19 n.21, in Federal Election Commission v. Americans for Change, supra (filed August 4, 1980). In addition, this practice appears to violate 2 U.S.C. § 432(e)(4).

37/ FEC Exhibit 10, p. 8.

38/ See FEC Exhibits 2, 18.

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Mr. Reagan nor any of his campaign staff has directed Respondents not to use Mr. Reagan's name in this manner.[39/] They have, instead, acquiesced in the appearance that Respondents' activities are authorized by and are part of the official Reagan campaign. This aura of official status makes Respondents' activities an all the more effective adjunct to the official campaign.

h. Use of materials provided by the candidate. FCM's operations on behalf of Ronald Reagan's candidacy stem in significant part from Ronald Reagan and his campaign organizations:

> "The fountainhead of Mr. Reagan's mail drive [to support his 1980 primary campaign] was a list of 180,000 names left over from his unsuccessful 1976 Presidential campaign. The list became the property of Citizens for the Republic, an organization started by Mr. Reagan and his aides as a fund-raising vehicle for conservative causes. The Citizens for the Republic's list, in turn, has been rented in a growing mailing-list market to a wide array of conservative groups, including the Fund for a Conservative Majority."[40/]

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39/ See, for example, the Affidavit of William E. Brock, III, supra.

40/ The New York Times, June 30, 1980, p. B13.

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Such use of solicitation tools obtained from (and still used by) the Reagan organization rebuts any possible claim to independence.

19. No doubt, each Respondent may offer explanations for why one or another of the foregoing indicia of coordination does not necessarily reflect such coordination in its case. But where, as here, membership, size, sheer noticeability, conscious parallelism, indirect communications, interlocking personnel, shared consultants and vendors, coordinated events, and use of the candidate's name and campaign materials are all present, it is impossible to conclude that Respondents and the official campaign are acting independently of one another in any realistic sense. On the contrary, these factors all point to the conclusion that Respondents -- manned by party professionals with close personal and professional links to the official campaign and consciously paralleling the official Reagan campaign -- have developed an effectively coordinated, symbiotic modus operandi with the official campaign. They are essentially providing coordinated additional pocketbooks to support the official campaign. Respondents' shadow campaigns are no more independent of the official Reagan campaign than real shadows are of the objects that form them.

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20. It is already clear, and will become clearer as the campaign progresses, that Respondents' expenditures are not independent of the official Reagan campaign. The following publicly available material concerning each Respondent both supports that conclusion and provides investigatory leads the Commission might wish to pursue.

21. AFC. Literature distributed to the public and the press by AFC, at the Republican National Convention, describes the purpose of the "Reagan For President in '80" operation as follows:

> "The federal law prohibits you from contributing directly to the Reagan general election campaign and limits the amount of funds that he can spend on voter educational material."41/

* * *

> "'Reagan for President in '80' is being sponsored by Americans For Change, because federal campaign financing laws prohibit national candidates from accepting personal contributions since they receive federal funds."42/

* * *

> "If you want to see a change in this nation in 1980 it's going to take much more than the $29 million that the federal government is allowing Ronald Reagan."43/

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41/ FEC Exhibit 4.

42/ FEC Exhibit 2, p. 2.

43/ Id.

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* * *

"By joining with thousands of your interested and concerned citizens you can participate in the newly founded 'Reagan for President in '80,' project, established to raise over $20 million on behalf of Ronald Reagan."44/

22. AFC is closely linked, through its organizers and officers, to the Republican Party, the Republican National Committee, and the official Reagan campaign organization:

a. Harrison Schmitt, the Chairman of AFC, is a member of the Republican National Committee Advisory Council on Economic Affairs45/ and was a Reagan delegate to the 1980 Republican National Convention.

b. John Harmer, the Co-Chairman of AFC, is Ronald Reagan's former Lieutenant Governor.46/

c. Stan Huckaby, the Assistant Treasurer and Custodian of Records of AFC, is the Treasurer of the 1980 Republican Presidential Unity Committee, an authorized committee of Ronald Reagan, and has served as a paid consultant to the Republican National Committee.47/ He maintains his office at the Republican National Committee headquarters.48/

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44/ Id., p. 5 (emphasis added)

45/ Republican National Committee Advisory Councils Committees Directory, July 1979.

46/ Los Angeles Times, June 6, 1980, Section 1, p. 5; The Washington Post, June 6, 1980, p. A3.

47/ See Expenditure Report for the Republican National Committee, Schedule A, April 1980 and June 1980.

48/ FEC Exhibit 1 (referring to 310 First Street, S.E., Washington, D.C.).

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d. James Edwards, a member of the AFC steering committee, is a member of the Republican National Committee Advisory Council on Natural Resources[49] and was a Reagan delegate to the 1980 Republican National Convention.

e. George Murphy, a member of the AFC steering commmittee, is a member of the Policy Board of the Republican National Committee Advisory Council on National Security and International Affairs.[50]

f. Anna Chennault, a member of the AFC steering committee, is the Co-Chair of the Nationalities Division of the Reagan For President Committee, a member of the Republican National Committee Advisory Committee on Fiscal Affairs, and an ex-officio member of the Republican National Committee Executive Committee.[51]

23. AFC held a press conference in conjunction with and as part of the 1980 Republican National Convention; the press conference used Convention facilities and was announced on the official Convention calendar of events for July 16, 1980.[52] AFC also held a post-Convention fundraiser in

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49/ The Washington Post, June 6, 1980, p. A3; Republican National Committee Advisory Councils Committees Directory, July 1979.

50/ The Washington Post, June 6, 1980, p. A3; Republican National Committee Advisory Councils Committees Directory, July 1979.

51/ The Washington Post, June 6, 1980, p. A3; List of Officers, Executive Committee and Members of the Republican National Committee, June 12, 1980, p. 2; Reagan For President Press Release, July 12, 1980; Republican National Committee Advisory Councils Commmittees Directory, July 1979.

52/ FEC Exhibit 3.

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Houston, precisely where and when the candidates went after the Convention. AFC's solicitation letter concerning that fundraiser, signed by Chairman Harrison Schmitt, states:

> "Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.
>
> ". . . .
>
> "I will fly to Houston directly from the National Convention along with John Harmer, Ronald Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.
>
> "Please join the team now. Send your checks for Reagan for President in '80 . . . ."53/

24. AEP. AEP is closely linked, through its organizers, officers and agents, to the Republican Party, the Republican National Committee and past and present campaign organizations for Ronald Reagan and other Party candidates. For example:

> a. Peter Flanigan, the Chairman of AEP, is a member of the Policy Board of the Republican National Committee Advisory Council on Economic Affairs. He was the Deputy Campaign Chairman of the official 1968 general election campaign for the Republican Party candidate.54/

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53/ FEC Exhibit 5 (emphasis added).

54/ Republican National Committee Advisory Councils Committees Directory, July 1979; Who's Who in American Politics.

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b. Stuart Spencer, who was involved in the organization of AEP and who was to run its operation,55/ now works for the official Reagan campaign.56/ He ran Mr. Reagan's campaigns for Governor of California in 1966 and 1970 and was the national political director for the official 1976 general election campaign for the Republican Party candidate.57/

c. William Clements, who was involved in the organization of AEP, serves as the Chairman of the official Reagan campaign in Texas and is a member of the Republican National Committee Advisory Council on National Security and International Affairs.58/

d. Thomas Reed, the Chairman of the Expenditures Committee of AEP, was the Chairman of Ronald Reagan's 1970 gubernatorial re-election campaign and is a past member of the Republican National Committee. He has directed and chaired political campaigns for the last 14 years.59/

e. Don Fierce, the Staff Director of AEP, was a regional political director for the official 1976 general election campaign

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55/ Business Week, June 23, 1980, p. 147; Evans-Novak Political Report, May 27, 1980, p. 3; The Washington Post, May 28, 1980, p. 5; The Washington Star, June 2, 1980, pp. A1, A4; The Washington Star, June 5, 1980, p. A3; The New York Times, June 23, 1980, p. A21.

56/ Newsweek, July 28, 1980, p. 32.

57/ S. Blumenthal, The Permanent Campaign (1980), Chapter 8.

58/ The Washington Star, June 2, 1980, p. A1; Dallas Times Herald, June 25, 1980, p. A29; Republican National Committee Advisory Councils Committees Directory, July 1979.

59/ FEC Exhibit 13, p. 4; Who's Who in America.

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for the Republican Party candidate. He has also managed numerous other official Republican campaigns.60/

f. Bailey, Deardourff & Associates, the Media Directors of AEP, served as the advertising agency for the official 1976 general election campaign for the Republican Party candidate.61/

25. FCM. FCM calls its shadow campaign "Citizens for Reagan in '80." That name and Mr. Reagan's picture (together with that of Mrs. Reagan) are prominently displayed in the literature FCM distributes.62/

26. FCM's literature characterizes its activities as a "campaign" and states, among other things:

> "'Citizens for Reagan in '80' is working in key primary states such as New Hampshire, Florida, Texas and California, and at the important state conventions of Virginia and Missouri. Mailings, newspaper and radio ads, billboards and other political campaign activities will continue to be sponsored by this independent campaign."63/

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60/ FEC Exhibit 13, p. 4.

61/ Id., p. 5; FEC Exhibit 14.

62/ FEC Exhibit 10.

63/ Id., p. 3 (emphasis added).

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"Once Reagan is nominated at the Republican convention, we will not stop our campaign -- no indeed. 'Citizens for Reagan in '80' will continue to campaign right up to election day.

"As an independent campaign, 'Citizens for Reagan in '80' is not bound by the federal law to disband after Ronald Reagan's nomination. However, the only money the official Ronald Reagan campaign will have after his nomination will be that which the Federal Election Commission gives him.

"As an independent effort 'Citizens for Reagan in '80' has no limit on expenditures before or after the nomination.

"Ronald Reagan can win in 1980. But to win he needs your help today."64/

27. The coupon enclosed with FCM's form solicitation letters, to be returned by contributors with their money states:

"Count me on the Reagan Team for 1980! I am most happy to join 'Citizens for Reagan in '80' . . . ."65/

28. FCM's post-Convention mailings more explicitly suggest coordination between FCM and the official Reagan campaign. A recent solicitation letter, mailed in an envelope

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64/ Id., pp. 5-6.

65/ Id., p. 8.

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reading "DATELINE: REPUBLICAN CONVENTION, DETROIT 11:03 PM. WEDS JULY 16, 1980," states:

> "TONIGHT RONALD REAGAN WAS NOMINATED FOR PRESIDENT!
>
> "NOW OUR WORK REALLY BEGINS . . . .
>
> "BY LAW YOU CANNOT CONTRIBUTE DIRECTLY TO REAGAN'S CAMPAIGN NOW THAT HE HAS BEEN NOMINATED.
>
> "SO IT IS OBVIOUS THAT RONALD REAGAN NEEDS 'CITIZENS FOR REAGAN IN '80' . . . .
>
> "YOUR CONTRIBUTION IS NEEDED. CAMPAIGN PLANS; NATIONAL ADVERTISING ON TV AND RADIO; FULL PAGE ADS IN NEWSPAPERS; ELECTION MAILINGS PIN-POINTED TO SELECTED VOTERS ARE ALL WAITING FOR THE FUNDS TO BE RAISED.
>
> "RONALD REAGAN NEEDS YOU TO SUPPORT 'CITIZENS FOR REAGAN IN '80' IF HE IS TO BE ELECTED PRESIDENT."66/

29. FCM's campaign strategy is to parallel and supplement the official Reagan campaign:

> "FCM has monitored the Reagan campaign closely: Whenever he is in trouble or broke, they move in swiftly and skillfully."67/

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66/ FEC Exhibit 11, p. 1 (emphasis in original).

67/ The Boston Globe, May 28, 1980, p. 1. The article descibes how FCM's close monitoring of both the Bush and the Reagan campaigns had enabled the group to provide Mr. Reagan with critical infusions of money, manpower, and advertising in the New Hampshire, Pennsylvania, and Texas primaries.

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* * *

> "Thus, in the closing weeks of the New Hampshire primary, when Mr. Reagan was approaching the limit of what he was allowed to spend under Federal law, the Fund for a Conservative Majority spent $60,000 to $65,000 on a variety of activities, including radio advertising and busing volunteers to the campaign front."68/

FCM is able to achieve this high degree of coordination in large part by monitoring information released by the official Reagan campaign organization, including descriptions of the Reagan campaign strategy.69/ According to FCM's Treasurer, "we pretty much know what the Reagan campaign strategy is from the newspapers".70/

30. As indicated above, FCM uses campaign-related products and services that are used by, and in some cases originated with, official Reagan campaign organizations, including a list of 180,000 names compiled for the 1976 Reagan campaign.71/ Expenditure reports filed by FCM with the Commission reveal other instances where FCM has consulted with,

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68/ The New York Times, June 30, 1980, p. B13 (emphasis added).

69/ Id.

70/ Id.

71/ The New York Times, June 30, 1980, p. B13.

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and purchased campaign-related products and services from, the same vendors and firms that consult with and work for the official Reagan campaign.

31. NCCC. When NCCC's leader, Senator Helms, was asked at the Republican National Convention whether he had had any recent discussions with Mr. Reagan, he replied:

> "Well, as you may know, we have had an independent effort going on in North Carolina. The law forbids me to consult with him and it's been an awkward situation. I've had had to, sort of, talk indirectly with Paul Laxalt [Mr. Reagan's campaign manager] and hope that he would pass along, uh, and I think the messages have gotten through all right."72/

Senator Helms worked actively for Ronald Reagan at the Republican National Convention and was instrumental in formulating the Republican platform upon which Ronald Reagan is running.73/

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72/ The Washington Post, July 29, 1980, p. A10; July 16, 1980 ABC broadcast from the Republican National Convention.

73/ The Washington Post, July 17, 1980, pp. D1, D13.

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32. The literature distributed by NCCC states that NCCC plans to undertake a campaign effort on behalf of Ronald Reagan:

> "Although Ronald Reagan will be limited in spending this fall by federal law, you and I can help him overcome the odds by waging an independent effort through Americans for Reagan.
>
> "As an independent campaign, Americans for Reagan can spend an unlimited amount of money on behalf of Ronald Reagan."[74/]

33. One of the organizers of this effort is Bruce Eberle, who heads a direct mail agency that raised money for Mr. Reagan in 1976[75/] and that has, upon information and belief, worked in concert with Citizens for the Republic, an extension of the 1976 Reagan campaign.

34. NCPAC. NCPAC and Mr. Reagan have collaborated in the past. Indeed, in its May 15, 1980, solicitation letter requesting contributions to "help Governor Reagan's campaign," respondent NCPAC stated:

> "When NCPAC was founded in 1976 Ronald Reagan signed a letter personally asking his supporters and other conservatives all over the country to help us. In fact NCPAC was the only organization Ronald Reagan helped in 1976.

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74/ FEC Exhibit 17, p. 2.

75/ The Baltimore Sun, June 6, 1980, p. A4.

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> "Many thousands of convervatives responded to his call. He is one of the main reasons NCPAC is here today . . . ."[76]

35. NCPAC has urged contributors to inform the official Reagan campaign of their contributions:

> "If you can send a contribution to NCPAC to help us help Governor Reagan, I am also asking you to send him the enclosed postcard telling him of your support."[77]

36. NCPAC plans to use the money it raises to purchase large amounts of radio and television time in which to prepare professional advertisements for Ronald Reagan.[78] Ten such advertisements were previewed at a press conference held by NCPAC in Detroit on July 14, 1980, in conjunction with the Republican National Convention.[79]

37. The foregoing allegations provide ample reason to believe that Respondents are not independent of the official Reagan campaign and, accordingly, are violating the federal election laws:

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76/ FEC Exhibit 21, p. 2 (emphasis added).

77/ Id. The postcard appears at page 5.

78/ Id.

79/ The New York Times, July 15, 1980, p. B9.

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a. Respondents are in violation of 26 U.S.C. § 9012(f)(1), even if that section reaches only activities by non-authorized political committees that are not independent of a publicly financed candidate's official campaign.

b. Respondents' expenditures will constitute expenditures by the official Reagan campaign. See 26 U.S.C. § 9002(11) (following ¶ (C)); 2 U.S.C. § 441a(b)(2)(B); 11 C.F.R. §§ 109.1(c) & 110.8(g). This will, with virtual certainty, give rise to a violation of 26 U.S.C. § 9012(a)(1) and 2 U.S.C. § 441a(b)(1)(B) which make it unlawful for a major-party candidate to incur campaign expenditures in excess of the amount of public financing he receives.[80/] See also 26 U.S.C. § 9003(b)(1); 2 U.S.C. § 441a(f).

c. Respondents' expenditures will constitute contributions to the official Reagan campaign. See 2 U.S.C. § 441a(a)(7)(B)(i); 11 C.F.R. § 109.1(c). This will give rise to violations of 26 U.S.C. § 9012(b)(1), which makes it unlawful for a major-party candidate who receives public financing to accept contributions.[81/] See also 26 U.S.C. § 9003(b)(2); 2 U.S.C. § 441a(f).

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80/ Respondents have announced that they intend to raise in the aggregate between $27,000,000 and $57,000,000 -- far more than would be necessary to put Mr. Reagan's total expenditures over the $29,440,000 limit.

81/ Both Section 9012(a)(1) and Section 9012(b)(1) require that the proscribed action be done "knowingly and

[Footnote continued next page]

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d. As contributions to the official Reagan campaign, Respondents' expenditures will also violate 2 U.S.C. § 441a(a) by exceeding the statutorily prescribed contribution limitations.

## RELIEF

38. We respectfully urge the Commission to conduct a prompt, thorough investigation into these allegations. In a case of this kind, it is of the utmost importance that the Commission issue subpoenas, take depositions, and pursue by other appropriate means the discovery needed to inquire into the facts surrounding Respondents' operations and activities. The facts outlined above themselves indicate that Respondents are commmitting serious violations of the FECA and Fund Act.

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[Footnote continued from preceding page]

willfully." That is the case here. Mr. Reagan and his official campaign organization are fully aware of the activities of the so-called "independent expenditure" committees that support his candidacy. Mr. Reagan personally and the Reagan For President General Election Committee have intervened in a pending case involving the activities of these committees. Carter-Mondale Reelection Committee v. Federal Election Commission, supra. There is no indication that Mr. Reagan or his campaign organization has taken any affirmative steps to seek to halt the "independent" expenditures being made on his behalf. The affidavit submitted in that case on July 24, 1980, by Paul Laxalt, the Chairman of the Reagan campaign, does not state that any such steps have been taken; it makes only the much weaker assertion that the Reagan campaign has not encouraged, stimulated, or requested such expenditures. And that assertion may, of course, be proven incorrect.

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Those facts also provide a road map of evidentiary leads the Commission might wish to follow.

39. The Commission need not feel constrained to conduct this investigation under the cumbersome and time-consuming procedures set forth in 2 U.S.C. § 437g. Instead, it may and should treat this as an investigation conducted pursuant to the authority granted it by Section 9009(b) of the Fund Act. That would permit the Commission to expedite the investigation. It goes without saying that expedition is important to the parties and to the integrity of the electoral process.

RELATED MATTERS

40. In Common Cause v. Schmitt, supra, Common Cause and other plaintiffs alleged that the activities of three of the respondent committees are illegal (a) because they violate 26 U.S.C. § 9012(f)(1), whether or not the committees are independent of the official Reagan campaign; and (b) because the committees are not independent of that campaign. The Commission intervened and moved to dismiss the suit, on the ground that it had exclusive jurisdiction of the matter. The three-judge district court dismissed the suit, but has not yet issued its opinion. Common Cause believes the court's decision is erroneous and is seeking judicial review.

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41. In Federal Election Commission v. Americans for Change, supra, the Commission sought a judicial declaration that three of the respondent committees are violating 26 U.S.C. § 9012(f)(1), whether or not they are independent of the official Reagan campaign. The three-judge court dismissed the complaint. Common Cause believes the court's ruling was erroneous and that the Commission should seek judicial review.

42. The Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee ("Carter-Mondale") have filed a complaint with the Commission that questions, inter alia, the legality of Respondents' activities. That complaint is still pending and presumably the Commission is investigating the charges as it is required to do. While Common Cause's Complaint herein is distinct from the Carter-Mondale complaint, the two complaints obviously touch the same subject matter. The pendency of the Carter-Mondale complaint should not be allowed to interfere with the Commission's expeditious investigation of this Complaint. Indeed, evidence developed by the Commission in that matter may bear on the charges herein;

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if so, such evidence should be considered as part of the record developed with respect to this Complaint.

Respectfully submitted,

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September 26, 1980

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VERIFICATION

The undersigned counsel for complainant swears that the statements in this complaint are based upon the sources indicated and, as such, are true and correct to the best of his information and belief.

Michael L Burack

Michael L. Burack

Subscribed and sworn
before me this 26th day
of September, 1980.

Robert W. Carter

Notary Public

My Commission Expires May 31, 1984

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FEDERAL ELECTION COMMISSION

Memo to the file from Marsha Geatner

dated 9/4/80

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

| | | | |
|---|---|---|---|
| ____ | (1) Classified Information | ____ | (6) Personal privacy |
| ____ | (2) Internal rules and practices | ____ | (7) Investigatory files |
| ____ | (3) Exempted by other statute | ____ | (8) Banking Information |
| ____ | (4) Trade secrets and commercial or financial information | ____ | (9) Well Information (geographic or geophysical) |
| X | (5) Internal Documents | | |

Signed Anne P. Wernsenbern

Date 6/20/83

FEC 9-21-77

83040124652

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Ronald Reagan, et al. )

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on September 23, 1980, do hereby certify that the Commission decided by a vote of 4-2 to approve the letters and notifications to respondents as submitted with the General Counsel's September 15, 1980 report, subject to the minor corrections and amendments agreed upon in the meeting.

Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

Attest:

9-26-80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

MWE

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: SEPTEMBER 17, 1980

SUBJECT: MUR 1252 - OBJECTION - Memorandum to the Commission dated 9-15-80; Received in OCS 9-15-80, 12:29

The above-named document was circulated on a 48 hour vote basis at 4:00, September 16, 1980.

Commissioner Reiche submitted an objection at 2:58, September 17, 1980.

This matter will be placed on the Executive Session Agenda for Tuesday, September 23, 1980.

A copy of Commissioner Reiche's vote sheet is attached showing his comment.

Commissioners Aikens and Friedersdorf wish to be recorded as vote "No" for the reocrd.

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48 HOUR TALLY SHEET

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

80 SEP 17 P 2: 58

Date and Time Transmitted: MONDAY, 9-15-80
4:00

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: WEDNESDAY, SEPTEMBER 1
4:00

MUR No. 1252 - Memorandum to the Commission dated 9-15-80, w/
Revised Letters and Notifications

( ) I approve the recommendation

(✓) I object to the recommendation

COMMENTS: Several wording changes.

Date: 9/17/80 Signature: Frank P. Reiche

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

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September 15, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Memo distributed to the Commission on a 48 hour tally basis. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 SEP 15 P12: 29

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Revised letters and notifications to be sent to respondents in MUR 1252

The attached letters and notifications to respondents involved in MUR 1252 have been revised as per the Commission's instructions at its meeting on September 3, 1980. They are being re-submitted for approval.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Roderick M. Hills, Esquire
Lathans, Watkins and Hills
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1252

Dear Mr. Hills:

On July 7, 1980, the Federal Election Commission notified you that a complaint had been filed against Americans for an Effective Presidency ("AEP") alleging violations by AEP of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to you at that time.

On September 3, 1980, the Commission considered the allegations in the complaint with respect to AEP. The Commission failed to pass a motion to find reason to believe that AEP has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan. Accordingly, the Commission has closed its file on this matter as regards AEP.

Sincerely,

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
Jones, Day, Reavis and Pogue
1735 I Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. McCarten:

On July 7, 1980, the Federal Election Commission notified your client, the Republican National Committee, ("the Commiteee"), of a complaint alleging that the Committee had violated provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to the Committee at that time.

The Commission, on September 3, 1980, determined that on the basis of the information in the complaint and information supplied by you that there is no reason to believe that the Committee has violated 2 U.S.C. § 441a(d)(2). Accordingly, the Commission has closed its file in this matter as regards that allegation of a violation by the Committee.

Sincerely,

3304042466

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John R. Bolton, Esquire
Covington and Burling
888 Sixteenth Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. Bolton.

On July 7, 1980, the Federal Election Commission notified your client, the North Carolina Congressional Club ("NCCC"), of a complaint that NCCC has violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") and Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to NCCC at that time.

Upon further review of the allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that NCCC has violated 2 U.S.C. § 432(e)(4). In addition, there were not four Commissioner votes in favor of finding reason to believe NCCC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan. A report on the Commission's finding is attached. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 30, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCCC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252

STAFF MEMBER (S) & TEL. NO.

RESPONDENT The North Carolina Congressional Club

Marsha Gentner

Anne A. Weissenborn

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegation:

> That the North Carolina Congressional Club (hereinafter "NCCC"), has violated 2 U.S.C. § 432(e)(4) in that its project "Americans for Reagan" is a discrete, unauthorized political committee which has included "Reagan" in its name.

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants alleged in their initial complaint that "Americans for Reagan", a project of NCCC, is a discrete, unauthorized political committee which has the name "Reagan" in its name in violation of 2 U.S.C. § 432(e)(4).

As part of their July 21, 1980, supplement to their complaint, complainants provide copies of solicitation materials used for Americans for Reagan. This solicitation contains fine print at the bottom of the first page identifying it as a "project " of NCCC.

The Office of General Counsel has recommended that the Commission find reason to believe that NCCC has violated 2 U.S.C. § 432(e)(4).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that the North Carolina Congessional Club has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. Baran:

On July 7, 1980, the Federal Election Commission notified your client, Americans for Change ("AFC") of a complaint that AFC has violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to AFC at that time.

Upon further review of the allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that AFC has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the mission's findings is attached. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 31, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against AFC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-4071.

Sincerely,

83040424674

FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252

STAFF MEMBER (S) & TEL. NO.

RESPONDENT Americans for Change

Marsha Gentner

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: I N T E R N A L L Y  G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

4. That Americans for Change (hereinafter "AFC") has violated 2 U.S.C. § 432(e)(4) in that its project "Reagan for President in '80", is a discrete, unauthorized political committee which has included "Reagan" in its name.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the Office of General Counsel has found relevant to a determination of whether there is reason to believe that the expenditures of AFC are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan, and that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member. If Senator Schmitt's position with the RNC is the equivalent of holding office, then pursuant to 11 C.F.R. § 109.1(b)(4)(i)(B), AFT expnditures made through him (as well as those made through Mr. Huckaby) would not qualify as independent expenditures as they would be made by an officer of an authorized Reagan committee. In addition, complainants note that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(a)(b)(4); AO 1979-80; MUR 321. 1/

B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in Part A above, complainants allege that respondent committees have violated or will violate this provision.

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1/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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"Part A" above deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would satill be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy, as Section 9012(f) applies to all political committee expenditures, whether or not "independent".

As the complaint and supplements demonstate, AFC has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that AFC has violated or is about to violate 26 U.S.C. § 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names.

As part of their July 21, 1980, supplement to their complaint, complainants provided a copy of a letter from Senator Harrison Schmitt, Chairman of AFC, soliciting contribvutions for "Reagan for President in '80." This letter contained the statement that it wqas paid for by Americans for Change. The Office of General Counsel has recommended that the Commission find reason to believe that AFC has violated 2 U.S.C. § 432(e)((4).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe:

1. That Americans for Change has violated 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That Americans for Change has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That Americans for Change has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252

Dear Mr. Herge:

On July 7, 1980, the Federal Election Commission notified your client, the National Conservative Political Action Committee ("NCPAC"), of a complaint alleging that NCPAC has violated certain sections of the Federal Election Campaign Act of 1971, as amended, ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to NCPAC at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that NCPAC has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the Commission's finding is attached. You may submit any factual or legal materials which you believe relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 22, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCPAC, the Commission may find probable cause to believe that violations have occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne Weissenborn, the attorneys assigned to this matter, at (202) 523-5071.

Sincerely,

Max L. Friedersdorf
Chairman

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT The National Conservative Political Action Committee

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

4. That the National Conservative Political Committee (hereinafter "NCPAC") has violated 2 U.S.C. § 432(e)(4) in that its project the "Ronald Reagan Victory Fund" is a discrete, unauthorized political committee which has included "Reagan" in its name

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether ther is reason to believe that the expenditueres by NCPAC are not "independent expenditures but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

The complaint contains no allegations of NCPAC officer overlap with the official 1980 Reagan committees. 1/ However, the complaint and NCPAC reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors as those used by the authorized Reagan committee shortly before that time 2/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." An expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. This raises questions as to whether the polling results were "accepted" by the authorized Reagan

---

1/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

2/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing"-contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment." This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan Committee may already have been established. The Office of General Counsel has recommended that in light of the foregoing evidence, the Commission find reason to believe NCPAC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan.

B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C.. § 9012(f) prohibits unauthorized candidates from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

Part A deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy, as Section 9012(f) applies to all political committee expenditures, whether or not "independent".

As the complaint and supplements demonstate, NCPAC has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that NCPAC has violated or is about to violate 26 U.S.C. § 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster". See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

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alleged in their initial complaint that the "Ronald Reagan Victory Fund", a project of NCPAC, is a discreet, unauthorized political committee which has the name "Reagan" in its name in violation of Section 432(e)(4).

The Office of General Counsel has recommended that the Commission find reason to believe that NCPAC has violated 2 U.S.C. § 432(e)(4).

COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found:

1. That the National Conservative Political Action Committee, has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That the National Conservative Political Action Committee, has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That the National Conservative Political Action Committee, has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252

Dear Mr. Herge:

On July 7, 1980, the Federal Election Commission notified your client, the Fund for a Conservative Majority ("FCM"), of a complaint alleging that FCM has violated certain sections of the Federal Election Campaign Act of 1971, as amended, ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to FCM at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that FCM has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the Commission's finding is attached. You may submit any factual or legal materials which you believe relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 22, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against FCM, the Commission may find probable cause to believe that violations have occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne Weissenborn, the attorneys assigned to this matter, at (202) 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT Fund for a Conservative Majority

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan:

2. That Ronald Reagan and one or more of the respondent committees have violated or will violated 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violated 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee.

4. That the Fund for a Conservative Majority (hereinafter "FCM"), has violated 2 U.S.C. § 432(e)(4) in that projects "Citizens for Reagan in '80", is a discrete, unauthorized political committee which has included "Reagan" in its name.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there is reason to believe that the expenditures by FCM are not "independent expenditures" but rather in-kind contributions to Mr. Reagan.

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent prior occasions by the authorized Reagan committee. 1/ As noted above, the existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. §109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980 as relating to Reagan for President and for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan Committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candidate committee or agent requests or accepts results of poll paid for by unauthorized committee).

---

1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/22/80 "Printing" |
| Telepost | 6/24 "Direct Mail" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

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B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C.. § 9012(f) prohibits unauthorized candidates from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

Part A deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy, as Section 9012(f) applies to all political committee expenditures, whether or not "independent".

As the complaint and supplements demonstate, FCM has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that FCM has violated or is about to violate 26 U.S.C. § 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants alleged in their initial complaint that "Citizens" for Reagan in '80", a project of FCM, is a "discrete, unauthorized political committee" which has the name "Reagan" in its name in violation of Section 432(e)(4).

As part of their July 21, 1980, supplement to their complaint, complainants provided copies of solicitation materials used for Citizens for Reagan in '80. This solicitation states in fine print that the communication was paid for by FCM.

The Office of General Counsel has recommended that the Commission find reason to believe that FCM has violated 2 U.S.C. § 432(e)(4).

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COMMISSION DETERMINATION

Based on the above analysis the Federal Election Commission has found reason to believe:

1. That the Fund for a Conservative Majority has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That the Fund for a Conservative Majority, has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That the Fund for a Conservative Majority has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
Jones, Day, Reavis and Pogue
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. McCartan:

On July 7, 1980, the Federal Election Commission notified your clients, Ronald Reagan and the Reagan for President General Election Committee ("the Committee") of a complaint that Mr. Reagan and the Committee have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to Mr. Reagan and the Committee at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that Mr. Reagan and the Committee have or will violate 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from certain political action committees. The Commission has decided to take no further action at this time with regard to the alleged violations by Ronald Reagan and his authorized committees of 2 U.S.C. § 441a(b) and 26 U.S.C. §§ 9003(b)(1) and 9012(a). The Commission also found no reason to believe that Ronald Reagan or the Committee violated 2 U.S.C. § 434. Reports on the Commission's findings are attached.

We acknowledge receipt of your response to this matter which was dated July 24, 1980. You may submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of the issues raised. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against Mr. Reagan and the Committee, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER (S) & TEL. NO.

RESPONDENT Reagan for President General Election Committee

Marsha Gentner

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: I N T E R N A L L Y  G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complaiinants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 2 U.S.C. § 9003(b)(i);

3. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limit;

4. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limits;

5. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.SC. § 441a(f) by knowingly exceeding Mr. Reagan's expenditure limits;

6. That Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing properly to report contributions and expenditures.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 44la(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

26 U.S.C. § 9003(b)(2) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they have not and will not receive contributions to defray qualified campaign expenses. Complainants allege that Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses because contributions made to Fund for a Conservative Majority ("FCM"), National Conservative Political Action Committee ("NCPAC"), and Americans for Change ("AFC") are in fact direct or indirect contributions to Mr. Reagan, and because expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in connection with or in concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 44la(a)(7)(B)(i) and 11 C.F.R. § 109.1(c).

26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. § 9003(b)(2) would more properly be applicable to consideration of possible violations of Section § 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 44la(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 44la. Complainants allege that Mr. Reagan and his authorized committee have or will accept contributions which exceed these limitations..

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b) and 2 U.S.C. § 44la(a). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The evidence contained in the complaint which is put forth below includes only those items which the Office of General Counsel believes are relevant to determinations of whether there is reason to believe that the expenditures by the respondent committees are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

1. Fund for a Conservative Majority ("FCM")

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent occasions by the authorized Reagan committees. 1/ The existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. § 109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980, as relating to Reagan for President for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candadate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

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2. National Conservative Political Action Committee ("NCPAC")

NCPAC is a multi-candidate committee which first registered on March 27, 1975. The complaint contains no allegations of NCPAC officer overlap with the official 1980 Reagan committees. 4/ As with FCM, however, the complaint and NCPAC reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors as those used by the authorized Reagan committee shortly before that time 5/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC. See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." Again, an expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. As previously noted, this raises questions as to whether the polling results were "accepted" by the authorized Reagan

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4/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

5/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing" contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member (See Part A-4 above); and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(b)(4); AO 1979-80; MUR 321. 4/

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

4/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCPAC, and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore his authorized committee, the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT Ronald Reagan

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complaiinants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 2 U.S.C. § 9003(b)(i);

3. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limit;

4. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(b) by exceeding his expenditure limits;

5. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(f) by knowingly exceeding his expenditure limits;

6. That Mr. Reagan has violated or will violate 2 U.S.C. § 434 by failing properly to report contributions and expenditures

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 44la(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

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26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. § 9003(b)(2) would more properly be applicable to consideration of possible violations of Section § 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 44la(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 44la. Complainants allege that Mr. Reagan and his authorized committee have or will accept contributions which exceed these limitations..

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b) and 2 U.S.C. § 44la(a). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The evidence contained in the complaint which is put forth below includes only those items which the Office of General Counsel believes are relevant to determinations of whether there is reason to believe that the expenditures by the respondent committees are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

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FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent occasions by the authorized Reagan committees. 1/ The existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. § 109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980, as relating to Reagan for President for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candadate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing" contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member (See Part A-4 above); and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(b)(4); AO 1979-80; MUR 321. 4/

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

4/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCPAC, and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore his authorized committee, the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that Ronald Reagan has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f).

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Ronald Reagan, et al. )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission's executive session on September 3, 1980, do hereby certify that the Commission took the following actions in MUR 1252:

1. Decided by a vote of 4-2 to find reason to believe the Fund for a Conservative Majority ("FCM") violated 2 U.S.C. §441a(a) and 26 U.S.C. §9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan, but omit from the Notification the language in the second full paragraph on page 6 of the General Counsel's August 15, 1980 report in this matter.

   Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

2. Decided by a vote of 4-2 to find reason to believe that the National Conservative Political Action Committee ("NCPAC") violated 2 U.S.C. §441a(a) and 26 U.S.C. §9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan.

   Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

3. Failed on a vote of 3-3 to pass a motion to find reason to believe that the North Carolina Congressional Club ("NCCC") violated 2 U.S.C. §441a(a) and 26 U.S.C. §9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized Reagan committees.

   Commissioners Harris, McGarry, and Tiernan voted affirmatively for the motion; Commissioners Aikens, Friedersdorf, and Reiche dissented.

Continued

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4. Failed by a vote of 3-3 to pass a motion to find reason to believe that Americans for an Effective Presidency ("AEP") has or will violate 2 U.S.C. §441a and 26 U.S.C. §9012(f).

   Commissioners Harris, McGarry, and Tiernan voted affirmatively; Commissioners Aikens, Friedersdorf, and Reiche dissented.

5. Decided by a vote of 4-2 to find reason to believe that Americans for Change ("AFC") has or will violate 2 U.S.C. §441a(a) and 26 U.S.C. §9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

   Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

6. Decided by a vote of 4-2 to find reason to believe that Ronald Reagan and his authorized committees have violated or will violate 26 U.S.C. §9012(b)(1) and 2 U.S.C. §441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, and AFC.

   Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

7. Decided by a vote of 6-0 to find no reason to believe that Mr. Reagan and the Reagan for General Election Committee violated 26 U.S.C. §9012(b) by AEP and AFC's acceptance of contributions.

8. Decided by a vote of 4-2 to take no action at this time as to the complainants' allegation of violations of 2 U.S.C. §441a(b), and 26 U.S.C. §9003(b)(1) and as to any possible violation of 26 U.S.C. §9012(a) by the authorized committees of Ronald Reagan.

   Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

9. Decided by a vote of 6-0 to find no reason to believe that Ronald Reagan or one or more of the respondent committees have violated 2 U.S.C. §434.

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10. Decided by a vote of 4-2 to find reason to believe that AFC, FCM, and NCPAC have violated or are about to violate 26 U.S.C. §9012(f).

    Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

11. Decided by a vote of 6-0 to find no reason to believe that the RNC has violated 26 U.S.C. §441a(d)(2).

12. Decided by a vote of 4-2 to find reason to believe that FCM, NCCC, NCPAC and AFC have violated 2 U.S.C. §432(e)(4).

    Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

13. Decided by a vote of 4-2 to direct the General Counsel to circulate amended draft letters for Commission approval on a tally vote basis.

    Commissioners Harris, McGarry, Reiche, and Tiernan voted affirmatively for the decision; Commissioners Aikens and Friedersdorf dissented.

Attest:

9/17/80
Date
amended

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE EMMONS MWE

DATE: AUGUST 20, 1980

SUBJECT: MUR 1252 - First General Counsel's Report dated 8/15/80

ADDITIONAL OBJECTION

You are hereby informed that Chairman Friedersdorf has filed an objection in the above-named matter. It has already been scheduled for the agenda of September 3, 1980 Executive Session.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE EMMONS MWE

DATE: AUGUST 20, 1980

SUBJECT: MUR 1252 AND ERRATA ON MUR 1252
FIRST GENERAL COUNSEL'S REPORT
DATED AUGUST 15, 1980

OBJECTIONS FILED

Commissioners Aikens and Reiche have filed objections to the above-named MUR 1252. Commissioner Aikens has also objected to the Errata filed in MUR 1252.

Consequently, this matter will be placed on the agenda for the Executive Session of September 3, 1980

Attached hereto is a copy of Commissioner Reiche's vote sheet on which he has made comments

Attachment as noted

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48 HOUR TALLY SHEET

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
80 AUG 18 A10:28

Date and Time Transmitted: MONDAY, 8-18-80
11:00

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, [redacted], [redacted]

RETURN TO OFFICE OF COMMISSION SECRETARY BY: WEDNESDAY, AUGUST 20, 1980
11:00

MUR No. 1252 - First General Counsel's Report dated 8-15-80

( ) I approve the recommendation

(✓) I object to the recommendation

COMMENTS: I believe this requires a full Commission discussion, particularly with respect to the adequacy of the "evidence".

Date: 8/19/80 Signature: Frank P. Reiche

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

3304042471 2

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 AUG 18 P5: 28

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 18, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele

SUBJECT: Errata - MUR 1252

For your information, please substitute the attached page 16 for that submitted as part of the First General Counsel's Report for MUR 1252. The first line was inadvertently omitted from the original page.

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2. That the Commission find reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, Americans for an Effective Presidency, and Americans for Change have violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

3. That the Commission find reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, Americans for an Effective Presidency, and Americans for Change have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

4. That the Commission take no further action at this time with regard to any possible violation of 2 U.S.C. § 441a(b) and 26 U.S.C. § 9012(a) by Ronald Reagan and the Reagan for President General Election Committee.

5. That the Commission find no reason to believe at this time that Ronald Reagan or one or more of the respondent committees have violated 2 U.S.C. § 434.

6. That the Commission find no reason to believe that the Republican National Committee has violated 2 U.S.C. § 441a(d)(2).

7. That the Commission find reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, and Americans for Change have violated 2 U.S.C. § 432(e)(4).

8. Approve and send the attached letters.

Attachments:

I Complaint
- I-a Amendment of Complaint
- I-b Supplement dated July 14, 1980
- I-c Supplement dated July 16, 1980
- I-d Supplement dated July 21, 1980
- I-e Supplement dated July 22, 1980

II Response of NCPAC
III Response of NCCC
IV Response of AEP
V Response of AFC
VI FCM Letter to RAD
VII Response of Ronald Reagan, the Reagan authorized committees and the Republican National Committee

VIII Seven letters and notices of findings of reason to believe

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August 15, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached First GC Report distributed to the Commission on a 48 hour tally basis. Thank you.

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RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
80 AUG 15 A11: 14

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

# FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANMITTAL
BY OGC TO THE COMISSION 8-15-80

MUR 1252
DATE COMPLAINT RECEIVED
BY OGC July 2, 1980
STAFF MEMBERS Gentner/
Weissenborn

COMPLAINANTS' NAMES: Carter-Mondale Reelection Committee, Inc.
Democratic National Committee

RESPONDENTS' NAMES: Ronald Reagan
Reagan for President General Election Committee *
Republican National Committee
Americans for an Effective Presidency
Americans for Change
Fund for a Conservative Majority
National Conservative Political Action Committee
North Carolina Congressional Club

RELEVANT STATUTES:

| | |
|---|---|
| 26 U.S.C. § 9003(b)(1) | 2 U.S.C. § 432(e)(4) |
| 26 U.S.C. § 9003(b)(2) | 2 U.S.C. § 434 |
| 26 U.S.C. § 9012(a) | 2 U.S.C. § 441a(a)(1)(a) |
| 26 U.S.C. § 9012(b) | 2 U.S.C. § 441a(a)(2)(a) |
| 26 U.S.C. § 9012(f) | 2 U.S.C. § 441a(b) |
| | 2 U.S.C. § 441a(d)(2) |
| | 2 U.S.C. @ 441a(f) |

INTERNAL REPORTS CHECKED: Monthly and Quarterly Reports Submitted by Respondent Committees as Available

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## SUMMARY OF ALLEGATIONS

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

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* As per Amendment to Complaint, July 8, 1980.

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses in violation of 26 U.S.C. §9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the expenditure limitation established by the Presidential Election Campaign Fund Act (hereinafter "the Fund Act") in violation of 26 U.S.C. § 9003(b)(1).

3. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

4. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limitations;

5. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limitation;

6. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

7. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

8. That the Republican National Committee (hereinafter "RNC") has violated or will violate 2 U.S.C. § 441a(d) by incurring excessive expenses in connection with the 1980 presidential election;

9. That the Fund for a Conservative Majority (hereinafter "FCM"), the North Carolina Congressional Club (hereinafter "NCCC"), and the National Conservative Political Action Committee (hereinafter "NCPAC") have violated 2 U.S.C. § 432(e)(4) in that their projects "Citizens for Reagan in '80", "Americans for Reagan" and the "Ronald Reagan Victory Fund" are discrete, unauthorized political committees which have included "Reagan" in their names.

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1. Allegations of Violations of 26 U.S.C. § 9003(b)(2) and 2 U.S.C § 441a(f); Possible Violation of 26 U.S.C. § 9012(b)(1); Allegations of Violations of 26 U.S.C. § 9012(f)

26 U.S.C. § 9003(b)(2) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they have not and will not receive contributions to defray qualified campaign expenses. Complainants allege that Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses because contributions made to FCM, NCPAC, NCCC, Americans for Change ("AFC"), and Americans for an Effective Presidency ("AEP") are in fact direct or indirect contributions to Mr. Reagan, and because expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in connection with or in concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1(c).

26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. 9003(b)(2) would more properly be applicable to consideration of possible violations of Section 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 441a(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 441a. Complainants allege that Ronald Reagan and his authorized committee have or will accept contributions which exceed these limitations.

Complainants also allege that by virtue of these circumstances, the respondent committees have or will also violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The Commission has considered situations in which a former campaign official or worker has been later involved with unauthorized committees, and has considered such prior or present affiliation with the candidate or his principal campaign committee sufficient to raise the presumption that expenditures made by the authorized committee were not independent. See e.g., MUR 321. On the other hand, the Commission has found that employment or association prior to candidacy is not presumptive of a lack of independence for purposes of 11 C.F.R. § 109.1. See AO 1979-80, at 5.

Commission consideration of the issue of common vendors is discussed in AO 1979-80. This opinion involved an analysis of vendors such as consultants, polling firms, media-time buyers, direct-mail fund raising firms, mailing list rental firms, and researchers. The criteria applied in determining whether or not an unauthorized committee making expenditures on behalf of a candidate could use the same vendor as that used by the candidate's authorized committee and remain independent were whether "an agency relationship exists or existed, or the expenditure is based on information provided by the candidate or candidate's agent, or the expenditure is 'made by or through' a person authorized to raise or expend funds for the candidate or a person receiving compensation or reimbursement from the candidate." (AO 1979-80 at 3-4.) The fact that a candidate was already the client of a particular vendor at the time that vendor was hired by an unauthorized committee was viewed as raising the presumption of non-independence as to any subsequent expenditures made by an unauthorized committee to that vendor on behalf of the candidate. See also 11 C.F.R. § 109.1(b)(4)(i)(B).

As previously stated, in general the allegations of the complaint fall into two categories: (1) allegations of common associations of officers of the respondent committees; (2) common vendors of the respondent committees. In many instances the allegations concerning the common associations of officers refer to associations prior to 1979-1980, or to associations with Mr. Reagan when he was not a presidential candidate for the 1980 election (and thus prior to the existence of either his 1980 election primary or general principal campaign committee). 1/ See e.g., Complaint (Attachment I) at 19, 22-23, 27-28.

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1/ Many of the complainant's allegations in this regard also refer to associations with the Republican party prior to 1979 or 1980, as well as associations with or work done for other past Republican presidential nominees. This information does not seem to be applicable to the question of the respondent committees' independence from the 1980 official Reagan campaign. (Continued on page 5).

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Similarly, many of the allegations concerning common vendors cite examples of vendors common to the various respondents which are unauthorized committees, but contain no allegations that the Reagan primary or general election committees have used such vendors. 2/ Therefore, the evidence contained in the complaint which is put forth below includes only those items which the Office of General Counsel believes are relevant to determinations of whether there is reason to believe that the expenditures by the respondent committees are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

1. Fund for a Conservative Majority ("FCM")

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent occasions by the

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1/ Continued --
The complaint also cites instances where participants in the activities of respondent committees have also been delegates for Mr. Reagan in 1980. The Office of General Counsel believes that this information does not indicate tht respondents' expenditures were contributions in-kind to Mr. Reagan and his committee, because "delegate" does not fall within the regulatory definition of an "agent" of Mr. Reagan and the Reagan campaign committees. See 11 C.F.R. § 109.1(b)(5).

2/ The complaint also refers to vendors used by Mr. Reagan in his 1976 campaign for the Republican nomination for president. The Office of General Counsel believes that the existence of such common vendors does not indicate that expenditures presently being made by respondent committees are coordinated with either the primary or general election committees of Mr. Reagan in 1980.

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authorized Reagan committee. 3/ As noted above, the existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. §109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980, as relating to Reagan for President and for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan Committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candidate committee or agent requests or accepts results of poll paid for by unauthorized committee).

Finally, FCM has admitted that it reproduced and redistributed a Reagan speech. See Attachment IV. This resulted in a contribution by FCM, see 11 C.F.R. § 109.1(d)(1), although it will not be considered to be applicable to the Reagan committee's contribution limitations if it qualifies as an independent expenditure. Id. However, FCM's ability to obtain the materials in question raises questions concerning possible communication and coordination with the Reagan Committee prior to republication of those materials.

In light of this, and the use by FCM in making expenditures with respect to the Reagan candidacy of vendors which recently did similar work for the Reagan committee, as well as the conduct of a FCM poll with respect to Reagan by the same firm providing consulting services to the Reagan committee shortly thereafter, the Office of General Counsel recommends the Commission find reason to believe FCM violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan.

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3/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/22/80 "Printing" |
| Telepost | 6/24 "Direct Mail" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

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2. National Conservative Political Action Committee ("NCPAC")

NCPAC is a multi-candidate committee which first registered on March 27, 1975. The complaint contains no allegation of NCPAC officer overlap with the official 1980 Reagan committees. 4/ As with FCM, however, the complaint and reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors used by the authorized Reagan committee shortly before that time 5/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC. See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." Again, an expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. As previously noted, this raises questions as to whether the polling results were "accepted" by the authorized Reagan

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4/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

5/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail" |

NCPAC, in its response to the complaint (Attachment V), states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC--that the expenditure was for "printing"--contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 6/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment." (NCPAC has failed to report this transaction.) This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates an avenue for coordination with respect to the needs of the Reagan Committee may already have been established. The Office of General Counsel recommends that in light of the foregoing evidence, the Commission find reason to believe NCPAC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan.

3. North Carolina Congressional Club ("NCCC")/Americans for Reagan

The NCCC registered as a multi-candidate committee on February 15, 1977. The Carter-Mondale complaint refers to the well-noted close association of NCCC honorary chairman, Senator Jesse Helms, to Mr. Reagan; and by supplement of July 22, 1980, points to a television interview by ABC correspondent Sander Vanocour with the Senator in which he stated that he has "had to sort of talk indirectly with Paul Laxalt and hope that he would pass along..." and that the Senator "think[s] the messages have gotten through all right." Senator Laxalt, a Reagan General Election Committee officer, while asserting the legal conclusion in his affidavit to the Commission (See Response of Ronald Reagan, Attachment VII) that no NCCC expenditures were made with his cooperation, prior consent, nor at his request or suggestion, nor in consultation with him, nowhere denies that he has spoken with Senator Helms about these matters. Senator Helms, in an affidavit attached to the NCCC response (Attachment III), admits this conversation took place, but states that it was only in reference to Mr. Reagan's decision concerning a running mate. However, the existence of this contact indicates "prior consultation" between Reagan officials and NCCC officials may, in fact, exist. See 11 C.F.R. § 109.1(a); 11 C.F.R. § 109.1(b)(4)(i).

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6/ Newspaper articles submitted by complainant refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint (Attachment I).

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Moreover, some NCCC expenditures in support of Reagan were made shortly after and through a vendor to which the authorized Reagan committees made similar expenditures, 7/ thereby indicating that such NCCC expenditures may have been made with the prior consultation of Reagan agents. See 11 C.F.R. § 109.1(b)(4)(i)(B) and (b)(5) and AO 1979-80. In view of this and the above, the Office of General Counsel recommends the Commission find reason to believe the NCCC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized Reagan committees.

4. Americans for an Effective Presidency ("AEP")

AEP registered with the Commission on July 9, 1980, indicating its desire to attempt to qualify as a multi-candidate committee. The allegations in the complaint with respect to this committee focus on the connection of its organizers and officers to the official Reagan campaign. According to the affidavit of AEP counsel and member Roderick Hills, (see Attachment IV), two of the individuals designated by the complaint (William P. Clements, Jr., and Harry S. Dent) were never contacted by those individuals forming AEP, and are not presently officers or members. Mr. Hills does acknowledge that James Lake 8/ and Stuart Spencer were contacted about being a part of the committee but declined. In addition, Mr. Spencer's counsel likewise asserted that on June 22, 1980, Mr. Spencer made a "final determination" not to particpate in the activities of AEP. However, several press accounts prior to June 22, 1980, reflect a more substantial involvement by Spencer in AEP formation and policy indicating it was a widely held belief that Stuart Spencer in fact ran AEP in its formative stages, and that AEP has existed in some form since June 2, 1980. See Complaint Exhibits at Tab 10 (Baltimore Sun, June 6, 1980, p. A4), Tab 30 (Newsweek, June 2, 1980, p. 21), Tab 74 (Washington Star, June 2, 1980, p. A1) and Tab 75 (Washington Star, June 12, 1980, p. A3). Mr. Spencer has now joined the official

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7/ These expenditures were:

| Vendor | Date and Purpose of NCCC Expenditures | Date and Purpose of Reagan Committee Expenditure |
|---|---|---|
| Diversified Direct, Inc. | 6/30/80 "printing" Reagan President | 4/22, 5/14 and 6/18/80 "Direct Mail" |
| Bedford Printing | 6/24 and 6/26/80 "printing" Reagan President | 5/16/80 "Printing" |

8/ Mr. Lake has not been with the Reagan campaign since February 28, 1980

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Reagan campaign as a campaign field operations director and "key advisor". See Washington Star, July 11, 1980, attached to July 14, 1980, supplement to complaint. Thus, there is evidence that Stuart Spencer may have been privy to and a part of the formation of AEP's campaign strategy on behalf of Mr. Reagan, and that Spencer could use or pass on this information in helping to devise the Reagan General Election Committee strategy, thereby resulting in indirect consultation and coordination with this latter committee and AEP. See 11 C.F.R. § 109.1(a) and (b)(4).

The complaint also notes that two officers and member of the "Expenditures Committee" of AEP, Thomas Reed and Peter Flanigan are Republican National Committee (RNC) Advisory Council members. 9/ If the position with an RNC Advisory Council is the equivalent of holding office, then pursuant to 11 C.F.R. § 109.1(b)(4)(i)(B), AEP expenditures made through these individuals would not qualify as independent expenditures, as the RNC is an authorized committee of Mr. Reagan. For this and all the foregoing reasons, the Office of General Counsel recommends the Commission find reason to believe AEP has or will violate 2 U.S.C. § 441a and 26 U.S.C. § 9012(f).

5. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member (See Part A-4 above); and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation

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9/ According to the response of the Reagan General Election Committee and RNC, these Advisory Councils have served their function and are presently disbanding.

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with the official Reagan committees. See 11 C.F.R. § 109.1(a) and (b)(4); AO 1979-8; MUR 321. 10/ Accordingly, the Office of General Counsel recommends that the Commission find reason to believe AFC has or will violate 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

Should the Commission adopt the above recommendations of the General Counsel, then the Office of General Counsel would also recommend that, on the basis of the above legal and factual analysis, the Commission find reason to believe that Ronald Reagan and his authorized committee have violated 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCCC, NCPAC, AEP and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

Complainants also allege that the Reagan General Election Committee and Mr. Reagan have received contributions in violation of 26 U.S.C. § 9012(b) by operation of 11 C.F.R. § 110.1(h). Complainants allege that because 11 C.F.R. § 110.1 states that for purposes of the Federal Election Campaign Act's contribution limitations by persons, a contribution by such a person to an unauthorized single candidate committee shall be deemed a contribution to the candidate, and because AEP and AFC have not yet achieved multi-candidate status, contributions to AEP and AFC are prohibited contributions to Mr. Reagan.

While it is true that AEP and AFC do not meet the statutory definition of multi-candidate committee, see 2 U.S.C. § 441a(a)(4), it is also true that a political committee which is not a multi-candidate committee is not necessarily a "single-candidate committee". 11 C.F.R. § 100.5(e)(2) defines such a committee as one which receives contributions or makes expenditures on behalf of only one candidate. Reports filed by AEP and AFC indicate an intention on their parts to support more than one candidate for federal office. Complainants have put forth no evidence which supports an allegation that AEP (in existence less than a month) and AFC (in existence for two months) have not and will not carry out their stated intentions to support more than one candidate.

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10/ The complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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Even if the Commission were to find AEP and AFC are single-candidate committees, 11/ the complainant's allegation still must fail. The Commission has never applied 11 C.F.R. § 110.1(h), a regulation directed at persons/ contributors, to a candidate or his authorized committees for purposes of the limitations on receipt of contributions (2 U.S.C. § 441a(f); 26 U.S.C. § 9012(b)). This Commission position is fully supportable in that were the Commission, by operation of 11 C.F.R. § 110.1(h), to place an affirmative duty on a candidate and his or her committees to be aware of contributions to unauthorized single-candidate committees in order to avoid a violation of 2 U.S.C. § 441a(f) (or 26 U.S.C. § 9012(b)), it would thereby require the candidate to consult with the unauthorized committee 12/ and thus possibly destroy the independence of the authorized candidate committee from the unauthorized committee. Such an anomalous result was not intended by 11 C.F.R. § 110.1(h) nor AOR1976-20. Therefore, the Office of General Counsel recommends the Commission find no reason to believe that Mr. Reagan and the Reagan for General Election Committee violated 26 U.S.C. § 9012(b) by AEP and AFC's acceptance of contributions.

B. Allegation of Violations of 26 U.S.C. § 9003(b)(1) and 2 U.S.C. § 441a(b); Possible Violation of 26 U.S.C. § 9012(a)(1)

26 U.S.C. § 9003(b)(1) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they will not incur qualified campaign expenses in excess of the aggregate payments to which they are entitled under the Fund Act. Complainants allege that Ronald Reagan has incurred or will incur qualified campaign expenses in excess of such entitlement because one or more of the respondent committees are or will be agents of Mr. Reagan's when making expenditures, and one or more of the committees have been authorized or requested by the candidate, his authorized committee or his agent to make such expenditures.

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11/ Or if the Commission finds that contributors gave with the knowledge that a substantial portion would be expended on behalf of Mr. Reagan. See 11 C.F.R. §110.1(h)(2).

12/ Such consultation may be necessary in that every contributor to a single-candidate committee will not necessarily be listed on FEC disclosure reports. If a person contributes less than $200 to the committee the committee need not identify that person to the public or the Commission. See 2 U.S.C. § 434(b)(3).

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26 U.S.C. § 9012(a) 13/ prohibits candidates of major parties from knowingly and willfully incurring qualified campaign expenses in excess of his or her entitlement. 2 U.S.C. § 441a(b) similarly prohibits excessive expenditures by limiting candidates which accept public funds for use in the general election to expenditures totaling no more than $20,000,000 plus a cost of living increase.

Any determination as to whether or not Mr. Reagan has incurred qualified campaign expenses in excess of his entitlement under the Fund Act will depend upon the Commission's final determination as to the allegation of violations of 26 U.S.C. § 9012(b) discussed above and upon the candidate's response to that determination, if it is found that he has in fact received contributions. It would, for example, be possible for Mr. Reagan and his authorized committee to adjust their expenditures so as to avoid any excess. Therefore, the Office of General Counsel recommends that no action be taken at this time as to the complainants' allegation of violations of 2 U.S.C. § 441a(b), and 26 U.S.C. § 9003(b)(1) and as to any possible violation of 26 U.S.C. § 9012(a).

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13/ Complainants do not allege violations of this provision of the Fund Act; however, any facts supporting the allegation of violations of § 9003(b)(1) would be more properly applicable to consideration of possible violations of § 9012(b)(1) in that the former section merely sets out conditions of eligibility and is not prohibitive.

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D. Allegation of Violation of 2 U.S.C. § 434

2 U.S.C. § 434(b) requires all political committees to file reports with the Commission including all contributions received and disbursements made in aggregate amounts in excess of $200. Complainants allege that Ronald Reagan and one or more of the respondent committees have violated or will violate this provision by failing properly to report contributions and expenditures.

The complaint contains no evidence in support of the present or potential alleged reporting violations. Therefore, the Office of General Counsel recommends that the Commission find no reason to believe at this time that such violations have been or will be committed.

E. Allegation of Violation of 26 U.S.C. § 9012(f) by Respondent Committees

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

"Part A" deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, thereby relieving Mr. Reagan of any violation of 26 U.S.C. § 9012(b), they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy because Section 9012(f) applies to all political committee expenditures, whether or not they are "independent".

As the complaint and supplements demonstrate (Attachment I), each respondent has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel recommends that the Commission find reason to believe that AEP, AFC, FCM, NCCC, and NCPAC have violated or are about to violate 26 U.S.C. § 9012(f).

F. Alleged Violation of 2 U.S.C. § 441a(d)(2) by the Republican National Committee

2 U.S.C. § 441a(d)(2) limits expenditures by the national committee of a political party in connection with the general election campaign for the office of President of any candidate affiliated with that party to two cents times the voting age population of the United States. Complainants allege that the RNC through its agents has violated or will violate this provision in

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connection with the 1980 Presidential Election. The complaint contains no explicit rationale for the allegation against the RNC nor any evidence showing either actual or potential violation thereof beyond a listing of persons purportedly connected with both a non-authorized respondent committee and the RNC. This Office, therefore, recommends that the Commission find no reason to believe that the RNC has violated 2 U.S.C. § 441a(d)(2).

G. Alleged Violations of 2 U.S.C. § 432(e)(4) by the Fund for a Conservative Majority, the North Carolina Congressional Club, the National Conservative Political Action Committee, and Americans for Change

2 U.S.C. § 432(3)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants alleged in their initial complaint that "Citizens for Reagan in '80", "Americans for Reagan", and the "Ronald Reagan Victory Fund", projects of FCM, NCCC and NCPAC respectively, are "discreet, unauthorized political committees" which have the name "Reagan" in their names in violation of § 432(e)(4).

As part of their July 21, 1980, supplement to their complaint, complainants provided copies of solicitation materials used for Americans for Reagan and Citizens for Reagan in '80. (See Attachment I-d). The Americans for Reagan solicitation contains fine print at the bottom of the first page identifying it as a "project" of NCCC, while the Citizens for Reagan in '80 solitication states in fine print that the communication was paid for by FCM. The supplement to the complaint also contained a copy of a letter from Senator Harrison Schmitt, Chairman of Americans for Change, soliciting contributions for "Reagan for President in '80". This letter contained the statement that it was paid for by Americans for Change.

Before a determination can be made concerning the alleged violations of § 432(e)(4), additional information is needed as to the relationship of the above projects to the relevant respondent committees in order to determine whether the projects are in fact political committees in and of themselves, or whether the "project" designations are merely committee aliases. Therefore, it is recommended that the Commission find reason to believe that FCM, NCCC, NCPAC and AFC have violated 2 U.S.C. § 432(e)(4).

RECOMMENDATIONS

1. That the Commission find reason to believe that Ronald Reagan and the Reagan for President General Election Committee have violated 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f).

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a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, Americans for an Effective Presidency, and Americans for Change have violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

3. That the Commission find reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, Americans for an Effective Presidency, and Americans for Change have violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

4. That the Commission take no further action at this time with regard to any possible violation of 2 U.S.C. § 441a(b) and 26 U.S.C. § 9012(a) by Ronald Reagan and the Reagan for President General Election Committee.

5. That the Commission find no reason to believe at this time that Ronald Reagan or one or more of the respondent committees have violated 2 U.S.C. § 434.

6. That the Commission find no reason to believe that the Republican National Committee has violated 2 U.S.C. § 441a(d)(2).

7. That the Commission find reason to believe that the Fund for a Conservative Majority, the National Conservative Political Action Committee, the North Carolina Congressional Club, and Americans for Change have violated 2 U.S.C. § 432(e)(4).

8. Approve and send the attached letters.

Attachments:

I Complaint
- I-a Amendment of Complaint
- I-b Supplement dated July 14, 1980
- I-c Supplement dated July 16, 1980
- I-d Supplement dated July 21, 1980
- I-e Supplement dated July 22, 1980

II Response of NCPAC
III Response of NCCC
IV Response of AEP
V Response of AFC
VI FCM Letter to RAD, and response
VII Response of Ronald Reagan, the Reagan authorized committees and the Republican National Committee

VIII Seven letters and notices of findings of reason to believe

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
Jones, Day, Reavis and Pogue
1735 Eye Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. McCartan:

On July 7, 1980, the Federal Election Commission notified your clients, Ronald Reagan and the Reagan for President General Election Committee ("the Committee") of a complaint that Mr. Reagan and the Committee have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to Mr. Reagan and the Committee at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that Mr. Reagan and the Committee have violated 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from certain political action committees. The Commission has decided to take no further action at this time with regard to the alleged violation of 2 U.S.C. §§ 441a(b) and 434, and 26 U.S.C. § 9012(a). A report on the Commission's findings is attached.

We acknowledge receipt of your response to this matter which was dated July 24, 1980. You may submit any additional factual or legal materials which you believe are relevant to the Commission's consideration of the issues raised. In the absence of such additional information or further explanation of circumstances which demonstrate that no further action should be taken against Mr. Reagan and the Committee, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT Reagan for President
General Election Committee

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses in violation of 26 U.S.C. §9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the expenditure limitation established by the Presidential Election Campaign Fund Act (hereinafter "the Fund Act") in violation of 26 U.S.C. § 9003(b)(1).

3. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limitations;

4. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limitation;

5. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

83040424734

PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 441a(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

26 U.S.C. § 9003(b)(2) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they have not and will not receive contributions to defray qualified campaign expenses. Complainants allege that Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses because contributions made to FCM, NCPAC, NCCC, Americans for Change ("AFC"), and Americans for an Effective Presidency ("AEP") are in fact direct or indirect contributions to Mr. Reagan, and because expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in connection with or in concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1(c).

26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. § 9003(b)(2) would more properly be applicable to consideration of possible violations of Section § 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 441a(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 441a. Complainants allege that Mr. Reagan and his authorized committee have or will accept contributions which exceed these limitations.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The evidence contained in the complaint which is put forth below includes only those items which the Office of General Counsel believes are relevant to determinations of whether there is reason to believe that the expenditures by the respondent committees are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

1. Fund for a Conservative Majority ("FCM")

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent occasions by the authorized Reagan committees. 1/ The existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. § 109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980, as relating to Reagan for President for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candadate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

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Finally, FCM has admitted that it reproduced and redistributed a Reagan speech. This resulted in a contribution by FCM, see 11 C.F.R. § 109.1(d)(1), although it will not be considered to be applicable to the Reagan committee's contribution limitations if it qualifies as an independent expenditure. Id. However, FCM's ability to obtain the materials in question raises questions concerning possible communication and coordination with the Reagan Committee prior to republication of those materials.

2. National Conservative Political Action Committee ("NCPAC")

NCPAC is a multi-candidate committee which first registered on March 27, 1975. The complaint contains no allegation of NCPAC officer overlap with the official 1980 Reagan committees. As with FCM, however, the complaint and reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors used by the authorized Reagan committee shortly before that time 2/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." Again, an expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. As previously noted, this raises questions as to whether the polling results were "accepted" by the authorized Reagan

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4/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

5/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for Presdient | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint (Attachment V), states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by by NCPAC--that the expenditure was for "printing"-contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. North Carolina Congressional Club ("NCCC")

The NCCC registered as a multi-candidate committee on February 5, 1977. The Carter-Mondale complaint refers to the well-noted close association of NCCC honorary chairman, Senator Jesse Helms, to Mr. Reagan; and by supplement of July 22, 1980, points to a television interview by ABC correspondent Sander Vanocour with Senator Helms in which the Senator stated that he has "had to sort of talk indirectly with Paul Laxalt and hope that he would pass along..." and that the Senator "think(s) the messages have gotten through all right." Senator Laxalt, a Reagan General Election committee officer, while asserting the legal conclusion in his affidavit to the Commission that no NCCC expenditures were made with his cooperation, prior consent, nor at his request or suggestion, nor in consultation with him, nowhere denies that he has spoken with Senator Helms about these matters. Senator Helms, in an affidavit attached to the NCCC response, admits this conversation took place, but states that it was only in reference to Mr. Reagan's decision concerning a running mate. However, the existence of this contact indicates "prior consultation" between Reagan officials and NCCC officials may, in fact, exist. See 11 C.F.R. § 109.1(a); 11 C.F.R. § 109.1(b)(4)(i).

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

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Moreover, some NCCC expenditures in support of Reagan were made shortly after and through a vendor to which the authorized Reagan committee made similar expenditures, 4/ thereby indicating that such NCCC expenditures may have been made with the prior consultation of Reagan agents. See 11 C.F.R. § 109.1(b)(4)(i)(B) and (b)(5) and AO 1979-80.

4. Americans for an Effective Presidency ("AEP")

AEP registered with the Commission on July 9, 1980, indicating its desire to attempt to qualify as a multi-candidate committee. The allegations in the complaint with respect to this committee focus on the connection of its organizers and officers to the official Reagan campaign. According to the affidavit of AEP counsel and member Roderick Hills, two of the indivduals designated by the complaint (William P. Clements, Jr. and Harry S. Dent) were never contacted by those individuals forming AEP, and are not presently officers or members. Mr. Hills does acknowledge that James Lake and Stuart Spencer were contacted about being a part of the committee but declined. 5/ In addition, Mr. Spencer's counsel likewise asserts that on June 22, 1980, Mr. Spencer made a "final determination" not to participate in the activities of AEP. However, several press accounts prior to June 22, 1980, reflect a more substantial involvement by Mr. Spencer in AEP formation and policy, indicating that it was a widely held belief that Stuart Spencer in fact ran AEP in its formative stages, and that AEP has existed in some form since June 2, 1980. See Complaint Exhibits at Tab 10 (Baltimore Sun, June 6, 1980, p. A4), Tab 30 (Newsweek, June 2, 1980, p. 21), Tab 74 (Washington Star, June 2, 1980, p. A1) and Tab 75 (Washington Star, June 12, 1980, p. A4). Mr. Spencer has now joined the offical

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4/ These expenditures were:

| Vendor | Date and Purpose of NCCC Expenditures | Date and Purpose of Reagan Committee Expenditure |
|---|---|---|
| Diversified Direct, Inc. | 6/30/80 "printing" Reagan President | 4/22, 5/14, and 6/18/80 "Direct Mail" |
| Bedford Printing | 6/24 and 6/26/80 "printing" Reagan President | 5/16/80 "Printing" |

5/ Mr. Lake has not been with the Reagan campaign since February 28, 1980.

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Reagan campaign as a campaign field operations director and "key advisor". See Washington Star, July 11, 1980, attached to July 14, 1980, supplement to complaint. Thus, there is evidence that Stuart Spencer may have been privy to and a part of the formation of AEP's campaign strategy on behalf of Mr. Reagan, and that Spencer could use or pass on this information in helping to devise the Reagan General Election Committee strategy, thereby resulting in indirect consultation and coordination with this latter committee and AEP. See 11 C.F.R. § 109.1(a) and (b)(4).

The complaint also notes that two officers and member of the "Expenditures Committee" of AEP, Thomas Reed and Peter Flanigan, are Republican National Committee (RNC) Advisory Council members. If the position with an RNC Advisory Council is the equivalent of holding office, then pursuant to 11 C.F.R.. § 109.1(b)(4)(i)(B), AEP expenditures made thorugh these individuals would not qualify as independent expenditures, as the RNC is an authorized committee of Mr. Reagan.

5. Americans for Change ("AFC")

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmidt is an RNC Advisory Council member; and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. As noted above, the ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(a)(b)(4); AO 1979-80; MUR 321. 6/

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6/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCCC, NCPAC, AEP and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore his authorized committee, the Reagan for President General Election Committee has violated or will violate § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, NCCC, AEP, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that the Reagan for President General Election Committee has violated or will violate 26 U.S.C. § 9012 (b)(1) and 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252

STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT Ronald Reagan

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2);

2. That Ronald Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 2 U.S.C. § 9003(b)(1);

3. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limit;

4. That Mr. Reagan has violated or will violate 2 U.S.C. § 441a(b) by exceeding his expenditure limits;

5. That Mr. Reagan has violated or will violate 2 U.SC. § 441a(f) by knowingly exceeding his expenditure limits;

6. That Mr. Reagan has violated or will violate 2 U.S.C. § 434 by failing properly to report contributions and expenditures

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegations of Violations of 26 U.S.C. § 9003(b) and 2 U.S.C. 441a(f; Possible Violation of 26 U.S.C. § 9012(b)(1)

26 U.S.C. § 9003(b)(2) requires that candidates of major parties seeking to be found eligible to receive payments of public funds for use in the Presidential general election certify under penalty of perjury that they have not and will not receive contributions to defray qualified campaign expenses. Complainants allege that Ronald Reagan has been or will be accepting contributions to defray qualified campaign expenses because contributions made to FCM, NCPAC, NCCC, Americans for Change ("AFC"), and Americans for an Effective Presidency ("AEP") are in fact direct or indirect contributions to Mr. Reagan, and because expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in connection with or in concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7)(B)(i) and 11 C.F.R. § 109.1(c).

26 U.S.C. § 9012(b) prohibits candidates of major parties who are eligible to receive public funds and their authorized committees from knowingly and willfully accepting private contributions to defray qualified campaign expenses. Although complainants do not allege violations of this provision of the Fund Act, any facts supporting the allegation of violations of 26 U.S.C. § 9003(b)(2) would more properly be applicable to consideration of possible violations of Section § 9012(b)(2) in that Section 9003(b)(2) merely sets out conditions for eligibility and is not prohibitive.

2 U.S.C. § 441a(f) prohibits candidates and committees from knowingly accepting contributions which exceed the contribution limitations of 2 U.S.C. § 441a. Complainants allege that Mr. Reagan and his authorized committee have or will accept contributions which exceed these limitations.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C. § 9012(b) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan and/or the Republican Party of certain individuals now allegedly involved with the respondent committee and the use of common vendors.

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The evidence contained in the complaint which is put forth below includes only those items which the Office of General Counsel believes are relevant to determinations of whether there is reason to believe that the expenditures by the respondent committees are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

1. Fund for a Conservative Majority ("FCM")

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent occasions by the authorized Reagan committees. 1/ The existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. § 109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980, as relating to Reagan for President for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan committee through their consultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candadate committee or agent requests or accepts results of poll paid for by unauthorized committee).

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1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

Finally, FCM has admitted that it reproduced and redistributed a Reagan speech. This resulted in a contribution by FCM, see 11 C.F.R. § 109.1(d)(1), although it will not be considered to be applicable to the Reagan committee's contribution limitations if it qualifies as an independent expenditure. Id. However, FCM's ability to obtain the materials in question raises questions concerning possible communication and coordination with the Reagan Committee prior to republication of those materials.

2. National Conservative Political Action Committee ("NCPAC")

NCPAC is a multi-candidate committee which first registered on March 27, 1975. The complaint contains no allegation of NCPAC officer overlap with the official 1980 Reagan committees. As with FCM, however, the complaint and reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors used by the authorized Reagan committee shortly before that time 2/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." Again, an expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. As previously noted, this raises questions as to whether the polling results were "accepted" by the authorized Reagan

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4/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

5/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for Presdient | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint (Attachment V), states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by by NCPAC--that the expenditure was for "printing"-contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President".

Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment". This contradicts the asserted complete independence from authoriaed Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan committee may already have been established.

3. North Carolina Congressional Club ("NCCC")

The NCCC registered as a multi-candidate committee on February 5, 1977. The Carter-Mondale complaint refers to the well-noted close association of NCCC honorary chairman, Senator Jesse Helms, to Mr. Reagan; and by supplement of July 22, 1980, points to a television interview by ABC correspondent Sander Vanocour with Senator Helms in which the Senator stated that he has "had to sort of talk indirectly with Paul Laxalt and hope that he would pass along..." and that the Senator "think(s) the messages have gotten through all right." Senator Laxalt, a Reagan General Election committee officer, while asserting the legal conclusion in his affidavit to the Commission that no NCCC expenditures were made with his cooperation, prior consent, nor at his request or suggestion, nor in consultation with him, nowhere denies that he has spoken with Senator Helms about these matters. Senator Helms, in an affidavit attached to the NCCC response, admits this conversation took place, but states that it was only in reference to Mr. Reagan's decision concerning a running mate. However, the existence of this contact indicates "prior consultation" between Reagan officials and NCCC officials may, in fact, exist. See 11 C.F.R. § 109.1(a); 11 C.F.R. § 109.1(b)(4)(i).

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster." See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

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Moreover, some NCCC expenditures in support of Reagan were made shortly after and through a vendor to which the authorized Reagan committee made similar expenditures, 4/ thereby indicating that such NCCC expenditures may have been made with the prior consultation of Reagan agents. See 11 C.F.R. § 109.1(b)(4)(i)(B) and (b)(5) and AO 1979-80.

4. Americans for an Effective Presidency ("AEP")

AEP registered with the Commission on July 9, 1980, indicating its desire to attempt to qualify as a multi-candidate committee. The allegations in the complaint with respect to this committee focus on the connection of its organizers and officers to the official Reagan campaign. According to the affidavit of AEP counsel and member Roderick Hills, two of the indivduals designated by the complaint (William P. Clements, Jr. and Harry S. Dent) were never contacted by those individuals forming AEP, and are not presently officers or members. Mr. Hills does acknowledge that James Lake and Stuart Spencer were contacted about being a part of the committee but declined. 5/ In addition, Mr. Spencer's counsel likewise asserts that on June 22, 1980, Mr. Spencer made a "final determination" not to participate in the activities of AEP. However, several press accounts prior to June 22, 1980, reflect a more substantial involvement by Mr. Spencer in AEP formation and policy, indicating that it was a widely held belief that Stuart Spencer in fact ran AEP in its formative stages, and that AEP has existed in some form since June 2, 1980. See Complaint Exhibits at Tab 10 (Baltimore Sun, June 6, 1980, p. A4), Tab 30 (Newsweek, June 2, 1980, p. 21), Tab 74 (Washington Star, June 2, 1980, p. A1) and Tab 75 (Washington Star, June 12, 1980, p. Ad). Mr. Spencer has now joined the offical

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4/ These expenditures were:

| Vendor | Date and Purpose of NCCC Expenditures | Date and Purpose of Reagan Committee Expenditure |
|---|---|---|
| Diversified Direct, Inc. | 6/30/80 "printing" Reagan President | 4/22, 5/14, and 6/18/80 "Direct Mail" |
| Bedford Printing | 6/24 and 6/26/80 "printing" Reagan President | 5/16/80 "Printing" |

5/ Mr. Lake has not been with the Reagan campaign since February 28, 1980.

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Reagan campaign as a campaign field operations director and "key advisor". See Washington Star, July 11, 1980, attached to July 14, 1980, supplement to complaint. Thus, there is evidence that Stuart Spencer may have been privy to and a part of the formation of AEP's campaign strategy on behalf of Mr. Reagan, and that Spencer could use or pass on this information in helping to devise the Reagan General Election Committee strategy, thereby resulting in indirect consultation and coordination with this latter committee and AEP. See 11 C.F.R. § 109.1(a) and (b)(4).

The complaint also notes that two officers and member of the "Expenditures Committee" of AEP, Thomas Reed and Peter Flanigan, are Republican National Committee (RNC) Advisory Council members. If the position with an RNC Advisory Council is the equivalent of holding office, then pursuant to 11 C.F.R.. § 109.1(b)(4)(i)(B), AEP expenditures made thorugh these individuals would not qualify as independent expenditures, as the RNC is an authorized committee of Mr. Reagan.

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AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan; that AEP Chairman Senator Harrison Schmidt is an RNC Advisory Council member; and that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. As noted above, the ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(a)(b)(4); AO 1979-80; MUR 321. 6/

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6/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Mr. Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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The Office of General Counsel has recommended, on the basis of the above legal and factual analysis, that the Commission find reason to believe that FCM, NCCC, NCPAC, AEP and AFC have made or will make excessive in-kind contributions to Ronald Reagan and that therefore Ronald Reagan has violated or will violate § 9012 (b)(1) and 2 U.S.C. § 441a(f) by accepting excessive in-kind contributions from FCM, NCPAC, NCCC, AEP, and AFC. See 11 C.F.R. § 109.1(c) (expenditure not qualifying as "independent" is an in-kind contribution to and expenditure by the candidate).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe that Ronald Reagan has violated 26 U.S.C. § 9012(b)(1) and 2 U.S.C. § 441a(f).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252

Dear Mr. Herge:

On July 7, 1980, the Federal Election Commission notified your client, the Fund for a Conservative Majority ("FCM"), of a complaint alleging that FCM has violated certain sections of the Federal Election Campaign Act of 1971, as amended, ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to FCM at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that FCM has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the Commission's finding is attached. You may submit any factual or legal materials which you believe relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 22, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against FCM, the Commission may find probable cause to believe that violations have occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne Weissenborn, the attorneys assigned to this matter, at (202) 523-5071.

Sincerely,

Max L. Friedersdorf
Chairman

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner
Anne A. Weissenborn
(202) 523-5071

RESPONDENT Fund for a Conservative Majority

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan:

2. That Ronald Reagan and one or more of the respondent committees have violated or will violated 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violated 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee.

4. That the Fund for a Conservative Majority (hereinafter "FCM"), has violated 2 U.S.C. § 432(e)(4) in that projects "Citizens for Reagan in '80", is a discrete, unauthorized political committee which has included "Reagan" in its name.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there is reason to believe that the expenditures by FCM are not "independent expenditures" but rather in-kind contributions to Mr. Reagan.

FCM is a qualified multi-candidate committee which first registered as such (with its present name) on October 13, 1976. The complaint contains no allegations of association of the present (since March 14, 1979) officers of FCM with any of the authorized committees of Mr. Reagan in his 1980 candidacy. However, FCM has reported several expenditures for "printing" as independent and on behalf of Mr. Reagan, which were made to vendors used on recent prior occasions by the authorized Reagan committee. 1/ As noted above, the existence of FCM expenditures for Reagan through a vendor recently used by an authorized Reagan committee raises significant questions concerning the independence of such a subsequent FCM expenditure. See 11 C.F.R. §109.1(b)(4)(i)(B) and AO 1979-80.

FCM also reported an expenditure made on March 26, 1980 as relating to Reagan for President and for a survey/poll conducted by Arthur Finkelstein and Associates. This firm was subsequently used by the Reagan for President Committee for "consulting" on April 9 and June 5, 1980. Thus, a substantial question is raised as to whether these polling results were "accepted" by the Reagan Committee through their concultant and agent, Arthur Finkelstein and Associates, thereby resulting in a contribution in-kind by FCM. See 11 C.F.R. § 106.4(b) (contribution in kind if candidate committee or agent requests or accepts results of poll paid for by unauthorized committee).

Finally, FCM has admitted that it reproduced and redistributed a Reagan speech. This resulted in a contribution by FCM, see 11 C.F.R. § 109.1(d)(1). FCM's ability to obtain the materials in question also raises questions concerning possible communication and coordination with the Reagan Committee prior to republication of those materials.

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1/ These expenditures were as follows:

| Vendor | Date by FCM and Reported Purposes | Date by Authorized Reagan Committee and Purposes |
|---|---|---|
| Diversified Direct, Inc. | 5/27 and 6/24/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 for "Direct Mail" |
| Wiland and Associates | 5/27/80 "printing" Reagan for President | 4/22/80 "Printing" |
| Telepost | 6/24 "Direct Mail" Reagan for President | 4/17 and 5/2/80 "Direct Mail" |

COMMISSION DETERMINATION

Based on the above analysis the Federal Election Commission has found reason to believe:

1. That the Fund for a Conservative Majority has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That the Fund for a Conservative Majority, has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That the Commission find reason to believe that the Fund for a Conservative Majority, has violated 2 U.S.C. § 432(e)(4).

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B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C.. § 9012(f) prohibits unauthorized candidates from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

Part A deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy, as Section 9012(f) applies to all political committee expenditures, whether or not "independent".

As the complaint and supplements demonstate, FCM has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that FCM has violated or is about to violate 26 U.S.C. § 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants alleged in their initial complaint that "Citizens" for Reagan in '80", a project of FCM, is a "discreet, unauthorized political committee" which has the name "Reagan" in its name in violation of Section 432(e)(4).

As part of their July 21, 1980, supplement to their complaint, complainants provided copies of solicitation materials used for Citizens for Reagan in '80. This solicitation states in fine print that the communication was paid for by FCM.

The Office of General Counsel has recommended that the Commission find reason to believe that FCM has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. Baran:

On July 7, 1980, the Federal Election Commission notified your client, Americans for Change ("AFC") of a complaint that AFC has violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to AFC at that time.

Upon further review of the allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that AFC has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the mission's findings is attached. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 31, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against AFC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-4071.

Sincerely,

83040424736

FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner
Anne A. Weissenborn
(202) 523-5071

RESPONDENT Americans for Change

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Re-Election Committee, Inc., (hereinafter "Complainants") submitted a complaint which contained the following allegtions:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the Office of General Counsel has found relevant to a determination of whether there is reason to believe that the expenditures of AFC are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

AFC registered as a political committee on May 23, 1980, seeking to establish multi-candidate committee status. The allegations concerning AFC generally concern the officers of the committee and their associations with official Reagan committees. Thus, complainant notes that the AFC Assistant Treasurer, Mr. Stan Huckaby, is also the only designated officer of the 1980 Republican Presidential Unity Committee, a committee authorized by Ronald Reagan, and that AEP Chairman Senator Harrison Schmitt is an RNC Advisory Council member. If Senator Schmitt's position with the RNC is the equivalent of holding office, then pursuant to 11 C.F.R. § 109.1(b)(4)(i)(B), AFT expnditures made through him (as well as those made through Mr. Huckaby) would not qualify as independent expenditures as they would be made by an officer of an authorized Reagan committee. In addition, complainants note that Anna Chennault, an individual identified by the press as a founding member of AFC (see Complaint Exhibit Tab 71, Washington Post article reporting on AFC press conference, June 6, 1980, p. 1) has now joined the Reagan General Election Committee. See Washington Post article, reprinted in July 16, 1980, Supplement to Complaint. The ability of such Reagan agents, 11 C.F.R. § 109.1(b)(5), to obtain and use information about AFC strategy and activities, may indicate that the activities of AFC are coordinated or made in consultation with the official Reagan committee. See 11 C.F.R. § 109.1(a)(b)(4); AO 1979-80; MUR 321. 1/

B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C. § 9012(f) prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in Part A above, complainants allege that respondent committees have violated or will violate this provision.

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1/ Complainants also point to an AFC letter dated July 13, 1980, requesting that supporters attend a fundraiser for Reagan in Houston on July 19, 1980, and the fact that Ronald Reagan and George Bush went to Houston for a campaign appearance on the same date.

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"Part A" above deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Seciton 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy as Section 9012(f) applies to all political committees' expenditures, whether or not "independent".

As the complaint and supplements demonstrate, AFC has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that AFC has violated or is about to violate 26 U.S.C. 9012(f).

C. Allegation of VIolation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names.

As part of their July 21, 1980, supplement to their complaint, complainants provided a copy of a letter from Senator Harrison Schmitt, Chairman of AFC, soliciting contributions for "Reagan for President in '80." This letter contained the statement that it was paid for by Americans for Change. The Office of General Counsel has recommended that the Commission find reason to believe that AFC has violated 2 U.S.C. § 432(e)(4).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe:

1. That Americans for Change has violated 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a) by making excessive in-kind contributions and expendtiures on behalf of Ronald Reagan.

2. That Americans for Change has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That Americans for Change has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John R. Bolton, Esquire
Covington and Burling
888 Sixteenth Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. Bolton:

On July 7, 1980, the Federal Election Commission notified your client, the North Carolina Congressional Club ("NCCC"), of a complaint that NCCC has violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") and Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to NCCC at that time.

Upon further review of the allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that NCCC has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 26 U.S.C. § 432(e)(4). A report on the Commission's findings is attached. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 30, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCCC, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-5071.

Sincerely,

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT The North Carolina Congressional Club

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan:

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee.

4. That the North Carolina Congressional Club (hereinafter "NCCC"), has violated 2 U.S.C. § 432(e)(4) in that its projects "Americans for Reagan" is a discrete, unauthorized political committee which has included "Reagan" in its name.

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there is reason to believe that the expenditures by NCCC are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

NCCC registered as a multi-candidate committee on February 15, 1977. The Carter-Mondale complaint refers to the well-noted close association of NCCC honorary chairman, Senator Jesse Helms, to Mr. Reagan; and by supplement of July 22, 1980, points to a television interview by ABC correspondent Sander Vanocour with the Senator in which he stated that he has "had to sort of talk indirectly with Paul Laxalt and hope that he would pass along..." and that the Senator "think[s] the messages have gotten through all right." Senator Laxalt, a Reagan General Election Committee officer, while asserting the legal conclusion in his affidavit to the Commission that no NCCC expenditures were made with his cooperation, prior consent, nor at his request or suggestion, nor in consultation with him, nowhere denies that he has spoken with Senator Helms about these matters. Senator Helms, in an affidavit attached to the NCCC response, admits this conversation took place, but states that it was only in reference to Mr. Reagan's decision concerning a running mate. However, the existence of this contact indicates "prior consultation" between Reagan officials and NCCC officials may, in fact, exist. See 11 C.F.R. § 109.1(a); 11 C.F.R. § 109.1(b)(4)(i).

Moreover, some NCCC expenditures in support of Reagan were made shortly after and through a vendor to which the authorized Reagan committees made similar expenditures, 1/ thereby indicating that such NCCC expenditures may have been made with the prior consultation of Reagan agents. See 11 C.F.R. § 109.1(b)(4)(i)(B) and (b)(5) and AO 1979-80. In view of this and the above, the Office of General Counsel has recommended that the Commission find reason to believe that NCCC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized Reagan committees.

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1/ These expenditures were:

| Vendor | Date and Purpose of NCCC Expenditures | Date and Purpose of Reagan Committee Expenditure |
|---|---|---|
| Diversified Direct, Inc. | 6/30/80 "printing" Reagan President | 4/22, 5/14 and 6/18/80 "Direct Mail" |
| Bedford Printing | 6/24 and 6/26/80 "printing" Reagan President | 5/16/80 "Printing" |

B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C. § 9012(f) prohibits unauthorized committee from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidate. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

Part A above deals with whether or not the respondent committes are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy as Section 9012(f) applies to all political committees' expenditures, whether or not "independent".

As the complaint and supplements demonstrate, NCCC has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that NCCC has violated or is about to violate 26 U.S.C. 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants alleged in their initial complaint that "Americans for Reagan", a project of NCCC, is a discreet, unauthorized political committee which has the name "Reagan" in its name in violation of 2 U.S.C. § 432(e)(4).

As part of their July 21, 1980, supplement to their complaint, complainants provide copies of solicitation materials used for Americans for Reagan. This solicitation contains fine print at the bottom of the first page identifying it as a "project " of NCCC.

The Office of General Counsel has recommended that the Commission find reason to believe that NCCC has violated 2 U.S.C. § 432(e)(4).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe:

1. That the North Carolina Congressional Club has violated 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That the North Carolina Congressional Club has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That the North Carolina Congessional Club has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Roderick M. Hills, Esquire
Lathans, Watkins and Hills
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Re: MUR 1252

Dear Mr. Hills:

On July 7, 1980, the Federal Election Commission notified you that a complaint had been filed against Americans for an Effective Presidency ("AEP") alleging violations by AEP of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that AEP has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan and 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan. A report on the Commission's findings is attached. You may submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 23, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against AEP, the Commission may find probable cause to believe that a violation has occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne A. Weissenborn, the attorneys assigned to this matter, at 523-4071.

Sincerely,

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner/ Anne A. Weissenborn
(202) 523-5071

RESPONDENT Americans for an Effective Presidency

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

BACKGROUND

On July 2, 1980, the Carter-Mondale Re-Election Committee, Inc., (hereinafter "Complainants") submitted a complaint which contained the following allegtions:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there was reason to believe that the expenditures by AEP are not "independent expenditures" but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

AEP registered with the Commission on July 9, 1980, indicating its desire to attempt to qualify as a multi-candidate committee. The allegations in the complaint with respect to this committee focus on the connection of its organizers and officers to the official Reagan campaign. According to the affidavit of AEP counsel and member Roderick Hills, two of the individuals designated by the complaint (William P. Clements, Jr., and Harry S. Dent) were never contacted by those individuals forming AEP, and are not presently officers or members. Mr. Hills does acknowledge that James Lake and Stuart Spencer were contacted about being a part of the committee but declined. In addition, Mr. Spencer's likewise asserted that on June 22, 1980, Mr. Spencer made a "final determination not to participate in the activities of AEP. However, several press accounts prior to June 22, 1980, reflect a more substantial involvement by Spencer in AEP formation and policy, indicating it was a widely held belief that Stuart Spencer in fact ran AEP in its formative stages, and that AEP has existed in some form since June 2, 1980. See Complaint Exhibits at Tab 10 (Baltimore Sun, June 6, 1980, p. A4), Tab 30 (Newsweek, June 2, 1980, p. 21), Tab 74 (Washington Star, June 2, 1980, p. A1) and Tab 75 (Washington Star, June 12, 1980, p. A3). Mr. Spencer has now joined the official Reagan campaign as a campaign field operations director and "key advisor." See Washington Star, July 11, 1980, attached to July 14, 1980, supplement to complaint. Thus, there is evidence that Stuart Spencer may have been privy to and a part of the formation of AEP's campaign strategy on behalf of Mr. Reagan, and that Spencer could use or pass on this information in helping to devise the Reagan General Election Committee strategy, thereby resulting in indirect consultation and coordination with this latter committee and AEP. See 11 C.F.R. § 109.1(a) and (b)(4).

The complaint also notes that two officers and members of the "Expenditures Committee"of AEP, Thomas Reed and Peter Flanigan, are Republican National Committee (RNC) Advisory Council members. If the position with an RNC Advisory Council is the equivalent of holding office, then pursuant to 11 C.F.R. § 109.1(b)(4)(i)(B), AEP expenditures made through these individuals would not qualify as independent expenditures, as the RNC is an authorized committee of Mr. Reagan.

For all of the foregoing reasons, the Office of General Counsel has recommended that the Commission find reason to believe that AEP has or will violate 2 U.S.C. § 441a and 26 U.S.C. § 9012(f).

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B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C. § 9012(f) prohibits unauthorized committee from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such candidate. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

"Part A" above deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy as Section 9012(f) applies to all political committees' expenditures, whether or not "independent".

As the complaint and supplements demonstrate, AEP has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that AEP has violated or is about to violate 26 U.S.C. 9012(f).

COMMISSION DETERMINATION

Based on the above analysis, the Federal Election Commission has found reason to believe:

1. That Americans for an Effective Presidency has violated 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a) by making excessive in-kind contributions and expendtiures on behalf of Ronald Reagan.

2. That Americans for an Effective Presidency has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Sedam and Herge
7600 Old Springhouse Road
McLean, Virginia 22102

Re: MUR 1252

Dear Mr. Herge:

On July 7, 1980, the Federal Election Commission notified your client, the National Conservative Political Action Committee ("NCPAC"), of a complaint alleging that NCPAC has violated certain sections of the Federal Election Campaign Act of 1971, as amended, ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to NCPAC at that time.

Upon further review of allegations contained in the complaint and of information which you have supplied in response, the Commission has determined that there is reason to believe that NCPAC has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan; 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan; and 2 U.S.C. § 432(e)(4). A report on the Commission's finding is attached. You may submit any factual or legal materials which you believe relevant to the Commission's analysis of this matter.

We acknowledge receipt of your response to this matter which was dated July 22, 1980. In the absence of any additional information or further explanation of circumstances which demonstrate that no further action should be taken against NCPAC, the Commission may find probable cause to believe that violations have occurred, and proceed with formal conciliation. Of course, this does not preclude the settlement of this matter through informal conciliation prior to a finding of probable cause to believe if you so desire.

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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 have any questions, please contact Marsha G. Gentner or Anne Weissenborn, the attorneys assigned to this matter, at (202) 523-5071.

Sincerely,

Max L. Friedersdorf
Chairman

Enclosure

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FEDERAL ELECTION COMMISSION

NOTIFICATION OF REASON TO BELIEVE FINDING

DATE _____

MUR NO. 1252
STAFF MEMBER(S) & TEL. NO.
Marsha G. Gentner

RESPONDENT The National Conservative Political Action Committee

Anne A. Weissenborn
(202) 523-5071

SOURCE OF MUR: INTERNALLY GENERATED

BACKGROUND

On July 2, 1980, the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee (hereinafter "Complainants") submitted a complaint which contained the following allegations:

1. That one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limitations with regard to Mr. Reagan;

2. That Ronald Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 by failing to report properly contributions and expenditures;

3. That one or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in excess of $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

4. That the National Conservative Political Committee (hereinafter "NCPAC") has violated 2 U.S.C. § 432(e)(4) in that its project the "Ronald Reagan Victory Fund" is a discrete, unauthorized political committee which has included "Reagan" in its name

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PRELIMINARY
FACTUAL BASIS AND LEGAL ANALYSIS

A. Allegation of Violations of 26 U.S.C. § 9012(f) and 2 U.S.C. § 441a(a).

Complainants allege that expenditures to be made by the respondent committees on behalf of Mr. Reagan will be made with the cooperation or prior consent of, in consultation with or concert with, or at the request or suggestion of Mr. Reagan, his authorized committee, or his agents and therefore would be considered non-independent expenditures and thus contributions to the candidate pursuant to 2 U.S.C. § 441a(a)(7) (B)(i) and 11 C.F.R. § 109.1(c). By virtue of these circumstances, the respondent committees have or will violate 26 U.S.C. § 9012(f) which prohibits unauthorized committees from knowingly and willfully incurring expenditures in excess of $1,000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds, when such expenditures would constitute qualified campaign expenses if incurred by an authorized committee of such a candidate. In addition, a violation of 2 U.S.C. § 441a(a) by respondent committees would likewise result from their excessive contributions, if the expenditures in question are found to be non-independent, in-kind contributions.

Complainants cite several factors in support of their argument that the expenditures which have been or will be made by respondent committees on behalf of Ronald Reagan are not "independent" and thus constitute contributions to that candidate in violation of 26 U.S.C.. § 9012(f) and 2 U.S.C. § 441a(a). These include the present and prior affiliation with Mr. Reagan of certain individuals now allegedly involved with the respondent committees and the use of common vendors.

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The evidence contained in the complaint that is put forth below represents only that evidence which the General Counsel's Office has found relevant to a determination of whether there is reason to believe that the expenditueres by NCPAC are not "independent expenditures but rather in-kind contributions to Mr. Reagan. 11 C.F.R. § 109.1(c).

The complaint contains no allegations of NCPAC officer overlap with the official 1980 Reagan committees. 1/ However, the complaint and NCPAC reports filed with the Commission reveal that purported "independent" expenditures in support of Mr. Reagan by NCPAC were made through the same vendors as those used by the authorized Reagan committee shortly before that time 2/, thus indicating that NCPAC expenditures with respect to Mr. Reagan were made through agents of his (as defined by 11 C.F.R. § 109.1(b)(5)) resulting in in-kind contributions by NCPAC See 11 C.F.R. § 109.1 (b)(4)(i)(B) and § 109.1 (c), and AO 1979-80.

Reports also show that NCPAC made an expenditure to Arthur Finkelstein and Associates on June 5, 1980. The response of NCPAC refers to this as a "polling expense." An expenditure by the Reagan Committee to Arthur Finkelstein and Associates for consulting services was reported as being made on June 5, 1980. This raises questions as to whether the polling results were "accepted" by the authorized Reagan

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1/ In a footnote, complainant makes reference to two ex-officers of NCPAC presently indirectly associated with the authorized Reagan committees. However, these two individuals had resigned from their NCPAC offices by March 18, 1978 (the date of the NCPAC amendment to its Statement of Organization).

2/ These expenditures were:

| Vendor | Date by NCPAC and Reported Purpose | Date by Authorized Reagan Committee and Purpose |
|---|---|---|
| Diversified Direct, Inc. | 5/23, 6/2, 6/13, 6/20 and 6/27/80 "printing" Reagan for President | 4/22, 5/14, 6/18/80 "Direct Mail |
| Tri State Envelope Corp. | 6/20/80 "printing" Reagan for President | 4/22/80 "Stationary" "Direct Mail |

NCPAC, in its response to the complaint states that the expenditure to Diversified Direct, Inc., was for mechanical mailing services only. However, the entry on the report filed by NCPAC that the expenditure was for "printing"-contradicts this assertion. NCPAC in its response also states that its expenditure to Tri-State was for NCPAC printed envelope stock and thus an operating expenditure. This directly contradicts the NCPAC report which designated the expenditure as "printing" for "Reagan, President"

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Committee or its agent, resulting in an in-kind contribution by NCPAC to that committee. 3/ See 11 C.F.R. § 106.4(b).

Moreover, the Reagan for President Committee continues to report a debt of $2,200 owed since February 22, 1980, to NCPAC for "office equipment." This contradicts the asserted complete independence from authorized Reagan committees that NCPAC puts forth. Rather, it would seem that such a transaction indicates that an avenue for coordination with respect to the needs of the Reagan Committee may already have been established. The Office of General Counsel has recommended that in light of the foregoing evidence, the Commission find reason to believe NCPAC violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of the 1980 authorized committees of Ronald Reagan.

B. Allegation of Violation of 26 U.S.C. § 9012(f)

26 U.S.C.. § 9012(f) prohibits unauthorized candidates from knowingly and willfully incurring expenditures in excess of $1000 to further the election of candidates of a political party for President and Vice-President who are eligible to receive public funds when such expenditures would constitute qualified campaign expenses if incurred by an unauthorized committee of such candidates. As discussed in "Part A" above, complainants allege that respondent committees have violated or will violate this provision.

Part A deals with whether or not the respondent committees are independent of the Reagan authorized committees. However, even if these committees are in fact found to be independent, they would still be in violation of Section 9012(f) if they expend more than $1000 on behalf of Mr. Reagan's candidacy, as Section 9012(f) applies to all political committee expenditures, whether or not "independent".

As the complaint and supplements demonstate, NCPAC has publicly announced its intention and has begun to solicit funds to spend in excess of $1000 in support of Ronald Reagan's candidacy. Therefore, the Office of General Counsel has recommended that the Commission find reason to believe that NCPAC has violated or is about to violate 26 U.S.C. § 9012(f).

C. Allegation of Violation of 2 U.S.C. § 432(e)(4)

2 U.S.C. § 432(e)(4) provides that unauthorized committees may not include the name of any candidate in their names. Complainants

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3/ Newspaper articles submitted by complainants refer to assertions by NCPAC officials that their expenditures in support of Mr. Reagan will "depend on the Reagan strategy" and on "market testing by a professional pollster". See Baltimore Sun, July 16, 1980, p. A7, attached to July 21, 1980, supplement to complaint.

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alleged in their initial complaint that the "Ronald Reagan Victory Fund", a project of NCPAC, is a discreet, unauthorized political committee which has the name "Reagan" in its name in violation of Section 432(e)(4).

The Office of General Counsel has recommended that the Commission find reason to believe that NCPAC has violated 2 U.S.C. § 432(e)(4).

COMMISSION DETERMINATION

Based on the foregoing analysis, the Federal Election Commission has found:

1. That the National Conservative Political Action Committee, has violated 2 U.S.C. § 441a(a) and 26 U.S.C. § 9012(f) by making excessive in-kind contributions and expenditures on behalf of Ronald Reagan.

2. That the National Conservative Political Action Committee, has violated 26 U.S.C. § 9012(f) by making excessive independent expenditures on behalf of Ronald Reagan.

3. That the National Conservative Political Action Committee, has violated 2 U.S.C. § 432(e)(4).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Patrick F. McCartan, Esquire
Jones, Day, Reavis and Pogue
1735 I Street, N.W.
Washington, D.C. 20006

Re: MUR 1252

Dear Mr. McCartan:

On July 7, 1980, the Federal Election Commission notified your client, the Republican National Committee, ("the Committee"), of a complaint alleging that the Committee had violated provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and of Chapter 95 of Title 26, U.S. Code. A copy of the complaint was forwarded to the Committee at that time.

The Commission, on August , 1980, determined that on the basis of the information in the complaint and information supplied by you that there is no reason to believe that a violation of the statutes within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter as regards the Committee.

Sincerely,

Charles N. Steele
General Counsel

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|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN, REAGAN FOR PRESIDENT, REPUBLICAN NATIONAL COMMITTEE, AMERICANS FOR AN EFFECTIVE PRESIDENCY, AMERICANS FOR CHANGE, NORTH CAROLINA CONGRESSIONAL CLUB, and its project, "AMERICANS FOR REAGAN", FUND FOR A CONSERVATIVE MAJORITY, and its project, "CITIZENS FOR REAGAN IN '80", NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE, and its project, "THE RONALD REAGAN VICTORY FUND",<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

COMPLAINT

Introduction

It appears reasonably certain that during the week of July 14, 1980, Ronald Reagan will be nominated as candidate for President of the United States by the Republican Party. Shortly thereafter, it appears that Mr. Reagan and the Republican nominee for Vice President will seek public funding in the amount of $29.4 million from the United States pursuant to the Presidential Election Campaign Fund Act, 26 U.S.C. ¶¶ 9001, et seq. (the "Fund Act"). Pursuant to Section 9005 of the Fund Act, the Federal Election Commission ("Commission") has the duty to determine whether those nominees have "met all applicable conditions for eligibility to receive payments" and if so, to certify them as eligible to receive such public funding. In sum, those conditions preclude,

Attachment I

with certain inapplicable exceptions, the use by the candidate and those acting in conjunction or concert with him of additional funds obtained from private sources. The information set forth herein demonstrates that the Republican nominees cannot meet the applicable conditions so long as these allegedly independent committees continue to raise money and make contributions to those nominees. Therefore, the Commission must decline to certify those nominees.

The information submitted is necessarily limited to the public record. Even given that limitation, however, we believe that the information demonstrates prima facie that both the Fund Act and the Federal Election Campaign Act, 2 U.S.C. ¶¶ 431, et seq. (the "Federal Election Act") will be violated in the most basic way if the Republican nominees seek and receive public funding of their campaign. That is so because, as we show, at least five interrelated groups of professional politicians, including active Republican office holders and former office holders and other long-time active members of Mr. Reagan's campaign and political staffers, are planning to contribute tens of millions of dollars--perhaps as much as $50,000,000--to the Republican nominees' campaign in fundamental violation of the Fund Act and the Federal Election Act.

We believe the public record is dispositive and compels the Commission to decline certification of the Republican nominees as qualified for public funds. But, of course, the respondents should have an opportunity to demonstrate that the public record is

inaccurate or incomplete. Necessarily, however, given the Commission's duty to determine whether or not the Republican nominees should receive public financing in the very near future, respondents should undertake that demonstration immediately. We suggest in the last section of this complaint an expeditious method for accomplishing that result.

The issues raised by this complaint are basic. It is not hyperbole to say that their resolution may determine the identity of the next President of the United States and whether the public financing of presidential election campaigns can survive. At least the result will have a substantial impact on the campaign and the very fabric of the laws which this Commission is charged to enforce, as the accompanying affidavit of Robert S. Strauss, Chairman of the Carter-Mondale Reelection Committee, makes plain. The public interest requires that the issues must be resolved promptly, openly and fairly.

## The Parties

The complainants are identified as follows:

CARTER-MONDALE REELECTION COMMITTEE, INC. (CMRC) is a District of Columbia nonprofit corporation and the principal authorized general election committee of President Jimmy Carter and Vice President Walter F. Mondale. Its Chairman is Robert S. Strauss and its Treasurer is S. Lee Kling. Its principal offices are at 1413 K Street, N.W., Washington, D. C. 20005.

The DEMOCRATIC NATIONAL COMMITTEE (DNC) is the national committee of the Democratic Party and is responsible for the day-to-day operations of the Democratic Party at the national level, including sponsoring the candidate for President of the United States and attempting to secure said candidate's election. It is a national committee within the meaning of 2 U.S.C. § 431(k). Its Chairman is John C. White. Its address is 1625 Massachusetts Avenue, N.W., Washington, D. C. 20036.

On information and belief, the respondents are identified as follows:

RONALD REAGAN is seeking the Republican nomination for the office of President of the United States.

REAGAN FOR PRESIDENT (RFP) is the principal authorized campaign committee of Ronald Reagan for the Republican nomination for the office of President of the United States. It filed a Statement of Organization dated February 28, 1979, with the FEC listing its address as 9841 Airport Boulevard, Suite 1430, Los Angeles,

California 90045. Its officers were listed as Senator Paul Laxalt, 326 Russell Senate Office Building, Washington, D. C. 20510, as Chairman; and Bay Buchanan, 908 6th Street, No. 10, Santa Monica, California 90403, as Treasurer. Buchanan is also listed as the person in possession of committee books and records. By amendment dated April 17, 1979, to its Statement of Organization, Loren A. Smith, Lothlorien, Yorklyn, Delaware 19736, was added as an officer (General Counsel).

The REPUBLICAN NATIONAL COMMITTEE (RNC) is the national committee of the Republican Party and is responsible for the day-to-day operations of the Republican Party at the national level, including sponsoring the candidate for President of the United States and attempting to secure said candidate's election. It is a national committee within the meaning of 2 U.S.C. § 431(k). Its Chairman is William Brock. Its address is 310 First Street, S.E., Washington, D. C. 20003.

AMERICANS FOR AN EFFECTIVE PRESIDENCY (AEP) is a group of individuals forming a political committee, not yet registered with the FEC, who are represented by R. M. Mills and W. A. Long, Messrs. Latham, Watkins & Hills, 1333 New Hampshire Avenue, N.W., Washington, D. C. 20036.

AMERICANS FOR CHANGE (AFC) purports to be a multi-candidate political committee. It registered with the FEC by filing a Statement of Organization dated

May 23, 1980. Its address was listed as 218 N. Lee Street, Alexandria, Virginia 22314. Its officers were listed as Harrison H. Schmitt, Chairman; Carl T. Curtis, Treasurer; and Stan Huckaby, Assistant Treasurer, who is also the custodian of the committee's records.

NORTH CAROLINA CONGRESSIONAL CLUB, also known as CONGRESSIONAL CLUB (NCCC), is a political committee that registered with the Clerk of the U. S. House of Representatives on October 29, 1974. At that time, it listed Steve Ritchie, a Republican candidate for the House of Representatives in the 6th Congressional District of North Carolina, and Jesse Helms, a 1972 candidate for the United States Senate, as the candidates whom it was supporting. Its address was P. O. Box 18848, Raleigh, North Carolina 27609. Its Chairman was Thomas F. Ellis; its Executive Director and Treasurer was William I. Berryhill, Jr., who also was listed as custodian of the committee's books and records. On February 15, 1977, the committee's Statement of Organization was amended to name Richard W. Miller as Chairman and Elisabeth W. Smith as Treasurer. (On its letterhead, Senator Jesse Helms was listed as Honorary Chairman.) On October 10, 1979, a new Statement of Organization listed Carter Wrenn as Treasurer. As of May 29, 1980, the address of NCCC was P. O. Box 18838, 3825 Barret Drive, Raleigh, North Carolina 27609. "Americans for Reagan", a "project" of NCCC, has not, according to currently available FEC reports, registered with the FEC.

THE FUND FOR A CONSERVATIVE MAJORITY (FCM) is a multicandidate political committee. Its last listed address,

according to FEC documents, is 1022 Wilson Boulevard, Suite 1401, Arlington, Virginia 22209. FCM originally registered in 1972 (with GAO) as "Young American's Campaign Committee" (YACC) with the following officers: Wayne J. Thorburn, Chairman; Ronald F. Docksai, Treasurer. On October 13, 1976, by letter from John S. Buckley, YACC's Executive Director, YACC changed its name to "The Fund for A Conservative Majority". Thereafter, FCM changed its officers to: Ronald Robinson, Chairman; John S. Buckley, Secretary and Treasurer. On March 14, 1979, FCM changed its officers to Robert C. Heckman, Chairman, and Kenneth F. Boehm, Treasurer. "Citizens for Reagan in 80!", a "project" of FCM, has not, according to currently available FEC reports, registered with the FEC.

NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE (NCPAC) registered as a political committee with the Clerk of the U. S. House of Representatives on March 27, 1975. Listed as Treasurer and custodian of the committee's records was Roger J. Stone, Jr. Other officers listed were Charles R. Black, Chairman; John Carbaugh, Vice Chairman; Frank J. Donatelli, Director at Large; and J. David Nickles, Secretary. It amended its registration and filed with the FEC on October 10, 1975, also with Black as Chairman, Nickles as Secretary, and Stone as Treasurer and Custodian of the Records. In an amendment dated March 8, 1978, John T. Dolan is listed as Chairman; J. Curtis Herge as Secretary; Becki A. Cecil as Treasurer; with Stone and Donatelli having resigned.

## The Facts

1. Mr. Reagan has sought and accepted federal funding in the past, but has opposed the laws that limit campaign expenditures. Mr. Reagan accepted federal matching funds in the 1976 and 1980 Presidential primaries. However, at the same time he has opposed the laws that limit contributions and spending. Mr. Reagan opposed the Bill that reinstated this Commission after the 1976 Supreme Court decision in Buckley. (Wall Street Journal, 4/29/76, p. 5)* At a GOP rally in South Carolina in late 1979, he reportedly called for the repeal of the limitations laws. (New York Times, 12/14/79, p. 10; see also, e.g., Washington Post, 12/14/79, p. A5)

2. So-called "independent committees" have helped Mr. Reagan in the past. Mr. Reagan's long-time aide, Lyn Nofziger, is quoted as saying, "the law [limiting campaign expenditures] is a bad law. It's a terrible law . . . But it's there, and as long as you have laws you're going to have people figuring out how to get around them". (Washington Post, 2/3/79, p. A3) The "how" that Mr. Reagan and his associates have chosen to try to "get around" the law is to coordinate contributions through political fronts claiming to be "independent" committees.

(a) The 1976 Presidential primaries.

Herbert Alexander has written, "independent expenditures on Reagan's behalf [in connection with the 1976 Presidential primaries] were widespread and their 'independence' was often questioned". (Alexander,

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* The matters of public record we cite herein are appended in a separate volume.

Financing the 1976 Election, Cong. Q. Press, p. 519)

According to Alexander, spending by the Texas "Delegates for Reagan" Committee prompted President Ford's own Committee in April 1976 to challenge the group's "independence". Mr. Reagan's counsel reportedly dismissed the challenge as a "ploy". (Id., pp. 518-19)

Another group, the "Fund for a Conservative Majority" ("FCM"), was assessed a $3,000 civil penalty by this Commission for failing to report, in a timely way, its $39,655 expenditures on Mr. Reagan's behalf during the 1976 primaries. (MUR 503(78), 11/21/78)

The American Conservative Union ("ACU") appears to have been the most active "independent" group operating during those primaries, spending more than $100,000 on Mr. Reagan's behalf. The ACU's activities were unsuccessfully challenged before this Commission, Commissioner Staebler dissenting. (MUR 203 and 203(a)(76), 12/1/77) Although the Commission chose not to gather more facts at that time, it is nevertheless instructive in the present context to review even the truncated set of facts there brought to the Commission's attention.

The General Counsel's report to the Commission, dated November 11, 1977, disclosed that he had identified a limited pattern in the expenditures made by Mr. Reagan's authorized committee and the ACU. Thus, ACU made heavy expenditures in Ohio and Michigan, where Mr. Reagan's authorized committee made minimal expenditures, and ACU had almost no expenditures in California, the one state

Effective April 18, 1980, Simon S. Hannegan became Treasurer of the Committee, replacing Becki Cecil Burlingame. Its last listed address on FEC filings (as of June 1, 1980) was 1500 Wilson Boulevard, Suite 513, Arlington, Virginia 22209. "The Ronald Reagan Victory Fund", a "project" of NCPAC, has not, according to currently available FEC reports, registered with the FEC.

in which the authorized committee chose to concentrate its expenditures. However, he failed, to his satisfaction, to establish that the authorized committee was running out of money in those states where ACU spent heavily. Moreover, although he identified an overlap in the officers and employees of ACU and the official Reagan campaign, he had not had sufficient discovery to link completely ACU and Mr. Reagan's authorized committee.

(b) Mr. Reagan's campaign staff continued to work for his election to the Presidency after the 1976 election.

Following Mr. Reagan's unsuccessful efforts to gain the Republican Presidential nomination in 1976, his official committee,"Citizens for Reagan" ("CFR"), changed its name to "Citizens for the Republic" ("CFTR"). (CFR FEC filing, 1/27/77) The Commission's files show that Mr. Reagan, CFTR's first chairman, apparently remained in that position until November 12, 1979, the day before he formally announced his candidacy, when Mr. Nofziger replaced him. (CFTR FEC filing, 11/9/79)

CFTR was funded with $1.6 million left over from Mr. Reagan's unsuccessful campaign effort. (CFR FEC filing, 2/1/77; CFTR FEC filing, 2/2/78; see also California Journal, 9/77, p. 296) Run by Mr. Nofziger, it also included, according to documents filed with this Commission, a number of other Reagan regulars. Indeed, CFTR was described as the "reincarnation" of Mr. Reagan's 1976 campaign. (California Journal, 9/77, p. 296)

From the beginning, political commentators identified the CFTR as Mr. Reagan's vehicle for keeping

his candidacy alive until 1980. Evans and Novak called the CFTR Mr. Reagan's "political front". (Washington Post, 3/2/77, p. A19) Other observers have characterized it as "the organization that spreads the Reagan gospel" (Chicago Sun Times, 10/23/78, p. 17) used "to keep Reagan's national campaign organization intact". (Washington Post, 8/29/79, p. A4; see also Baltimore Sun, 2/9/77, p. A6) Mr. Nofziger himself was quoted as saying the "first purpose" of the group was to maintain a base of Reagan supporters. (New York Times, 8/25/77, p. B5) By early 1979, a Reagan rival reportedly wondered "how long" Mr. Reagan would continue to "warehouse these people on the CFTR payroll". (Washington Post, 2/3/79, p. A3)

During the fall campaign of 1978, CFTR reportedly financed Mr. Reagan's efforts to back potential supporters, including, as we show later, supporters now active in the so-called "independent" respondent committees, paying for Mr. Reagan's personal appearances on behalf of 200 candidates and 150 television and radio ads featuring Reagan, and making contributions totalling $750,000. (Chicago Sun Times, 10/23/78, p. 17)

Bill Peterson of the Washington Post reported:

> " . . . probably no other out-of-office politician in history has been able to muster the resources that Reagan and his associates control.
>
> "He has scheduled 80 campaign stops in 26 states this fall. He is writing letters and making commercials for Republican candidates--54 radio endorsements and 12 television tapes last week. . . . [CFTR] also pays all of Reagan's traveling expenses, conducts seminars, publishes a newsletter and maintains 18 people on the full-time payroll." (9/24/78, p. A3)
>
> "CFTR has functioned as a shadow presidential committee for Reagan--complete with advance men,

fund-raisers, political advisors, and accountants. It has a fine-tuned mailing list of 300,000 proven Reagan contributors and provided lucrative employment for a skeleton campaign staff." (2/3/79, p. A3)

By 1979, CFTR's annual budget reportedly was $2.5 million, which was claimed to be larger than that of the political arms of the AFL-CIO, the AMA, the UAW, or the gun-control lobby. (Washington Post, 2/3/79, p. A3) Nor was there any doubt of the impact these expenditures would have on Mr. Reagan's future campaign. As Mr. Nofziger is quoted as saying in connection with CFTR's activities, "politics is a backscratching business". (Washington Post, 9/24/78, p. A3)

The relationship between CFTR and the Reagan principal campaign committees, including the overlap of members and contributors, was called to the attention of this Commission on April 19, 1979, by a complaint made by the National Committee for an Effective Congress. Although pending now more than 14 months, that complaint has not yet been resolved. (A copy of that complaint is included in the exhibits.)

(c) The 1980 primaries.

The Fund for a Conservative Majority ("FCM")--the same group the Commission found had violated provisions of the Federal Election Act in connection with the 1976 primaries--spent, according to the Commission's files, more than $600,000 on Mr. Reagan's behalf in connection with this year's primaries.

According to the Boston Globe:

"FCM has monitored the Reagan campaign closely: Whenever he is in trouble or broke, they move in swiftly and skillfully.

"For example, after Bush upset Reagan in Iowa, the New Hampshire primary suddenly became crucial. Reagan's campaign expected Bush to win in Massachusetts the following week, and Reagan backers were fearful the Bush bandwagon could gain so much momentum he would be difficult to stop.

"After Iowa, Bush was ahead of Reagan in some polls in Florida, where a Bush victory would have been devastating to Reagan. So the fund mobilized in New Hampshire: The group spent $60,000 for Reagan, even bused in '40 to 50' students from New York and farther south to hand out literature. The fund took out advertisements criticizing Bush and boosting Reagan, all apparently legal.

"At that point, Reagan had spent just about all of the $294,000 he was legally allowed in New Hampshire, so the $60,000 from the fund gave him a 20-percent boost in his spending. [*]

"'We are reading everything Bush says publicly' about his political plans, said [FCM Treasurer] Boehm before Bush threw in the towel Monday. 'In New Hampshire, Pennsylvania and Texas, we stretched ourselves to the limit' of the fund's financial resources to help Reagan.

"Another example: Bush tried to upset Reagan with vigorous campaigning and a $700,000 outlay before the Texas primary May 6, and Reagan was again up against money problems. He had almost exhausted his $14.7 million limit for the primaries, so FCM pumped $80,000 or more into Texas, blitzing the state with radio ads and a 250,000-piece mailing (half of it to Texas Republicans). Reagan pulled out a narrow win, preventing Bush from achieving a major psychological victory. . . ." (5/28/80, pp. 1, 10; see also Congressional Quarterly, 6/14/80, pp. 1635, 1639)

During the month of April, when the Reagan campaign found itself approaching its national spending

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* William Loeb, publisher of the New Hampshire Manchester Union Leader, congratulated FCM for its "effective" campaign on Mr. Reagan's behalf in New Hampshire, "The voter mailings, newspaper advertising, radio spots and personal canvassing you provided significantly helped Reagan in his important victory in our state". (A copy of the letter he sent, which FCM included with its mailings, is included in the exhibits.)

limit and was in considerable financial difficulty, FCM spent more than $126,000 on Mr. Reagan's behalf. (April FEC Report of FCM)

The Globe also reported that Mr. Jesse Helms' North Carolina "Congressional Club" helped Mr. Reagan in at least two Southern primaries by making "independent" expenditures on his behalf. (Boston Globe, 5/28/80, pp. 1, 10) Congressional Quarterly reported that National Conservative Political Action Committee (NCPAC) spent more than $600,000 "independently" in 1979 and early 1980, and plans to spend significant amounts on Mr. Reagan's behalf during the general election. (6/14/80, p. 1636)

In April 1980, NCPAC sent an "Urgentgram" to potential contributors. Pointing out that "Reagan has almost reached his spending limit set by Federal election law", NCPAC warned that "Reagan will lose valuable momentum if he cannot maintain his campaign advertising program in high gear in the May-June primaries". The "Urgentgram" continued:

> "When NCPAC was founded in 1976 Ronald Reagan signed a letter personally asking his supporters and other conservatives all over the country to help us. In fact NCPAC was the only organization Ronald Reagan helped in 1976.
>
> "Many thousands of conservatives responded to his call. He is one of the main reasons NCPAC is here today with a 71% win record against the liberals. . . .
>
> "Now Governor Reagan needs our help.
>
> "The ads we produce will be tough hard-hitting ads that will expose Carter's weaknesses as well as promote Reagan.
>
> "These ads will be produced by top notch professionals. . . .

"We will run these ads in major cities and places where many voters will be making up their minds between Carter and Reagan in the next two months."

As had President Ford before him, Mr. Bush reportedly began collecting evidence to prove that these well-coordinated expenditures were not made independently. However, his withdrawal from the race rendered the matter moot. (Boston Globe, 5/28/80, p. 1)

The Commission's files already reveal that many of the so-called "independent" committees that have assisted Mr. Reagan have shared an extensive network of vendors both among themselves and with the official Reagan campaign committees. (The Appendix sets forth existing information we have found in the Commission's files.)

3. A new group of fronts manned by Mr. Reagan's confederates plan to contribute tens of millions of dollars to Mr. Reagan's campaign.

According to recent stories appearing in the press, a number of groups are now organizing to support Mr. Reagan in the general election. These groups plan to raise and spend on Mr. Reagan's behalf the following amounts of money:

| | |
|---|---|
| Americans for Change | $20-30 million |
| Americans for an Effective Presidency | 12-15 million |
| Fund for a Conservative Majority (through its project, Citizens for Reagan in '80) | 3-10 million |
| North Carolina Congressional Club (through its project, "Americans for Reagan") | 2-5 million |
| | $37.5 - 57.5 million |

(Wall Street Journal, 6/19/80, p. 1; Baltimore Sun, 6/6/80, p. A4; Congressional Quarterly, 6/14/80, p. 1635)

When added to the $29.4 million in public funds given each major party presidential nominee, the resulting disparity will resemble that not experienced since the last pre-Watergate election, when President Nixon outspent Mr. McGovern, $61.4 to $30 million. (Congressional Quarterly, 6/14/80, pp. 1635, 1636)

(a) Americans for an Effective Presidency.

On May 15 and 16, 1980, a group of individuals forming a political committee styled "Americans for an Effective Presidency ("AEP") "for the purpose of soliciting contributions from the public and making expenditures in the general election in support solely of the nominees for President and Vice President of one of the major political parties" sought through their attorneys certain advisory opinions from the Commission (letters of R. M. Hills and W. A. Long to the Commission). Those letters did not reveal the names of such individuals.

Subsequent press statements have identified the following individuals as associated with AEP: William P. Clements, Jr., Thomas Reed, Peter Flanigan, James Lake, Stuart Spencer, Harry S. Dent, Winton M. Blount, and John Deardourff. (Wall Street Journal, 6/19/80, p. 1; Baltimore Sun, 6/6/80, p. A4; Washington Star, 6/2/80, p. A1 and 6/12/80, p. A3; Newsweek, 6/2/80, p. 21) Such persons are long-time associates and supporters of Mr. Reagan and Republican national figures. For example:

1. William P. Clements, Jr.

(a) From 1973 to 1977, Mr. Clements was Deputy Secretary of Defense under President Ford (Who's Who);

(b) In 1978, Mr. Clements ran for and was elected Governor of Texas. (Who's Who) Mr. Reagan and CFTR campaigned for Mr. Clements (CFTR FEC filings for May and September 1978);

(c) Mr. Clements has pledged his "total support" for Mr. Reagan's campaign for President (Houston Chronicle, 5/6/80, p. 8);

(d) The press, at least, has raised Mr. Clements as a possible candidate for Vice President with Mr. Reagan (Washington Post, 5/13/80, p. A4);

(e) Mr. Clements has been appointed Chairman of the Reagan campaign in Texas by, among others, Reagan Executive Vice-Chairman, William J. Casey (Dallas Times-Herald, 6/25/80, p. A29);

(f) Mr. Clements is a member of the Advisory Council on National Security and International Affairs of the RNC (RNC Directory, July 1979, p. 31);

(g) On information and belief, Mr. Clements is a Reagan delegate to the 1980 Republican National Convention.

2. Thomas Reed

(a) From 1968-72, Mr. Reed was Republican National Committeeman and a delegate to the Republican National Convention from California, during which time Mr. Reagan was Governor of California (Who's Who);

(b) In 1970, Mr. Reed was Chairman of Mr. Reagan's 1970 campaign for Governor of California (Who's Who);

(c) In 1968, Mr. Reed introduced Mr. Reagan to Richard Wirthlin who is now Mr. Reagan's pollster and one of his chief strategists (Boston Globe, 3/29/80, p. 5);

3. Peter Flanigan

(a) In 1959, Mr. Flanigan was Chairman of New Yorkers for Nixon (Who's Who);

(b) In 1960, he was Chairman of Volunteers for Nixon-Lodge (Who's Who);

(c) In 1968, he was National Deputy Chairman, Nixon for President (Who's Who);

(d) From 1969-1974, he was an assistant to President Nixon. (Who's Who) While in the Nixon White House, he had responsibility for international economic affairs along with Richard Allen, then Deputy Assistant to the President for International Economic Affairs (Washington Post, 7/11/71, p. 2) and now chief foreign policy advisory to Mr. Reagan (e.g., Boston Globe, 3/29/80, p. 5);

(e) Mr. Flanigan, according to the New York Times, has also been involved in a number of fund raising matters involving corporations and future ambassadorships (3/20/72, p. 24; 7/27/74, p. 12; 10/9/74, p. 6; 11/17/74, p. 13);

(f) Mr. Flanigan is a member of the Advisory Council on Economic Affairs of the RNC (RNC Directory, July 1979).

4. James Lake

(a) During the period that Mr. Reagan was Governor of California, Mr. Lake was in charge of the District of Columbia office of the State of California (Witcover, Marathon, Viking Press (1977), p. 65);

(b) Mr. Lake was one of five advisors to Mr. Reagan who met secretly in April 1975 to explore the prospects of running Mr. Reagan for president in 1976 (Washington Post, 4/10/75, p. A19);

(c) Mr. Lake, together with Messrs. Nofziger and Sears, formed an exploratory Reagan for President committee in 1975 (Washington Post, 7/9/75, p. A6);

(d) In 1976, Mr. Lake was in charge of Mr. Reagan's primary campaign in New Hampshire (Washington Star, 1/30/79, p. 3);

(e) After 1976, Mr. Lake was associated with CFTR (e.g., CFTR FEC filings);

(f) Mr. Lake was a "senior consultant" to a Reagan Exploratory Committee in March 1979 (Washington Post, 3/8/79, p. 2);

(g) Mr. Lake attended a strategy session at Mr. Reagan's home over Thanksgiving 1979 (Newsday, 6/15/80, p. 27);

(h) Mr. Lake served as Press Secretary to the Reagan for President Committee during 1976 and again in 1979 and part of 1980 (Los Angeles Times, 6/25/80, p. 1; Washington Post, 12/14/79,

p. A5; New York Times, 7/17/76, p. 9; 7/20/76, p. 20; 2/17/80, p. 14).

5. Stuart Spencer

(a) Mr. Spencer ran Mr. Reagan's campaigns for Governor of California in 1966 and 1970 (Blumenthal, The Permanent Campaign, Beacon Press (1980), pp. 150-55);

(b) According to one source, Mr. Spencer was substantially responsible for training Mr. Reagan as a candidate. Thus, "[w]ithout Spencer and Roberts, Reagan might never have been a serious politician" (The Permanent Campaign, p. 149);

(c) Just prior to the filing of the May 15 and 16 letters by counsel for AEP, the press reported that Mr. Spencer was discussing with members of Mr. Reagan's campaign committee, including Mr. Casey, the possibility of joining Mr. Reagan's official campaign committee. Thus the New York Times reported:

> "William Casey . . . has been reaching out to Republican campaign specialists around the country to fill important gaps in the existing Reagan operation and to build unity with the rest of the party. Among the first contacted was Stuart H. Spencer, who ran the field operation for President Ford's re-election campaign in 1976 as well as Mr. Reagan's own campaign for Governor of California in 1966 and 1970." (5/12/80, p. D4);

(d) Mr. Spencer, together with Messrs. Nofziger, Wirthlin, Teeter, Dent and Arthur J. Finkelstein, are members of the Advisory Committee on Campaign Services of the RNC (RNC Directory, July 1979).

6. Harry S. Dent

(a) Mr. Dent was Chairman of the South Carolina Republican Party from 1965-67 (Who's Who);

(b) As President Ford's Southern Regional Coordinator in 1976, he worked closely with William Timmons, President Ford's Convention Director. (Marathon, pp. 438, 488-98) Mr. Timmons is now in charge of day-to-day political operations for the Reagan Campaign (e.g., New York Times, 6/29/80, p. 1);

(c) Beginning in 1968, Mr. Dent became Deputy Counsel to President Nixon and served in the White House until 1972 (Who's Who);

(d) While serving in the Nixon Administration, Dent's colleagues on the White House staff included Mr. Nofziger (e.g., New York Times, 12/11/69, p. 60), now Director of Communications for the official Reagan campaign (e.g., Washington Star, 5/11/80, p. 3), Mr. Timmons, and Richard Allen, a foreign policy consultant to the official Reagan campaign. (Boston Globe, 3/29/80, p. 1) Dent worked particularly closely with Nofziger; they were part of a small White House public relations group including Messrs. Haldeman, Erlichman, Ziegler, Chotiner, Chapin, and Flanigan (New York Times, 5/26/70, p. 20);

(e) According to the New York Times, Mr. Dent

was involved during those years in raising and spending a variety of political and semi-political funds (New York Times, 4/20/72, p. 12; 2/26/74, p. 1; 4/27/74, p. 26);

(f) Beginning in 1973, Mr. Dent served as General Counsel of the RNC. He resigned in December 1974, while he was under investigation for activities in connection with his White House years. (Washington Post, 2/6/73, p. A2; 12/7/74, p. A1);

(g) On December 11, 1974, Mr. Dent pleaded guilty in the U. S. District Court for the District of Columbia to violations of the Corrupt Practices Act involving a scheme to funnel funds secretly to selected Republican candidates for the United States Senate and House of Representatives (Criminal No. 74-728);

(h) Mr. Dent is a member of the Advisory Committee on Campaign Services of the RNC (RNC Directory, July 1979).

7. Winton M. Blount

(a) In 1959-60, Mr. Blount was Southeastern Director of the Nixon-Lodge Committee (Who's Who);

(b) From 1969-71 he was Postmaster General of the United States under President Nixon (Who's Who);

(c) In 1972, Mr. Blount was the Republican candidate for the U. S. Senate from Alabama (Who's Who)

8. John Deardourff

(a) Since 1966, Messrs. Deardourff and Douglas Bailey have been the principals in Campaign Coordinators, Inc., a Washington, D.C. based political consulting firm (The Permanent Campaign, p. 186);

(b) Some measure of their significance is apparent from the following which Deardourff has been quoted as saying:

> "The successful political consultant has become an independent operator . . . He is a separate power center. [He is] a replacement party for the decline of the [political] parties." (Id.)

The vital role played by political consultants in modern campaigns has been underscored by John Topping, President of the Rippon Society. In talking about Deardourff and Bailey, Topping has said:

> "One of the roles consultants [like Deardourff and Bailey] play is validating the seriousness of a candidacy which, in turn, enables a candidate to raise money for a media campaign. And Bailey and Deardourff are probably more important than the Republican Governor's Conference. . . .
>
> "A political consultant, unlike the old party boss, cannot deliver votes. But he can grant access to his other clients. And this is one of the greatest resources Bailey and Deardourff provide Baker. They have the best client list in the business. . . . We [Bailey and Deardourff] provide an alternative access to major political parties with whom we've worked. Because we have an independent reputation we provide him with visibility; we have a reputation for success. That signals something." (The Permanent Campaign, pp. 189-90);

(c) Mr. Deardourff is a leading professional Republican campaign consultant. He and partner

Bailey were in charge of media advertising for the Ford-Dole campaign in 1976. (Marathon, pp. 553, 538, 553) In the fall of 1978 alone, Deardourff ran the campaign of Republican Perry Duryea for Governor in New York while serving as consultant to Republican candidates in Michigan, Ohio, and Pennsylvania. (National Journal, 11/4/78, p. 1772)

As indicated, AEP intends to raise $12-15 million and to make that money available to support the election of Ronald Reagan. This group expects to utilize those millions

> "through a loophole in the campaign laws. By disclaiming any connection with the Republican candidate, Reed and his group could raise and spend huge amounts of money beyond what the candidate would receive from the Federal government, which will fund most of his general-election campaign. The group could spend the money as it pleases. One source says it will be spent mostly in attacking Jimmy Carter on the issues, leaving Ronald Reagan to take the high road with a more positive campaign." (Newsweek, 6/2/80, p. 21)

"[I]t amounts", according to the June 2, 1980, Washington Star, "to a full-scale campaign--lacking nothing but a candidate--on a parallel track".*

b. Americans for Change

On May 23, 1980, a Statement of Organization was filed with the Commission on behalf of a committee named Americans for Change (AFC). No

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* By letter to the Commission dated June 27, 1980, Mr. Hills said that AEP now also plans to support congressional candidates.

further information is given in the statement, except that it names three participants--Carl T. Curtis, Treasurer; Stan Huckaby, Assistant Treasurer; and Harrison H. Schmitt, Chairman.

The building address given for AFC is the same as that apparently used by AEP. (Wall Street Journal, 6/19/80, p. 1)

1. Stan Huckaby

(a) Mr. Huckaby is the sole officer of the Commission registered 1980 Republican Presidential Unity Committee of which the Reagan for President Committee is stated by Mr. Huckaby to be an affiliated committee;

(b) His address is listed on the AFC Statement of Organization as 310 First Street, S.E. in Washington--the same address as that of the RNC.

2. Carl T. Curtis

(a) Mr. Curtis was a Republican United States Senator from Nebraska from 1955 to 1979 (Who's Who);

(b) On information and belief, he now practices law with James Lake, a member of AEP.

3. Harrison Schmitt

(a) Mr. Schmitt is presently Republican United States Senator from New Mexico;

(b) He is a member of the Advisory Council on Economic Affairs of the RNC (RNC Directory, July 1979);

(c) On information and belief, Mr. Schmitt is a Reagan delegate to the 1980 Republican National Convention.

In addition to the three named officers, the press has identified the following as involved with AFC as part of a steering committee or otherwise: John Harmer, Melvin R. Laird, David Durenberger, George Romney, James Edwards, George Murphy, Marlow Cook, William Miller and Anna Chennault (Washington Post, 6/6/80, p. 1; Los Angeles Times, 6/6/80, p. 1; New York Times, 6/15/80, Editorial).

4. John Harmer

(a) Mr. Harmer was assistant to Republican Senator Wallace Bennett of Utah (Who's Who);

(b) He was a Republican member of the California State Senate from 1967 to 1974 and was Chairman of the Republican Caucus from 1971 to 1974 (Who's Who), serving as the liaison with the Reagan administration (Los Angeles Times, 4/4/72, p. 3);

(c) He was a delegate to the Republican National Convention in 1972 and 1976 (Who's Who);

(d) He was appointed Lieutenant Governor of California by Mr. Reagan in 1974 (Who's Who).

5. Melvin R. Laird

(a) Mr. Laird was a Republican member of the U. S. House of Representatives from 1953-59 (Who's Who);

(b) He was Chairman of the Republican National Convention in 1964 (Who's Who);

(c) He was Secretary of Defense from 1969-73 and Counsel to President Ford from 1973-74 (Who's Who).

6. Senator David Durenberger

(a) He has been Republican Senator from Minnesota since 1979 (Who's Who);

(b) He was supported in his 1978 campaign by Mr. Reagan; the CFTR contributed more than $3500 to his campaign (CFTR FEC filings, 6/21/78 and for the months of May and September 1978).

7. George Romney

(a) Mr. Romney was Republican Governor of Michigan from 1963-69 (Who's Who);

(b) He was Secretary of Housing and Urban Development from 1969-72 under President Nixon (Who's Who).

8. James Edwards

(a) Mr. Edwards was Republican Governor of South Carolina from 1975-78 (Who's Who);

(b) He was a key Southern supporter of Mr. Reagan in 1976 and engineered a solid Reagan slate in South Carolina in 1976 (Marathon, pp. 447, 462, 469);

(c) Mr. Edwards is a member of the Advisory Council on Natural Resources of the RNC (RNC Directory, July 1979);

(d) On information and belief, Mr. Edwards

is a Reagan delegate to the 1980 Republican National Convention.

9. George Murphy

(a) Mr. Murphy, Mr. Reagan's "long time actor friend", (Los Angeles Times, 6/25/80, pp. 1, 22), was Republican U. S. Senator from California from 1965-71;

(b) Messrs. Murphy, Casey and Clements are members of the Advisory Council on National Security and International Affairs of the RNC (RNC Directory, July 1979).

10. Marlow Cook

(a) Mr. Cook was Republican U. S. Senator from Kentucky from 1968-75 (Who's Who).

11. William Miller

(a) Mr. Miller was Republican candidate for Vice President in 1964;

(b) He was Chairman of the Republican National Committee from 1961-64 (Who's Who);

(c) He was a Republican member of the U. S. House of Representatives from 1951 to 1964 (Who's Who).

12. Anna Chennault

(a) Mrs. Chennault is a member of the Advisory Counsel on Fiscal Affairs of the RNC (RNC Directory, July 1979).

-AFC has announced an intention to make $20-30 million available to the Reagan campaign for TV ads, surrogate speaking tours and mail promotion (Baltimore Sun, 6/6/80, p. A4).

c. Americans for Reagan

Americans for Reagan (AFR) is a project of the North Carolina Congressional Club (NCCC).

Mr. Helms is the prime organizer of NCCC and it is the beneficiary of substantial funds left over from Senator Helms' personal campaigns.

(a) Mr. Helms has been Republican Senator from North Carolina since 1972;

(b) Mr. Helms chaired a 13-member committee, formed at the Conservative Political Action Committee Conference, to explore the possibility of a third-party Reagan-for-President bid (Marathon, p. 487);

(c) Mr. Helms was primarily responsible for delivering Reagan's upset victory in the 1976 North Carolina primary (Marathon, pp. 411, 412, 415; Wall Street Journal, 4/29/76, p. 5), and was later a chief floor manager (along with Paul Laxalt) for Reagan at the Republican Convention (Marathon, p. 487);

(d) Mr. Helms, as a result of conversations with Mr. Reagan, reported Mr. Reagan's opposition to the reinstatement of this Commission following the Supreme Court's decision in Buckley (Wall Street Journal, 4/29/76, p. 5);

(e) During 1976, Mr. Reagan campaigned for Mr. Helms in North Carolina and CFTR supported Mr. Helms in his race for the Senate, contributing $10,000 to his campaign (CFTR FEC filings, 12/28/77; July and December 1978; Congressional Quarterly, 2/17/79, pp. 307, 310; Marathon, p. 55;

(f) Mr. Helms has officially endorsed Mr. Reagan for President in 1980 (Christian Science Monitor, 4/25/80);

(g) The NCCC made two loans totalling $5,000 to the Jesse Helms for Vice President Committee as of February 1980 (NCCC First Quarter Report);

(h) Charles Black, a former Helms aide, was involved in Mr. Reagan's 1976 and 1980 campaigns, and, for some period between 1976 and 1980, was in charge of the political division of the RNC. (Newsday, 6/15/80, p. 1) According to Commission files, he was NCPAC's original Chairman and had certain expenses reimbursed by CFTR;*

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* NCPAC's original Treasurer, Roger Stone (Registration Form and Statement of Organization, 3/27/75) was both a 1976 and 1980 Reagan campaign staff member and now serves as a consultant to the campaign in a firm that also includes Charles Black. (Newsday, 6/15/80, p. 1; Washington Star, 5/11/80, p. 3) According to the Washington Post, Stone co-owns an Alexandria, Virginia office building with a group that includes Mr. Nofziger and other Reagan staff members and Terry Dolan, Executive Director of NCPAC. (Washington Post, 5/12/79, p. A8 ) A tenant of the group is reportedly Richard Viguerie, whose direct mail, list and printing companies have been used by the Reagan 1976 and 1980 campaigns, Citizens for the Republic (Reagan's PAC), FCM, and NCPAC. (Id., see also, the Appendix) A Viguerie employee, Morton Blackwell, who heads a Viguerie political action committee, "Committee for Responsible Youth Politics" (Congressional Quarterly, 12/24/77, p. 2653; see also FEC MUR 299(76) ), and also edits a Viguerie newsletter, "The Right Report" (Congressional Quarterly, 12/24/77, p. 2653), has been designated "temporary youth coordinator" of the Reagan campaign by its executive vice

- (i) On information and belief, Mr. Helms is a Reagan delegate to the Republic National Convention.

AFR sent out an initial mailing of 250,000 letters the first week of June and "expects to raise $2.5 million to purchase television time on behalf of Mr. Reagan's candidacy" (Baltimore Sun, 6/6/80, p. A4).

A recent New York Times article states:

> "The North Carolina Congressional Club is heavily involved in a number of campaigns in North Carolina and around the country, including a series of television commercials for Ronald Reagan, the Republican Presidential candidate.
>
> "The North Carolina Republican's (Helms') 1978 campaign raised and spent a record $7.5 million nearly a year and a half ago for his bid to return to the Senate. When it was over, the campaign maintained its financial appeal, leaving Mr. Helms atop a multimillion dollar, bipartisan political operation.
>
> "In 1979, not an election year for Federal office holders, the Helms organization (NCCC) raised more than $1.8 million, mainly through direct mail solicitations." (New York Times, 4/3/80, p. B12)

Other persons identified as participating in AFR by the press include:

Bruce W. Eberle is an organizer of AFR. He heads a direct mail agency--Eberle and Associates--used by the official Reagan campaign committees and several of the so-called independent committees. (See the Appendix)

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chairman, William Casey. (New York Times, 5/30/80, p. B6)

Mr. Stone also served as a political consultant to Arthur J. Finkelstein and Associates. The Finkelstein firm, according to FEC reports, described in the Appendix, has done work for both the Reagan 1976 and 1980 campaigns, NCPAC, and NCCC.

Thomas Ellis was treasurer of Citizens for Reagan in North Carolina in 1976. (Marathon, p. 485) In that capacity, he had conversations with ACU regarding their "independent" expenditures on Mr. Reagan's behalf. (MUR 203 and 203(a)(76), 12/1/77) On information and belief, Mr. Ellis is a Reagan delegate to the 1980 Republican National Convention.

Carter Wrenn, the current NCC treasurer, was Mr. Helms' treasurer for his 1978 re-election committee (MUR 459) and served on the staff of Mr. Reagan's 1976 official campaign.

4. Communications Among Respondents

Without the use of subpoenas, document production and cross-examination under oath, we cannot establish the extent to which respondents are to have been in communication and are or are not acting under common day-to-day control. The Commission has those tools of discovery available and can determine those facts if it should believe that necessary.

However, it is plain, and we assert here, that political professionals such as those included among the participants in respondents are fully and routinely able to act, directly and indirectly, and in concert and conjunction with other professionals on behalf of a particular candidate without day-to-day common direction. Thus, the accompanying affidavit of Robert S. Strauss, Chairman of the Carter-Mondale Reelection Committee, states:

> "The morning newspapers will provide ample information for these surrogate Reagan campaign managers, as well as the rest of the world, about the areas where Mr. Reagan needs help and about the political groups that need to hear his message. It will take no great sophistication to buy television and radio advertising, bill-

boards or bumper stickers, or make other political expenditures, through the use of political communications and intelligence provided through the media. This means that the Reagan campaign, with independent organizations to supplement their operations, will not have to make the decisions in allocating scarce resources for field and media expenses that the other official campaign committees must make. It means that 'independent committees' could pay for 'negative' advertising designed to tear down Mr. Reagan's opponents, while his authorized and official campaign sponsored only positive, pro-Reagan commercials."

Examples of such prior concerted action are to be found: (1) in the coordinated primary campaign contributions of Mr. Reagan's official committees and the ACU in the 1976 Ohio, Michigan and California primaries described above; (2) in the concerted primary contributions of FCM and Mr. Reagan's official committees in this year's primaries in New Hampshire and Texas, also described above; (3) and, as the press hypothesizes now,

"As a practical matter, however, there is no way to prevent the independent efforts from being what one Republican poll called 'legal but de facto collusion'. Spencer could decide, for example, to buy $2 million worth of advertising in New York and then simply announce that fact at a press conference. Reagan managers could then adjust their plans accordingly after they had read what Spencer intended to do.

"Thus, the Reagan campaign would be able to conserve its own resources for the critical states." (Washington Star, 6/2/80, p. A10)

Indeed, as Kenneth F. Boehm, treasurer of FCM, conceded just this week, direct contact is "unnecessary since 'we pretty much know what the Reagan campaign strategy is from the newspapers'".* (New York Times, 6/30/80, p. B13)

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* Mr. Boehm, a delegate to the 1976 Republican National Convention, was Pennsylvania Chairman of Youth for Reagan. (Who's Who) Like other FCM officials, he, as well as members of the official Reagan campaign, have also been involved with Young Americans for Freedom.

Violations of the Law

One basic purpose of the laws which the Commission exists to enforce is to insure that a candidate for President of the United States who seeks and accepts public funding--this year $29.4 million--shall not also seek or accept, either directly or indirectly, private financial support through fronts which act in conjunction, consultation or concert with him or with his consent but which assert a facade of independence. The statutes insure that the relationship between a candidate who accepts public funding and other groups will be judged realistically and that formalistic sham and technicality will not obscure reality. Hence, if Mr. Reagan seeks and accepts public funding and at the same time accepts the benefit of contributions to and by these Committees on behalf of his election, he and the other respondents described above will violate the law in numerous respects. Based upon the foregoing facts and reasonable inferences drawn therefrom:

I.

Mr. Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2). Contributions to the respondent committees are or will in fact be contributions to Mr. Reagan because:

(a) The contributions to one or more of the respondent committees are or will be made directly or indirectly on behalf of Mr. Reagan, 2 U.S.C. § 441a(a)(8), in that:

(1) one or more of the respondent committees have designated or instructed or will designate or instruct (directly or indirectly, expressly or by implication, orally or in writing) that all or any part of the contribution be made to or expended on behalf of Mr. Reagan. 11 C.F.R. § 110.6(a) and (b);

(2) one or more of the respondent committees are single-candidate committees. 11 C.F.R. § 110.1(h);

(3) contributions to one or more of the respondent committees are or will be given with knowledge that a substantial portion of the contribution will be contributed to or expended on behalf of Mr. Reagan. 11 C.F.R. § 110.1(h).

(b) Expenditures made by one or more of the respondent committees are or will be made with the cooperation or prior consent of, in consultation or concert with, or at the request or suggestion of Mr. Reagan, his authorized political committees or his agents. 2 U.S.C. § 441a(a)(7)(B)(i); 11 C.F.R. § 109.1;

see also, Informational Letter Re: AOR 1976-20 (August 17, 1976); MUR 321(76) (July 14, 1977); O/R No. 777 (December 7, 1976); AO 1979-80 (March 12, 1980);

II.

Mr. Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 26 U.S.C. § 9003(b)(1). Expenditures by one or more of the respondent committees are or will be qualified campaign expenses incurred by or on behalf of Mr. Reagan because:

(a) one or more of the committees are or will be agents of Mr. Reagan for purposes of making the expenditure. 2 U.S.C. § 441a(b)(2)(B)(i);

(b) one or more of the committees have been or will be authorized or requested by Mr. Reagan, an authorized Reagan committee, or an agent of Mr. Reagan to make the expenditure. 2 U.S.C. § 441a(b)(2)(B)(ii);

III.

By virtue of the allegations contained in Count I, one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limits to Mr. Reagan;

IV.

By virtue of the allegations contained in Count I, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limits;

V.

By virtue of the allegations contained in Count II, Mr. Reagan and one or more of the respondent

committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limits;

VI.

By virtue of the allegations contained in Count II, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly exceeding Mr. Reagan's expenditure limits;

VII.

By virtue of the allegations contained in the foregoing Counts, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 in that they have failed properly to report contributions and expenditures;

VIII.

One or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in an aggregate amount exceeding $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

IX.

Respondent, Republican National Committee, through its agents, has violated or will violate 2 U.S.C. § 441a(d) by incurring expenses in connection with the 1980 Presidential Election greater than permitted by law.

X.

Respondents, The Fund for a Conservative Majority, the North Carolina Congressional Club and the National Conservative Political Action Committee,

have violated 2 U.S.C. § 432(e)(4) in that their respective "projects" "Citizens for Reagan in '80", "Americans for Reagan" and the "Ronald Reagan Victory Fund", are discrete, unauthorized political committees which have included the name "Reagan" in their names.

Relief Sought

Complainants, therefore, request:

1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act;

2. That, in the alternative, the Commission immediately commence such investigation as is necessary to determine the extent to which the provisions of the Federal Election Act and the Fund Act are being violated by respondents which we submit should include the following:

(a) the Commission should adopt emergency procedures appropriate for the circumstances which will result in immediate and full discovery of the facts regarding the relationships between respondents, including immediate production of all letters, communications, telephone tolls and other relevant documents to the Commission and to counsel for complainants followed by immediate testimony subject to cross-examination by the Commission and counsel for the complainants;

(b) the Commission should immediately convene a hearing including counsel for all parties at which a schedule and procedure for

implementing such discovery will be agreed and/or ordered by the Commission;

(c) the Commission should conclude that the public and private interests will best be served by opening all of the foregoing procedures to the public generally;

(d) the Commission should provide for submission of all facts and argument to the Commission not later than July 14, 1980; and

(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation and determination of the extent to which the Acts are being violated.

We fully understand that the relief we seek places unusual burdens on the Commission, its staff and its procedures. Such burdens are necessary under the circumstances and not unlike those normally accepted by courts and other administrative agencies in emergencies.

Moreover, we assume that respondents and their counsel will wish to cooperate in resolving these matters as rapidly as possible. If one assumes that the true independence of the several political committees can be established, it is certainly in the interest of all respondents to do so as rapidly and completely as possible.

## Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the complaint are true and correct to the best of his knowledge, information and belief.

By: Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 1st day of July 1980.

Robert F. Whalen
Notary Public

My Commission Expires 3/30/81

ROBERT F. WHALEN
Notary Public, State of New York
No. 31-4236850
Qualified in New York County
Commission Expires March 30, 1981

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
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Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
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Ronald D. Eastman,
General Counsel,
Democratic National Committee,
Cadwalader, Wickersham & Taft
1333 New Hampshire Avenue, N. W.
Washington, D. C. 20036

## Appendix

### Common Vendors

(1) The political consulting firm of Arthur J. Finkelstein & Associates, which specializes in polling and survey research, did substantial work for Citizens for the Republic (CFTR), North Carolina Congressional Club (NCCC), and National Conservative Political Action Committee (NCPAC), as well as for the official Reagan campaigns in both 1976 and 1980.

(2) Ruth Jones, Ltd., a media time-buyer who has received more than $1 million in connection with its work for the official Reagan 1976 and 1980 campaigns, has also been employed by NCCC.

(3) Bruce Eberle Associates, Inc., a specialist in fund raising, direct mailing and mailing list rentals, received more than $400,000 from the 1976 Reagan campaign and its successor, CFTR, and has also received more than $115,000 from FCM. In addition, FCM has employed numerous Eberle subsidiaries involved in computer services, mailing, printing and list rental. Both the 1976 official Reagan campaign and its successor, CFTR, have employed Eberle's list rental subsidiary, Omega List Co., which has also served respondent FCM. Mr. Eberle is also active in respondent, NCCC.

(4) Richard A. Viguerie Co., Inc., a firm that did advertising and public relations for the 1976 Reagan campaign, as well as being involved in direct mailing, computer services and list rental, has also been employed by NCPAC. In addition, a Viguerie subsidiary engaged in direct mailing, American Mailing Lists Corp., has been

employed by NCPAC as well as the 1976 Reagan campaign and CFTR. Three printing and mailing subsidiaries, Diversified Printing Services, Metro Mailing and Printing, and Diversified Mail Marketing, have been employed by both FCM and NCPAC. Diversified Mailing Services, a direct mailing firm employed by both the 1976 and 1980 Reagan campaigns, has also been employed by NCPAC.

(5) "Human Events", which has provided list rental and computer services for Reagan's current campaign, has also done so for NCPAC.

(6) Input Data Assoc., a computer and list service for CFTR, has been employed by NCCC and NCPAC.

(7) Ed Nichols Assoc. and Wiland & Assoc. Inc., both of which have worked for Reagan or CFTR in the past, in addition to working for his 1980 campaign, have performed computer services for NCPAC. Wiland & Assoc. Inc., has also been employed by FCM.

(8) Lone Star Press and Mail Room, Inc., direct mailing services, and PSA Enterprises, a computer and list service, have all worked for Reagan in the past, and all three have been employed by FCM. Lone Star Press and Mail Room, Inc., have also been employed by NCPAC.

(9) The mailing services of Smarr Mailing and Thompson & Assoc., as well as the list services of the Name Exchange, have been shared by FCM and NCPAC.

(10) Both FCM and NCCC have used the mailing and computer services of Communications Corp. of America.

(11) Telepost and Tri-State Envelope Corp., both printers for Reagan's 1980 campaign, have been employed by FCM, and Tri-State has also been employed

by NCPAC.

(12) Integrity Autotyping, a printer for Reagan's 1976 campaign, has performed services for FCM.

(13) FCM and NCPAC share the printing services of Frank Gunpert Printing, Maryland Litho, McCollum Press and Smith Lithograph.

(14) NCPAC has used the pooling and research services of Decision Making Information, a long-time Reagan vendor, and one used in his present campaign.

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN, REAGAN FOR PRESIDENT, REPUBLICAN NATIONAL COMMITTEE, AMERICANS FOR AN EFFECTIVE PRESIDENCY, AMERICANS FOR CHANGE, NORTH CAROLINA CONGRESSIONAL CLUB and its project "AMERICANS FOR REAGAN", FUND FOR A CONSERVATIVE MAJORITY and its project "CITIZENS FOR REAGAN IN '80", NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE and its project "THE RONALD REAGAN VICTORY FUND"<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

CITY OF WASHINGTON ) SS:

I, Robert S. Strauss, being first duly sworn, depose and say:

1. I have participated in political life and political campaigns most of my adult life. During this time, I have had personal experience in almost every aspect of political campaigns on the local, state, and national level. On a national basis, I have served as Treasurer and Chairman of the Democratic National Committee. I now serve as Chairman of the Carter/Mondale Presidential Committee, Inc., President Carter's authorized campaign committee for the Democratic nomination for President. I am also Chairman of the Carter/Mondale Reelection Committee, Inc., which President Carter has authorized to begin preparations for the general election campaign. During the course of my career, I have had occasion to work with many individuals deeply involved in the political process. I have worked and talked with these people on national campaigns, and on campaigns in

most of the states of this country. I think it is fair to say that I know well a large number of the professionals in politics and the media in the country and have worked personally with many of them.

2. I have become very concerned recently about what is, in my opinion, a clear violation of the spirit of our federal election laws. I feel that most, if not all, of the so-called "independent expenditure committees" formed in support of Ronald Reagan's Presidential candidacy will not, and in fact cannot, operate independently of the candidate's official campaign. Many of these groups are managed and guided, directly or indirectly, by Mr. Reagan's former political associates.

3. These "independent" committees, which will inevitably be acting in concert with Mr. Reagan's campaign, will have a major impact upon the selection of our next President. This is readily apparent if one looks at the expenses involved in running a major national campaign. Travel alone for the candidate could amount to as much as $3-4 million. The administration and operation of a field operation will consume at least $4-5 million. Much of the remaining money will be spent for media. While the official campaign committees of other candidates will be forced to make difficult decisions on the most effective allocation of their limited resources, Mr. Reagan's authorized committee will be freed from this responsibility. The Reagan campaign will be able to make conscious decisions to neglect certain aspects of their operation, with the knowledge that the independent committees, which plan to raise and spend many millions of dollars, will effectively perform those functions.

4. The current system of publicly financing Presidential elections and limiting campaign expenditures and contributions adequately ensures that the views of all candidates will be placed before the American people and that the opportunities for corruption of the political process through undue financial influence are minimized. I feel the channeling of millions of dollars into media and other campaign activities by these "independent" committees and groups will upset this delicately balanced system and have a potentially devastating effect on this and future elections.

5. These "independent" committees, unlike Political Action Committees and other special interest groups sanctioned by the law, will function with structures and personnel quite similar to that of campaign committees, including pollsters, media consultants, direct mail operations, and the like. They are designed with the expressed intent of supplementing the authorized campaign committee, and with their size and expertise, they will be able to function effectively alongside the authorized committee. They will not be ad hoc groups of concerned citizens, but highly organized professional campaign committees. From what I know, these committees are independent in name only. They are linked by many subtle, but nonetheless substantial ties.

6. For example, close examination of the top people in these organizations will reveal that many share common political, business and professional relationships. They are members of the same organizations. They have worked together as Republican Party professionals in the same campaigns, with the same advisors, the same stances on the issues, and they have served in the same Administrations together. In reality,

these people will be working in parallel. Their longstanding ties provide ample knowledge of each other's strengths, weaknesses, tactics and methods of operation. Without any direct or frequent communication, they will be able to run a political organization that will complement Mr. Reagan's. Their association gives them the background to understand each others' moves and signals, which can easily be sent through the media.

7. Even when information might be needed, or when ex-Reagan associates are not available to help, these groups will be linked by the media. The morning newspapers will provide ample information for these surrogate Reagan campaign managers, as well as the rest of the world, about the areas where Mr. Reagan needs help and about the political groups that need to hear this message. It will take no great sophistication to buy television and radio advertising, billboards or bumper stickers, or make other political expenditures, through the use of political communications and intelligence provided through the media. This means that the Reagan campaign, with independent organizations to supplement their operations, will not have to make the decisions in allocating scarce resources for field and media expenses that the other official campaign committees must make. It means that "independent committees" could pay for "negative" advertising designed to tear down Mr. Reagan's opponents, while his authorized and official campaign sponsored only positive, pro-Reagan commercials.

8. If these groups spend the millions of dollars they have promised on behalf of the Reagan campaign, the spending advantage enjoyed by Mr. Reagan over his opponents could well make the difference in the outcome of the election. The total dollars in question are much more than either major political party's national committee can spend in connection with the Presidential campaign. They are several times what Mr. Reagan's or President Carter's pre-nomination campaigns spent over the course of more than a year. In terms of the appearance or reality of undue political influence or improper financial "quid pro quos", I see very little difference in an "independent" committee funneling millions of dollars into a campaign and a similar group making an excessive, illegal donation to the candidate.

9. To my knowledge, no independent expenditure effort of this type and scope -- i.e., a multi-million dollar, parallel campaign organization utilizing professional polling, media, and organizational experts as well as past political aides and close advisors of the candidate on whose behalf the expenditures are to be made -- has ever been attempted.

10. I am aware that Mr. Reagan and several of the organizations and individuals planning on making substantial "independent expenditures" on his behalf are opposed to limitations on expenditures and contributions and to public financing in connection with Presidential campaigns. I am not aware, however, that Mr. Reagan, in this or past campaigns, has ever discouraged the making of independent expenditures on his behalf. In fact, my understanding is that Mr. Reagan has received a great deal of this type of assistance.

11. In contrast, the policy of the Carter-Mondale campaign in the 1976 primary and general election campaign and the 1980 primary and general election campaign has been, and will be, to actively discourage the making of independent expenditures on behalf of President Carter and Vice President Mondale.

12. As I stated before, I have no doubt that these expenditures, which could amount to millions of dollars, could have a tremendous effect upon the 1980 Presidential election. I thought we had learned from our mistakes and corrected many of them, with the passage of the Federal Election Campaign Act. It would be regrettable to repeat these mistakes through a lack of vigilance in policing the intent of this Act.

Robert S. Strauss

Subscribed and sworn to before me
this 2nd day of July, 1980.

Claudia B. Harrison
Notary Public

My Commission Expires October 17, 1981

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN *et al*,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

AMENDMENT TO COMPLAINT

The Complainants hereby add as Respondents the Reagan for President General Election Committee and the Reagan for President Compliance Fund. Both Committees were registered on May 29, 1980, listing Paul Laxalt as Chairman, Loren A. Smith as General Counsel, and Bay Buchanan as Treasurer and Custodian of Records. The address listed for both Committes is 9841 Airport Boulevard, Suite 1430, Los Angeles, California 90045.

These additional Respondents are the official Reagan committees for the general election.

Verification

The undersigned counsel for the Complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the amendment

to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 8th day of July 1980.

Josephine D. Pignatelli
Notary Public

My Commission Expires 3/30/82

JOSEPHINE D. PIGNATELLI
NOTARY PUBLIC, State of New York
No. 24-8372250
Qualified in Kings County
Cert. filed in New York County
Commission Expires March 30, 1982

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
One Chase Manhattan Plaza
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Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
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Democratic National Committee
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1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980.

The July 11, 1980 issue of the Washington Star reported that Stuart Spencer, referred to in our complaint as one of the early participants in the group calling itself "Americans for an Effective Presidency ("AEP"), has joined the official Reagan campaign committee. That article, which is appended, reports that Mr. Spencer is "expected to assume control of the campaign's field operations."

Mr. Spencer thus joins Mr. Clements, also referred to in our complaint as one of the early participants in AEP, on the official Reagan campaign.

The free and easy movement of these individuals from the so-called "independent" AEP to the official Reagan campaign dramatizes the transparent nature of the AEP. The timing of these moves gives rise to a strong inference that Messrs. Spencer and Clements were conferring with members of the official campaign at the same time they were conferring with others about setting up AEP.

I-6

## Verification

The undersigned counsel for the Complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the amendment to the complaint are true and correct to the best of his knowledge, information and belief.

By: Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 14th day of July 1980.

Josephine D. Pignatelli
Notary Public

My Commission Expires March 30, 1982

JOSEPHINE D. PIGNATELLI
NOTARY PUBLIC, State of New York
No. 24-8372250
Qualified in Kings County
Cert. filed in New York County
Commission Expires March 30, 1982

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
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# Stuart Spencer Joining Reagan

By Jack W. Germond
Washington Star Political Editor

WASHINGTON STAR
JULY 11, 1980
A-4

DETROIT — Stuart Spencer, one of the Republican Party's most respected professionals, is joining Ronald Reagan's campaign staff.

According to sources in a position to know, Spencer will be named within a few days to serve initially as a kind of adviser without portfolio. Later he is expected to assume control of the campaign's field operations.

Spencer, who operates a political consulting firm in California, was the chief strategist for Gerald Ford's presidential campaign in 1976. He has run Republican campaigns at all levels and of all ideological stripes for almost 20 years — including Reagan's own first campaign for governor of California in 1966.

The specifics of Spencer's role in the Reagan campaign this year are still somewhat unsettled. One source said, however, that he will be one of several key advisers under campaign director William Casey with a rank equivalent to that of William Timmons, another former Ford aide who recently signed on as political director for Reagan.

One critical assignment for Spencer clearly will be to establish a working relationship with Republican leaders and officeholders around the country, many of whom have been grumbling about being ignored by the Reagan campaign.

Spencer has a wide aquaintance in these circles, including work in campaigns that elected William Clements and David Treen governors of Texas and Louisiana, respectively.

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14, 1980.

The July 13, 1980 issue of the Washington Post reported that Anna Chennault, referred to in our complaint as one of the participants in "Americans for Change", has joined the official Reagan campaign committee. That article, which is appended, reports that she has been named Co-Chair of the Nationalities Division.

The July 15, 1980 issue of the New York Times reported that NCPAC and Americans for Reagan, the NCCC "project", announced their plans to support Mr. Reagan the previous day. That article, which is also appended, said:

> "The National Conservative Political Action Committee previewed a series of 10 television commercials that are to be shown in selected markets beginning on Friday. Terry Dolan, chairman, said that the group would spend from $1 million to $5 million.
>
> "At the same time, Americans for Reagan, headed by Senator Jesse Helms, Republican of North Carolina, said it had set a fund-raising goal of $4 million."

I-c

## Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 15 day of July 1980.

James Lettiere
Notary Public

My Commission Expires 3/30/81

JAMES LETTIERE
Notary Public, State of New York
No. 4702137
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1981

Of Counsel:

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# Reagan Proposes Economic Recovery Plan

WASH POST 7/13/80 p.17

## CAMPAIGN NOTES

[illegible] Independent page-[illegible]

[illegible] Democratic presidential candidate John B. Anderson opened a campaign headquarters two blocks from the GOP convention hall in Detroit.

"We want to make the world realize that Michigan is strong for Anderson," said Lorraine Beebe, Anderson's state campaign coordinator.

Beebe said the site for the Detroit city campaign office was found only a few days ago, and workers had been painting and designing to make the opening in time for the convention.

Anderson needs about 5,000 votes in Michigan's August primary to be placed on the November ballot in the state. His supporters said they filed about 20,000 signatures to qualify him for the primary.

Anna Chennault and Darlene Hooten were named to head the metropolitan division of the Reagan for President Committee.

Chennault, a native of China, is also chairman of the National Republican Heritage Council. Hooten, a Washington, D.C., lawyer, is a former assistant treasury secretary.

Chennault told a news conference that 300 delegates and alternates identify themselves as ethnic Americans.

Americans still favor ratification of the Equal Rights Amendment by a 2-to-1 ratio, according to a poll commissioned by the National Organization for Women.

The survey found that about 34 percent of those in the nationwide sampling strongly support ratification and 26 percent expressed moderate support. Seventeen percent expressed strong opposition and 14 percent said they moderately opposed the amendment.

The poll showing 62 percent of Americans in favor of ERA and 31 percent against was released as Republicans prepared to debate a party issues platform that was stripped of support for the amendment. Reagan, the certain nominee, opposes the amendment.

An Associated Press/NBC News poll also found nearly 2-to-1 support for ERA ratification. The poll, conducted Tuesday and Wednesday among 1,042 adults, showed that 63 percent of those asked favored ERA, 28 percent opposed the amendment, 8 percent were unsure and 26 percent said they had not heard or read enough about ERA to have an opinion.

Supporters of Edward M. Kennedy for president yesterday filed a minority report with the Democratic Party's rules committee, setting up a series of floor fights over the rules at the party's national convention in August. The major challenge filed by the Kennedy forces would eliminate a new rule requiring delegates to honor their primary or caucus pledges in balloting for the presidential nominee.

Supporters of President Carter defeated all seven Kennedy proposals when the rules committee met here last week, and the Carter side with a big delegate majority is expected to prevail on the convention floor as well.

The Washington Post, July 13, 1980, p. 17

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## 2 Committees Announce Fund Drives for Reagan

DETROIT, July 14 (AP) — Two independent committees announced plans today to raise as much as $9 million to support Ronald Reagan's Republican Presidential candidacy.

The National Conservative Political Action Committee previewed a series of 10 television commercials that are to be shown in selected markets beginning on Friday. Terry Dolan, chairman, said that the group would spend from $1 million to $5 million.

At the same time, Americans for Reagan, headed by Senator Jesse Helms, Republican of North Carolina, said it had set a fund-raising goal of $4 million.

At least seven committees have announced plans to support Mr. Reagan candidacy with independent expenditures.

The Federal Election Commission last week disclosed plans to take action against the groups, charging that they violated legal restraints on campaign spending and contributions. But the committees insist they are only exercising their constitutional right to free speech.

The New York Times, July 15, 1980, p. 9

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al.,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14 and July 16, 1980.

1. Americans for an Effective Presidency filed a statement of organization with the Commission, which is attached, on July 9, 1980.

2. The attached press release, dated July 12, 1980, identifies Anna Chennault, referred to in our complaint and our July 16 supplement as one of the participants in "Americans for Change", as follows:

> "She is Chairman of the National Republican Heritage Groups Council and serves as an ex officio member of the Republican National Committee. She has held leadership roles in Republican Presidential Campaigns since 1964. Additionaly, Mrs. Chennault for many years has served as co-chairman of the Republican Finance Committee and is a member of the Eagles, the Republican Congressional Campaign Committee, and the Republican Senatorial Trust."

3. The Republican National Convention

The attached soliciation letter from Jesse Helms on behalf of NCCC's project "Americans for Reagan", dated July 14, 1980, reads in part:

> "I'm writing to you from the Republican National Convention in Detroit to ask you to do a special favor for me and Ronald Reagan. . . .
>
> "This election may be decided by only a few votes in key states and that's where we must put our time, efforts and resources. Television spots, newspaper ads and radio commercials have already been prepared. And brochures and other campaign materials will soon be ordered. . . .

I-d

"First, will you call as many friends and neighbors as possible and ask them to watch Ronald Reagan as he delivers his acceptance speech in Detroit this Thursday night?

"Second, will you give the enclosed blue envelopes to some of your special friends and ask them to mail a generous check to us at AMERICANS FOR REAGAN today?

"And third, won't you please dig down deep and send me at least $25 or even $50 or $100 today?

"In fact, won't you please sit down right this minute and write out your check and send it back to me in the enclosed white envelope?. . .

"Remember, Ronald Reagan and our nation need your financial help . . . ." [Emphasis added.]

The attached solicitation letter from Senator Schmitt, identified in the letter as Chairman of "Americans for Change", dated July 13, 1980, reads in part:

"Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.

"A buffet pool party--co-hosted by Jack Holden and Astronaut Walter Cunningham--will be held Friday night, July 18, 7:30-10;00 p.m., at the home of Mr. and Mrs. Jack Holden, 210 Fleetway Drive. Tickets for this exclusive event are $1,000 per couple.

"I will fly to Houston directly from the National Convention along with John Harmer, Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.

"Please join the team now. Send your checks for Reagan for President in '80* to 210 Fleetway Drive, Houston 77024, 526-8141." (Emphasis added.)**

The attached solicitation letter from FCM's project, "Citizens for Reagan in '80", which was mailed in an envelope reading "DATELINE : REPUBLICAN CONVENTION, DETROIT 11:03 PM WEDS. JULY 16, 1980", and which bears a picture of Mr. and

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* While we have no information explaining what "Reagan for President in '80" is, it nevertheless appears that AFC's use of this name violates 2 U.S.C. § 432(e)(4).

** The attached article from the July 20, 1980 New York Times reported that Messrs. Reagan and Bush flew directly from the Convention to Houston, where they appeared at a rally with Governor Clements.

Mrs. Reagan, reads in part:

> "Tonight Ronald Reagan was nominated for President!
>
> "Now our work really begins. . . .
>
> "Your contribution is needed. Campaign plans; national advertising on TV and radio; full page ads in newspapers; election mailings pin-pointed to selected voters are all waiting for the funds to be raised.
>
> "Ronald Reagan needs you to support 'Citizens for Reagan in '80' if he is to be elected President. . . .
>
> "Your contribution of at least $25 is needed today. If you can afford $50, $100, or as much as $5,000 your contribution will be carefully and professionally used to help elect Ronald Reagan President." (Emphasis in original.)

According to the attached Baltimore Sun article appearing July 16, 1980, NCPAC held a press conference in Detroit during the Convention to outline its media strategy for assisting Mr. Reagan. The article reported:

> "First showings of the [NCPAC] commercials will be in the Midwest, but future airing will depend on the Reagan campaign strategy and market testing done for the committee by a professional polster." (Emphasis added.)

On information and belief, William P. Clements, Jr., Harrison Schmitt, James Edwards, Jesse Helms, and Thomas Ellis were delegates to the 1980 Republican National Convention and voted for Mr. Reagan as the Party's Presidential candidate.

Further, on information and belief, in evidence on the floor of the Convention were numerous printed signs reading "Americans for Reagan" and "Citizens for Reagan in '80". Persons carrying such signs appeared to be an integral part of campaign-orchestrated pro-Reagan floor demonstrations.

4. Mailing Lists

The Commission's files reveal that many of the official and unofficial committees have exchanged mailing lists among themselves.

- Bruce Eberle Associates exchanged mailing lists with CFTR, and Omega List Company, an Eberle subsidiary, has provided mailing lists to the 1976 official Reagan campaign, CFTR, and FCM.

- FCM has exchanged mailing lists with Name Exchange, and Name Exchange has provided lists to NCPAC.

- American Mailing Lists Corp., a subsidiary of Richard A. Viguerie Company, has provided mailing lists to NCPAC, the 1976 official Reagan campaign, and CFTR.

- CFTR provided mailing lists to the Helms for Senate Committee and the Texas Republican Party,* and exchanged mailing lists with Integrated Communications Systems, Inc. (ICSI).

- ICSI is a direct mail vendor to the 1980 official Reagan campaign.

5. According to Commission filings submitted by the Republican National Committee, Mr. Huckaby has been receiving a salary from the National Republican Congressional Committee, an official campaign committee of the RNC (AO 1976-108, February 15, 1977).

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* Governor Clements was the nominee of the Texas Republican Party when the list was provided.

## Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 20th day of July 1980.

Cecilia Keeney

Notary Public

My Commission Expires 1982

CECILIA KEENEY
NOTARY PUBLIC, State of New York
No. 4894095
Qualified in Westchester County
Term Expires March 30, 1982

Of Counsel:

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Paul M. Dodyk
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Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
Committee, Inc.
2000 "L" Street, N.W.
Washington, D. C. 20036

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

# STATEMENT OF ORGANIZATION

See reverse side for instructions

1. (a) Name of Committee (in full) — Check if name or address changed. — 2. Date — 80 L 8 P12:57

AMERICANS FOR AN EFFECTIVE PRESIDENCY — July 9, 1980

(b) Address (Number and Street) — 3. FEC identification number

1225 19th Street, N.W.

(c) City, State and ZIP Code — 4. Is this an amended Statement? ☐ YES ☒ NO

Washington, D.C. 20036

5. TYPE OF COMMITTEE (check one)

☐ (a) This committee is a principal campaign committee. (Complete the candidate information below.)

☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

| Name of Candidate | Candidate Party Affiliation | Office Sought | State District |
|---|---|---|---|
| | | | |

☐ (c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

☐ (d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

☐ (e) This committee is a separate segregated fund.

☒ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

6.

| Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship |
|---|---|---|
| None | | |

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. Custodian of Records: Identify by name, address (phone number — optional) and position, the person in possession of committee books and records.

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Robert H. Masson | 700 Anderson Hill Road<br>Purchase, New York 10577 | Treasurer |

8. Treasurer: List the name and address (phone number — optional) of the treasurer of the committee and the name and address of any designated agent (e.g., assistant treasurer).

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Robert H. Masson | 700 Anderson Hill Road<br>Purchase, New York 10577 | Treasurer |

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

| Name of Bank, Depository, etc. | Mailing Address and ZIP Code |
|---|---|
| First American Bank, N.A. | 740 15th Street, N.W.<br>Washington, D.C. 20005 |

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Robert H. Masson — Robert H. Masson — 7-9-80

Type or Print Name of Treasurer — SIGNATURE OF TREASURER — Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. 437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530 (202) 523-4068-4069

FEC FORM 1 (5/80)

8304042817

REAGAN FOR PRESIDENT

FOR IMMEDIATE RELEASE

CONTACT: Jack Burgess
(313)467-1510
ext. 1844.

Saturday, July 12, 1980

---

Two prominent Washingtonians will serve as Co-Chairpersons of the Nationalities Division of the Reagan for President Committee.

Named to the posts were Gene Rossides, a senior partner in the law firm of Rogers and Wells and former Assistant secretary of the Treasury, and Anna Chennault, aviation and transportation expert and lecturer.

Assisting with policy and procedural guidance will be the Congressional Advisory Board of Ethnic Concerns, headed by Illinois Congressman Ed Derwinski.

Derwinski has spearheaded the GOP's efforts over the years to enlist Americans of ethnic background to the Party's ranks. The other members of the Board are Senators Pete Domenici (R-N.M.); and S.I. Hayakawa (R-Calif.) and Congressmen Arlen Erdahl (R-Minn.); Benjamin Gilman (R-N.Y.), Robert Lagomarsino (R-Calif.), Manuel Lujan, Jr. (R-N.M.), Charles Pashayan, Jr., (R-Calif.), Matthew J. Rinaldo (R-N.J.), Donald Ritter (R-Pa.) and Congresswoman Olympia Snowe (R-Me.).

Rossides, a Greek-American, served as assistant treasury secretary from 1969 to 1973. His responsibilities included direct supervision of the U.S. Customs Service, Bureau of Alcohol, Tobacco and Firearms, Secret Service, Bureau of the Mint, and several other major divisions of the Treasury Department. He was the U.S. representative to INTERPOL and served as law enforcement and trade policy advisor to the secretary of the treasury. He is the author of U.S. Customs, Tariffs and Trade and chief editor of the Bureau of National Affairs' U.S. Import Weekly.

(MORE)

8304042484B

A native New Yorker, Rossides is a former assistant attorney general of that state and has long been active in New York civic and political affairs. His political experience includes his having held key positions in the Eisenhower, Nixon, Rockefeller, Javits and Keating campaigns.

He is a member of the Greek Orthodox Church and has served on its highest ruling body, the Archdiocesan Council.

Rossides is married and the father of four children.

Mrs. Chennault, the widow of WWII General Claire Lee Chennault, holds several high-level positions within the Republican Party. She is Chairman of the National Republican Heritage Groups Council and serves as an ex officio member of the Republican National Committee. She has held leadership roles in Republican Presidential Campaigns since 1964.

Additionally, Mrs. Chennault for many years has served as co-chairman of the Republican Finance Committee and is a member of the Eagles, the Republican Congressional Campaign Committee, and the Republican Senatorial Trust. She is a consultant with, and former Vice President for International Affairs of Flying Tiger Airlines. She serves as a director on the boards of several financial and corporate institutions and is co-chairman of the U.S. Council for Southeast Asian Trade and Investment. Mrs. Chennault has authored several scholarly publications in both Chinese and English and has lectured throughout the United States and overseas. The recipient of several honorary degrees, she has received numerous awards including the Freedom Award from the Order of Lafayette.

###

93040424849

SUITE 310
ALEXANDRIA, VA 22[illegible]

1-0083475083736SAFCAFC2 7/13/80 ACP NAUD
01-ALEXANDRIA*

DEAR :

Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.

A quiet pool party -- co-hosted by by Jack Holden and Astronaut Walter Cunningham -- will be held Friday night, July 18, 7:30-10:00 p. m., at the home of Mr. and Mrs. Jack Holden, 810 Fleetway Drive. Tickets for this exclusive event are $1,000 per couple.

I will fly to Houston directly from the National Convention along with John Harmer, Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.

Please join the team now. Send your checks for Reagan for President in '80 to 810 Fleetway Drive, Houston 77024, 523-5141.

Senator Harrison (Jack) Schmitt
Chairman - Americans For Change

P.S. If you cannot join us, please contribute as much as possible to help restore a sense of pride in our country.

Paid for by AMERICANS FOR CHANGE, not authorized by any candidate.

8.30042483

8304042481

# AMERICANS FOR REAGAN
## NATIONAL CONVENTION HEADQUARTERS

# REPLY FORM

AMERICANS FOR REAGAN
Senator Jesse Helms
PO Box 18848
Raleigh, NC 27619

Dear Senator Helms:

☐ I listened to Ronald Reagan's speech on national TV and I'm with you in your independent campaign to elect this great American as President in 1980. I agree, this is the greatest challenge of our lifetime, and to help meet it I have enclosed my contribution for:

$_____

☐ I asked (  ) friends and neighbors to watch Ronald Reagan on TV.

☐ (  ) of the friends and neighbors I asked to watch Ronald Reagan on TV have pledged to send a contribution to AMERICANS FOR REAGAN.

☐ I am sorry, Senator Helms, but I can not help you elect Ronald Reagan President at this time.

Sincerely,

# SENATOR JESSE HELMS

NATIONAL CONVENTION HEADQUARTERS AMERICANS FOR REAGAN

July 14, 1980

Dear Friend:

I'm writing to you from the Republican National Convention in Detroit to ask you to do a special favor for me and Ronald Reagan.

This Thursday night, Ronald Reagan will deliver his speech accepting the Republican Presidential nomination to run against Jimmy Carter.

As many voters as possible must watch this event on national television.

That's why I'm asking you to call your friends and your neighbors to watch Ronald Reagan deliver his historic speech.

And as I watch Ronald Reagan speak, I will be thinking of you because you helped make his nomination possible. In fact, I share Ronald Reagan's appreciation for the support he has received from you and countless Americans like you across the nation.

From the bottom of my heart, I say thank you, and God bless you.

But your work is not over. In fact, it has just begun.

You and I face perhaps the greatest challenge of our lifetime.

The liberal Democrats and Jimmy Carter have brought this nation to the brink of disaster. Not since the Great Depression -- and perhaps not even then -- has America been so close to financial collapse.

Jimmy Carter and his allies in Congress have neglected our national defense to the point that we are becoming powerless to protect our national interests against foreign enemies. The Soviet Union knows this, and is becoming more aggressive and more reckless as its military capabilities grow and ours decline.

Can this nation we love, the United States of America, survive another four years under Jimmy Carter?

8 3 0 4 0 4 2 4 8 5 2

On Tuesday, November 4, you and I and our fellow voters will decide whether we begin anew with renewed hope in the American Dream under the inspired leadership of a great American, Ronald Reagan. Or, will this nation slide into an abyss from which it will never return?

The choice you and I face is crystal clear. If not for ourselves, then for our children and for their children we must totally dedicate ourselves to the election of Ronald Reagan as President of the United States.

We must work tirelessly.

And, our prayers must be fervent on behalf of our nation.

I firmly believe that Ronald Reagan was meant for this moment in history.

By reordering our nation's priorities and balancing the federal budget, Ronald Reagan can put an end to runaway inflation, high interest rates and the debasement of our currency.

Ronald Reagan's total commitment to the security of the United States will increase our chances for peace, and insure that the United States is once again the respected leader of the free world.

But it's not going to happen unless you and I act.

The liberals aren't going to give up easily.

The news media monopoly has already begun its attack on Governor Reagan. His record and his views have been and will be distorted and twisted. Millions of dollars are being poured into a Stop Reagan campaign by the liberal establishment which has dominated this nation for so many years.

No stone will be left unturned in this massive effort to defeat and destroy Ronald Reagan and all we stand for.

Yet, Ronald Reagan will not be allowed to call on you for help to counter the lies and propaganda that could end his chances for the Presidency. The official Reagan campaign is prohibited from soliciting or accepting your contribution or mine, thanks to laws passed by the liberal Congress.

But fortunately, there is a way you can help elect Ronald Reagan -- let me explain.

Because the Reagan campaign cannot accept your contribution, we have decided to launch an independent effort to counter the liberal forces arrayed against Governor Reagan.

If you and I reach the American people with the truth about

3 3 0 4 0 4 2 4 8 3 3

Ronald Reagan, he can win on November 4. If we fail, the liberals will succeed in distorting the Reagan record and Ronald Reagan will lose.

Either you and I commit ourselves to a victory for Ronald Reagan, or we will suffer a defeat from which this great nation may never recover. That's why I'm calling upon you to pledge yourself to a victory for Ronald Reagan.

This election may be decided by only a few votes in key states and that's where we must put our time, effort and resources. Television spots, newspaper ads and radio commercials have already been prepared. And brochures and other campaign materials will soon be ordered.

I honestly believe that this independent campaign can mean the difference between victory or defeat for Ronald Reagan, and that is why I am asking for your help today.

First, will you call as many friends and neighbors as possible and ask them to watch Ronald Reagan as he delivers his acceptance speech in Detroit this Thursday night?

Second, will you give the enclosed blue envelopes to some of your special friends and ask them to mail a generous check to us at AMERICANS FOR REAGAN today?

And third, won't you please dig down deep and send me at least $25 or even $50 or $100 today?

In fact, won't you please sit down right this minute and write out your check and send it back to me in the enclosed white envelope?

Time is very short.

We must begin buying television time immediately if we are to get on the air in those crucial swing states.

You and I are fighting for survival.

So please be as generous as you possibly can.

And mail your check today.

Remember, Ronald Reagan and our nation need your financial help, your efforts, and your prayers. God bless you.

Sincerely,

Jesse

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Citizens for Reagan in '80!

# VICTORY ALERT

TONIGHT RONALD REAGAN WAS NOMINATED FOR PRESIDENT!

NOW OUR WORK REALLY BEGINS.

YOU MUST JOIN WITH "CITIZENS FOR REAGAN IN '80" TODAY IF AMERICA IS TO ELECT THIS STRONG AND EFFECTIVE LEADER.

IN JUST 3 1/2 MONTHS, THE VOTERS OF AMERICA WILL DECIDE IF RONALD REAGAN WILL LEAD OUR COUNTRY AND THE FREE WORLD FOR THE NEXT FOUR YEARS.

THE ALTERNATIVE IS ANOTHER 4 YEARS OF DEMOCRATIC FAILURE. THIS WE SIMPLY CANNOT AFFORD.

REAGAN'S CAMPAIGN BUDGET IS FEDERALLY-CONTROLLED AND LIMITED BY THE DEMOCRATIC-CONTROLLED CONGRESS.

THE DEMOCRATIC NOMINEE FOR PRESIDENT WILL HAVE THE SAME OFFICIAL BUDGET, BUT HE WILL ALSO HAVE THE POWER OF THE WHITE HOUSE, THE HUGE CAMPAIGN RESOURCES OF THE BIG LABOR BOSSES AND A VERY FRIENDLY NATIONAL NEWS MEDIA ON HIS SIDE.

BY LAW YOU CANNOT CONTRIBUTE DIRECTLY TO REAGAN'S CAMPAIGN NOW THAT HE HAS BEEN NOMINATED.

SO IT IS OBVIOUS THAT RONALD REAGAN NEEDS "CITIZENS FOR REAGAN IN '80", THE INDEPENDENT CAMPAIGN SPONSORED BY THE NATIONALLY RESPECTED FUND FOR A CONSERVATIVE MAJORITY. FCM IS ALSO HELPING TO ELECT A CONSERVATIVE SENATE THIS FALL.

YOUR CONTRIBUTION IS NEEDED. CAMPAIGN PLANS; NATIONAL ADVERTISING ON TV AND RADIO; FULL PAGE ADS IN NEWSPAPERS; ELECTION MAILINGS PIN-POINTED TO SELECTED VOTERS ARE ALL WAITING FOR THE FUNDS TO BE RAISED.

RONALD REAGAN NEEDS YOU TO SUPPORT "CITIZENS FOR REAGAN IN '80" IF HE IS TO BE ELECTED PRESIDENT.

This communication and all enclosures are paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee.

WE MUST RAISE AT LEAST $3,476,000 TO HAVE A CHANCE TO ELECT RONALD REAGAN THIS FALL. AND WE MUST RAISE $755,000 OVER THE NEXT THREE WEEKS IN ORDER TO RESERVE ADVERTISING SPACE -- TV AND RADIO TIME FOR THE CRITICAL FALL MONTHS.

YOUR CONTRIBUTION OF AT LEAST $25 IS NEEDED TODAY. IF YOU CAN AFORD $50, $100, OR AS MUCH AS $5,000 YOUR CONTRIBUTION WILL BE CAREFULLY AND PROFESSIONALLY USED TO HELP ELECT RONALD REAGAN PRESIDENT.

AND SHOULD RONALD REAGAN WIN THE PRESIDENCY, YOU WILL BE INVITED TO A SPECIAL INAUGURATION CELEBRATION HERE IN WASHINGTON, D.C. NEXT JANUARY 19 AND 20.

"CITIZENS FOR REAGAN IN '80" MUST BEGIN TO RESERVE IMPORTANT TV AND RADIO TIME. TIME IS SHORT.

PLEASE ACT TODAY!

ONLY WITH YOUR HELP CAN WE CELEBRATE VICTORY ON NOVEMBER 4 -- THE DAY RONALD REAGAN IS ELECTED PRESIDENT!

YOUR COMMITMENT TODAY WILL HELP DETERMINE IF RONALD REAGAN WILL WIN THE PRESIDENCY THIS YEAR.

I KNOW I CAN COUNT ON YOU.

SINCERELY,

ROBERT C. HECKMAN
CHAIRMAN

P.S. RONALD REAGAN IS NOMINATED! WE CAN ELECT HIM PRESIDENT ON NOVEMBER 4.

SEND YOU CONTRIBUTION TODAY TO FCM AND SUPPORT "CITIZENS FOR REAGAN IN '80".

DATELINE: REPUBLICAN CONVENTION, DETROIT 11:03PM WEDS. JULY 16, 1980

# Reagan...Reagan...Reagan...Reagan

This communication and all enclosures are paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee.

# Two groups may spend $9 million for Reagan

Balt. Sun p. A7

[illegible]

[illegible]

[illegible]

# Reagan Escorts Bush Home to Houston for a Campaign Appearance

By DOUGLAS E. KNEELAND

Special to The New York Times

HOUSTON, July 19 — Ronald Reagan, the newly nominated Republican Presidential candidate, flew here today from the convention city of Detroit for a brief celebration in the hometown of his running mate, George Bush.

Mr. Reagan and his wife, Nancy, joined Mr. Bush and his wife, Barbara, for lunch at the Bushes' home in the affluent Memorial section of Houston. Then all four went to the fashionable Galleria hotel-shopping center complex for a rally that marked the first public campaign appearance of the Republican ticket.

"I don't believe it's going to be an easy campaign in the fall," Mr. Bush told a crowd of several hundred people watching from the balconies of the multilevel shopping mall. "Given Jimmy Carter's record it ought to be easy, but it's not. It's going to be tough."

Mr. Reagan, wearing a cowboy hat, responded, "If Texas and California can't do it, it can't be done."

### Crowd Amusements

While awaiting the candidates, many in the crowd amused themselves by booing several women bearing placards endorsing the proposed equal rights amendment. They were also amused when Anne Armstrong, the former Ambassador to Britain, who is to be the national co-chairman of the Reagan-Bush campaign, introduced Gov. William B. Clements Jr. as Texas chairman of the "Reagan-Ford campaign." Mr. Clements was one of many Republicans who tried unsuccessfully to get former President Gerald R. Ford on the ticket.

According to some campaign aides, Mr. Reagan's visit to Houston, on his way home to Los Angeles, followed the "tradition" of a Presidential candidate's escorting his chosen running mate to an appearance before the Vice-Presidential nominee's homefolks.

However, the only other recent example of this that could be recalled immediately was Mr. Ford's visit to Russell, Kan., with Senator Bob Dole after the Kansas City convention in 1976.

### Man From Four States

Mr. Bush, in his own primary campaign for the Presidential nomination, joked frequently about being from Maine, Massachusetts and Connecticut as well as Texas.

He was born in Milton, Mass., and reared in Greenwich, Conn. But he has his primary residence in Houston, whose Seventh District he twice served as a Congressman. And he has a summer home in Kennebunkport, Me., where he will go tomorrow for a three-day stay before flying to Los Angeles Wednesday for sessions with Mr. Reagan and his staff.

Texas, with 26 electoral votes, figures to be important in the fall election. Jimmy Carter carried the state by a narrow margin on his way to defeating President Ford in 1976. Mr. Reagan, who has always been considered strong in Texas, was nearly upset by Mr. Bush in the state's primary this year.

### The Candidate's Plans

According to Edwin Meese 3d, Mr. Reagan plans to go to his ranch near Santa Barbara, Calif., tomorrow and return to Los Angeles Tuesday.

He has no further campaign appearances scheduled until Aug. 5, when he will address the National Urban League in New York City.

Mr. Reagan will be on vacation the week of the Democratic National Convention, which begins Aug. 11 in New York City, Mr. Meese said, and he has a number of events scheduled in the weeks before Labor Day, the traditional opening date for most formal campaigning.

New York Times, July 20, 1980, p. 14

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al.,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14, July 16, and July 21, 1980.

On July 16, 1980, Sander Vanocour of ABC interviewed Senator Jesse Helms at the Republican National Convention. According to an audio casette tape recording of a live television broadcast of that interview, Mr. Vanocour asked Senator Helms whether he had any recent discussions with Mr. Reagan. Senator Helms replied,

> "Well, as you may know, we have had an independent effort going on in North Carolina. The law forbids me to consult with him and it's been an awkward situation. I've had to, sort of, talk indirectly with Paul Laxalt and hope that he would pass along, uh, and I think the messages have gotten through all right."

Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement

to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 22nd day of July 1980.

Albert F. Marcellino
Notary Public

My Commission Expires _____

ALBERT F. MARCELLINO
Notary Public, State of New York
No. 43-2519700
Qualified in Richmond County
Certificate filed in New York County
Commission Expires March 30, 1981

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
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GCC
2023

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GLENN J. SEDAM, JR.
J. CURTIS HERGE

BARBARA L. ABERNETHY
A. MARK CHRISTOPHER
MICHAEL D. HUGHES
ROBERT R. SPARKS, JR.

THOMAS M. DAVIS, III
OF COUNSEL

1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006
(202) 821-10
TELEX 89-8388 (AEMPOWER WHENG)
TWX 710-828-0533 (TELEX P 800)

80 JUL 23

July 22, 1980

The Honorable Charles N. Steele
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Marsha Gentner, Esq.

Re: MUR 1252

Dear Mr. Steele:

This letter is written in reply to your letter to National Conservative Political Action Committee, 1500 Wilson Boulevard, Arlington, Virginia 22209, dated July 7, 1980, in which you reported that the Carter-Mondale Reelection Committee, Inc. (hereinafter referred to as "C-M") and the Democratic National Committee (hereinafter referred to as "the DNC") had filed a complaint with the Federal Election Commission (hereinafter referred to as "the Commission"), alleging that National Conservative Political Action Committee, together with certain other named Respondents, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (hereinafter referred to as "the Act") and Chapter 95 of Title 26 of the United States Code. The Commission has numbered this matter MUR 1252.

Attachment II

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National Conservative Political Action Committee (hereinafter referred to as "NCPAC") appreciates this opportunity, pursuant to 2 U.S.C. 437g(a)(1) and 11 CFR 111.6, to demonstrate that no action should be taken against NCPAC on the basis of the complaint and that the compliant should be dismissed as to NCPAC. In fact, we assert that the complaint fails to meet the technical requirements of 11 CFR 111.4, in that it fails to contain a clear and concise recitation of facts which describe a violation by NCPAC of a statute or regulation over which the Commission has jurisdiction. See, 11 CFR 111.4(d)(3).

## I. The Complaint Fails to Recite Facts Which Describe a Violation by NCPAC of a Statute or Regulation Over Which the Commission has Jurisdiction

An analysis of that portion of the complaint which relates to NCPAC fails to reveal a single statement of fact which describes, or supports an allegation of, a violation by NCPAC of a statute or regulation over which the Commission has jurisdiction.

Under that portion of the complaint entitled, "The Facts," the first reference to NCPAC appears on page 15, as follows:

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"Congressional Quarterly reported that National Conservative Political Action Committee (NCPAC) spent more than $600,000 'independently' in 1979 and early 1980, and plans to spend significant amounts on Mr. Reagan's behalf during the general election. (6/14/80, p.1636)"

Thereafter, the complaint contains the following passage:

"In April 1980, NCPAC sent an 'Urgentgram' to potential contributors. Pointing out that 'Reagan has almost reached his spending limit set by Federal election law,' NCPAC warned that 'Reagan will lose valuable momentum if he cannot maintain his campaign advertising program in high gear in the May-June primaries.' The 'Urgentgram' continued:

'When NCPAC was founded in 1976 Ronald Reagan signed a letter personally asking his supporters and other conservatives all over the country to help us. In fact NCPAC was the only organization Ronald Reagan helped in 1976.

'Many thousands of conservatives responded to his call. He is one of the main reasons NCPAC is here today with a 71% win record against the liberals....

'Now Governor Reagan needs our help.

'The ads we produce will be tough hard-hitting ads that will expose Carter's weaknesses as well as promote Reagan.

'These ads will be produced by top notch professionals...

'We will run these ads in major cities and places where many voters will be making up their minds between Carter and Reagan in the next two months." 1/

1/ A reproduction of the "Urgentgram" appears at tab 81 of the exhibits filed with the complaint. It will be noted that the "Urgentgram" contains the statements required at 2 U.S.C. 441d(a)(3) and 11 CFR 110.11(a)(1)(iv).

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In the second supplement to the complaint, C-M and the DNC provided the Commission with a copy of an article which appeared in the July 15, 1980 issue of The New York Times. Presumably submitted as a supplement to the recitation of facts, that article contained the following passage relevant to NCPAC:

> "The National Conservative Political Action Committee previewed a series of 10 television commercials that are to be shown in selected markets beginning on Friday. Terry Dolan, chairman, said that the group would spend from $1 million to $5 million."

It is submitted that the foregoing passages demonstrate nothing more than that C-M and the DNC are maintaining a sensitive awareness of the activities of NCPAC. These passages consist simply of factual statements regarding that portion of NCPAC's activities which relate to the making of independent expenditures in support of the nomination and election of Governor Reagan to the office of President of the United States. These expenditures have been and will be made in accordance with 2 U.S.C. 431(17) and 11 CFR 109.1, in that they are made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and are not made in concert with, or at the

3 3 0 4 0 4 2 4 8 5 5

request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

C-M and the DNC also attempt, in page 5 of the complaint as supplemented by the appendix, to allege that, in making independent expenditures in support of the nomination and election of Gov. Reagan, NCPAC has utilized agents of Reagan for President. See, 11 CFR 109.1 and AO 1979-80. As to those vendors of NCPAC which are listed in the appendix, NCPAC notes the following:

> Appendix (1). Arthur J. Finkelstein & Associates conducted polls for NCPAC (not, in any event, related to the independent expenditure activity under review), which did not include any communication expressly advocating the election or defeat of a clearly identified candidate. The cost of such polls thus constituted an operating expense and not an independent expenditure. See AO 1979-80.
>
> Appendix (4). There is no allegation that Richard A. Viguerie Co., Inc. or American Mailing Lists Corp. is an agent of Reagan for President. (The fact that Richard A. Viguerie Co., Inc. and American Mailing Lists Corp. may have provided services to the 1976 Reagan campaign, which NCPAC can neither confirm nor deny, is irrelevant by reason of the fact that that was a separate election.)
>
> There is no allegation that Diversified Printing Services, Inc. and Metro Mailing and Printing are agents of Reagan for President.

3 3 0 4 0 4 2 4 8 5 5

Diversified Mailing Services, upon information and belief, is presently known as Diversified Mail Marketing. NCPAC can neither confirm nor deny that Diversified Mail Marketing is or was a vendor to Reagan for President, but, in any event, the services provided by that firm to NCPAC consist of mechanically folding letters, inserting letters in envelopes, applying postage to the envelopes and bundling envelopes for mailing. Such activities are operating expenses and not independent expenditures. See, AO 1979-80.

Appendix (5). NCPAC has no record of having engaged "Human Events" to provide list rental and computer services. Such services are, in any event, operating expenses and not independent expenditures.

Appendix (6). There is no allegation that Input Data Assoc. is an agent of Reagan for President.

Appendix (7). NCPAC has not engaged the services of Ed Nichols Assoc. Wiland & Assoc., Inc. provides computer services to NCPAC designed to aggregate contributions to NCPAC for use in preparing and submitting its periodic reports to the Commission. Such activities are operating expenses and not independent expenditures. AO 1979-80.

Appendix (8). There is no allegation that Lone Star Press and Mail Room, Inc. are agents of Reagan for President.

Appendix (9). There is no allegation that Smarr Mailing, Thompson & Assoc. or the Name Exchange are agents of Reagan for President.

Appendix (11). Tri-State Envelope Corp. have been engaged by NCPAC to supply it with printed envelope stock based upon design, copy and layout supplied by NCPAC. Such activities are operating expenses and not independent expenditures. AO 1979-80.

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Appendix (13). There is no allegation that Frank Gunpert Printing, Maryland Litho, McCollum Press and Smith Lithograph are agents of Reagan for President.

Appendix (14). NCPAC has no record of having engaged Decision Making Information. Polling services are, in any event, operating expenses and not independent expenditures. AO 1979-80.

The final reference to NCPAC in that portion of the complaint captioned, "The Facts," appears on page 31. There it is noted that Charles Black was NCPAC's original chairman and that Roger Stone was NCPAC's original Treasurer. Both these observations are irrelevant to the matter under review, as Mr. Black resigned from NCPAC on or about April 25, 1977 and Mr. Stone resigned from NCPAC on or about October 31, 1977. Neither individual has any present relationship with NCPAC.

NCPAC is a multicandidate political committee, as defined in 2 U.S.C. 441a(a)(4) and 11 CFR 100.5(e)(3), which is incorporated, as permitted by 11 CFR 114.12(a), under the Non-Profit Corporation Law of the District of Columbia and which is qualified to transact business in the State of Virginia. The Board of Directors of NCPAC consists of John T. Dolan, Robert L. Shortley and Rhonda K. Stahlman. Mr. Dolan serves as its Chairman and Mrs. Susan S. Hannegan serves as its Treasurer.

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In its complaint, C-M and the DNC attempt, improperly, to persuade the Members of the Commission, through the use of hyperbolic propaganda, that the recitation of "facts" applicable to NCPAC somehow constitutes a violation of law. For example, C-M and the DNC assert that they "show [in the complaint], at least five interrelated groups of professional politicians, including active Republican office holders and former office holders and other long-term active members of Mr. Reagan's campaign and political staffers, are planning to contribute tens of millions of dollars -- perhaps as much as $50,000,000 -- to the Republican nominees' campaign in fundamental violation of the Fund Act and the Federal Election Act." Notwithstanding this bold assertion, C-M and the DNC fail to allege a single fact to support a funding that NCPAC is "interrelated"[2/] with the other named Respondents; that NCPAC consists of active members of Mr. Reagan's campaign; or, that NCPAC plans "to contribute" to Governor Reagan's general election campaign. Thus, it is requested that the Commission review only the factual assertions, stripped of

[2/] It appears that what C-M and the DNC are attempting to allege by the use of the word "interrelated" is that two or more of the Respondents may be affiliated committees. See, 11 CFR 100.5(g). There is no showing, however, that NCPAC is affiliated with any of the other Respondents.

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the irrelevant, inflammatory rhetoric and unsupported conclusions, in determining whether the complaint is sufficient on its face to describe a violation by NCPAC of a statute or regulation over which the Commission has jurisdiction.

## II. The Alleged Violations of Law in the Complaint are Not Supported by Fact

With reference to the section in the complaint captioned, "Violations of the Law," C-M and the DNC assert that the law has been violated by "a facade of independence" and that "formalistic sham and technicality will not obscure reality." These artistic and creative phrases are not supported by fact and fail to support a finding of reason to believe that NCPAC has committed, or is about to commit, a violation of a statute or regulation over which the Commission has jurisdiction.

For the benefit of the record, however, NCPAC asserts the following with respect to the specific allegations:

> Paragraph I(a)(1) is denied in that it fails to state a violation supported by the facts or by the law. See, AO 1979-80 and AO 1980-46;
>
> Paragraph I(a)(2) is denied in that it is not applicable to NCPAC, which is a multi-candidate political committee;

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Paragraph (I)(a)(3) is denied in that it fails to state a violation supported by the facts or by the law;

Paragraph (I)(b) is denied in that it fails to state a violation supported by facts before the Commission;

Paragraph II(a) is denied in that it fails to state a violation supported by facts before the Commission;

Paragraph II(b) is denied in that it fails to state a violation supported by facts before the Commission;

Paragraph III is denied for the reasons described above;

Paragraph IV is denied for the reasons described above;

Paragraph V is denied for the reasons described above;

Paragraph VI is denied for the reasons described above;

Paragraph VII is denied for the reasons described above;

Paragraph VIII is denied (The Commission has failed to interpret the application of 26 U.S.C. 9012(f) and the issue is before the courts.);

Paragraph IX is not applicable to NCPAC; and,

Paragraph X is denied in that NCPAC is not an authorized committee and, therefore, its name does not include the name of any candidate in its name. The fact that under its name it conducts a project known as "The Ronald Reagan Victory Fund," does not constitute a violation of 2 U.S.C. 432(e)(4) and it is a communication protected by the First Amendment to the Constitution. All statements required by 2 U.S.C. 441d include the full name of the committee. For example, see tab 81 of the exhibits to the complaint.

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## III. Conclusion

Contrary to their ambitious assertions in page 2 of the complaint, C-M and the DNC have failed to show through a recitation of facts that NCPAC has committed, or is about to commit, a violation of a statute or a regulation over which the Commission has jurisdiction. Furthermore, the Commission is without authority to conclude that there is reason to believe that 2 U.S.C. 431(17) and 11 CFR 109.1 have been, or may be, violated because of a fear by C-M and the DNC that independent expenditures may determine the identity of the next President of the United States and may determine whether public financing of presidential election campaigns can survive.[3/] See, Buckley v. Valeo, 424 U.S. 1, 14 (1976); Speiser v. Randall, 357 U.S. 513, 520-21, 525-26 (1958); and, First National Bank of Boston v. Bellotti, 435 U.S. 765, 785 n.21 (1978).

As a consequence, the relief sought by C-M and the DNC against NCPAC should be denied and no action should be taken against NCPAC on the basis of the complaint.

Respectfully submitted,

Sincerely yours,

J. Curtis Herge
Counsel to National Conservative
Political Action Committee

[3/] Page 3 of the complaint.

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80 JUL 31 A10:12

July 30, 1980

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252

Dear Mr. Steele:

This letter and its attachments are in response to your letter to the Honorary Chairman of the Congressional Club, dated July 7, 1980, and pursuant to the procedures outlined in 11 C.F.R. § 111.6. We demonstrate herein that the Federal Election Commission (the "Commission") should take no action against the Congressional Club on the basis of the complaint filed with the Commission by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee ("Carter-Mondale/DNC"). We believe that the complaint against the Congressional Club should be dismissed forthwith.

This demonstration is divided into three parts. In Part I, we raise certain very serious threshold objections to the Commission taking any action on the basis of the complaint. In Part II, we demonstrate that, as a matter of fact, the allegations made by Carter-Mondale/DNC are frivolous and

Attachment III

irrelevant. In Part III, we demonstrate that the complaint has no legal basis.

PART I - THRESHOLD OBJECTIONS

1. Based on the information available, it appears that the Carter-Mondale/DNC complaint is a politically motivated attempt to chill protected First Amendment activity on the part of the Congressional Club. We realize that the Commission has no control over the filing of such complaints. We believe also, however, that if the Commission does not guard against the misuse of its enforcement procedures, very serious due process questions arise. This Commission is not a forum for partisan struggles which should properly be fought in the political arena. It should not permit its enforcement process to be used by one group of political partisans to harass their opponents.

The Congressional Club has already found that potential contributors are being deterred from contributing by the pendency of this Matter Under Review ("MUR"), and it faces the very real prospect of substantial further harm until this matter is resolved. This prospect is particularly aggravated because of the publicity on this matter being continuously generated by Carter-Mondale/DNC. Recently, for instance, Carter-Mondale/DNC have written to radio and television stations around the country advising these stations of the pendency of

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this MUR, and "suggesting" that no time be sold to any of the respondents. The Commission should, in the first instance, before any examination of the "facts" alleged by Carter-Mondale/DNC, dismiss this complaint as nothing more than a political charade.

2. Since the complaint in this matter was filed, Carter-Mondale/DNC have generated a substantial amount of publicity concerning it. Moreover, the numerous amendments and supplements to the complaint have provided further opportunities for regular press conferences by Carter-Mondale/DNC. Within the past week, it has been reported that the General Counsel of the Carter-Mondale Reelection Committee, Inc., who is listed as "of counsel" on the complaint, said that:

> "... Carter forces are supplying the FEC almost daily with examples of contact between the [independent] groups and the Reagan campaign."

Washington Post, July 24, 1980, p. A5, col. 5. The very next day, anonymous sources within the Carter campaign were cited as the source for a deceptive quotation of remarks made by Senator Helms. Washington Post, July 25, 1980, p. A3, col. 5.

These examples would appear, on their face, to violate the confidentiality provisions of the Federal Election Campaign Act, as amended ("FECA"), 2 U.S.C. § 437g(a)(12), and the Commission's own Regulations, 11 C.F.R. § 111.21. Carter-Mondale/DNC's actions demonstrate further the political nature of this complaint. They provide an independent basis for immediate dismissal.

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3. Since the filing of the original complaint, Carter-Mondale/DNC have apparently filed one amendment and at least four supplements. Although the original complaint was transmitted to the Congressional Club in a letter from the General Counsel, dated July 7, 1980, none of the subsequent amendments or supplements have been so transmitted. Nonetheless, because counsel for Carter-Mondale/DNC has transmitted them to us directly, we are aware that these amendments and supplements are before the Commission (or at least the General Counsel's staff).

The Commission's regulations do not provide for amendments and supplements to complaints. We believe that the Commission should establish a procedure to prevent the continuing filing of these amendments and supplements so that this MUR can be dismissed promptly and in an orderly fashion. If some steps in that direction are not taken, the Congressional Club will remain in the unfair position of having to respond to a stream of unfounded and confusive amendments and supplements throughout the Commission's deliberations over this MUR. This flow of paper from Carter-Mondale/DNC is disrupting the procedures mandated by the FECA Amendments of 1979, and, in effect, reducing the fifteen-day period provided as the statutory minimum amount of time for a respondent to demonstrate that no action should be taken against it. Until the Commission has formally notified the Congressional Club of the

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filing of these amendments and supplements, we believe they should be treated as of no force and effect. We note also that more than five days has passed since the amendment of July 8, and the supplements of July 14, July 16, July 21 and July 22 (all of which were apparently delivered to the Commission by hand on those dates). Accordingly, with one exception, we intend to disregard these filings.*/ Any action taken by the Commission on the basis, in whole or in part, of these amendments and supplements would, we believe, constitute a violation of the FECA, this Commission's Regulations, and the due process guarantees of the Fifth Amendment.**/

PART II -- "FACTUAL" ALLEGATIONS

We demonstrate in this section that, taken singly or in any combination, none of the "facts" alleged by Carter-Mondale/DNC provide any basis whatever for the Commission to conclude that the Congressional Club's activities are in any

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*/ The one exception is the distorted quotation of Senator Helms referred to above. Since this quotation has already appeared in Washington newspapers and may well have been read by the Commissioners or staff, we feel that we have no recourse but to refute it. We note, however, that this quotation was made available to the press by Carter-Mondale/DNC, demonstrating yet again the political nature of this MUR and the risks posed by it to the integrity of the Commission's enforcement procedures.

**/ There have also been a number of letters exchanged between counsel for Carter-Mondale/DNC and the Commission's General Counsel. We believe it highly inappropriate and improper for counsel for Carter-Mondale/DNC to submit these letters, and equally inappropriate and improper for the Commission to respond.

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way tied to the official Reagan campaign. To the contrary, the Congressional Club is wholly independent. See 11 C.F.R. § 109.1.

Carter-Mondale/DNC have simply presented a collage of news clippings and historical information, often incorrect, usually misleading, and uniformly irrelevant. The following is a point-by-point treatment and refutation of their allegations, following the order in the complaint (with references to the pertinent pages of the complaint):

Page 6: The paragraph describing the Congressional Club purports to provide certain information derived from reports on file with the Commission. This information is entirely irrelevant, and in some instances mistaken. Not the least of the errors is that Carter-Mondale/DNC has incorrectly listed the Congressional Club's address.

Page 15: Carter-Mondale/DNC refers to a Boston Globe article mentioning the Congressional Club. The Congressional Club's expenditures have been fully and accurately reported in its filings with the Commission, and are irrelevant here.

Page 16: Carter-Mondale/DNC refers to several newspaper articles. These references, whether or not true, are wholly irrelevant.

Pages 30-32: Carter-Mondale/DNC is incorrect when it states that "Mr. Helms is the prime organizer of NCCC and it is the beneficiary of substantial funds left over from

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Senator Helms personal campaigns." The Congressional Club was initially organized by Thomas F. Ellis and like-minded colleagues. Senator Helms has never held any office other than "honorary chairman," and he has no decision-making responsibility for the Congressional Club. After the 1972 election, Senator Helms' campaign had a considerable debt. When the 1978 Helms for Senate Committee was terminated, only a very small amount was transferred from that committee to the Congressional Club (which were then affiliated). All of the foregoing is, in any case, irrelevant. The only discernible purpose of these allegations is rhetorical.

(a)*/ In a fashion typical of the errors in this complaint, it states that Senator Helms has been a Senator since 1972. Senator Helms was first elected in 1972. His term began in January, 1973. These facts are irrelevant.

(b) The Committee on Conservative Alternatives, referred to in the complaint, was not established "to explore the possibility of a third-party Reagan-for-President bid." It was established to consider whether conservatives should work within the Republican or Democratic parties, or form a third party. Whatever it did is completely irrelevant here.

(c) Politicians differ on the causes of Governor Reagan's victory in the 1976 North Carolina primary. Whatever Senator Helms' role was, it is irrelevant here. Senator Helms

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*/ For the next several items, we follow the outline of the complaint.

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was not a delegate to the 1976 Republican National Convention, and he was not involved in deciding Convention strategy for Governor Reagan.

(d) The only conceivable purpose of this allegation is to attempt to prejudice the Commission against the Congressional Club because of the policy positions taken by Senator Helms. Any indication that Senator Helms' views on this Commission or any other subject play any role in the Commission's resolution of this matter would have the gravest consequences.

(e) Governor Reagan did not campaign for Senator Helms in North Carolina in 1976; lawful contributions were made to the Helms for Senate Committee by Citizens for the Republic ("CFTR"). All of this is irrelevant.

(f) We have no idea what an "official endorsement" is. Whatever Carter-Mondale/DNC believes it to mean, it is irrelevant.

(g) This allegation is irrelevant.

(h) Charles Black served on Senator Helms' Senate staff until 1975. Mr. Black has no relationship with the Congressional Club. The remainder of this allegation, and accompanying footnote, do not deal with the Congressional Club (except for Mr. Finkelstein, discussed infra). The allegations are, in any event, irrelevant.

(i) North Carolina law provides that, until George Bush released his delegates, the delegation was required to cast thirty votes for Governor Reagan's nomination, and ten

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votes for Ambassador Bush's nomination for President. The allegation is irrelevant.

Page 32: The complaint makes several incorrect statements concerning Bruce W. Eberle. First, Mr. Eberle is not an "organizer" of the Congressional Club's independent-expenditure project; he is merely one of the Congressional Club's vendors. He has done no work for the Reagan campaign in 1980. The allegation is irrelevant.

Page 33: Thomas Ellis was treasurer of the 1976 Reagan campaign in North Carolina. Mr. Ellis' communication (singular, not plural, as the complaint incorrectly states) with the American Conservative Union in 1976 is irrelevant. So is the rest of this allegation.

Page 33: These allegations are correct. They are also irrelevant.

Pages 33-34: Carter-Mondale/DNC purports to describe "conversations among respondents" concerning the Reagan campaign. No such conversations concerning the Congressional Club are enumerated. None have occurred. These allegations are nothing but speculation, they are irrelevant, and they should be disregarded.*/

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*/ The only "authority" cited is an affidavit by Robert S. Strauss. Mr. Strauss' affidavit reads like a political press release. It should be treated accordingly.

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Appendix: Although the Appendix to the complaint lists a number of so-called "common vendors," it is completely unclear from the complaint what purpose the list serves. Nonetheless, we demonstrate that these "common vendors" are not common at all.

(1) Arthur J. Finkelstein & Associates has provided services to the Congressional Club. Neither Mr. Finkelstein, nor his firm have provided the Congressional Club with any information concerning the Reagan campaign's plans, projects or needs. Moreover, Mr. Finkelstein's firm advised the Congressional Club that the services of Mr. Finkelstein's firm were terminated by the Reagan campaign in or about February, 1980. The Congressional Club has no knowledge what services Mr. Finkelstein's firm provides to the other committees mentioned.

(2) Ruth Jones, Ltd., was retained by the Helms for Senate Committee in 1978. That firm has done no work for the Congressional Club, and it has done nothing whatever in connection with the Congressional Club's independent-expenditure campaign.

(3) Bruce Eberle Associates, Inc., has been a vendor of direct-mail services to the Congressional Club beginning in early 1980. He is not "active" in the Club's affairs, as the complaint alleges; as noted above, he is merely a vendor. The Congressional Club has no knowledge what work Mr. Eberle or his firm have done for the Fund for a Conservative Majority ("FCM") or CFTR.

(4) Input Data Associates is a firm which does computer keypunching through use of an optical scanning device. They provide no "political services," and, in any event, they have not been utilized by the Congressional Club in its independent-expenditure campaign. Until the filing of the Carter-Mondale/DNC complaint, the Congressional Club did not even know that CFTR and the National Conservative Political Action Committee ("NCPAC") utilized the services of Input Data Associates.

(5) Communications Corporation of America has a laser printer which the Congressional Club used only once, in May, 1979. Until the filing of this complaint, the Congressional Club did not know that FCM had ever used the services of Communications Corporation of America.

Supplemental Complaint of July 22: In perhaps the most disingenuous of their allegations, Carter-Mondale/DNC quote out of context certain remarks made during a television news interview by Senator Helms. We quote below pertinent passages of that interview which supply the requisite context:

| | |
|---|---|
| "Mr. Vanocur: | You probably know that former President Ford suggested an open door policy, there might be conditions. Do you think nominee Reagan can grant those conditions? |
| "Senator Helms: | Well, it depends on what they are. I can't believe that Jerry Ford would ask Ron Reagan to give up the family jewels, |

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you know. But I believe they could come to a meeting of the minds about responsibilities, and if Ford is saying, for example, President Reagan, I want to be able to have access to you and discuss foreign policy matters, economic matters, and so forth, I think Reagan would readily say okay.

"Mr. Vanocur: But all Presidents promise - you know John Nance Garner said it wasn't worth a pitcher of warm spit. Has it ever conceived to you -- does it seem possible to you that will ever change?

"Senator Helms: I think Garner was wrong about that. That potential of the office of Vice-President as President of the Senate, which the Vice-President is under the Constitution, if he pursues what his responsibility is, it's a tremendously important job potentially. Now, I wish the public would disabuse its mind of this feeling that the Vice-President is not important. It is unimportant as long as the Vice-President is a political surrogate, goes around cutting ribbons and that sort of thing, but if he would sit there in the Senate and preside over the Senate and make some of the decisions which are now made by the majority leader alone, it could have a tremendous influence.

"Mr. Vanocur: Have you discussed any of this with Governor Reagan? What was your last meeting? What did you discuss?

"Senator Helms: Well, as you may know, we've an independent effort going on in

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|---|---|
| | North Carolina. The law forbids me to consult with him. And it's been an awkward situation. I've had sort of talk indirectly with Paul Laxalt and hope that he would pass along - and I think the messages have gotten through all right but -- |
| "Mr. Vanocur: | What were they? |
| "Senator Helms: | Well, you know, about the importance of the Vice-Presidency such as you mentioned. But I've got to say to you that I've had no contact with him because it would be violative of the law if I had. |
| "Mr. Vanocur: | Thank you very much." |

It is apparent that Senator Helms was discussing the constitutional role of the Vice President, not election campaigning. Carter-Mondale/DNC omitted any mention of the context of the interview or Senator Helms' answer to the question "[w]hat were they?" Senator Helms' affidavit make clear that there has been no contact with the Reagan campaign that would compromise his or the Congressional Club's independence.

PART III -- LEGAL ANALYSIS

Although the complaint lists several purported violations of the FECA, none have any merit whatever. The Commission's Regulations prescribe the standards for independent expenditures. These expenditures are defined as expenditures advocating the election of a clearly identified candidate "which [are] not made with the cooperation or with the

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prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate." 11 C.F.R. § 109.1(a). This last-quoted phrase is further defined by the Regulations to mean "[a]ny arrangement, coordination, or direction by the candidate or his or her agent prior to the publication, distribution, display or broadcast of the communication." Id. at § 109.1(a)(4)(i).

As the affidavits accompanying this letter demonstrate, there has been no "arrangement, coordination or direction by the candidate or his... agent" here. The complaint itself is utterly devoid of any such allegations. Accordingly, there is no violation, and this MUR should be dismissed.

The complaint also alleges a violation of 2 U.S.C. § 432(e)(4), in that the Congressional Club's project, Americans for Reagan, is a "discrete, unauthorized political committee[]." This allegation concedes that Americans for Reagan must itself be a political committee, within the meaning of the FECA, before any violation can arise. Americans for Reagan is not such a political committee. It is simply one of many projects undertaken by the Congressional Club. There is no statutory prohibition whatever against such a name. The Congressional Club is no more forbidden from giving a name to one of its projects than it is from using Governor Reagan's name in its communications.

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Any suggestion to the contrary finds no support in the FECA. The statutory drafters knew how to include within the scope of Section 434(e)(4) what they chose. They chose to preclude unauthorized "political committees" from using a candidate's name as a part of their own names. If they had wanted to include projects, they could have done so. They did not. Any attempt to construe the statute to encompass the present situation would render the statute unconstitutionally vague and therefore violative of the First and Fifth Amendments.

Finally, the complaint alleges a violation of 26 U.S.C. § 9012(f). This issue is now in litigation in the United States District Court for the District of Columbia, and we comment only briefly on it here. Section 9012(f) does not apply to independent expenditures, as this Commission decided in 1976.*/ In 1976, the Commission proposed "Optional Part 146" to its Regulations. Hearings were held, and extensive testimony was heard concerning whether Section 9012(f) restricted independent expenditures. As finally issued, Part 146 of the Regulations made no attempt to regulate independent spending in general-election presidential campaigns.

The Commission's own recently announced new Regulations make no mention that Section 9012(f) limits independent

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*/ We concur with the statutory-construction argument made by counsel for American for Change, et al. in their Motion To Dismiss, recently filed in Common Cause, et al. v. Schmitt, et al., Civil Action No. 80-1609 (D.D.C.)

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expenditures. See CCH Fed. Elec. Camp. Fin. Guide ¶ 9125. (These new Regulations delete Part 146 because of changes made by the FECA Amendments of 1979.) The "Summary" of the new Regulations states that "[t]he regulations have been renumbered according to the section of Title 26 of the U.S. Code upon which each is based . . . ." No regulations are proposed under Section 9012(f) that purport to limit independent expenditures.

To the contrary, the new Regulations at least implicitly sanction independent expenditures in general-election presidential campaigns. The definition of "political committee" in the new Regulations states that "...for the purpose of 26 U.S.C. § 9012(f), the term 'political committee' shall be defined in accordance with 11 CFR 100.5." 11 C.F.R. § 9002.9. The definition of "political committee" in Section 100.5 includes "unauthorized committees," 11 C.F.R. § 100.5(f)(2). These are precisely the committees entitled to make independent expenditures. Id. at § 100.16. The only reasonable reading of these interlocking definitions is that the Commission did not consider Section 9012(f) to bar independent expenditures of the kind at issue here.*/

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*/ As recently as March 12, 1980, the Commission also implicitly agreed that independent expenditures on behalf of general-election presidential candidates were permissible. Advisory Opinion 1979-80 (response to "Situation One").

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The Commission has, on several occasions, after hearings and comments, considered the matter and concluded that Section 9012(f) did not restrain independent expenditures. We believe that the Commission should reconsider its recent decision to the contrary, and construe Section 9012(f) not to apply to independent spending, as it had been doing for the last four years. The most serious due process questions would arise if the Commission does not reconsider. Moreover, if applied to independent expenditures, Section 9012(f) would plainly violate the First Amendment.

CONCLUSION

The foregoing discussion demonstrates that, both as a matter of fact and as a matter of law, the complaint is completely meritless. It should be promptly dismissed.

Sincerely yours,

John R. Bolton

Enclosures

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STATE OF NORTH CAROLINA )
) ss.
COUNTY OF WAKE )

AFFIDAVIT OF CARTER WRENN

1. I am the Executive Director and Treasurer of the Congressional Club. In those capacities, I am responsible for the day-to-day operations of the Club and for the duties imposed on Treasurers of political committees by the Federal Election Campaign Act, as amended ("FECA").

2. During the first part of 1980, Thomas F. Ellis, (Chairman of the Congressional Club) and I decided that the Congressional Club would make independent expenditures on behalf of Governor Reagan's presidential campaign, in both the primary- and general-election periods. Senator Helms, the Congressional Club's Honorary Chairman, was advised of this decision, but he did not participate in making it. Mr. Ellis and I have made all decisions concerning the form and manner in which the Congressional Club would make its independent expenditures.

3. Although I am not a lawyer, I am familiar (as a layman) with the FECA's provisions concerning independent expenditures, and I am also familiar with the pertinent Regulations of the Federal Election Commission. Mr. Ellis and I were determined that the Congressional Club's expenditures be completely independent of the Reagan campaign. Accordingly, we consulted with counsel before undertaking our project, and

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we have continued to seek legal advice where appropriate. We have taken every precaution to preserve our independence, and I believe we have been entirely successful.

4. I can state unequivocally that none of the Congressional Club's independent expenditures have been made with the cooperation or with the prior consent of, or at the request or suggestion of, Governor Reagan or any agent or any authorized committee of his. There has not been any arrangement, coordination, or direction by Governor Reagan or any of his agents prior to any of our independent expenditures.

5. I can also state unequivocally that none of the Congressional Club's independent expenditures have been based on information about Governor Reagan's plans, projects or needs provided to us by Governor Reagan or any of his agents. Moreover, to my knowledge, none of the Congressional Club's independent expenditures have been made by or through any person who is, or has been, authorized by Governor Reagan to raise or expend funds on his behalf; or through anyone who is, or has been, an officer of an authorized Reagan committee; or through anyone who is, or has been, receiving any form of compensation or reimbursement from Governor Reagan, his agents, or his authorized committees.

6. The Congressional Club has already found that potential contributors are being deterred from contributing by the pendency of the complaint. We face the very real prospect of further harm until this matter is resolved.

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7. Certain statements made in the complaint filed by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against the Congressional Club are inaccurate, misleading, or both. I deal in the following paragraphs which those items which are not matters of public record or otherwise obvious:

a. The Congressional Club was initially organized by Mr. Ellis and like-minded colleagues. Senator Helms was not the prime organizer or even one of the organizers. Senator Helms has never held any office with the Congressional Club expect that of "Honorary Chairman." Senator Helms has no decision-making responsibility for the activities of the Congressional Club.

b. The Committee on Conservative Alternatives was not established "to explore the possibility of a third-party Reagan-for-President bid." It was established to allow conservatives to decide whether their future would be best spent in the Republican Party, the Democratic party, or in a third party.

c. Charles Black served on Senator Helms' Senate staff until 1975. Mr. Black has no relationship with the Congreslsional Club.

d. Bruce W. Eberle is not, as the complaint alleges, an "organizer" of the Congressional Club's independent-expenditure project. He is merely one of the Congressional Club's vendors. To my knowledge, he has done no work for the Reagan campaign in 1980.

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e. Mr. Ellis was Treasurer of the 1976 Reagan campaign in North Carolina.

f. Neither I, nor anyone else in any way connected with the Congressional Club to my knowledge has had any conversations with any other respondents concerning the Reagan campaign or the Congressional Club's independent-expenditure campaign.

g. At my direction, a transcription was made of Senator Helms' interview with Sander Vanoker on July 16, 1980. That transcript demonstrates that Senator Helms spoke to Senator Laxalt only about the role of the Vice-President as President of the Senate, and not about the Reagan campaign or the Congressional Club's independent-expenditure project.

h. As to the so-called "common vendors," I can state as follows:

(1) Arthur J. Finkelstein & Associates has provided services to the Congressional Club. Neither Mr. Finkelstein nor his firm have provided the Congressional Club with any information concerning the official Reagan campaign's plans, projects or needs. Moreover, Mr. Finkelstein's firm advised me that the services of his firm were terminated by the Reagan campaign in or about February, 1980. I have no knowledge what services Mr. Finkelstein's firm provides to the other committees mentioned.

(2) Ruth Jones, Ltd., was retained by the Helms for Senate Committee in 1978. That firm has done

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no work for the Congressional Club, and it has done nothing whatever in connection with the Congressional Club's independent-expenditure campaign.

(3) Bruce Eberle Associates, Inc., has been a vendor of direct-mail services to the Congressional Club beginning in early 1980. He is not "active" in the Club's affairs, as the complaint alleges; as noted above, he is merely a vendor. I have no knowledge what work Mr. Eberle or his firm have done for the Fund for a Conservative Majority ("FCM") or Citizens for the Republic ("CFTR").

(4) Input Data Associates is a firm which does computer keypunching through use of an optical scanning device. It provides no "political services," and, in any event, they have not been utilized by the Congressional Club in its independent-expenditure campaign. Until the filing of the Carter-Mondale/ DNC complaint, I did not even know that CFTR and the National Conservative Political Action Committee utilized the services of Input Data Associates.

(5) Communications Corporation of America has a laser printer which the Congressional Club used only once, in May, 1979. Until the filing of this complaint,

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I did not know that FCM had ever used the services of Communications Corporation of America.

Carter Wrenn
CARTER WRENN

SUBSCRIBED AND SWORN TO
before me this 30th day
of July, 1980.

Dorothy D. Peton
Notary Public
My Commission Expires August 27, 1980

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CITY OF WASHINGTON )
) ss.
DISTRICT OF COLUMBIA )

AFFIDAVIT OF JESSE HELMS

1. I am a United States Senator from the State of North Carolina. I was first elected in 1972, and I was sworn in as a Senator in January, 1973. I was reelected to the Senate in 1978.

2. I am the Honorary Chairman of the Congressional Club, and I have never held any other office in that organization. The Congressional Club was first organized by Thomas F. Ellis and like-minded colleagues. I have no decision-making responsibility for the Congressional Club's activities.

3. I was informed during the first part of this year that Messrs. Ellis and Wrenn had decided that the Congressional Club would undertake an independent-expenditure campaign on behalf of Governor Reagan. I had no role in making that decision.

4. I can state unequivocally that I have done nothing with the cooperation or with the prior consent of, or at the request or suggestion of, Governor Reagan or any agent or any authorized committee of his. There has not been any arrangement, coordination, or direction by Governor Reagan or any of his agents prior to any of my activities.

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5. I can also state unequivocally that none of my activities have been based on information about Governor Reagan's plans, projects or needs provided to us by Governor Reagan or any of his agents. Moreover, none of my activities have been conducted by or through any person who is, or has been, authorized by Governor Reagan to raise or expend funds on his behalf; or through anyone who is, or has been, an officer of an authorized Reagan committee; or through anyone who is, or has been, receiving any form of compensation or reimbursement from Governor Reagan, his agents, or his authorized committees.

6. I am aware that a supplement to the complaint filed by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against the Congressional Club quotes from a television interview during the Republican National Convention. The reference in that quotation to my conversation with Senator Laxalt is highly misleading. I spoke with Senator Laxalt only about the constitutional role of the Vice President as President of the Senate. As a Senator, I have been concerned about that role for some time, feeling that the Presidency of the Senate should be an important post within the Federal government. I did not at any time discuss with Senator Laxalt or anyone else within the Reagan campaign any aspects of his campaign or the independent-expenditure project of the Congressional Club.

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7. I was not a delegate to the 1976 Republican National Convention, and I was not involved in deciding Convention strategy for Governor Reagan.

Jesse Helms
JESSE HELMS

SUBSCRIBED AND SWORN TO
before me this 29th day
of July, 1980.

Donna E. Wood
Notary Public
My Commission Expires: 1-1-82

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BEFORE THE FEDERAL ELECTION COMMISSION

| | |
|---|---|
| IN THE MATTER OF THE COMPLAINT OF THE CARTER-MONDALE REELECTION COMMITTEE, INC. and DEMOCRATIC NATIONAL COMMITTEE. | MUR 1252 |

MOTION TO DISMISS
SUBMITTED BY
AMERICANS FOR AN EFFECTIVE PRESIDENCY

Americans for an Effective Presidency ("AEP"), by its counsel, hereby moves the Commission to dismiss the complaint against it filed by the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (the "Democratic Party Complainants"), on the following grounds:

1. The Commission lacks jurisdiction over the complaint under 2 U.S.C. § 437g(a)(1);

2. The complaint fails to state a claim for relief against Americans for an Effective Presidency;

3. AEP's proposed activities are wholly consistent with the Commission's regulations and prior Commission practice and policy.

Attachment IV

90 JUL 23 P3:17
GENERAL COUNSEL

If the Commission fails to dismiss the complaint against AEP, and chooses instead to take any action in furtherance of the complaint in the form of an investigative or enforcement action against AEP, it will constitute a serious and continuing abridgement of the core First Amendment rights of AEP and its members of free association, free speech and free and unfettered political expression. As said by the Supreme Court in Buckley v. Valeo, 424 U.S. 1, 96 S.Ct. 612 (1976):

> "The First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive or unwise. In the free society ordained by our Constitution it is not the government, but the people -- individually as citizens and candidates and collectively as associations and political committees -- who must retain control over the quantity and range of debate on public issues in a political campaign." 424 U.S. at 57, 96 S.Ct. at 653.

This complaint of the Democratic Party Complainants, obviously motivated by political rather than legal considerations, must be dismissed forthwith.

I.

THE COMMISSION LACKS JURISDICTION OVER THE COMPLAINT UNDER 2 U.S.C. § 437g(a)(1)

By letter to AEP's counsel dated July 9, 1980 from the Commission's General Counsel, the Commission gave AEP the opportunity to demonstrate, in writing within 15 days, "that no action should be taken against [AEP] in connection with" the complaint filed herein by the Democratic Party Complainants.

The extension of this opportunity to AEP by the Commission may appear on its face to be consistent with § 437g(a)(1) of the Federal Election Campaign Act ("FECA"). That section does state that "before the Commission conducts any vote on the complaint, other than a vote to dismiss, any person so notified shall have the opportunity to demonstrate, in writing, to the Commission within 15 days after notification that no action should be taken against such person on the basis of the complaint." By its letter, the Commission requested AEP to "submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter."

However, the Commission's action, presumably taken under § 437g(a)(1), is premature. The concept that AEP, or any other respondent, must or should bear the burden of proving to the Commission that "no action should be taken against" it is completely foreign to the United States Constitution and fundamental principles of due process. The Commission has wholly failed to shoulder its own responsibility to notify AEP of the particular violations of law which AEP is alleged to have committed and the specific factual basis for such alleged violations. Since the Commission has not done that, and cannot do that, it has no choice but to dismiss the complaint, as contemplated by § 437g(a)(1).

The complaint of the Democratic Party Complainants certainly does not give notice to AEP of any alleged violation of the law. Such complaint gives not the appearance -- much

less the reality -- of any facts on which to base the barest prima facie case that AEP has violated any provision of law. While it names AEP as a respondent, (1) it does not specifically charge AEP with having violated any provision of law; (2) it does not allege a single fact on which, under the relevant statutes or the Commission's regulations or other published information or otherwise, a finding conceivably can be made that AEP lacks independence from Mr. Reagan; and (3) it does not ask for any relief against AEP.

In order to set in motion the Commission's enforcement procedures under § 437g of FECA, a person must allege that a violation of FECA or of the Presidential Election Campaign Fund Act (the "Fund Act") "has occurred." But AEP is not alleged to have committed any violation of these statutes.

Nor are the complaint's allegations of "fact" sufficient to support a determination that AEP will violate FECA or the Fund Act if it proceeds with its plans to make expenditures in support of the Republican nominee for President. These "facts" consist of false statements and inference and innuendo drawn exclusively from press statements unsubstantiated and uncorroborated by admissible evidence. Similarly, the self-serving, conclusory "affidavit" of the political head of the Carter-Mondale Reelection Committee, Robert Strauss, contains not one whit of admissible evidence. The complaint and "affidavit" contain nothing more than legally and factually baseless charges that AEP lacks independence from Mr. Reagan because of its members long-time involvement in Republican

party politics, Republican election campaigns, and Republican federal and state administrations. If the Democratic Party Complainants seriously contend that the only persons who can be legally and factually independent of a presidential candidate are those persons who have been political eunuchs all their lives, such has not heretofore been the position of the Commission and they can find no support for that proposition in the Constitution or in the decisions of the Supreme Court. The arguments of the complaint allegedly based on § 9012(f) of the Fund Act and AEP's asserted lack of independence are window dressing for an undisguised politically motivated action taken without a scintilla of legal or factual justification. The Democratic Party Complainants have converted into a highly partisan matter an issue that is vital to all Americans regardless of political persuasion.

Having failed to dismiss the complaint, the Commission has put its imprimatur on a deprivation of AEP's fundamental First Amendment freedoms. It is unthinkable under our Constitution that any government agency procedures can impose burdens on the exercise of these basic rights with such alacrity, regardless of the lack of merit in a "complaint" filed with it. As the Supreme Court said in Buckley, "the First Amendment denies government the power" to do what the Commission has done here.

Thus, since the complaint does not charge AEP with having violated any provision of law, and since the "facts" alleged in the complaint regarding AEP do not remotely support

even a prima facie argument that AEP has violated any provision of law, the Commission lacks jurisdiction to proceed with this matter under § 437g(a)(1) and it must be dismissed. For the Commission to follow any other course of action would be to continue to chill AEP's exercise of its First Amendment rights of free association, free speech and political expression, and would constitute a certain assault on the most fundamental principles of due process.

II.

THE COMPLAINT FAILS TO STATE A CLAIM FOR RELIEF AGAINST AEP

The Democratic Party Complainants have not asked for any relief against AEP and, just as importantly, have not asked for any relief against any respondent that this Commission is empowered to give.

In the complaint, the Democratic Party Complainants request that this Commission "decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act." But the Commission is without statutory authority to grant such relief based upon any of the allegations in the complaint, whether before or after Mr. Reagan applies for such funds.

The preconditions to federal funding are set forth in § 9003 of the Fund Act and Part 141 of the Commission's regulations. Assuming that Mr. Reagan seeks federal funds pursuant to these provisions, and when he does so, this Commission is duty-bound under § 9005 of the Fund Act to certify

his eligibility to receive federal funds to the Secretary of the Treasury, provided only that Mr. Reagan make the agreements and certify to the matters set forth in § 9003. When Mr. Reagan satisfies these preconditions, "the Commission shall certify" his eligibility. 26 U.S.C. § 9005; 11 CFR § 143.1. The Commission's mandate is absolute.

The alleged lack of independence of AEP from Mr. Reagan is irrelevant to this certification mandate. This point is emphasized by § 9007 of the Fund Act and Part 145 of the regulations, which authorize Commission investigation (leading to possible repayment of funds only) to determine whether the presidential candidate made excess expenditures or accepted improper contributions, only "after each presidential election."

The complaint thus not only fails to state a claim for relief against AEP; it also fails to state a claim for relief against anyone. The Commission is without authority to proceed further under § 437g, as a matter of law.

## III.

## AEP'S PROPOSED ACTIVITIES ARE WHOLLY CONSISTENT WITH THE COMMISSION'S REGULATIONS AND PRIOR COMMISSION PRACTICE AND POLICY

In light of the Commission's failure to dismiss this complaint, and the resulting burdens imposed on AEP to respond to legally unfounded and factually baseless charges, serious questions are raised regarding the constitutionality of the Commission's enforcement procedures, as embodied in

§ 437g.*/ In addition, if the Commission now declines to dismiss this complaint, these problems will only be exacerbated, given the reversal in Commission practice and policy that such action will represent.

A. The Commission Has Acknowledged That § 9012(f) Does Not Apply to Committees Like AEP

The Commission has recently filed suit against AEP and other independent political committees asserting that § 9012(f) of the Fund Act constitutionally may limit expenditures by such committees to $1,000. However, the Commission had the opportunity to adopt that position in 1976 following the Buckley decision during proceedings on proposed regulations which were eventually adopted and which permit unlimited independent expenditures, but expressly declined to do so. At the same time that the Commission adopted its comprehensive regulations which, among other things, authorized unlimited independent expenditures consistent with Buckley and FECA, as amended following that decision, the only regulation adopted by the Commission under § 9012(f) related to expenditures by state party committees. 11 CFR §§ 110.7 and 146.1.

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*/ See also Buckley v. Valeo, 519 F.2d 821, 892-93 (D.C. Cir. 1975) ("Indeed, some of the provisions -- for example, those conferring civil enforcement and candidate disqualification powers on the Commission -- raise very serious constitutional questions," determined not to be "ripe for adjudication" in that case), aff'd in part and rev'd in part, 424 U.S. 1, 137, 96 S.Ct. 612, 690-91, n.175 (1976) (also deferring these questions for lack of ripeness); Note, The Federal Election Commission, The First Amendment, and Due Process, 89 Yale L.J. 1199 (1980).

Moreover, there is a direct conflict between the Commission's current position that Section 9012(f) "does apply to 'independent expenditures committees' and that, as applied, that provision is constitutional," and its position taken only eight months ago, in November 1979, when the Commission acknowledged in response to a challenge to the federal funding of presidential campaigns:

> "Nor are plaintiffs deprived of any freedom to associate with political parties or other groups. Buckley v. Valeo, 424 U.S. at 23-23 .... Plaintiffs are free to contribute money to political committees (other than the candidates' authorized committees) to make unlimited independent expenditures ...." Republican National Committee v. Federal Election Commission, 616 F.2d 1 (2d Cir. 1980), aff'd 100 S. Ct. 1639 (1980) (Brief of the Commission, at 48).

Of course, in that case and its companion, Republican National Committee v. Federal Election Commission, 487 F.Supp. 280 (S.D.N.Y. 1980), aff'd 100 S. Ct. 1639 (1980), the Commission was attempting to convince the courts that the Fund Act's prohibition on the receipt of private contributions by presidential candidates was constitutional, because supporters of such candidates had alternative forms of expression still available to them -- unlimited independent expenditures included. The Commission's arguments were apparently effective in those cases. The three-judge court concluded "that the limitations imposed by § 9003 do not abridge the rights of supporters" because, "[m]ost important, uncoordinated expenditures are permitted without limit. Limitations on uncoordinated

expenditures were held unconstitutional in Buckley . . ." The Second Circuit agreed with the decision of the three-judge court, and the Supreme Court affirmed both lower courts.*/

The Commission has also issued public letters and opinions consistent with its position of only eight months ago that the Fund Act does not limit independent expenditures. For example, the Commission stated in connection with the 1976 general election that the "GOP Feminist Caucus" could expend funds with "no limitation" for the production of campaign buttons supporting President Ford in the general election if its "expenses for the buttons [came] within the definition of an independent expenditure." The Commission went on to explain: "Expenses incurred during the general election campaign period must qualify as independent expenditures since as a general rule contributions to Presidential candidates who receive funding are prohibited." Informational Letter re: AOR 1976-28, September 10, 1976. In other words, expenses which do qualify as independent expenditures can be incurred without limitation even where the candidate accepts public funding in the general election.

Similarly, the Commission implicitly acknowledged the legitimacy of independent expenditures in support of then-candidate Carter in the 1976 general election. In describing the form of disclaimer to be used on communications of the

*/ We note that Common Cause also has made an about-face before this Commission (in opposing Advisory Opinion Request 1980-61, subsequently withdrawn), from its unequivocal position as amicus curiae in the RNC case that Republican supporters may form groups and freely spend money without limitation under Buckley. (Brief of Common Cause, at 38-39.)

"Citizens for Carter" committee, "an independent political action committee," the Commission discussed expenditures for such communications while making no mention of § 9012(f). AO 1976-35, August 12, 1976. This silence embodies a tacit approval of independent expenditures by political committees notwithstanding § 9012(f). Discussion of the proper disclaimer to be attached to communications is meaningless unless expenditures for the communications are lawful to begin with.

More recently, in AO 1979-80, March 12, 1980, the Commission has acknowledged the right of political committees to make independent expenditures in the 1980 general presidential election. In response to a question concerning the possible use by an independent political committee of an advertising firm which had previously been engaged by a candidate for the nomination for president, the Commission said that, "if, however, this Republican candidate for nomination becomes the nominee, NCPAC would presumably be precluded from engaging the advertising firm to make independent expenditures during the general election." The Commission did not say that independent expenditures during the general election were prohibited, but rather addressed only the need for such expenditures to be independent. See also Informational Letter to Ralph H. Goettler, October 4, 1976 (referring to the requirement of independence in connection with "independent expenditures on behalf of President Ford" by "an individual or committee").

On numerous occasions, the Commission has had before it the issue of independent expenditures by political committees.

Not once has it attempted to apply § 9012(f) in the manner now sought by the Democratic Party Complainants. Rather, the Commission has carried out its constitutional mandate to protect this "most important" form of political expression. Nothing justifies a different result here.

B. The Commission Also Has Acknowledged That Proposed Activities Like AEP's are "Independent"

For the Commission to find that AEP's proposed expenditures will lack the requisite independence from Mr. Reagan would also be contrary to the Commission's regulations and past practice. In this regard, it is incumbent upon the Commission to compare the allegations of the Democratic Party Complainants with the applicable law, as interpreted by the Commission in its regulations and decisions. The allegations concerning AEP are:

1. AEP's members are long-standing Republicans who have been active in Republican party politics, campaigns and federal and state government. Complaint, pp. 17-25.

2. Mr. Reagan has not discouraged the making of independent expenditures, but Carter-Mondale have a "policy" of discouraging independent expenditures. Strauss "Affidavit," ¶'s 11 and 12.

3. Political professionals are "routinely able to act, directly and indirectly, and in concert and conjunction with other professionals" through the media, although the Democratic Party Complainants make no allegations establishing

any disqualifying contact between AEP and Mr. Reagan. Complaint, p. 33.

By contrast, the Commission defines "independent expenditure" to mean

> "an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate which is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate." 11 CFR § 109.1(a). See also 2 U.S.C. § 431(17).

"Made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate," has in turn been defined by the Commission to mean

> "(i) Any arrangement, coordination, or direction by the candidate or his or her agent prior to the publication, distribution, display, or broadcast of the communication. An expenditure will be presumed to be so made when it is -
>
> (A) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents, with a view toward having an expenditure made;
>
> (B) Made by or through any person who is, or has been, authorized to raise or expend funds, who is, or has been, an officer of an authorized committee, or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent . . ." 11 CFR § 109.1(b)(4).

The allegations of the complaint bear no relationship whatsoever to the facts which would be required to support a lack of independence in accordance with these provisions.

AEP has yet to make an "independent expenditure" at all; i.e., a "communication expressly advocating the election or defeat of a clearly identified candidate." The Democratic Party Complainants have not alleged that AEP has received or will receive any information about Mr. Reagan's "plans, projects or needs" from Mr. Reagan or his agents, much less from them "with a view toward having an expenditure made." The Democratic Party Complainants have not alleged that any of AEP's members has or will have any authority to "raise or expend funds" for Mr. Reagan. The Democratic Party Complainants have not alleged that any of AEP's members is or has been an officer of Mr. Reagan's campaign committee. The Democratic Party Complainants have not alleged that any of AEP's members is or has been receiving any form of compensation or reimbursement from Mr. Reagan or his committees or agents. And none of the "facts" put before this Commission would support any such allegations.

Furthermore, the Democratic Party Complainants do not, and cannot, allege an "overlap" between AEP members and the participants in Mr. Reagan's presidential campaign staff. Indeed, even in the presence of an overlap as extensive as that apparently involved in MUR 203 and MUR 203(a)(76), the Commission's General Counsel advised that an "overlap" of personnel, standing alone, is insufficient to prevent expenditures from being characterized as independent. A contrary determination "would seem to be a more expansive interpretation of 'cooperation and consultation' than set forth in

§109.1(b)(4)(i)(B)." The Commission's General Counsel went on to say

> "Therefore, we believe that the Commission must consider not just an apparent overlap in personnel and the positions these individuals hold, but whether [the independent committee's] 'independent expenditures' were in fact made 'by or through' these individuals." General Counsel's Report, MUR 203, 203(a), November 11, 1977. (Emphasis added.)

The complaint here falls vastly short of alleging any facts which fit within the statute and regulations, much less any facts showing any "overlap" at all.

Nor does the complaint allege any facts with respect to any vendor or consultant to AEP to bring such vendor or consultant within the areas of possible disqualification discussed by the Commission in AO 1979-80.

In short, nothing heretofore published by the Commission can reasonably be interpreted to cover the facts alleged in the complaint.

If the Commission would like to redefine "independent expenditure," it must do so by regulatory procedures approved by Congress. Moreover, if the Commission does redefine "independent expenditures" in the manner suggested by the complaint, it will violate the letter and spirit of Buckley and the statute itself. 2 U.S.C. § 431(17).

The Commission must determine whether to proceed with an investigation of AEP's proposed activities independently of any determination with respect to the other respondents. The charges against AEP, standing alone, do not support a

claim that AEP has violated or will violate any provision of FECA or of the Fund Act, or that AEP is not or will not be independent from Mr. Reagan within the meaning of Buckley v. Valeo.

Thus, before the Commission may proceed with an investigation of AEP, it would have to redefine "independence" and make the following determinations at least in substantial part:

(1) That Thomas Reed, who is a member of AEP, is not and cannot be independent from Mr. Reagan because he was:

(a) A Republican National Committeeman and a delegate to the Republican National Convention from California from 1968-1972 when Mr. Reagan was Governor of California;

(b) Chairman of Mr. Reagan's 1970 campaign for Governor of California; and

(c) The person who introduced Mr. Reagan to pollster Richard Wirthlin. Complaint, pp. 18-19.

(2) That Peter Flanigan, who is a member of AEP, is not and cannot be independent from Mr. Reagan because he was:

(a) Chairman of New Yorkers for Nixon in 1959;

(b) Chairman of Volunteers for Nixon-Lodge in 1960;

(c) National Deputy Chairman, Nixon for President, in 1968;

(d) An assistant to President Nixon in 1969-74;

(e) Reported to have "been involved in a number of fund raising matters" in 1972 and 1974; and

(f) A (former) member of the Advisory Council on Economic Affairs of the RNC. Complaint, p. 19.

(3) That Winton M. Blount, who is a member of AEP, is not and cannot be independent from Mr. Reagan because he was:

(a) Southeastern Director of the Nixon-Lodge Committee in 1959-60;

(b) Postmaster General of the United States in 1969-71; and

(c) Republican candidate for the U.S. Senate in 1972. Complaint, p. 23.

(4) That John Deardourff, a principal of AEP's media consultants, Bailey, Deardourff & Associates, Inc., is not and cannot be independent from Mr. Reagan because he is:

(a) A political consultant;

(b) A significant political consultant;

(c) A vital political consultant;

(d) A leading professional Republican campaign consultant;

(e) The political consultant in charge of media advertising for the Ford-Dole campaign in 1976; and

(f) The political consultant who ran the campaign of Republican Perry Duryea for Governor of New York in 1978 while serving as a consultant to Republican candidates in Michigan, Ohio and Pennsylvania. Complaint, pp. 24-25.

(5) That although AEP has yet to make an independent expenditure, and although the question of independence turns not on who is a member of or contributor to AEP but rather

on the independence of the person who makes the expenditure decision, 2 U.S.C. § 431(17), AEP has violated or is likely to violate FECA or the Fund Act.*/

The Commission cannot possibly make these preposterous findings either factually or as a matter of law, and accordingly the Commission has no alternative but to end this political charade and to dismiss the complaint against AEP forthwith.

IV.

CONCLUSION

Given that AEP's proposed activities constitute political expression "at the core of our electoral process and of the First Amendment freedoms," Buckley v. Valeo, 424 U.S. at 39, 96 S.Ct. at 644, this charade being perpetrated by the Democratic Party Complainants has caused and will continue to cause a substantial chilling effect on the exercise by AEP of these freedoms. The Commission's enforcement procedures, as applied to AEP, do not alleviate this problem; rather, they exacerbate it.

Under no possible reading of the Constitution or of § 437g is this Commission entitled to proceed with a formal investigation of alleged violations of FECA or the Fund Act which are not and cannot be supported by any facts placed before the Commission. Politically motivated allegations premised on incompetent and inadmissible "evidence" cannot

*/ Whether or not William P. Clements, Jr., James Lake, Stuart Spencer and Harry S. Dent are "independent" is irrelevant, since these persons are not, and have never been, members or officers of AEP. See attached Affidavit of Roderick M. Hills.

form the basis of a Commission enforcement proceeding. And even assuming arguendo the truth of such "evidence," an investigation is not authorized since such "evidence" cannot possibly sustain a violation of law. Therefore, the Commission must dismiss the complaint.

Date: July 23, 1980.

Respectfully submitted,

LATHAM, WATKINS & HILLS

By Robert K. Burgess

Roderick M. Hills
William A. Long
Robert K. Burgess
Edward Sonnenschein, Jr.

1333 New Hampshire Avenue, N.W.
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Attorneys for Americans for
an Effective Presidency

BEFORE THE FEDERAL ELECTION COMMISSION

| | |
|---|---|
| IN THE MATTER OF THE COMPLAINT OF THE CARTER-MONDALE REELECTION COMMITTEE, INC. and DEMOCRATIC NATIONAL COMMITTEE. | MUR 1252 |

AFFIDAVIT OF RODERICK M. HILLS

I, Roderick M. Hills, being first duly sworn, say:

1. I am an attorney at law and a partner in the law firm of Latham, Watkins & Hills, counsel for Americans for an Effective Presidency ("AEP"). I am one of the attorneys at Latham, Watkins & Hills who have devoted substantial time to and have been directly involved in the formation and organizational activities of AEP.

2. On July 9, 1980, AEP filed its Statement of Organization (FEC Form 1) with the Commission in accordance with § 433(a) of the Federal Election Campaign Act.

3. Attached hereto as Exhibit A is a list of AEP's founding members and officers. There have not been at any time any other members or officers of AEP. The principal founding members of AEP are Peter M. Flanigan and Thomas C. Reed.

4. During the organization of AEP prior to July 9, 1980, Messrs. Flanigan and Reed and certain other persons involved in the planning of AEP prior to its formation did discuss with other persons the possibility of such other persons becoming members or officers of AEP. However, no other persons became members or officers of AEP, in each case either because of his or her own personal decision not to participate or because counsel for AEP advised that such person could or should not participate.

5. At no time have Messrs. William P. Clements, Jr., James Lake, Stuart Spencer or Harry S. Dent, ever been members or officers of AEP. Of those four gentlemen, only Mr. Spencer and Mr. Lake were even contacted for the purpose of determining whether they could be, and had an interest in being, participants in AEP. At one time, AEP considered contracting with Mr. Spencer for his services as campaign director of AEP. However, after discussion, and several weeks before he joined the Reagan campaign, both Mr. Spencer and AEP principals determined that Mr. Spencer, who is highly respected for his experience in running campaign organizations, had talents not needed by AEP, which intends principally to run a media campaign. For that purpose, AEP retained the political consulting and advertising firm of Bailey, Deardourff & Associates, Inc. AEP considered using Mr. Lake in connection with press matters. After initial discussions with him, however, AEP decided not to use his services.

6. Attached hereto as Exhibit B is a copy of a memorandum from Mr. Flanigan which describes AEP's plans and objectives.

7. To date, AEP has not expended any sums whatsoever in the form of a communication "advocating the election or defeat of a clearly identified candidate." 11 CFR § 109.1(a). See also 2 U.S.C. § 431(17). At such time as such expenditures are made by AEP, they will be made by an "expenditures committee" of AEP, which will consist of Messrs. Peter Flanigan, Robert Flanigan, Thomas Reed, Robert Douglass, Robert Finch, Herbert Stein, Robert Masson, Winton Blount and the undersigned. Other persons who are members of AEP and who contribute to AEP will be invited to participate in its expenditure decisions if it is established to counsel's satisfaction that they, like the foregoing individuals, are independent from Mr. Reagan, his committee and agents within the meaning of FECA, 2 U.S.C. § 431(17), and the Commission's regulations, 11 CFR Part 109.

8. I have personal knowledge of the foregoing facts.

Dated: July 22, 1980

Roderick M. Hills

DISTRICT OF COLUMBIA ) ss:

Subscribed and sworn to before me this 22 day of July, 1980.

Beverly Posey
Notary Public

My Commission Expires August 31, 1984

## MEMBERS

ANDERSON, Robert O. - Chairman, ARCO, Los Angeles, CA

BIAGGINI, B. F. - Chairman, Southern Pacific Co., San Francisco, CA

BLOUNT, Winton M. - Chairman, Blount Brothers, former Postmaster General of the United States, Montgomery, AL

DE WINDT, E. Mandell, Chairman, Eaton Corp., Cleveland, OH

DOUGLASS, Robert R. - General Counsel, Chase Manhattan Bank, New York City, NY

EISENHOWER, D. David -- Writer, Berwyn, PA

FINCH, Robert H. - Partner, Fleming, Anderson, McClung & Finch, and former Secretary of Health, Education & Welfare, Pasadena, CA

FLANIGAN, Peter - Managing Director, Dillon, Reed & Co., former Assistant to the President of the U. S., New York, NY

FLANIGAN, Robert - Rancher, former State Chairman, Republican Party of Colorado, Denver, CO

FLUOR, Bob - Chairman, Fluor Corp., Irvine, CA

HILLS, Roderick M. - Partner, Latham, Watkins & Hills, former Chairman, Securities and Exchange Commission, Washington, DC

HITT, Patricia Reilly - former Assistant Secretary of H.E.W., Los Angeles, CA

JAMES, John V - Chairman, Dresser Industries, Dallas, TX

MacNAUGHTON, D. S. - Chairman, Hospital Corp. of America, Nashville, TN

MALOTT, Robert H. - Chairman, FMC Corp., Chicago, IL

MASSON, Robert H. - Vice President and Treasurer, PepsiCo., Inc., Purchase, NY

MORGENS, Howard - Chairman Emeritus, Proctor & Gamble, Cincinnati, OH

* MOSBACHER, Robert - Independent Oil and Gas Producer, Houston, TX

PACKARD, David - Chairman, Hewlett-Packard Co., former Deputy Secretary of Defense, Palo Alto, CA

PIGGOTT, Charles M. - Chairman, PACCAR Corp., Bellevue, WA

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EXHIBIT A

REED, Thomas C. - President, Quaker Hill Development Corp., former Secretary of the Air Force, St. San Raphael, CA

ROCKWELL, Jr., Willard F. - former Chairman, Rockwell International, Pittsburgh, PA

STEIN, Dr. Herb - Professor of Economics, University of Virginia, former Chairman, Council of Economic Advisers

STINSON, GEORGE A. - Chairman, National Steel Corp., Pittsburgh, PA

TERRELL, RICHARD - former Vice Chairman, General Motors Corp., Naples, FL

---

OFFICERS

Chairman - Flanigan, Peter M.

Chairman of Expenditures Committee - Reed, Thomas C.

Staff Director - Fierce, Donald L.

Media Directors - Bailey, Douglas and Deardourff, John

Treasurer - Masson, Robert H.

General Counsel - Hills, Roderick M.

* Mosbacher - A member as of July 9, 1980 but subsequently withdrew.

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AMERICANS FOR AN EFFECTIVE PRESIDENCY
1225 19th Street, N.W., Suite 415
Washington, D.C. 20036

FROM: Peter Flanigan, Chairman
Americans for an Effective Presidency

TO: Prospective Contributors

RE: Objectives, Perspective and Operation of Americans for an Effective Presidency

It is our intention to communicate the contents of this memorandum -- in its present or in summary form -- to every prospective contributor to Americans for an Effective Presidency.

We invite contributions from those who share in common with us the objectives and perspective of the organization and understand the way it intends to pursue those objectives.

A. Objectives

Americans for an Effective Presidency is a group of individuals gathered together to exercise their constitutional rights to participate in the political process. As such, it is an independent expenditures committee under the Federal Election Campaign Act. It is not authorized by any candidate, by any candidate's Committee or by any national political party.

Its objectives are to raise funds from like-thinking Americans and to expend funds to defeat the re-election campaign of Jimmy Carter, to elect Ronald Reagan President, and to further Governor Reagan's prospects of victory should the presidential election have to be decided in the U.S. House of Representatives.

Paid for by Americans for an Effective Presidency,
An Independent Expenditures Committee Under the Federal Election Campaign Act;
Not Authorized By Any Candidate or Candidate's Committee

EXHIBIT B

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Therefore, it will make expenditures in support of Governor Reagan's election as President and in support of selected Republican candidates for Congress in expectation of their support of Governor Reagan should the election go into the House.

We intend to comply with all existing law by maintaining total independence from the Reagan campaign committee, the Republican National Committee, and their leadership, strategists, and operational personnel.

B. Perspective

All contributors should share the commonly held beliefs of the founding members of Americans for an Effective Presidency. They are the following:

1. The presidential election of 1980 may be the most important in our nation's history.

2. The continuation of Jimmy Carter in office would severely threaten the economic stability of the country and the effectiveness of the free world alliances upon which world peace depends.

3. In the past three years, the defense preparedness of the United States has been allowed to decline to a point of genuine jeopardy to our country and our people.

4. At the same time economic mismanagement by the current administration has permitted inflation at record levels and unemployment at rising levels to undermine the economic security of most American families.

5. At the same time the policies of the current administration have both prevented needed business reinvestment and furthered burdensome government regulation at the expense of big and small business alike and American's workers and America's consumers.

6. And at the same time, indecisive leadership by the current administration has denied the country an effective, understandable or supportable plan for energy independence.

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7. Of the candidates currently running for President, Ronald Reagan is most clearly able to correct these deficiencies and restore American stability, security, confidence and pride.

8. Because of the utmost importance of the election, it is essential to assure effective communications to the voters of Reagan's strengths and Carter's deficiencies.

9. It is the responsibility of all who share these beliefs to do all within their power to assure the defeat of Jimmy Carter and the election of Ronald Reagan.

10. Because the candidacy of John Anderson might prevent any candidate from winning an Electoral College majority and require the House of Representatives to make the choice, it is important for all who share these beliefs to help elect House candidates who would be expected to vote for Ronald Reagan.

These shared views of the founding members of Americans for an Effective Presidency, as listed on our letterhead, form the perspective of the organization. Many of the founding members have held high public office. Their individual views may be familiar to many potential contributors. Any who wish a further presentation of their individual views are invited to write them personally or to write Americans for an Effective Presidency.

C. Operations

Every contributor to Americans for an Effective Presidency is a Member of the organization. All Members who wish to do so may become Participating Members by filling out a questionnaire attesting to their personal independence from the strategy, planning and operations of the Reagan campaign and campaigns for candidates for the U.S. House of Representatives. Approval of a Member as a Participating Member will be automatic unless the staff and an appointed committee of the founding members determines from the submitted questionnaire that participation in policy questions by the Member would jeopardize the independence of the organization under the law.

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All Participating Members (including all founding members) will be periodically polled and invited to periodic meetings to consider policy questions before the organization.

An Expenditures Committee (as indicated on the letterhead) has been established to provide supervisory direction to the staff of the organization. They have been chosen for their broad political experience and judgment.

The Expenditures Committee shall solicit the views of the full Participating Membership on major questions of policy. And taking those views into account, it shall determine all expenditures by the organization, hire all staff, provide for legal counsel, supervise all record-keeping, authorize all fund-raising, and represent the organization to the media and the public.

Thomas Reed shall serve as Chairman of the Expenditures Committee and shall provide policy guidance and regular supervision of the staff on behalf of the Expenditures Committee. Mr. Reed, serving as chairman or director of various statewide campaigns in the Western United States over the past 14 years, enjoys an unbroken record of electoral success.

Robert Masson shall serve as Treasurer of the Committee. Mr. Masson is Treasurer of Pepsico, Inc., and is an experienced financial manager.

Professional staff will be retained to implement all aspects of the organization's program. All staff personnel will be required to fill out the same questionnaire that Participating Members fill out in order to assure total independence for the organization. The original staff of Americans for an Effective Presidency includes:

-- Staff Director: Don Fierce: 1976 regional political director for President Ford. Managed numerous Republican campaigns for Congressional and statewide offices.



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-- Media Directors: Bailey, Deardourff & Associates: 1976 general election advertising agency for President Ford. The firm counts ten of the 19 current Republican Governors among their clients.

It is expected that the program implemented by the staff, under the supervision of the Expenditures Committee, will include:

-- Solicitation, via personal and direct mail fund-raising, of several million dollars in contributions.

-- The placement of 75% or more of all funds in television, radio and newspaper advertising to defeat Jimmy Carter, elect Ronald Reagan and increase the likelihood of Ronald Reagan's election if the House of Representatives must decide. The timing and location of such advertising shall be determined by the Expenditures Committee after input from Participating Members and after professional analysis by the staff. The content of such advertising shall be consistent with the objectives and the perspective of the organization as expressed in this memo. Each piece of advertising shall be authorized by the Expenditures Committee only after determination that it is consistent with the views of the Participating Members.

-- Occasional presentation of the views of public figures associated with the organization on subjects relevant to their expertise and consistent with the shared perspective of the Members.

-- Broad (but targeted) media distribution of recorded statements relevant to the campaign by public figures expressing views consistent with the shared perspective of the Members.

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-- Consideration of direct contributions to campaigns of candidates for the U.S. House of Representatives where appropriate to increase the likelihood oi Governor Reagan's victory in case the presidential election must be decided in the House. Such contributions would be in addition to or rather than media expenditures made in support of their candidacy. In determining when and where such contributions or expenditures are appropriate, the Expenditures Committee will rely on professional staff analysis.

Expenditures are not planned for any of the following types of activities which would be typical of a campaign organization:

-- Buttons, bumper strips and similar handout paraphernalia of a traditional candidate campaign.

-- Field and precinct organization for Election Day activities.

-- Phone bank or other voter canvassing activities.

D. Summary

It is our hope that all Americans who share the objectives and perspective of Americans for an Effective Presidency, and who understand its contemplated operations, will want to exercise their constitutional right to contribute to its efforts and become a Member. We want their support. We want their participation in its policy decisions to the degree that each individual's actual participation in policy will preserve the legally required independence of the organization from the Reagan campaign and the Republican National Committee.

Our country is on the line in this election. We intend to do something about it. And we want your help.

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WRITER'S DIRECT DIAL NO.:
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July 31, 1980

80 JUL 31 P4:54
FEC MAIL ROOM

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1252

Dear Mr. Steele:

This office represents Americans For Change ("AFC") in Federal Election Commission ("FEC") Matter Under Review ("MUR") 1252. This letter and the attached Exhibit are submitted in response to your notification dated July 7, 1980, and pursuant to 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.6. For the reasons stated below, the FEC should take no action against AFC.

## FACTS

AFC is a political committee registered with the FEC pursuant to 2 U.S.C. § 433. AFC's chairman is Senator Harrison H. Schmitt and its treasurer is former Senator Carl T. Curtis. The custodian of AFC's records and its assistant treasurer is Mr. Stan Huckaby, a certified public accountant. AFC accepts undesignated contributions subject to the applicable dollar limitations of the Federal Election Campaign Act, as amended ("FECA"). 2 U.S.C. § 441a (a)(1)(C) and (a)(2)(C).

AFC intends to make expenditures in support of candidates for federal office, including independent expenditures in support of Governor Ronald Reagan, Republican nominee for the office of President. 2 U.S.C. § 431(17); 11 C.F.R. § 109. All independent expenditures by AFC in support of any candidate have been and/or will be made by and through

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Attachment V

only members of the Executive Committee, consisting of Senators Schmitt and Curtis, Senator David Durenberger, Mr. John Harmer and Mr. Brad O'Leary. AFC also has a National Steering Committee. No members of the National Steering Committee participate in the making of any independent expenditures.

A complaint[1/] was filed by the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (collectively referred to as "Carter-Mondale"), dated July 1, 1980, against AFC and seven other named respondents. The complaint included twenty-six pages of "Facts" and four pages of "Violations of Law." The complaint filed by ten attorneys on behalf of Carter-Mondale, contains no memorandum of law, but is accompanied by several hundred pages of exhibits consisting of newspaper articles (some over eleven years old), lengthy excerpts from books on political campaigning and campaign financing, copies of solicitation letters by respondents other than AFC, excerpts from Who's Who, and copies of selected public documents filed by the various respondents with the FEC. There is also an affidavit from Mr. Robert Strauss, President Carter's campaign chairman and former DNC chairman, stating his personal views and opinions as to the legal and political consequences of what he believes constitutes a violation of the "spirit" of federal campaign financing laws. Strauss Aff. at ¶ 2.

## ARGUMENT

The general allegation in the Carter-Mondale complaint is that AFC and other respondents "are planning to contribute" to the campaign of the Republican presidential

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1/ The FEC General Counsel sent a copy of the complaint with his notification letter of July 7, 1980, as required by 11 C.F.R. § 111.5. Upon information and believe, additional "amendments" and "supplements" have been filed at the FEC by Carter-Mondale. We are unaware of any notifications by the FEC General Counsel other than the letter of July 7, 1980. We respectfully request that any documents filed with the FEC by Carter-Mondale in connection with MUR 1252 be sent to counsel through the required notification procedure in 11 C.F.R. § 111.5. Notification is necessary in order to fully apprise a respondent, such as AFC, of all allegations actually filed with the FEC. After receipt of such notifications from the General Counsel, AFC may exercise again its rights under 2 U.S.C. § 111.6 and further demonstrate why the FEC should take no action on the basis of the "amendments" or "supplements."

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nominee, Complaint at 2, and that such "contributions . . . will violate the law in numerous respects." Complaint at 35. Carter-Mondale admits that it has presented no evidence to establish that there has been any communication between AFC and the Reagan campaign, or among AFC and other respondents who have publicly announced intentions of making independent expenditures. Complaint at 33. Carter-Mondale asserts, however, that "political professionals" are legally incapable of making, or participating in the making of, independent expenditures, even "without day-to-day common direction." Complaint at 33.

AFC submits that Carter-Mondale has filed a complaint that utterly fails to produce any evidence that AFC has made or will make any expenditures in support of Governor Reagan other than lawful independent expenditures. Instead, Carter-Mondale has filed a complaint that is based on irrelevant and/or inaccurate statements in support of a legal proposition that cannot be found anywhere in federal campaign financing laws. Once the complaint is stripped of its political rhetoric, the underlying legal theory suggested by Carter-Mondale is as follows: "political professionals" (which we presume means any officeholder or any person who is skilled at political expression because of his or her experience, skill and activism) are forbidden by law to make independent expenditures; some of the individuals who are participants in and supporters of AFC are "political professionals"; ergo, AFC is prohibited from making independent expenditures, even though there is no evidence of any "arrangement, coordination or direction by the candidate or his or her agent." 11 C.F.R. § 109.1(b)(4)(i).

Neither the campaign financing laws nor FEC regulations bar "political professionals" from exercising a citizen's statutory and constitutional right to make independent expenditures. An independent expenditure may be made by any "person." 2 U.S.C. § 431(11); 11 C.F.R. § 109.1 (b)(1). The only persons categorically barred by regulation from making such expenditures are authorized committees and the national committee of a political party. 11 C.F.R. §§ 109.1(e) and 110.7(a)(5). AFC is neither.

Once Carter-Mondale's underlying legal theory is discarded, as it must be, the question remains whether complainants have submitted any evidence that AFC has made or intends to make any expenditure "in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents." 2 U.S.C. § 441a(a)(7)(B)(i); Cf. 2 U.S.C. § 431(17).

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As noted above, all independent expenditures by AFC must be made by or through its Executive Committee. No member of the Executive Committee has made or intends to make any expenditure in cooperation, consultation or concert with, or at the request or suggestion of, Governor Reagan or any of his agents. Carter-Mondale has not proferred any evidence that any member of AFC's Executive Committee has in any way consulted, coordinated or even discussed AFC's activities with Governor Reagan or anyone associated with the Reagan campaign. By the same token, Carter-Mondale has not submitted any information to the FEC that in any way indicates that others 2/ associated with AFC have consulted, coordinated or discussed these matters with Governor Reagan or the Reagan campaign staff. The reason why no such evidence is forthcoming is clear. No evidence of "arrangement, coordination or direction" exists because there has been no arrangement, coordination or direction between AFC and the Reagan campaign. Consequently, there has not been, nor will there be any

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2/ Complainants erroneously allege that certain individuals are "involved" in AFC. For example, neither Mr. Melvin R. Laird nor Mrs. Anna Chennault are associated with AFC. When AFC was formed both Mr. Laird and Mrs. Chennault had expressed their interest in joining the National Steering Committee. However, they subsequently disclosed their intentions to participate actively in the formal Reagan general election campaign, and were therefore never approved for membership on the National Steering Committee. AFC has a formal screening and approval process for individuals who wish to become members of the National Steering Committee.

Complainants also state that Mr. Huckaby, AFC's de facto bookkeeper, is treasurer of the 1980 Republican Presidental Unity Committee ("Unity Committee"), a committee affiliated with the Reagan for President Committee. What complainants fail to mention is that the committees of all the candidates for the Republican nomination (except Ambassador Bush and Congressman Anderson) were affiliated with the Unity Committee, which was organized as a joint fundraising committee to liquidate the debts of the losing candidates. The primary beneficiary of this effort is Senator Howard Baker, who will receive approximately 45% of the funds raised (compared to 1% for the Reagan primary committee). Mr. Huckaby is treasurer of The Baker Committee, Senator Baker's principal campaign committee. Mr. Huckaby has an obvious interest in assisting in efforts to reduce the substantial debt of The Baker Committee. In the context of this MUR, Mr. Huckaby's activities are wholly irrelevant in light of the fact that he is not a member of AFC's Executive Committee, and therefore no independent expenditures are made by or through him. See 11 C.F.R. § 109.1(b)(4)(i)(B).

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"contribution" by AFC to the Reagan campaign. AFC denies violating or intending to violate any of the provisions of the federal election campaign financing laws cited by Carter-Mondale. 3/

## CONCLUSION

The FEC must take no action against AFC in MUR 1252 because the complaint does not state a factual or legal basis that gives the FEC any reason to believe that AFC has violated any statute within its jurisdiction. The complaint, therefore, should be dismissed.

Respectfully submitted,

BAKER & HOSTETLER

By: Jan W. Baran

William H. Schweitzer

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3/ Carter-Mondale has alleged that AFC has violated or will violate 26 U.S.C. § 9012(f). AFC denies any such violation for reasons stated in its Motion to Dismiss in Common Cause v. Schmitt, Civil Action No. 80-1609 (D.D.C. filed July 1, 1980), copy attached as Exhibit A. In brief, AFC views section 9012(f) as a limit only with respect to expenditures by an unauthorized political committee that have been authorized or requested by a publicly funded general election presidential candidate. Alternatively, section 9012(f) is unconstitutional.

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

| | |
|---|---|
| COMMON CAUSE, et al., Plaintiffs, v. HARRISON SCHMITT, et al., Defendants. | Civil Action No. 80-1609 |

MOTION TO DISMISS OF DEFENDANTS
HARRISON H. SCHMITT, CARL T. CURTIS
AND AMERICANS FOR CHANGE

Come now defendants Harrison H. Schmitt, Carl T. Curtis and Americans For Change by their attorneys Baker & Hostetler and move the court to dismiss this case; and as grounds therefor refer to the Memorandum of Points and Authorities attached hereto and made a part hereof.

WHEREFORE, defendants Harrison H. Schmitt, Carl T. Curtis and Americans For Change pray that the Court dismiss plaintiffs' amended complaint with costs against plaintiffs.

BAKER & HOSTETLER

ORAL HEARING REQUESTED

By: J. Baran

Jan W. Baran
William H. Schweitzer
Lee T. Ellis, Jr.
Rebecca L. Jackson
818 Connecticut Avenue, N.W.
Washington, D.C. 20006
(202) 861-1572

Attorneys for Defendants
Harrison H. Schmitt,
Carl T. Curtis and
Americans For Change

CERTIFICATE OF SERVICE

I hereby certify that I have this 21st day of July, 1980, caused the foregoing pleading to be served by hand upon counsel for each of the parties to this action.

Jan W. Baran

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* Authorities chiefly relied upon.

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

| | |
|---|---|
| COMMON CAUSE, et al., Plaintiffs, v. HARRISON SCHMITT, et al., Defendants. | Civil Action No. 80-1609 |

MEMORANDUM OF POINTS AND AUTHORITIES
IN SUPPORT OF MOTION TO DISMISS OF DEFENDANTS
HARRISON H. SCHMITT, CARL T. CURTIS
AND AMERICANS FOR CHANGE

STATEMENT OF FACTS

Defendant Americans For Change ("AFC") is a political committee registered with the Federal Election Commission ("FEC") pursuant to 2 U.S.C. § 433.[1/] Defendants Harrison H. Schmitt and Carl T. Curtis are the Chairman and Treasurer, respectively, of AFC.[2/]

AFC intends to raise monies by means of limited contributions from individuals and other political committees in accordance with the FECA. 2 U.S.C. § 441a. AFC intends to make "independent expenditures" in support of candidates for federal offices during the 1980 general election campaign including "independent expenditures" in support of Ronald

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1/ Except as otherwise noted, all citations in this Memorandum relating to the federal election campaign financing laws will be to the current versions of the Federal Election Campaign Act, as amended ("FECA"), and the Presidential Election Campaign Fund Act ("Fund Act").

2/ Unless otherwise noted, defendants Harrison H. Schmitt, Carl T. Curtis and Americans For Change shall be referred to collectively as "AFC."

Reagan and George Bush, the Republican candidates for the offices of President and Vice President. "Independent expenditure" is a term defined at 2 U.S.C. § 431(17) and by the FEC in its regulations at 11 C.F.R. § 109.1(a) (1980).

On July 1, 1980, AFC was served with plaintiffs' (hereafter collectively referred to as "Common Cause") summons and complaint, motion for an expedited discovery and briefing schedule, and request for the convening of a three-judge court pursuant to 26 U.S.C. § 9011(b) and 28 U.S.C. § 2284(b)(1). Common Cause seeks an order from the Court declaring that AFC and the other defendants have acted or will act in violation of 26 U.S.C. § 9012(f) and asks the Court to enjoin defendants from making political expenditures. On July 7, 1980, AFC filed an opposition to Common Cause's motion for an expedited briefing schedule and expedited discovery and a response to Common Cause's request for the convening of a three-judge court. On July 8, 1980, Common Cause filed a reply to AFC's opposition and response and the Court held a hearing on Common Cause's motion and request.

On July 11, 1980, the FEC filed a motion for leave to intervene as a party defendant and informed the Court that it would file a motion to dismiss this action on July 21, 1980. On July 15, 1980, the FEC filed a separate action against AFC and two other political committees, Americans for an Effective Presidency and Fund for a Conservative Majority, which allegedly intend to make independent expenditures in support of Ronald Reagan and George Bush in the general election campaign. FEC v. Americans For Change, Civil Action No. 80-1754, United States District Court for the District of Columbia (hereafter "FEC v. AFC").[3/] In

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3/ Harrison H. Schmitt and Carl T. Curtis are not defendants in FEC v. AFC.

FEC v. AFC, the FEC seeks a declaration by a three-judge court that 26 U.S.C. § 9012(f) prohibits political expenditures, including independent expenditures in excess of $1,000, by unauthorized political committees in support of a candidate who elects to finance his general election campaign pursuant to the Fund Act.

On July 16, 1980, the Court informed counsel for AFC that a three-judge court had been convened in the instant case and in FEC v. AFC.

On July 17, 1980, AFC was served by Common Cause with an Amended Complaint seeking the same relief that it sought in its original complaint but adding as defendants Americans for an Effective Presidency and Fund for a Conservative Majority. Common Cause also moved to consolidate the two cases but asked the Court to realign the parties so that Common Cause and the FEC were plaintiffs in both cases. Finally, Common Cause moved to intervene as a party plaintiff in FEC v. AFC.

AFC hereby moves the Court to dismiss the instant case on the grounds that the Court lacks subject matter jurisdiction and that Common Cause has failed to state a claim upon which relief can be granted. AFC will file on July 25, 1980, oppositions to Common Cause's motion to consolidate in the instant case and its motion to intervene in FEC v. AFC. AFC will file on August 4, 1980, a motion to dismiss or, in the alternative, for summary judgment in FEC v. AFC.

## ARGUMENT

### I.

### THE COURT LACKS SUBJECT MATTER JURISDICTION OVER THIS ACTION

A. The FEC Has Exclusive Jurisdiction Over the Civil Enforcement of the Fund Act

Congress has provided the FEC with exclusive jurisdiction over the civil enforcement of the federal election laws, including the Fund Act. 2 U.S.C. § 437c(b)(1). Section 437c(b)(1) specifically provides:

> The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to, this Act [FECA] and chapter 95 [Fund Act] and chapter 96 of Title 26. The Commission shall have exclusive jurisdiction with respect to the civil enforcement of such provisions.

(Emphasis added).

The amended complaint of Common Cause[4/] seeks a declaration that AFC and other defendants have acted or will act in violation of 26 U.S.C. § 9012(f) and asks the Court to enjoin AFC from making political expenditures. Common Cause asserts that this Court has jurisdiction over this action under 26 U.S.C. § 9011(b) and 28 U.S.C. § 1331.

By seeking such relief Common Cause is requesting civil enforcement of the Fund Act. Congress in section 437c(b)(1) has designated the FEC as the exclusive forum for the adjudication of a private complaint that a person has violated the Fund Act. The FECA provides for the right of a private person to obtain such enforcement. 2 U.S.C. § 437g. Section 437g(a) directs that any person who believes a

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4/ The organization Common Cause has no standing under 26 U.S.C. § 9011(b) since it is not a national committee of any political party or an individual eligible to vote for president. It must be dismissed as party plaintiff.

violation of the Fund Act has occurred may file a complaint with the FEC. The FEC must then notify the respondent, investigate the complaint, determine whether a violation has occurred and attempt to obtain a conciliation agreement.[5/] 2 U.S.C. § 437g(a)(2)-(a)(5). If such an agreement cannot be obtained, the FEC may seek injunctive and other relief in federal district court. 2 U.S.C. § 437g(a)(6).

If the FEC dismisses or fails to act on a complaint, the complainant may file an action against the FEC in federal district court. 2 U.S.C. § 437g(a)(8). The district court may direct the FEC to reinstitute the complaint and proceedings under section 437g.

The jurisdiction for adjudicating federal election law claims of private parties against other private parties could not be more clearly delineated. Common Cause must file its claims against AFC with the FEC, which is the agency vested with exclusive jurisdiction over such matters.

Since the FEC has exclusive jurisdiction over civil enforcement of the Fund Act, Common Cause's assertion of jurisdiction under 26 U.S.C. § 9011(b) is erroneous. Section 9011(b) provides that district courts have jurisdiction over actions instituted by the FEC, the national committee of any political party or individuals eligible to vote for President to "implement" or "construe" provisions of the Fund Act. As shown, 2 U.S.C. §§ 437c(b)(1) and 437g vest exclusive jurisdiction over civil enforcement actions with the FEC. The language of 26 U.S.C. § 9011(b) in no way alters the FEC's exclusive jurisdiction.

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5/ Throughout the investigative and conciliation stages, the respondent is entitled to confidential treatment of all information and proceedings. 2 U.S.C. § 437g(a)(12). This protection minimizes the chilling effect of disclosure of constitutionally protected political activities.

Common Cause's reliance on the 1971 legislative history of the Fund Act ignores one crucial fact.[6/] The FEC did not exist in 1971. It was first created in 1974, and reconstituted in 1976. See Buckley v. Valeo, 424 U.S. 1, 109-43 (1976). The Fund Act as passed in 1971 was to be administered by the Comptroller General.[7/] It was to be his duty to receive expenditure reports, certify a candidate's eligibility for public financing and promulgate rules and regulations to implement the Fund Act. Pub. L. No. 92-178, § 801, 85 Stat. 569 (1971), (prior to 1974, 1976 and 1979 amendments). There was no agency with the duty or requisite powers to enforce administratively the federal election laws.[8/]

However, in 1974 Congress created the FEC and gave it primary jurisdiction over civil enforcement of the FECA. Pub. L. No. 93-443, § 310, 88 Stat. 1280 (1974), (prior to 1976 and 1979 amendments). In reconstituting the FEC after Buckley, Congress in 1976 amended the FEC's primary jurisdiction to make it exclusive; this exclusive jurisdiction was extended to the civil enforcement of the Fund Act. FECA Amendments of 1976, Pub. L. No. 94-283, § 101, 90 Stat. 476 (1976). The House report stated:

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6/ See Reply of Common Cause to AFC's Opposition to Expedited Discovery and Briefing Schedule and Convening of Three-Judge District Court at 3-5.

7/ The effective date of the Fund Act passed in 1971 was January 1, 1973 for application to the 1976 presidential election. 28 U.S.C. § 9013 (1976). The FEC was created by amendments to the FECA in 1974. Pub. L. No. 93-443, § 310(a)(1) 88 Stat. 1280 (1974). At that time authority to administer the Fund Act was transferred from the Comptroller General to the FEC. Id. § 9001 et. seq. In 1976 Congress amended the federal election laws to provide the FEC with exclusive jurisdiction to enforce the Fund Act. Pub. L. No. 94-283, § 101, 90 Stat. 476 (1976). The regulatory scheme envisioned by the Fund Act as originally enacted was never implemented.

8/ The Department of Justice could use its general prosecutorial powers to prosecute actions in district court for violations of the Fund Act. It has no authority to conduct administrative proceedings under the Fund Act.

> In addition to centralizing civil enforcement authority in the Commission, the bill takes one additional step to limit unjustifiable litigation burdens that might otherwise be imposed on the courts and on individuals against whom a complaint has been filed. The Commission is charged with the duty, upon receiving a complaint, to attempt to conciliate the matter for a specified reasonable period of time.
>
> The phrase "exclusive primary jurisdiction" used to describe the congressional intent to centralize the civil enforcement of the Act in the Federal Election Commission is taken from the Supreme Court's decisions in San Diego Unions v.Garmon, 359 U.S. 236. There the Court recognized that Congress, in enacting the National Labor Relations Act, "entrusted administration of the labor policy for the nation to a centralized administrative agency, armed with its own procedures, and equipped with its specialized knowledge and cumulative experience." (Garmon, 359 U.S. at 242). On that basis the Court stated that all complaints bottomed on an alleged violation of the NLRA are within that Agency's "exclusive competence" (id at 245) and that all other tribunals must therefore "yield to the primary jurisdiction of the National Board" (id). The Court's ruling in Garmon captures the essence not only of the NLRA's administrative scheme, but of this Act's enforcement procedures as well.

H.R. Rep. No. 917, 94th Cong. 2d Sess. 4 (1976) (emphasis added). The Conference Committee expressly adopted the House Report's position that the FEC would have exclusive primary jurisdiction over civil enforcement of the federal election laws. H. Conf. Rep. No. 1057, 94th Cong. 2d Sess. 35 (1976).[9/]

B. Section 9011(b) Does Not Create A Private Cause of Action

The language of section 9011(b) does not give this Court jurisdiction over a civil enforcement action by one private party against another. Its language clearly envisions

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9/ Since the FEC has exclusive jurisdiction over this action under section 437c(b)(1), federal question jurisdiction does not exist absent exhaustion of administrative remedies. Myers v. Bethlehem Shipbuilding Corporation, 303 U.S. 41 (1938). Common Cause cannot proceed with its action under 28 U.S.C. § 1331. Moreoever, section 1331 does not provide for the convening of a three-judge court.

an action by or against the FEC to implement or construe the Fund Act. "Implement" can only refer to the rulemaking authority under the Fund Act, which in 1971 belonged to the Comptroller General and since 1974 has rested with the FEC.[10/] A party who disagrees with an FEC rule implementing the Fund Act may sue the FEC for declaratory and injunctive relief. Section 9011(b) provides private parties with standing to sue the FEC to construe the meaning or constitutionality of a provision of the Fund Act.

The only parties to invoke successfully jurisdiction of a three-judge court under section 9011(b) have done so in suits against the FEC or its predecessors in order to challenge the constitutionality of provisions of the Fund Act. See Buckley v. Valeo, 519 F.2d 817, 819 (D.C. Cir. 1975), aff'd in part and rev'd in part, 424 U.S. 1 (1976); Clark v. Valeo, 559 F.2d 642, 646 n.3 (D.C. Cir.) (en banc), aff'd sub nom. Clark v. Kimmit, 431 U.S. 950 (1977); Republican National Committee v. FEC, 461 F. Supp. 570, 576 (S.D.N.Y. 1978) (opinion accompanying order convening three-judge court), aff'd 616 F.2d 1 (2d Cir. 1980) (en banc), aff'd, ____ U.S. _____, 100 S. Ct. 1639 (1980). In fact, courts have recognized that questions appropriately certified to a three-judge panel under section 9011(b) are constitutional questions arising under the Fund Act. See Republican National Committee v. FEC, 461 F. Supp. at 576; Buckley v. Valeo, 519 F.2d at 818-19. In an action under section 9011(b) to implement or construe provisions of the Fund Act there is simply no relief this court can provide to one private party against another private party.[11/]

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10/ See n.7, supra.

11/ Shortly after the creation of the FEC the Supreme Court in Cort v. Ash, 422 U.S. 66 (1975) held that 18 U.S.C. § 610, now codified at 2 U.S.C. § 441b, did not create a private cause of action. 422 U.S. at 76. In so holding, the Court recognized that the FECA had vested the FEC with jurisdiction over private enforcement of the federal election laws. Id. at 74-76.

Efficient judicial administration and respect for the proper limits of expedited procedures mandate a narrow construction of the use of a three-judge court under 26 U.S.C. § 9011(b). See Phillips v. U.S., 312 U.S. 246, 253 (1941). Swift & Company v. Wickham, 382 U.S. 111 (1965), illustrates the narrow construction accorded statutes that permit a three-judge court. Under 28 U.S.C. § 2281 (repealed 1976), an individual was entitled to sue and have a three-judge court instituted where a state statute was challenged on grounds of unconstitutionality. Despite the plain words of section 2281 stating that only "unconstitutionality" be shown, the Court held that allegations based on the Supremacy Clause were not sufficient to convene a three-judge court. 382 U.S. at 126-127. Swift clearly indicates that the Supreme Court construes three-judge court statutes very narrowly.

Three-judge court statutes such as section 9011(b), which allow for direct expedited appeal to the Supreme Court, are especially inappropriate for use in connection with disputed factual circumstances.[12/] To interpret the district court's jurisdiction under section 9011(b) as including authority to enforce all provisions of the Fund Act is to open the door to frequent complex factual adjudicatory proceedings before a three-judge court. Delays inherent in any factual adjudication are in conflict with the mandate in section 9011(b) that all proper cases thereunder must "be in every way expedited." Allowing three-judge courts to be constituted for this purpose would also place a substantial drain upon the federal judicial system and impose "unjustifiable litigation burdens" upon individuals and associations

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12/ For example, AFC would assert its right to have a jury decide disputed facts in this case.

exercising fundamental First Amendment rights. H.R. Rep. No. 917, 94th Cong. 2d Sess. 4 (1976). Congress surely did not intend such a result when the FEC was given exclusive jurisdiction over adjudicatory enforcement of the Fund Act.

Common Cause's complaint, therefore, must be dismissed because this Court lacks subject matter jurisdiction.

II.

PLAINTIFFS FAIL TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED, BECAUSE SECTION 9012(f)(1) DOES NOT LIMIT INDEPENDENT EXPENDITURES BUT LIMITS ONLY EXPENDITURES AUTHORIZED OR REQUESTED BY A PRESIDENTIAL CANDIDATE, OR ALTERNATIVELY, IS UNCONSTITUTIONAL UNDER THE FIRST AMENDMENT

A. The Proper Construction of Section 9012(f)(1) Is That It Limits Expenditures By an Unauthorized Political Committee That Have Been Requested or Authorized By a Candidate, But Does Not Limit Independent Expenditures

A fair reading of section 9012(f)(1) in relation to other provisions of the Fund Act, the FECA, and FEC regulations restricts the application of that statute to expenditures by unauthorized political committees[13/] that are authorized or requested by a presidential candidate. Section 9012(f)(1) provides, in pertinent part, that

> it shall be unlawful for any political committee which is not an authorized committee with respect to the eligible candidates of a political party for President and Vice President in a presidential election knowingly and willfully to incur expenditures to further the election of such candidates, which would

13/ The Fund Act does not define "unauthorized committee." The FEC, however, has specified that "[a]n 'unauthorized committee' is a political committee which has not been authorized in writing by a candidate to solicit or receive contributions or make expenditures on behalf of such candidate." 11 C.F.R. § 100.5(f)(2) (1980) (emphasis added). All political committees subject to federal campaign financing laws are either "authorized" or "unauthorized." Id. AFC is an unauthorized committee.

> constitute qualified campaign expenses if incurred by an authorized committee of such candidates in an aggregate amount exceeding $1,000.

26 U.S.C. § 9012(f)(1) (emphasis added).

Violation of section 9012(f)(1) constitutes a criminal act punishable by fines and imprisonment. 26 U.S.C. § 9012(f)(3). In construing a parallel penal federal election campaign statute, the Supreme Court noted that a $1,000 limit makes it a criminal offense for an "association to place a single one-quarter page advertisement . . . in a major metropolitan newspaper." Buckley v. Valeo, 424 U.S. 1, 40 (1976). "Close examination of the specificity of the statutory limitation is required where, as here, the legislation imposes criminal penalties in an area permeated by First Amendment interests." Id. at 40-41 (citations omitted). Section 9012(f)(1) must contain language that "affords the '[p]recision of regulation [that] must be the touchstone in an area so closely touching our most precious freedoms.' NAACP v. Button, 371 U.S. at 438, 83. S. Ct. at 340." Id. at 41.

Section 9012(f)(1) is properly read as a statute designed to prohibit a candidate from authorizing or requesting unauthorized committees to make expenditures on the candidate's behalf. Section 9012(f)(1) does not limit independent expenditures in support of a candidate.[14/] The proper reading of section 9012(f)(1) preserves the usefulness of the statute to limit those expenditures that have been authorized or requested by the candidate without

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14/ "Independent expenditures" is a term defined at 2 U.S.C. § 431(17) and by the FEC in its regulation at 11 C.F.R. § 109.1(a) (1980). Generally, "independent expenditures" are not authorized or requested by the candidate.

infringing upon the constitutional right of individuals and associations to make independent expenditures in support of the candidate. This is clear from a determination of what constitutes "expenditures to further the election" of a candidate. Neither the FECA nor the Fund Act defines this phrase. However, its meaning is discernable from statutory and regulatory provisions that use this term.

For example, a "qualified campaign expense" means an expense incurred by eligible candidates[15/] or their authorized committees[16/] "to further the election" of such candidates. 26 U.S.C. § 9002(11). The FEC has defined when an expenditure furthers the election of eligible candidates as follows:

> An expenditure is made to further a Presidential or Vice Presidential candidate's campaign if it is incurred by or <u>on behalf of</u> such candidate or his or her authorized committee.

45 Fed. Reg. 43,379 (1980) (to be codified in 11 C.F.R. § 9002.11(b)(1)) (emphasis added).

The FECA and FEC regulations implementing both the FECA and the Fund Act clearly define when an expenditure is "on behalf of" an eligible candidate:

> [A]n expenditure is on behalf of a candidate if it is made by
>
> (i) an authorized committee or any other agent of the candidate for purposes of making an expenditure; or
>
> (ii) any person <u>authorized or requested</u> by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure

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15/ Defined at 26 U.S.C. § 9002(4); 45 Fed. Reg. 43,378 (1980) (to be codified at 11 C.F.R. § 9002.4)

16/ Defined at 26 U.S.C. § 9002(1); 45 Fed. Reg. 43,378 (1980) (to be codified at 11 C.F.R. § 9002.1). <u>See</u> 2 U.S.C. § 431(6); 11 C.F.R. §§ 100.5(f)(1), 102.12 and 102.13 (1980).

2 U.S.C. § 441a(b)(2)(B) (emphasis added); 11 C.F.R.§ 110.8(g) (1980); 45 Fed. Reg. 43,379 (1980) (to be codified in 11 C.F.R. § 9002.11(b)(2)).

It therefore follows that an "expenditure to further the election of such candidates" is an expenditure made "on behalf of" the candidates. Under the FECA and FEC regulations, an expenditure by an unauthorized political committee is "on behalf of" a presidential candidate only if the expenditure has been "authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate."

AFC has not incurred, nor does it intend to incur, expenditures that have been or will be authorized or requested by any eligible candidates. Common Cause has not alleged that AFC has made or will make expenditures that have been authorized or requested by an eligible candidate. If Common Cause wishes to make this claim, then it must go to the FEC. As noted in Argument I above, this Court does not have jurisdiction over civil enforcement matters. In all other respects, Common Cause fails to state a claim in their complaint against AFC, because section 9012(f)(1) does not apply to the type of expenditures that AFC has made or plans to make. The complaint, therefore, must be dismissed.

B. Assuming Arguendo That Section 9012(f)(1) Limits Expenditures By an Unauthorized Political Committee That Are Not Authorized or Requested By An Eligible Candidate For President, Such a Limit Is Unconsitutional Under the First Amendment.

AFC submits that a fair reading of section 9012(f)(1) restricts its application to expenditures by unauthorized political committees that are authorized or requested by a presidential candidate. Such a construction would be consistent with the general scheme of federal campaign financing laws, and would save the provision from an otherwise unredeemable constitutional infirmity.

Assuming arguendo that section 9012(f)(1) imposes a $1,000 limit on unauthorized or unrequested expenditures by a political committee in support of an eligible candidate, such a statute would unconstitutionally abridge freedoms of speech and association. The conduct that Common Cause suggests is limited by section 9012(f)(1) falls within the type of political expression that the Supreme Court has ruled cannot be limited under the First Amendment.

Limitations on political expenditures affect core First Amendment rights of political expression and association, and must therefore be subject to exacting scrutiny. Buckley v. Valeo, 424 U.S. 1, 44-45 (1976). The Supreme Court has ruled that a $1,000 limit on independent political expenditures cannot withstand such exacting scrutiny. Id. at 51. Common Cause in effect wishes to relitigate and overturn a principle of constitutional law that was settled by the Buckley case. In doing so, they have placed upon section 9012(f)(1) a construction that "sweeps within its ambit . . . activities that in ordinary circumstances constitute an exercise of freedom of speech," and consequently renders the statute unconstitutional on its face. Thornhill v. Alabama, 310 U.S. 88, 97 (1940).

A limit on "expenditures for communications that in express terms advocate the election or defeat of a clearly identified candidate[17/] for federal office"[18/] is unconstitutional. Buckley v. Valeo, 424 U.S. 1, 44 and 51 (1976). Such a limitation is unconstitutional as applied to any "person,"[19/] including a committee or an association. Id.

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17/ "Candidate" is an individual who seeks nomination for election, or election to federal office. 18 U.S.C. § 591(b) (repealed, current version at 2 U.S.C. § 431(2)).

18/ "Federal office" includes the offices of President and Vice President. 18 U.S.C. § 591(c) (repealed, current version at 2 U.S.C. § 431(3)).

19/ "Person" includes "an individual, partnership, committee, association, corporation, or any other organization or group of persons." 18 U.S.C. § 591(g), (repealed, current version at 2 U.S.C. § 431(11)) (emphasis added).

at 39-40, n.45. The Court has rejected every governmental interest advanced in support of limits on independent political expression. Id. at 44-51.

Plaintiffs suggest that section 9012(f)(1) should be applied to independent political expressions by associations in order "to insure that the campaign of a candidate who has elected to receive federal funding will in fact be financed out of federal funds." Amended Complaint ¶ 1. Implicit in this argument is the belief that the Fund Act is designed to equalize all organized political speech with respect to federally financed presidential campaigns. This argument was roundly criticized and rejected by the Supreme Court in Buckley:

> [T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed "to secure 'the widest possible dissemination of information from diverse and antagonistic sources,'" and "'to assure unfettered interchange of ideas for the bringing about of political and social changes desired by the people.'"

Id. at 48-49 (citations omitted).

The construction of section 9012(f)(1) urged by Common Cause renders that provision unconstitutional on its face.

Common Cause's amended complaint further compels a determination that section 9012(f)(1) is unconstitutionally vague as to the types of associations subject to that statute. It is argued that only "committees" are limited "but not individuals or informal groups of persons acting together directly on their own behalf." Amended Complaint ¶ 2. Initially, this argument is undermined by FEC regulations which categorically state that all political committees as defined in the FECA are subject to section 9012(f). 45 Fed.

Reg. 43,378 (1980) (to be codified in 11 C.F.R. § 9002.9). Political committees by definition include "any committee, club, association, or other group of persons" which raises or expends over $1,000 to influence federal elections. 2 U.S.C. § 431(4); 11 C.F.R. § 100.5 (1980). The scope of this definition clearly encompasses any political group, "formal" or "informal," whose financial activity exceeds $1,000, the sum that Common Cause insists would constitute criminal conduct if spent to further the election of a presidential candidate.

Assuming, however, that section 9012(f)(1) limits expenditures by "formal" associations, but not "informal" associations, such a presumed distinction is so vague that persons "of common intelligence must necessarily guess at its meaning and differ as to its application." Connally v. General Construction Co., 269 U.S. 385, 391 (1926). The federal campaign financing laws do not contain any reference to, let alone a constitutionally specific distinction between, formal and informal committees. A group of persons exercising First Amendment associational rights in the furtherance of political expression lack any guidance as to when they cease to be an "informal group of persons acting together directly on their own behalf" and have instead metamorphasized into a "committee" subject to the section 9012(f)(1) limit and its criminal sanctions. Such vagueness is constitutionally impermissible in the area of political expression. Buckley v. Valeo, 424 U.S. 1, 42-43 (1976), citing Thomas v. Collins, 323 U.S. 516 (1945).

Underlying Common Cause's view that government should be permitted to stifle organized independent political activity is a notion that effective political associations are a threat to the political process. Common Cause's

vision of American politics and political speech is one of an atomized society consisting of individuals and cells composed of individuals "acting together directly on their own behalf." Amended Complaint ¶ 2 It is foremost a vision in direct conflict with the First Amendment right of citizens "to associate with others for the common advancement of political beliefs and ideas." Buckley v. Valeo, 424 U.S. 1, 15, citing Kusper v. Pontikes, 414 U.S. 51, 56 (1973), Cousins v. Wigoda, 419 U.S. 477, 487 (1975).

The First Amendment protects politically effective associations, because "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Buckley v. Valeo, 424 U.S. 1, 15, citing NAACP v. Alabama, 357 U.S. 449, 460 (1958). The Supreme Court struck down a $1,000 limit on independent expenditures because such a limitation on independent political expression

> precludes most associations from effectively amplifying the voice of their adherents, the original basis for the recognition of First Amendment protection of freedom of association. . . .[C]onstraints on the ability of independent associations and candidate campaign organizations to expend resources on political expression "is simultaneously an interference with the freedom of [their] adherents."

424 U.S. at 22-23 (citations omitted) (emphasis added). For the same reasons, the constraints in section 9012(f)(1) must be struck down as unconstitutional.[20/]

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20/ The Supreme Court specifically envisioned the formation and operation under the campaign financing laws of "well-financed groups, who would remain free to spend unlimited sums directly to promote candidates and policies they favor in an effort to persuade voters." Buckley v. Valeo, 424 U.S. 1, 26 n.26 (1976) (emphasis added). Moreoever, contributors remain free to become "member[s] of any political association and to assist personally in the association's efforts on behalf of candidates." Id. at 22. Political associations simultaneously were left free "to aggregate large sums of money to promote effective advocacy." Id. (emphasis added).

Section 9012(f)(1) as construed by Common Cause is unconstitutional on its face and unconstitutionally vague. For this reason, Common Cause fails to state a claim for which relief can be granted. The complaint, therefore, must be dismissed.

CONCLUSION

WHEREFORE, AFC respectfully asks the Court to grant its motion and dismiss this case with costs against Common Cause.

BAKER & HOSTETLER

By: _____

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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

| | | |
|---|---|---|
| COMMON CAUSE, et al. | ) | |
| Plaintiffs | ) | |
| v. | ) | Civil Action No. 80-1609 |
| HARRISON SCHMITT, et al. | ) | |
| Defendants | ) | |

ORDER

Upon consideration of the Motion to Dismiss of Defendants Harrison H. Schmitt, Carl T. Curtis and Americans for Change filed herein, and any opposition thereto, and it appearing that the Court lacks subject matter jurisdiction and the Amended Complaint fails to state a claim upon which relief can be granted, it is by the Court this _____ day of _____, 1980

ORDERED, that the Motion to Dismiss of Defendants Harrison H. Schmitt, Carl T. Curtis and Americans for Change be, and it is hereby, granted with costs against the plaintiffs.

_____
JUDGE

_____
JUDGE

_____
JUDGE

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July 22, 1980

The Honorable Charles N. Steele
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Marsha Gentner, Esq.

Re: MUR 1252

Dear Mr. Steele:

This letter is written in reply to your letter, dated July 7, 1980, in which you reported that the Carter-Mondale Reelection Committee, Inc. (hereinafter referred to as "C-M") and the Democratic National Committee (hereinafter referred to as "the DNC") had filed a complaint with the Federal Election Commission (hereinafter referred to as "the Commission"), alleging that Fund for a Conservative Majority, together with certain other named Respondents, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (hereinafter referred to as "the Act") and Chapter 95 of Title 26 of the United States Code. The Commission has numbered this matter MUR 1252.

Fund for a Conservative Majority appreciates this opportunity, pursuant to 2 U.S.C. 437g(a)(1) and 11 CFR

Attachment VI

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111.6, to demonstrate that no action should be taken on the basis of the complaint and that the complaint should be dismissed as to Fund for a Conservative Majority. In fact, we assert that the complaint fails to meet the technical requirements of 11 CFR 111.4, in that it fails to contain a clear and concise recitation of facts which describe a violation by Fund for a Conservative Majority of a statute or regulation over which the Commission has jurisdiction. See, 11 CFR 111.4(d)(3).

In the complaint, C-M and the DNC allege that Fund for a Conservative Majority and four other "interrelated groups of professional politicians, including active Republican office holders and former office holders and other long-term active members of Mr. Reagan's campaign and political staffers, are planning to contribute tens of millions of dollars...perhaps as much as $50,000,000...to the Republican nominees' campaign...."[1/] Fund for a Conservative Majority asserts that there is nothing in the foregoing allegation, or in the balance of the record before the Commission, that supports a finding (1) that Fund for a Conservative Majority includes any "active Republican office holders and former office holders and other long-term active members of Mr. Reagan's campaign and political staffers"; (2) that the

[1/] Page 2 of the Complaint.

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allegations against Fund for a Conservative Majority assert a violation of the provisions of 2 U.S.C. 431(17) and 11 CFR 109.1; or, (3) that Fund for a Conservative Majority is planning "to contribute" to the Republican nominees' campaign.

Fund for a Conservative Majority is a multicandidate political committee, as defined in 2 U.S.C. 441a(a)(4) and 11 CFR 100.5(e)(3), which is incorporated, as permitted by 11 CFR 114.12(a), under the Virginia Nonstock Corporation Act. The Board of Directors of Fund for a Conservative Majority consists of Kenneth F. Boehm, Robert C. Heckman and Jeffrey D. Kane. Mr. Heckman serves as its Chairman and Mr. Boehm is its Treasurer. Its offices are located at 1022 Wilson Boulevard, Arlington, Virginia 22209. Among its activities, Fund for a Conservative Majority has made independent expenditures in support of the nomination of Gov. Reagan, by the Republican Party, for election to office of President of the United States; and, it intends to make independent expenditures in support of the election of Gov. Reagan to the office of President. This aspect of its activities is administered as "Citizens for Reagan in '80, a project of Fund for a Conservative Majority." (See, for example, tab 82 of the exhibits to the complaint.) These expenditures have been and will be made in accordance with 2 U.S.C. 431(17) and 11 CFR 109.1, in that they were/will be

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made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

In the complaint, C-M and the DNC set forth a number of assertions or allegations under a caption entitled, "The Facts," which consist of a recitation of personal views, press reports, historical hyperbole and biographical summaries. As to your Respondent, these assertions or allegations do not consist of a clear and concise recitation of facts which describe a violation of a statute or regulation over which the Commission has jurisdiction. The specific assertions or allegations in the complaint which appear to relate to Fund for a Conservative Majority, are as follows:

> (1) Paragraph 2(a), page 10: Another group, the "Fund for a Conservative Majority' ('FCM'), was assessed a $3,000 civil penalty by this Commission for failing to report, in a timely way, its $39,655 expenditures on Mr. Reagan's behalf during the 1976 primaries. (MUR 503(78), 11/21/78)"

The foregoing assertion is irrelevant to the complaint and highly prejudicial and misleading. MUR 503(78) related to activities which took place in the 1976 primary election, which is separate and distinct from the 1980

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primary election. The issues therein under review related to the manner in which its independent expenditures on behalf of Gov. Reagan were reported. The expenditures were not concealed and there was no question aboutthe "independence" of the expenditures, which the complaint (in the context in which it is presented) attempts to suggest.

The foregoing assertion does not constitute a clear and concise recitation of facts which describe a present violation of a statute or regulation over which the Commission has jurisdiction.

> (2) Paragraph 2(c), pages 13 and 14: "The Fund for a Conservative Majority ('FCM')-- the same group the Commission found had violated provisions of the Federal Election Act [sic] in connection with the 1976 primaries--spent, according to the Commission's files, more than $600,000 on Mr. Reagan's behalf in connection with this year's primaries.
>
> "According to the Boston Globe:
>
> [Quotation omitted.]
>
> "During the month of April, when the Reagan campaign found itself approaching its national spending limit and was in considerable financial difficulty, FCM spent more than $126,000 on Mr. Reagan's behalf. (April FEC Report of FCM)"

The foregoing assertion does not constitute a clear and concise recitation of facts which describe a violation of a statute or regulation over which the Commission has jurisdiction.

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(3) Paragraph 2(c), page 16, and Appendix items (3), (4), (7), (8), (9), (10), (11), (12) and (13): "The Commission's files already reveal that many so-called 'independent' committees that have assisted Mr. Reagan have shared an extensive network of vendors both among themselves and with the official Reagan campaign committees."

The issue as to so-called common vendors is limited to whether or not a possible agency relationship exists between the vendor and the candidate which might jeopardize the independence of an expenditure if the expending person uses the same vendor. See, AO 1979-80.

Without admitting or denying the use of the vendors which C-M and the DNC allege have been utilized, or the purposes for which they may have been engaged, Fund for a Conservative Majority replies:

As to Bruce Eberle Associates, Inc. (Appendix (3)), Fund for a Conservative Majority has not utilized the services of that vendor in connection with its independent expenditures in 1980. There is no allegation that that vendor is an agent of Gov. Reagan or of Reagan for President.

As to Diversified Printing Services, Metro Mailing and Printing (which is not a "Viguerie subsidiary") and Diversified Mail Marketing (Appendix (4)), there is no suggestion that any of these vendors is an agent of Gov. Reagan or of Reagan for President.

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As to Wiland & Assoc. Inc. (Appendix (7)), the services rendered were of computer services in aggregating contributions to Fund for a Conservative Majority for use in preparing reports to the Commission. As a result, the cost of these services is an operating expense and not an independent expenditure. See, AO 1979-80.

As to Lone Star Press and Mail Room, Inc. and PSA Enterprises (Appendix (8)), there is no suggestion that either of these vendors is an agent of Gov. Reagan or of Reagan for President.

As to Smarr Mailing, Thompson & Assoc. and the Name Exchange (Appendix (9)), there is no suggestion that any of these vendors is an agent of Gov. Reagan or of Reagan for President.

As to Communications Corp. of America (Appendix 10)), there is no suggestion that this vendor is an agent of Gov. Reagan or of Reagan for President.

As to Telepost and Tri-State Envelope Corp. (Appendix (11)), these vendors provide printing services to Fund for a Conservative Majority based upon design, layout and copy supplied to them. The cost of utilizing these vendors is an operating expense and not an independent expenditure.

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As to Integrity Autotyping (Appendix (12)), there is no suggestion that this vendor is an agent of Gov. Reagan or of Reagan for President.

As to Frank Gunpert Printing, Maryland Litho, McCollum Press and Smith Lithograph (Appendix (13)), there is no suggestion that any of these vendors is an agent of Gov. Reagan or of Reagan for President.

(4) Paragraph 4, page 34: "Examples of such prior concerted action are to be found: (1)....; (2) in the concerted primary contributions of FCM and Mr. Reagan's official committees in this year's primaries in New Hampshire and Texas, also described above [this clause appears to refer to a newspaper article which is quoted at pages 13 and 14 of the complaint, which provides no support for the assertion that FCM made independent expenditures in concert with Reagan for President]....

"Indeed, as Kenneth F. Boehm, treasurer of FCM, conceded just this week, direct contact is 'unnecessary since we pretty much know what the Reagan campaign strategy is from the newspapers.' (New York Times, 6/30/80, p.B13)" 2./

This assertion does not provide a foundation for an allegation that the independent expenditures made by Fund

2/ It should be noted that C-M and the DNC have extracted this quotation out of context. The full quote in the cited article is: "Kenneth F. Boehm, the Treasurer of Fund for a Conservative Majority, said that members of his group were scrupulous about not discussing their plans with Reagan campaign aides 'to the point that we avoid them at cocktail parties.' But he added that contact was unnecessary since we pretty much know what the Reagan campaign strategy is from the newspapers'." See, tab 56 in the exhibits to the complaint.

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for a Conservative Majority constituted "concerted action" or that such expenditures were "concerted primary contributions." To suggest that an expenditure has lost its independence because the expending person has read a newspaper article is patently absurd. This assertion is not a clear and concise recitation of the facts which describe a violation of a statute or regulation over which the Commission has jurisdiction; and, clearly it cannot support a funding of reason to believe that Fund for a Conservative Majority has committed, or is about to commit, a violation of applicable law. The DNC and Mr. Strauss, on behalf of C-M, appear to be concerned about freedom of the press and the First Amendment of the Constitution. Reading a newspaper article does not constitute "cooperation or...consultation with" a candidate or any agent or authorized committee of such candidate. See 11 CFR 109.1(a). 3/

With reference to the section in the complaint, captioned, "Violations of the Law," C-M and the DNC assert that the law has been violated by "a facade of independence" and that "formalistic sham and technicality will not obscure reality." These artistic and creative phrases are not supported

3/ It would be interesting to inquire whether the New York Times considers itself to be an "agent" of Gov. Reagan.

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by fact. Fund for a Conservative Majority calls upon the Commission to recognize the fact that these allegations constitute unsubstantiated, inflammatory rhetoric, which fail to describe a violation or which give rise to reason to believe that Fund for a Conservative Majority has committed, or is about to commit, a violation of the applicable law. These assertions or conclusions, if included in a civil complaint filed in Federal court, could not withstand a motion to dismiss for failure to state a cause of action.

As to the specific allegations of violation, however, Fund for a Conservative Majority responds that:

> Paragraph I(a)(1) is denied in that it fails to state a violation supported by the facts or by the law. See, AO 1979-80 and AO 1980-46;
>
> Paragraph I(a)(2) is denied in that it is not applicable to Fund for a Conservative Majority, which is a multi-candidate political committee;
>
> Paragraph (I)(a)(3) is denied in that it fails to state a violation supported by the facts or by the law, in that all contributions to Fund for a Conservative Majority are solicited for multi-candidate purposes and there are no facts before the Commission to contravene that assertion;
>
> Paragraph (I)(b) is denied in that it fails to state a violation supported by facts before the Commission;

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Paragraph II(a) is denied in that it fails to state a violation supported by facts before the Commission;

Paragraph II(b) is denied in that it fails to state a violation supported by facts before the Commission;

Paragraph III is denied for the reasons described above;

Paragraph IV is denied for the reasons described above;

Paragraph V is denied for the reasons described above;

Paragraph VI is denied for the reasons described above;

Paragraph VII is denied for the reasons described above;

Paragraph VIII is denied (The Commission has failed to interpret the application of 26 U.S.C. 9012(f) and the issue is now pending before the courts in a proceeding instituted by the Commission.);

Paragraph IX is not applicable to Fund for a Conservative Majority; and,

Paragraph X is denied in that Fund for a Conservative Majority is not an authorized committee and, therefore, its name does not include the name of any candidate in its name. The fact that under its name it conducts a project known as "Citizens for Reagan in '80," does not constitute a violation of 2 U.S.C. 432(e)(4) and it is a communication protected by the First Amendment to the Constitution. All statements required by 2 U.S.C. 441d include the full name of the committee. For example, see tab 82 of the exhibits to the complaint. 4/

4/ It is observed that it is most inconsistent for C-M and the DNC to allege in Paragraph X that your Respondent is an "unauthorized" political committee, when most of the other allegations seem to require a finding of authorization.

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As a consequence of the foregoing, Fund for a Conservative Majority petitions the Commission to deny the relief sought by C-M and the DNC or, in the alternative, to determine that no action should be taken against it on the basis of the complaint for the reasons set forth herein.

Respectfully submitted,

Sincerely yours,

J. Curtis Herge

J. Curtis Herge
Counsel to Fund for a
Conservative Majority

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COMMISSION
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March 20, 1980

Mr. Mark Kleinman
Reports Analyst
Reports Analyses Division
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: Fund for a Conservative Majority

Dear Mr. Kleinman:

On behalf of Fund for a Conservative Majority, we are writing in response to your four letters, each dated March 5, 1980, in which you requested explanations of the following:

1. The entries on Schedule A, Line 14(a), entitled "Reagan in 80 File", of the November Monthly Report (10-1-79 to 10-31-79), the December Monthly Report (11-1-79 to 11-30-79) and the Year End Report (12-1-79 to 12-31-79).

2. The entry on Schedule E, Line 23, to Pyramid Video "Recording Reagan Speech" 1-4-80 $62.40, in the February Monthly Report (1-1-80 to 1-31-80).

3. The listed expenditures to Lloyd Daugherty for $343.00 and $198.00 respectively in the February Monthly Report (1-1-80 to 1-31-80).

With reference to the entries on Schedule A, Line 14(a) of the subject reports filed by Fund for a Conservative Majority, you have inquired whether the referenced contributions were earmarked by reason of the fact that the entries on Schedule A were captioned "FCM Reagan in 80 File". The referenced contributions were not earmarked, as that term is defined in the Federal Election Campaign Act of 1971, as amended, and 11 CFR 110.6. Fund for a Conservative Majority

Attachment VI

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has neither solicited nor accepted contributions on behalf of the Reagan for President Committee, or which are in any way earmarked or otherwise directed to Governor Reagan's campaign.

Fund for a Conservative Majority has established and is administering a program, consisting of making independent expenditures advocating the election of Governor Reagan as President. This program is one portion of the activities of Fund for a Conservative Majority, which is a multi-candidate committee (FCM is not a single candidate committee), and it is advertised as "Citizens for Reagan in '80, a project of Fund for a Conservative Majority" over a non-authorization notice, as required by 11 CFR 109.4, which reads "Paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee". In all solicitations for contributions to Fund for a Conservative Majority, it is made clear that contributions will be used in connection with its independent expenditure program and also in connection other Federal campaigns. The contributor is directed to make his or her checks payable to Fund for a Conservative Majority or FCM.

The caption, "FCM Reagan in 80 File" on Schedule A, refers to the name of a list of contributors who contributed to Fund for a Conservative Majority in response to direct-mail solicitations captioned, "Citizens for Reagan in '80, a project of Fund for a Conservative Majority", and which otherwise contain the statements referred to above.

As a result of the foregoing, Fund for a Conservative Majority cannot be termed a conduit or intermediary. In order to avoid any confusion in the future, however, the caption will not appear on future reports.

With reference to the entry on Schedule E, Line 23, regarding an expenditure to Pyramid Video, for recording a speech by Governor Reagan, you have inquired whether the expenditure is subject to the provisions of 11 CFR 109.1 (d). The expenditure was incurred in connection with the independent expenditure program of Fund for a Conservative Majority in support of the election of Governor Reagan as President. The recording was made of a speech made by Governor Reagan which was not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, Governor Reagan or any

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agent or authorized committee of Governor Reagan. The recording fee paid to Pyramid Video did not constitute "the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his campaign committees or their authorized agents...." See 11 CFR 109.1(d).

With reference to the listed expenditures to Lloyd Daugherty, we are advised that the sum of $343.00 was paid to Mr. Daugherty to reimburse him for travel expenses ($289.00) and telephone charges ($54.00) incurred by him on behalf of Fund for a Conservative Majority; and, that the sum of $198.00 was paid to Mr. Daugherty to reimburse him for travel expenses ($110.00) and telephone charges ($88.00) also incurred by him on behalf of Fund for a Conservative Majority.

Fund for a Conservative Majority will amend the applicable reports to reflect the expenditure made to Pyramid Video as an operating expense on Schedule B and to provide the explanation for the sums paid to Mr. Daugherty.

Sincerely yours,

J. Curtis Herge

J. Curtis Herge

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BEFORE THE
FEDERAL ELECTION COMMISSION

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| CARTER-MONDALE REELECTION COMMITTEE, et al., | : | |
| Complainants, | : | |
| v. | : | MUR 1252 |
| RONALD REAGAN, et al., | : | |
| Respondents. | : | |

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MEMORANDUM OF GOVERNOR RONALD REAGAN,
REAGAN FOR PRESIDENT GENERAL ELECTION
COMMITTEE, REAGAN FOR PRESIDENT COMMITTEE,
REAGAN FOR PRESIDENT COMPLIANCE FUND
AND REPUBLICAN NATIONAL COMMITTEE
IN RESPONSE TO COMPLAINT

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Committee

Attachment VII

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BEFORE THE
FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, et al., | : | |
| Complainants, | : | |
| v. | : | MUR 1252 |
| RONALD REAGAN, et al., | : | |
| Respondents. | : | |

MEMORANDUM OF GOVERNOR RONALD REAGAN, REAGAN FOR PRESIDENT GENERAL ELECTION COMMITTEE, REAGAN FOR PRESIDENT COMMITTEE, REAGAN FOR PRESIDENT COMPLIANCE FUND AND REPUBLICAN NATIONAL COMMITTEE IN RESPONSE TO COMPLAINT

This Memorandum, on behalf of Governor Ronald Reagan, the Reagan for President General Election Committee, the Reagan for President Committee, the Reagan for President Compliance Fund and the Republican National Committee (Reagan Respondents), is submitted in response to the Complaint filed with the Federal Election Commission (FEC) on July 2, 1980 by the Carter-Mondale Reelection Committee, Inc. and the Democratic National Committee (Complainants). Although the Complaint has been filed against Governor Reagan, the three authorized committees responding herein, and five unauthorized, independent political committees, the only relief sought is against Governor Reagan -- a denial of certification of eligibility to receive federal

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funds, pursuant to 26 U.S.C. § 9005, to finance Governor Reagan's campaign for the Presidency of the United States. The Complaint, which does not comply with the requirements of 2 U.S.C. § 437g(a)(1), provides no basis for any further action by the Commission pursuant to 2 U.S.C. § 437g(a)(2) and should be dismissed because it is a frivolous attempt to impede the campaign of the Republican Party's candidate for President contrary to the express provisions of 26 U.S.C. § 9005 and the First Amendment to the Constitution.

## INTRODUCTION

As Complainants well know, it would be virtually impossible at this late date for a major party presidential candidate, whose application for federal funding of his campaign has been either denied or delayed by the FEC, to raise the necessary funds from private sources to mount a credible campaign, particularly in light of the statutory contribution limitations, 2 U.S.C. § 441a, and even more particularly if the candidate is to retain a possibility of ultimately receiving federal funds. Consequently, the practical effect of the relief sought here, which is a political

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rather than a legal objective,[1] is the denial of an opportunity to one of the two major party candidates to mount any sort of an effective campaign for the office of President of the United States.

One would assume that, to justify relief so draconian, Complainants would bring before the FEC conclusive evidence of multiple, knowing and willful violations of the federal election campaign laws. Instead, Complainants have filed 41 pages (excluding appendices, amendments and supplements) of speculation, hearsay and innuendo which, even if remotely credible, would not amount to a violation by the candidate or his authorized campaign committees under the broadest reading of applicable law.

---

1. The political nature of the Complaint is evidenced by the manner in which Complainants attempted to spread it across the morning newspapers. Attached hereto as Exhibits 1 & 2 are copies of press releases issued by Complainants trumpeting their filing of the Complaint and their subsequent correspondence with the FEC concerning the disposition of the requests made in the Complaint. In addition to demonstrating that the Complaint was a media event rather than a serious legal charge, the action of Complainants in issuing the press releases is in flagrant disregard of the confidentiality provisions of 2 U.S.C. § 437g(12) and, especially, 11 C.F.R. § 111.21(a) and (b):

> [N]o complaint filed with the Commission... shall be made public... by any person....

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Most of the Complaint is devoted to detailing that Republicans have associated with one another in the past (Complaint, pp. 9-15), have worked together in support of the election of Republican candidates (Complaint, pp. 16-33) and share similar philosophies (Complaint, pp. 33-34). None of the allegations of the Complaint considered separately, nor all of them taken together, amount to even an arguable violation of the federal election campaign laws. Indeed, after detailing all the "evidence" they claim supports this charge, Complainants are still forced to admit in their Complaint that they "cannot establish" that the Reagan Respondents have ever attempted to control or even encourage the efforts of the various unauthorized committees identified in the Complaint (Complaint, p. 33, Strauss Affidavit, ¶ 6).

Lacking any such evidence, and apparently recognizing that there is no evidence of any collusion or coordination among the Reagan Respondents' authorized committees and these unauthorized groups, Complainants urge the Commission to hold the candidates of the Republican Party in violation of the federal election laws because "political professionals" associated with unauthorized committees may be able to use media accounts of Governor Reagan's campaign to determine how their independent efforts in support of

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Governor Reagan's candidacy may be most effective (Complaint, p.33, Strauss Affidavit, ¶¶ 6, 7).

There is not a single allegation in the Complaint that the candidate, now that he is the official presidential nominee of one of the two major parties and now that he has filed the certification required under 26 U.S.C. § 9003(b) and become subject to the provisions of 26 U.S.C. § 9012, or his authorized committees, have done anything to encourage, request or approve any expenditures by an unauthorized committee which have been made or will be made in the general election campaign.[2] Nor, for that matter, does the Complaint allege that either the candidate, or the authorized committees, have done anything to encourage, request or approve any other independent expenditures

---

2. Complainants' claim that the unauthorized committees will somehow manage to collect upwards of $50,000,000 to spend to advocate the election of Governor Reagan in the general election campaign borders on the ridiculous. In the first place, as the affidavit of William E. Brock, III indicates, it is unlikely that these committees will be able to raise even a small fraction of the amounts claimed (Brock Affidavit, ¶ 8,attached hereto as Exhibit 3). Examination of the reports which these committees must file with the FEC in the weeks ahead will undoubtedly bear out Mr. Brock's prediction. Moreover, it is extremely unlikely that these committees will choose to spend all amounts they manage to collect to advocate Governor Reagan's election. Much of their efforts will certainly be directed to congressional and local races.

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in the recent primary campaign or any prior campaigns. Finally, the Complaint fails to identify a single, specific expenditure advocating Governor Reagan's election at anytime by anyone.

As the remainder of this Memorandum will demonstrate, the relief demanded by the Complainants is without precedent, rests upon a theory which is contrary to all applicable provisions of the Federal Election Campaign Act (Campaign Act), 12 U.S.C. § 431 et seq., and the Presidential Campaign Fund Act (Fund Act), 26 U.S.C. § 9001, et seq., and would necessitate a construction of these laws which would violate the First Amendment. It will also be seen that the document filed by Complainants fails to meet the requirements of 2 U.S.C. § 437g(a)(1), designed to prevent disruption of the campaign process by the filing of frivolous complaints, and that, far from violating the campaign laws, Reagan Respondents have taken proper and adequate precautions to insure full compliance with the campaign laws.

## ARGUMENT

### I. The FEC Has No Authority To Deny The Certification Of A Major Party Candidate Under 26 U.S.C. § 9005 Because Of The Pendency Of An Administrative Complaint

Complainants have requested the FEC to deny, or at least delay, the certification of Governor Reagan as

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eligible to receive federal campaign funds because of the pendency of their administrative complaint. The FEC, however, has no authority to permit the pendency of administrative enforcement proceedings of the type instituted by Complainants to affect, delay or interrupt the certification process of 26 U.S.C. § 9005.

A. Upon Receipt Of A Properly Executed General Election Certification Submission From A Major Party Presidential Candidate, The FEC Must, Within Ten Days, Certify That Candidate To The Secretary Of The Treasury As Eligible To Receive Federal Campaign Funds

The language of the Fund Act clearly provides that once a major party candidate has "met all applicable conditions for eligibility . . . set forth in Section 9003," the FEC "shall certify to the Secretary of the Treasury" that such candidate is "entitled" to receive payments. 26 U.S.C. § 9005(a) (emphasis added). Under 26 U.S.C. § 9003, the only requirements which a major party candidate must meet in order to be considered an "eligible candidate" under 26 U.S.C. § 9005 are that he (1) "agree" to furnish the Commission with certain reports and evidence of qualified campaign expenditures and to permit an audit and examination by the FEC, and (2) "certify" that he will not incur qualified campaign expenses in excess of the aggregate amount of payments received, and that he has not and

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will not accept contributions to defray qualified campaign expenses.[3] Once the major party candidate submits the statutorily mandated statements in proper form, he is "eligible" to receive payments.[4]

The Fund Act further provides that "eligible candidates of each major party," i.e., those who have met the requirements relating to major party candidates in § 9003, "shall be entitled" to payments of federal campaign funds. 26 U.S.C. § 9004(a) (emphasis added). Hence, once the eligibility requirements of § 9003 are met, a major party candidate has a statutory entitlement to campaign funds and the FEC, within 10 days, "shall certify" that major party candidate to the Secretary of the Treasury for "payment in full" of the appropriate amounts. 26 U.S.C. § 9005(a). The Secretary of the Treasury then "shall pay"

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3. Under 26 U.S.C. § 9005, the FEC is to certify the amounts to which eligible candidates are entitled under 26 U.S.C. § 9004. Section 9004(d) requires that, to be eligible to receive payments, the candidate must also certify that he will not knowingly make campaign expenditures from his personal funds in excess of $50,000. Thus, the last phrase of 26 U.S.C. § 9005(a) relating to "entitlement" under § 9004 incorporates by implication another certification statement which must be received by the FEC prior to certification to the Secretary of the Treasury.

4. The term "eligible candidate," used in § 9005, is defined in the Fund Act to mean those persons who have met the conditions set forth in § 9003. 26 U.S.C. § 9002(4).

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those amounts to the candidate. 26 U.S.C § 9006(b). See also, 11 C.F.R. §§ 141.1-143.3.

The Congressional intent to ensure streamlined certification processes in general elections and prompt payment of funds to candidates who are major party nominees is well expressed in the Senate Report accompanying the 1974 amendments:

> [O]nce someone becomes an unquestionably serious candidate, by virtue of his being a major party nominee, he should be assured of adequate financing to run a fully informative and effective campaign. [However,] [t]he use of matching payments is appropriate in the primary phase, . . . when it is not yet clear who may be the serious candidates and who may be the frivolous ones. But such a scheme, or partial public funding, in the general election would require candidates who have established their legitimacy to devote too much time to endless fund raising at the expense of providing competitive debate of the issues for the electorate. S. Rep. No. 93-689 at 6, supra, (emphasis added).[5]

The Fund Act does not contemplate factors other than the major party candidate's compliance with § 9003(a)

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5. Recognizing the fact that major parties have established stability over the years, the Fund Act creates further preferences in favor of major party candidates. For example, the funds allocated to major party candidates are to be equal, while those allocated to minor party candidates are determined only by relative strength of popularity. S. Rep. No. 689, 93rd. Cong., 2d Sess. 12-13 (1974) reprinted in 1974 Legislative History of Federal Election Campaign Act Amendments at 108-109.

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and § 9003(b) as affecting the determination of whether a major party candidate is "eligible" or "entitled" to receive federal campaign funds.[6] That these statutory provisions do in fact mean what they so plainly say is further established by the case law. While no case has ever presented this specific question under the Fund Act, the cases which have commented upon the qualifying factors and requirements for a major party candidate's eligibility have

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6. Congress in 1974 considered the possibility of requiring presidential candidates to submit documentary evidence to the FEC supporting their certification submission, but eliminated such a provision from the bill before passage: "[T]he amendment . . . eliminates the procedure under which candidates were required to submit records of expenses and proposed expenses in order to obtain certification . . . for payments." H. R. Rep. No. 1239, 93rd Cong., 2d Sess. 33 (1974) reprinted in 1974 History at 667; H. R. Conf. Rep. No. 1438, 93rd Cong., 2d Sess. 107 (1974) reprinted in 1974 History at 1051.

   The Court of Appeals has read a requirement of minimum record production into the certification provisions of the Primary Act, no doubt in response to the differing policies underlying the Primary Act (i.e., the need to prevent payments from going to frivolous candidates) and the significantly different nature of the matters to which a candidate must certify under that statute (i.e., in contrast to the primarily in futuro nature of the general election certification required under the Fund Act, the Primary Act requires a candidate to certify to matters such as his receipt of at least $5,000 in contributions from residents of at least 20 different states, none of which individual contributions can exceed $250.) See Committee to Elect Lyndon LaRouche v. FEC, 613 F.2d 834 (D.C. Cir. 1979), cert. denied, __ U.S. __, 100 S.Ct 1019 (1980).

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not even adverted to any factors or criteria which could affect a major party candidate's eligibility other than those expressly set forth in § 9003. See, e.g., Republican Nat'l Comm. v. FEC, CCH Fed. Election Campaign Fin. Guide ¶ 9101 (S.D.N.Y. 1979); Republican Nat'l Comm. v. FEC, 461 F. Supp. 570, 573 (S.D.N.Y. 1978).

B. The Overall Structure Of The Campaign Laws' Enforcement Provisions Belies Complainants' Claim That FEC Certification Decisions Can Be Controlled Or Affected By Pending Administrative Complaints.

The clear meaning of the statutory language is also bolstered by a careful examination of the structure of the enforcement mechanism which Congress fashioned. The overall structure of the campaign laws reveals that the certification and enforcement processes were intended to operate independently of each other and that the enforcement process was not to impede the certification of major party general election candidates for federal campaign funds. The enforcement process created by Congress requires the FEC to notify the person named in a complaint and give him an opportunity to respond before it conducts any vote on the complaint, other than a vote to dismiss. 2 U.S.C. § 437g(a)(2). Since no action on a complaint other than dismissal may be taken by the FEC prior to its receipt of the response, the delay or denial of certification at a

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time when the FEC has not received a response would run counter to the Congressional intent, as well as the clear language of the statute.

The Campaign Act mandates that an investigation of a complaint be made only if, after receiving the response, the FEC determines under § 437g(a)(2) that it has "reason to believe" a violation has been or is about to be committed. Nothing in the Campaign Act suggests that the FEC can take interim action on a complaint or shortcut the statutory timetable for the enforcement processes.[7] See Hampton v. FEC, CCH Fed. Election Campaign Fin. Guide ¶ 9036 (D.D.C. 1977) at 50,440 n.16. ("[T]he [Campaign Act] appears to contain no provision for the expedited consideration of complaints filed with the Commission.") Indeed, upon completion of the investigation, the Campaign Act requires that the respondent be notified of the results of the investigation and be given yet another opportunity to respond.

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7. The Commission does have discretion to seek extraordinary relief from the courts in the event it determines that a violation has occurred or is about to occur which is of such a magnitude that the interests of the public would be greatly affected. In such a case, the Commission may institute a civil action for relief, including a "permanent or temporary injunction, restraining order, or other order" upon a vote of four members finding "probable cause." 2 U.S.C. § 437g(a)(5)(C),(D).

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If the Commission then determines, by affirmative vote of four of its members, that there is "probable cause" of a violation, the Commission "shall ... endeavor for a period of not less than 30 days to correct or prevent such violation by informal methods of conference, conciliation, and persuasion." 2 U.S.C. § 437g(a)(5)(A). This provision requires the Commission to undertake negotiations before initiating a civil action and requires those negotiations to be held for at least 30 days. Significantly, the Campaign Act states that this process must be used to "correct or prevent" any violation. 2 U.S.C. § 437g(a)(4)(A)(i).

The legislative history of the enforcement provisions illustrates that this detailed enforcement procedure was not to be truncated or abandoned simply because of the pendency of a request for certification. The purpose of the detailed enforcement provisions was three-fold: to permit all investigations to be conducted as expeditiously as advisable, given the delicate nature of alleged campaign law violations; to limit unjustifiable litigation burdens that might otherwise be imposed on the courts and on the individuals against whom charges were filed; and to ensure non-partisan administration of the law. S. Rep. No. 94-677 at 7, supra; H. Rep. No. 94-917 at 4, supra.

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In addition to the many statements made by the Congress regarding the exclusive remedies provided by the Campaign Act, it is a basic legal principle, and one with full application to the election laws, that "precisely drawn [and] detailed [statutory provisions] preempt more general remedies." Walther v. Baucus, 467 F. Supp. 93, 94 (D. Mont. 1979), quoting from Brown v. GSA, 425 U.S. 820, 834 (1976). The remedies available for alleged violations of the election laws are the precisely drawn and detailed statutory provisions discussed above.[8] Despite the specificity of these procedures and remedies, and despite Congress' painstaking considerations of these matters, Congress never granted to the FEC any authority regarding the interlocking of the enforcement mechanism with the certification process so as to prevent certification of a

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8. Not only did Congress consider the remedies to be exclusive, but it also considered them sufficiently varied to provide the Commission with all necessary flexibility to resolve any alleged violations. See e.g., 122 Cong. Rec. S3517 (daily ed. March 16, 1976) (remarks of Senator Cannon) reprinted in 1976 History at 349. ("In addition to exclusive civil enforcement authority, the bill gives the Commission a more varied assortment of enforcement powers . . . . The detailed enforcement procedures . . . will give the Commission a greater number of alternatives in enforcing the law, and at the same time afford a person who makes a good-faith attempt at compliance with the complex requirements of the act a greater degree of protection than presently available.")

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major party general election candidate because of enforcement related matters. Since denial or delay of certification is not mentioned as one of the exclusive remedies available for alleged or proven violations of the campaign laws, such relief cannot be given to the Complainant. Indeed, the statutory scheme makes no allowance for any complainant to demand a specific type of "relief." 2 U.S.C. § 437g(a).

C. The Policies Underlying The Campaign Laws Manifest The Congressional Intent That Major Party Candidates Are To Be Promptly Certified To Receive Funds Upon Compliance With 26 U.S.C. § 9003

In enacting the campaign laws, Congress' primary concern was the assurance of prompt payment of funds to serious presidential candidates so that these candidates could communicate their stand on the issues to the electorate. Such prompt payments would eliminate the necessity of the candidates "scrounging for funds to bring [their] case to the electorate" 120 Cong. Rec. S18539 (daily ed. October 8, 1974) (remarks of Sen. Humphrey) reprinted in 1974 History at 1093, and would permit all concerned to focus their attention on the issues. The Supreme Court itself has acknowledged the importance of uninterrupted funding to the overall statutory scheme when, after striking down that part of the Campaign Act dealing with the composition of the FEC, the Court stayed its decision to

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give the Congress a 30 day grace period in which to reconstitute the FEC before its authority would lapse. Buckley v. Valeo, 424 U.S. 1, 143 (1976).

In the wake of Buckley, Congress received and reviewed a great deal of evidence regarding the potentially disastrous effects upon election campaigns if the certification process somehow delayed prompt payment of federal funds to serious candidates.[9] The remarks submitted to the Congress by Robert Strauss, then Chairman of the Democratic National Committee, are of particular interest on this vital point. Because of Mr. Strauss' long experience in the political arena, and his well publicized role as an active supporter of the campaign laws, those remarks bear quotation:

> My responsibilities as Chairman of the Democratic National Committee, make me focus on the incalculable problems faced by presidential candidates as long as the status of

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9. See, e.g., Federal Election Campaign Act Amendments, 1976: Hearings on S2911 Before the Subcomm. on Privileges and Elections of the Senate Comm. on Rules and Administration, 94th Cong., 2d Sess. 148-150, 156-157, 167-169 (1976) (hereinafter 1976 Hearings) reprinted in 1976 History at 154-156, 162-163, 173-175 (Statements of Comptroller General Staats, FEC Commissioner Harris and Common Cause Vice-President Fred Wertheimer); 122 Cong. Rec. S6366 (daily ed. May 3, 1976) (Remarks of Sen. Hatfield), reprinted in 1976 History at 1092.

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> the FEC remains in question. Most of our candidates cannot sustain even a lapse of a few days in the payment of federal matching funds. Many of our campaigns are operating on a day-to-day cash flow. A time lapse in the certification and distribution of federal funds could be so disruptive to the political process that it could have a dangerous impact on the outcome of both the Democratic and Republican nominating systems. This must be avoided. 1976 Hearings at 211.[10]

Chairman Strauss' comments, directed to both major parties, were correct and forceful in regard to the "dangerous impact" of fund cut-offs upon primary election candidates who still had access to privately raised matching funds. They are far more correct and forceful when applied in the context of a general election for president, when one candidate is requesting that there be a total fund cut-off to his only major party opponent.

This firmly expressed Congressional intent that the certification process not be impeded for serious candidates was also recognized by the Court of Appeals in Committee to Elect Lyndon LaRouche v. FEC, 613 F.2d 834

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10. It is ironic that Mr. Strauss, whose views are so cogently set forth above, is now the central figure in the present effort to produce the result which he so decried in his testimony before the Congress. The seemingly cavalier disregard for his earlier views that Mr. Strauss has demonstrated by associating himself with the present complaint betrays the transparently political motivations which lie behind it.

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(D.C. Cir. 1979), cert. denied, __ U.S. __ (1980). In LaRouche, the Court construed the Presidential Primary Matching Payment Account Act, 26 U.S.C. § 9031 et seq. (Primary Act), and, recognizing the "important impact" of the certification process upon the exercise of First Amendment rights, held, inter alia, that the Commission could not delay a certification under the Primary Act, or investigate the supporting documentation to a candidate's certification submission, unless that submission itself (or other reports on file with the FEC) contained patent irregularities which suggested a possibility of fraud. The Court characterized its ruling as a "limited exception" to the general rule that the FEC may not go beyond the face of a candidate's certification submission. Basing its decision upon the unique policies behind the Primary Act (i.e., to prevent federal funds from being distributed to hopeless candidates in primary elections), the language which affirmatively requires a candidate claiming funds under the Primary Act to "establish his qualifications," and the fact that an alternate interpretation of the statute would be constitutionally impermissible as a prior restraint, the Court held that the FEC could require the candidate to include in his certification submission the supporting documentation which established that the candidate had indeed raised the $5,000 threshold amount in at least 20 states.

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In many respects, LaRouche provides a direct and instructive analogy to the present matter, for in LaRouche, the Court held that no investigation of the correctness of a candidate's certification submission could delay the certification process unless, under an objective standard, the FEC had before it -- in the candidate's submission and other reports -- evidence of the possibility of fraud against the government. Notably, the Court in LaRouche also held that it was an error for the FEC to have begun an investigation of LaRouche's eligibility for matching funds during the certification process because the evidence before the FEC, disturbing as it was, still did not suggest the possibility of fraud. Here, there is nothing in Governor Reagan's submission which suggests anything questionable at all, let alone anything improper. Governor Reagan's certification submission contains exactly what is required under the Fund Act, and, unlike LaRouche, Governor Reagan has filed no other reports under the campaign laws which raise any suggestions of impropriety whatever.

Implicit throughout plaintiff's argument is the notion, nowhere supported or explained, that the policies of the campaign laws would be well served if the FEC found itself empowered to delay the general election certification of major party candidates for the presidency because of the existence of a pending administrative complaint.

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This argument not only sorely misreads the Congressional purpose and intent, as described above, but it also would lead to a situation, which in practice, would prove wholly unworkable. If certification determinations could be delayed or controlled by factors unrelated to the candidate's certification submission -- factors such as, for example, hearsay allegations in an administrative complaint filed by his political opponents to the effect that the candidate may, because of the actions of others, eventually be deemed to be in violation of the campaign laws -- the major party certification process, intended to be a "clear" and "easy" means for funding campaigns,[11] would be distorted beyond recognition.

D. The First Amendment Precludes The Relief Requested By Complainants

(1) Since Certification Is Essential To Mr. Reagan's Right To Speech, A Denial Or Delay Of Certification Would Be An Unjustified Prior Restraint On His Speech

In Buckley v. Valeo, 424 U.S. 1 (1976), the Supreme Court explicitly recognized that speech in a

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11. See 1976 Hearings at 132 (statement by Assistant Attorney General Antonin Scalia).

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campaign is dependent upon the availability of an adequate amount of money:

> A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. 424 U.S. at 19.

And the courts have recognized that the FEC's certification process acutely affects rights of speech:

> [T]he certification decision has an important impact on the exercise of first amendment rights, inasmuch as campaign funds "are often essential if 'advocacy' [or beliefs and ideas] is to be truly or optionally 'effective.'" [citing Buckley v. Valeo, 424 U.S. 1, 65-66] Committee To Elect Lyndon LaRouche v. Federal Election Commission, 613 F.2d 834, 844 (1979).

Denying or delaying Mr. Reagan's receipt of federal funds as requested by Complainants would prevent him from speaking and would, therefore, constitute a prior restraint on his speech.

Complainants urge the Commission to decline certification until it can "determine the extent to which the provisions of the Federal Election Act and the Fund Act are being violated," (Complaint, p. 39). Thus, the

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purported interest sought to be advanced is the prevention of violations of the campaign laws. Even though the asserted interest is valid, it is nonetheless not sufficiently compelling in light of the standard against which it must be measured:

> First Amendment liberties enjoy a preferred place . . . a sanctity and a sanction not permitting dubious intrusions .... [A]ny attempt to restrict these liberties must be justified by clear public interest, threatened not doubtfully or remotely, but by clear and present danger. Only the gravest abuses, endangering paramount interests, give occasion for permissible limitation. Thomas v. Collins, 323 U.S. 516, 530 (1945).

It is clear that any action to deny Mr. Reagan his right of speech on the grounds of the theoretical violations alleged by Complainants is the sort of remote or doubtful threat to the public interest which cannot justify such a drastic infringement of the First Amendment.

(2) There Is A Heavy Presumption Against Prior Restraints And They May Not Be Imposed In Light Of Less Restrictive Alternatives

There is a heavy burden against the constitutional validity of any relief which would require the imposition of a prior restraint. Bantam Books, Inc. v. Sullivan, 372 U.S. 58, 71 (1963). In addition, because freedom of expression is accorded the highest degree of protection, due

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process guarantees in the First Amendment context are more stringent than conventional due process guarantees. Marcus v. Search Warrant, 367 U.S. 717, 730-31 (1961).

Despite these heightened procedural safeguards to protect those against whom a restraint is sought, Complainants argue that it is Governor Reagan who should be forced to show why the remedy of denial should not be imposed (Complaint, pp. 2, 40). In effect, Complainants ask the Commission to find the Reagan Respondents guilty unless they can prove their innocence. Such a position has no place in our system of justice, for to allow it to have a place would "invert the order of things" and "oblige the citizen to establish his own innocence to avoid the penalty." 4 The Works of Alexander Hamilton (Fed. ed. 1904) 269. Nor does Complainants' attempt to shift the burden of proof to Governor Reagan alter the fact that Complainants have made no showing as to why such a drastic remedy is required. The Commission should take no part in relieving complainants of their burden for to do so would merely provide "a short-cut procedure which must inevitably

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result in suppressing protected speech." Speiser v. Randall, 357 U.S. 513, 529 (1958).[12]

Moreover, a prior restraint cannot be imposed when a less restrictive and adequate means to protect the government's interest is available:

> [E]ven though the governmental purpose [may] be legitimate and substantial, that purpose cannot be pursued by means that broadly stifle fundamental personal liberties when the end can be more narrowly achieved. The breadth of [the] abridgment must be viewed in light of less drastic means for achieving the same basic purpose. Shelton v. Tucker, 364 U.S. 479, 488 (1960).

The constitutional requirement that the least restrictive alternative must be chosen when individual rights are at stake applies with greater force in the area

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12. Though it is constitutionally permissible for the Commission to condition certification upon a showing of eligibility, the burden on the candidate must necessarily be limited. An example of the permissible conditions which the Commission can constitutionally impose on a candidate are contained in the Primary Act. Under those provisions, modest threshold requirements are imposed by which the candidate must establish his eligibility. See 26 U.S.C. § 9033 and § 9036. Only such modest requirements which are measured by clear and narrowly drawn objective standards can be constitutionally permitted. Complainants assert here, however, that certification should be conditioned on Governor Reagan's proving his innocence. To require a candidate to prove, in effect, a negative -- which cannot and has not been defined by narrowly objective standards -- would impose an unconstitutional condition.

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of First Amendment interests. Id. at 488. See also, Carroll v. President and Commissioners of Princess Anne, 393 U.S. 175, 183 (1968); Thomas v. Collins, 323 U.S. 516, 540 (1945).

It is clear that a less restrictive and adequate means -- established by Congress and in force under the Commission's authority -- is available here. The statutory scheme which provides for criminal penalties and repayment of the funds is more than adequate to protect the interest in the effective operation of the law and in deterring potential violators.

The Complainants are seeking relief which treads on the most sacred of First Amendment grounds. They seek a prior restraint without a compelling justification, without attempting to meet their heavy burden of proof, and without showing why the means established by Congress are not adequate to meet the interests advanced. A delay in certification would be no less of an infringement on Governor Reagan's speech than a denial. It would place Governor Reagan in a state of limbo and leave him indefinitely denied public financing and concurrently prohibited from accepting funds from private sources. The potential damage of even a temporary denial of his right of speech cannot be overemphasized:

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> [T]iming is of the essence in politics. It is almost impossible to predict the political future; and when an event occurs, it is often necessary to have one's voice heard promptly, if it is to be considered at all. Shuttlesworth v. Birmingham, 394 U.S. 147, 163 (1969) (Harlan, J., concurring).

## II. The Complaint Fails To Charge A Violation Of The Campaign Laws By Governor Reagan Or The Authorized Committees And Should Be Dismissed As To Those Respondents

### A. The Complaint Fails To Meet The Requirements Of § 437g(a)(1) And The Regulations Promulgated Thereunder

Section 437g(a)(1) requires that complaints filed with the FEC be signed, notarized, and the truth of the matters set forth therein be sworn to by the person filing the complaint under penalty of perjury.[13] The

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13. In those rare instances when the Complaint touches on matters which have even an arguable relevance to a violation of the statute, the rather casual attitude Complainants exhibit toward the seriousness of their oath is apparent on the face of the Complaint itself. For example, on page 9 of the Complaint, a conclusory accusation is made that "Mr. Reagan and his associates have chosen to try to 'get around' the law" by "coordinat[ing] contributions through political fronts claiming to be 'independent' committees." Yet on page 33, Complainants expressly admit that, because Congress has not seen fit to provide them with subpoena or cross-examination powers, they have no facts which would provide a basis to believe that Governor Reagan has or is coordinating the efforts of independent expenditure committees.

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applicable regulation, 11 C.F.R. § 111.4, adds the further requirements that the Complaint clearly identify the person who is alleged to have committed a violation, be based on personal knowledge or sources which the Complainants believe are true, and contain a clear and concise recitation of the facts which describe a violation of a statute or regulation.

These unusually strict and formal threshold requirements were designed to deter persons from filing precisely the sort of harassing and frivolous complaints against candidates for public office which has been filed here. 122 Cong. Rec. H. 2542 (1976) (remarks of Rep. Rostenkowski) ("Running for public office is replete with enough hazards of misrepresentation of views and issues without subjecting candidates to attacks that often prove groundless but only after the damage has been done."); accord, 122 Cong. Rec. H. 2533 (1976) (remarks of Rep. Hays).

Complainants' veneer of compliance with these requirements cannot withstand more than superficial scrutiny. Complainants admit that, aside from a few unsupported conclusory allegations, the Complaint consists of nothing more than statements on "the public record" (Complaint, p. 2). In the main, this "public record" described by

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Complainants consists of extracts[14] from unverified and speculative newspaper articles which are entirely irrelevant to whether a violation of law has been or is about to be committed. Thus, there is not a single allegation which purports to be within the personal knowledge

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12. Complainants' extraction process is, at times, so selective as to distort the meaning of the article from which the language is quoted or the conclusion is drawn. For example, on page 15 of the Complaint, a Boston Globe article of 5/28/80 is cited to justify a sinister implication that there was an illegal connection between Governor Reagan and the North Carolina Congressional Club. The Complaint conveniently ignores the statement in the article that "authorities have no evidence of any illegal cooperation or consultation." Boston Globe (May 28, 1980, p. 1). On page 30, the Complaint states that "AFC has announced an intention to make $20-30 million available to the Reagan campaign for TV ads, surrogate speaking tours, and mail promotions," citing a June 6, 1980 article in the Baltimore Sun. The article really states that, "[t]he group hopes to raise between $20 and $30 million as a multicandidate committee, helping GOP congressional and senatorial candidates as well as Mr. Reagan." Baltimore Sun, June 6, 1980, p. A4. Other examples of misleading citations abound. Compare the conclusion sought to be drawn from the Boston Globe article of 5/28/80 on page 16 of the Complaint with the statements in the same article that the Bush campaign found no "convincing evidence of collusion between such groups as FCM and the Reagan campaign," and that FCM officials "vow they will keep their efforts within the letter of the laws." Boston Globe, May 28, 1980, p. 1. Compare also the quotation appearing at page B13 of the June 30, 1980 New York Times of Kenneth F. Boehm which is cited on page 34 of the complaint with the full article which notes that FCM officials have been "scrupulous about discussing their plans with Reagan campaign aids 'to the point that we avoid them at cocktail parties.'" New York Times, June 30, 1980, p. B13.

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of the person attesting to the complaint and the form of oath which appears at the end of the complaint makes it clear that the person signing the complaint is not expressing any belief as to the truth of the matters contained in the articles. The concluding verification is reduced to a statement that if the "matters of record" are true, then the person signing the complaint swears they are true (Complaint, p. 2).

It is precisely this type of sleight of hand with the oath requirement of § 437g(a)(1) which leads complainants to fill the 41 pages of the Complaint with irrelevant innuendo and gratuitous character aspersions. For example, on page 19 of the complaint, it is stated that Peter Flannigan has "been involved in a number of fund raising matters involving corporations and future ambassadorships." The assertion sought to be made under oath is that Mr. Flannigan sold ambassadorships. By using the device of citing to newspaper articles, Complainants seek to dignify such unproven charges by their oath without being responsible for the truth of their statements. It should also be pointed out that this slur has nothing at all to do with any of the matters raised in the Complaint.

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The FEC has expressed concern about the sufficiency of complaints based on newspaper articles in the past. Agenda Document #79-299. In a memorandum addressing these concerns, the FEC General Counsel noted that "[i]f the term 'believes' as used in § 437g(a)(1) connotes personal knowledge, then persons filing a complaint based on news articles would not be proper complainants, even if their complaints were sworn to and notarized." Agenda Document #79-299, p. 1. The General Counsel recommended, however, that the FEC continue to accept complaints based on news articles but only when the news article was "substantive in its facts," and "well-intentioned and substantial." Agenda Document #79-299, pp. 2-3.

The instant complaint fails to satisfy these criteria. As noted previously, the person who signed the Complaint on behalf of the well-financed and sophisticated Complainants expressed no opinion as to the accuracy of the articles and the extracts from the articles were so selective as to be misleading. More importantly, nothing in these articles charges a violation of the campaign laws or presents substantive facts which would amount to a violation by any of the Reagan Respondents.

Reagan Respondents submit that the laudatory purpose of the verification requirements of § 437g(a)(1),

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to prevent frivolous, harassing complaints, would be defeated if the instant complaint were found to be in compliance with those requirements. Complainants have attempted to subvert the enforcement procedures of the FEC by using them as a vehicle to make irrelevant and malicious character attacks on persons who have a different political philosophy than their own. The FEC should put a quick end to this attempt by dismissing the complaint for failure to comply with the statutory verification requirements.

B. The Complaint Should Be Dismissed For Failure To Allege Sufficient Facts Which Would Provide A Reason To Believe That A Violation Has Been Committed Because Acts Of Unauthorized Individuals Or Committees Cannot Constitute Violations By The Candidate Or His Authorized Committees Absent Evidence Of Control, Request Or Encouragement.

Section 437g(a)(1) provides that the FEC may investigate a violation only if it receives a properly verified complaint and it has reason to believe a violation has occurred. H. R. Rep. No. 1057, 94th Cong. 2d Sess. 49 (1976). Thus, before a respondent can be put to the burden of responding to an FEC investigation, the FEC must evaluate the complaint to determine if, from the allegations presented and evidence submitted therewith, there is reason to believe that a person has committed, or is about to commit, a violation of the campaign laws. 2 U.S.C. § 437g(a)(2). Because none of the allegations of

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the Complaint, considered separately or in the aggregate, charge a violation of the law, there is but one conclusion that the FEC should reach: the Complaint must be dismissed without further action. The Complaint alleges that because the named political committees[15] are able to complement the expenditures made by Governor Reagan's authorized committee[16] by referring to media reports, such expenditures are not independent and therefore must be attributed to Governor Reagan. Since these amounts allegedly attributable to Governor Reagan are qualified campaign expenses which have not been accounted for by Governor Reagan, Complainants contend that Governor Reagan has or will exceed the limits on contributions and expenditures, thus violating the campaign laws. Such an analysis entirely misconstrues the statutory language, the Supreme Court decision in Buckley and the legislative history.

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15. A "political committee" means "any committee . . . which receives contributions aggregating in excess of $1,000 during the calendar year or which makes expenditures aggregating in excess of $1,000 during the calendar year . . . ." 2 U.S.C. § 431(d).

16. An "authorized committee" means "the political campaign committee or any other political committee authorized by a candidate . . . to receive contributions or make expenditures on behalf of such candidate." 26 U.S.C. § 9002(1).

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As defined in 2 U.S.C. § 431, the term "independent expenditure" means "an expenditure . . . which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate...." Whether or not an expenditure is to be treated as "independent," therefore, depends upon the degree of control exercised by the candidate over the funds held by the political committees.

It is undisputed that the expenditures made by the political committees have not been made "with cooperation or consultation" or "in concert with or at the request or suggestion of" Governor Reagan. Complainants admit that they know of no communication between Governor Reagan and the political committees (Complaint, p. 33). The attached affidavit of Senator Paul Laxalt confirms Complainants' suspicion that there is no cooperation or consultation between Governor Reagan and the political committees.

Even if the expenditures made by the political committees were deliberately complementary, the legislative history as well as the Supreme Court's interpretation of "independent expenditure" firmly establish that such parallel conduct is insufficient to constitute the degree of

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In the House Report which accompanied the House version of the bill (which was later adopted by the Conference Committee), the provision relating to "independent expenditures" was also held to require something more than mere parallel conduct:

> In the definition of "independent expenditures", the phrase "at the . . . suggestion of . . ." is intended to include direct suggestions made by a candidate or his agent, his campaign manager, his campaign treasurer, or any other person responsible for reporting contributions and expenditures in connection with the campaign of the candidate. It is not the Committee's intent to hold a candidate responsible for suggestions by persons over whom he does not exercise any control. Further, for example, if a candidate or some other person suggests in a speech to a group of persons that everything possible should be done to defeat the opponent of the candidate, it is not the intent of the Committee that such a reference in a speech be viewed as a "suggestion" for the purposes of the definition. H. Rep. No. 917, 94th Cong., 2d Sess., 5 (1976).

<u>See also</u>, H. Conf. Rep. No. 1057 at 38, <u>supra</u>, 1976 History at 1032 ("[W]ith respect to the definition of the term 'independent expenditure', . . . advocacy of the election or defeat of a candidate or a general request for assistance in a speech to a group of persons by itself should not be considered to be a 'suggestion' that such persons make an expenditure to further such election or

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control necessary to allow regulation under the campaign laws.

In order to pass constitutional muster, the expenditure being restricted or limited must be controlled by the candidate or his authorized committee. Buckley v. Valeo, 424 U.S. 1, 46-47 (1976). This requirement of control by the candidate was scrupulously preserved by Congress in its definition of "independent expenditure" included in the 1976 Amendments to the campaign laws. During the hearing on the proposed amendments, Assistant Attorney General Scalia stated:

> I read [Buckley] to require that control be something more than what one might call passive simultaneous action on the part of another group. I would not think that the requirement of control would be met if a group assessing a particular candidate's campaign figures out on its own what would help him the most and designs a package that will fit very nicely into that campaign. I would think that as long as it is not actively coordinated with the candidate himself or his managers, the constitutional right to engage in such activity would continue to exist. Proposed amendments to the Federal Election Campaign Act: Hearings on S. 2911, S.2912, S.2918, S.2953, S.2980, S.2987 Before the Subcomm. or Privileges and Elections of the Senate Comm. on Rules, 94th Cong., 2d Sess. 139-140 (1976), reprinted in 1976 History at 145-46. (statement of Asst. Atty. Gen. Scalia). (Emphasis added).

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defeat"). If a direct statement by the candidate to the listening public is insufficient to establish the degree of control necessary to preclude a finding that an expenditure is "independent", information gleaned from a media report could never even approach the requisite degree of control.

The FEC, too, has recognized that mere parallel conduct does not constitute control by the candidate. The regulations interpreting the definition of "independent expenditure", 11 C.F.R. § 109 (1980), clearly provide that "made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, . . . means any arrangement . . . or direction by the candidate . . . prior to the publication, distribution, display or broadcast of the communication." Thus, not only is active conduct by the candidate required, but the conduct also must occur prior to the expenditure. Since even deliberate parallel conduct by political committees requires that they glean the information from published media reports, it is obvious that the expenditures of the political committees could only be considered "independent".

It is obvious that mere parallel conduct does not deprive expenditures made by political committees of their "independent" characterization. The candidate must

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retain some control over, or give some amount of encouragement to, the political committees before any expenditure is attributable to him. Since Complainants have admitted in the Complaint that they know of no such control, and since the Brock Affidavit affirmatively refutes any allegation that Governor Reagan in any way controls or encourages the expenditures made by the political committees, this necessary control is lacking. The expenditures by the political committees, therefore, cannot be characterized as other than "independent," and Complainants have provided the FEC with nothing upon which it could premise a conclusion that there was reason to believe a violation has been or is about to be committed.

Little more is added to Complainants' underlying theory, that the actions by unauthorized committees of maximizing the effectiveness of their efforts by reading newspapers is somehow a violation by the candidate, by their lenghty recitation of past friendships and associations on the part of those who share a common political philosophy and who have been active in Republican Party politics. If it is not a violation for an independent group to read newspapers to determine how to focus their activities, neither is it a violation if officers of those groups are experienced and knowledgeable "Republican Party professionals" (Strauss Affidavit, ¶ 6).

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It would not be possible to respond specifically to the multitude of alleged past associations and friendships nor would it be appropriate to do so. Complainants have filed an amendment and four supplements to their original Complaint, each document filled with allegations more irrelevant than those of the preceding document. They will undoubtedly add more allegations of friendships and associations in the future. More importantly, responding on a friendship-by-friendship or association-by-association basis would dignify these claims to an extent which they do not merit. A charge that, "[o]n information and belief, William P. Clements, Jr., Harrison Schmitt, James Edwards, Jesse Helms, and Thomas Ellis were delegates to the 1980 Republican National Convention and voted for Governor Reagan as the Party's Presidential Candidate," simply deserves no response (Supplement to Complaint, July 20, 1980, p. 3). Similarly, the charge that Thomas Reed "introduced Governor Reagan to Richard Wirthlin who is now Mr. Reagan's pollster and one of his chief strategists" over 12 years ago (Complaint, p. 19) needs no explanation or excuse even if true. More ominously, these allegations, based on extensive newspaper background searches, take on a pronounced are-you-now-or-have-you-ever-been-a-Republican flavor which the FEC should not countenance.

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Almost all of the allegations refer to relationships or associations which, if true, took place as much as 12 years ago and do not deal with the only conduct placed at issue here -- the conduct of the candidate and the authorized committees in the general election campaign which has just commenced. As the affidavits show, the candidate and his authorized committees have done all that can reasonably be required to ensure that during the general election campaign a wall of separation will exist between authorized and unauthorized campaign activities.

With regard to past relationships and present activities of past associates, it is enough to repeat a sentence from the legislative history of the Campaign Act:

> It is not the Committee's intent to hold a candidate responsible for suggestions by persons over whom he does not exercise any control. H.R. Rep. No. 917, 94th Cong., 2d Sess., 5 (1976), reprinted in 1976 History at 805.

In addition, to give any weight at all to stale allegations of old relationships would raise serious problems under the First Amendment.

C. The First Amendment Precludes The Interpretation Of The Campaign Laws Urged By Complainants

The First Amendment guarantees of free speech and association could not have more urgent application

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than they have to this case. Buckley v. Valeo, 424 U.S. 1, 15 (1976). Complainants seek to restrict severely the First Amendment rights of a candidate for the highest political office in the nation, of all who wish to be free to engage in independent political activity, and of the public to a free and open election for President.

(1) The Individuals, Committees And Groups Named In The Complaint Are Exercising Rights Expressly Protected By Buckley

Complainants request that the Commission find Governor Reagan in violation of the campaign laws because certain named individuals, committees and groups intend to make independent expenditures on behalf of Governor Reagan. In light of the Supreme Court's decision in Buckley, it would be a clearly unconstitutional action for the Commission to find Governor Reagan in violation of the campaign laws on the bases urged by Complainants.

The actions complained of are merely exercises of the rights of expression and association which the Buckley Court indicated would be left protected and undisturbed by its ruling. The Court expressly stated that the effect of its decision on the opportunity for political expression by individuals would be only

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> to compel people who would otherwise contribute amounts greater than the statutory limits to expend such funds on direct political expression, rather than to reduce the total amount of money potentially available to promote political expression. Id. at 22.

With respect to the remaining opportunity for political association, the Court emphasized that individuals would still be "free to become a member of any political . . . association's efforts on behalf of candidates," and that such associations could, if they were able, "aggregate large sums of money to promote effective advocacy" in order "to effectively amplif[y] the voice of their adherents...." Id.

Thus, the individuals, committees and groups named in the Complaint are exercising precisely the rights which the Court in Buckley indicated would be protected by its decision.

(2) Complainants Attack Independent Expenditures On Grounds Rejected By Buckley

Complainants attack independent expenditures on four grounds, all of which were rejected in Buckley as contrary to the protections of the First Amendment.

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First, Complainants argue that independent expenditures illegally circumvent -- "through a loophole" (Complaint, p. 25) -- the prohibitions against a candidate accepting funds from third party sources. When confronted by this argument, the Buckley Court unequivocally stated that the First Amendment right to make independent expenditures could not be abridged because of the government's interest in maximizing the effectiveness of otherwise valid limits on contributions. The Court stated that the resulting burden on basic freedoms would create an unconstitutional infringement on protected rights. 424 U.S. at 44-48.

Secondly, Complainants argue that independent expenditures violate the spirit of the campaign laws and will result in "the appearance or reality of undue influence" (Strauss Affidavit, ¶8). The Buckley Court stated that whatever minimal benefit the government might derive from limiting independent expenditures to avoid the appearance or reality of undue influence could not justify the immense cost to free political expression and association. Id. at 47.[17]

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17. See, Shelton v. Tucker, 364 U.S. 479, 488 (1960) regarding the necessity for the government to use the least restrictive alternative when constitutionally protected interests, particularly First Amendment interests, are at stake. Accordingly, the

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Third, Complainants argue that it violates the spirit of the campaign laws for Governor Reagan to have the independent support of well-financed and well-organized groups (Complaint, pp. 16-33). It is argued that the intent of the campaign laws is to limit the voice of such groups. (Strauss Affidavit, ¶ 12). The Buckley Court, however, rejected this legislative intent as outweighed by the First Amendment interest at stake. The Court explicitly recognized that such a conclusion left undisturbed

> the greater potential voice of affluent persons and well-financed groups, who would remain free to spend unlimited sums directly to promote candidates and policies they favor in an effort to persuade voters. Id. at 26, n.26.

The Court said that to hold otherwise would be constitutionally barred by the First Amendment:

> [T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment . . . . Id. at 48-49.

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Buckley Court indicated that the requirement that independent expenditures over $100 be reported was a less restrictive and equally effective means of insuring against the possibility of corruption or undue influence. 424 U.S. at 44-48.

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Finally, Complainants argue that the ability of any one of the persons, committees, or groups named in the complaint to spend "money as it pleases" (Complaint, p. 25), circumvents the legislative intent to place limits on expenditures to "act as a brake on the skyrocketing cost of political campaigns," 424 U.S. at 26, which are "readily apparent if one looks at the expenses involved in running a major national campaign." (Strauss Affidavit, ¶ 3). The Buckley Court responded to such arguments, as follows:

> The First Amendment denies government the power to determine that spending to promote one's political views in wasteful, excessive, or unwise. In the free society ordained by our Constitution it is not the government but the people -- individually as citizens and candidates and collectively as associations and political committees -- who must retain control over the quantity and range of debate on public issues in a political campaign. 424 U.S. at 57.

(3) Freedoms Of Speech And Association Prohibit Any Finding Of A Violation Based On Complainants' Allegations

Perhaps because the Complainants recognize that the persons, committees and groups named in the Complaint are exercising their protected First Amendment rights as enunciated in Buckley, Complainants have put forth a frivolous factual basis to distinguish the expenditures at issue in the instant case from the expenditures protected

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by Buckley. Complainants urge that the expenditures should be deemed contributions to, and expenditures of, Governor Reagan's campaign because they are expended in "coordination" with the campaign. Complainants concede that they have no evidence which would indicate that any expenditures will be coordinated (Complaint, p. 33). Instead, Complainants seek to have such coordination found on bases that would require the Commission to hold persons in violation of the campaign laws by reason of past and present constitutionally protected activity.

First, Complainants argue that the expenditures which may be made by these individuals, committees or groups named in the Complaint will be coordinated by Governor Reagan's campaign because these persons share a common political philosophy with Governor Reagan and are "most active" (Complaint, p. 10) in support of their shared political beliefs, i.e., "the Reagan gospel" (Complaint, p. 12).

One would expect that all independent expenditures made on behalf of a candidate would be made by persons who share the political beliefs of the candidate or the candidate's party. Obviously, the right to make independent expenditures would be meaningless if non-independence could be presumed from the fact that the

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expenditures were made by persons in political sympathy with the candidate or his party.

Second, Complainants argue that Governor Reagan's campaign should be deemed to have authorized the prospective expenditures because Governor Reagan has engaged in partisan political activities in the course of which he has associated with the individuals, committees and groups named in the Complaint (Complaint, p. 12). Complainants place considerable emphasis on the fact that certain of the individuals named have been active Republicans in the past and have worked on the Presidential campaigns of Presidents Nixon and Ford as well as the campaigns of Governor Reagan. Many of the activities, associations, and positions described by Complainants occurred as long as twelve to twenty-nine years ago.

This emphasis on past political association is a recurring theme in the Complaint. Complainants seek to have the Commission draw inferences that there is illegal activity by reason of such association, despite the fact that these associations are protected as fundamental First Amendment rights. Cousins v. Wigoda, 419 U.S. 477, 487 (1975); NAACP v. Alabama, 357 U.S. 449, 460 (1958); Sweezy v. New Hampshire, 354 U.S. 234, 250 (1957). No inference could be in greater disregard of the Supreme Court's admonition is Kusper v. Pontikes, 414 U.S. 51 (1973):

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> There can no longer be any doubt that freedom to associate with others for the common advancement of political beliefs and ideas is a form of "orderly group activity" protected by the First and Fourteenth Amendments. Id. at 56-57.

These protections of the First Amendment extend not only to individuals but to the committees, groups or parties to which the individuals are affiliated. As the Supreme Court has indicated, for the Commission to fail to afford adequate protections to the committees, groups or parties to which individuals belong would chill the exercise of the freedom of association, as much as would direct interference with the individuals:

> The right to engage in political expression . . . has traditionally been through the media of political associations. Any interference with the freedom of a party is simultaneously an interference with the freedom of its adherents. Sweezy v. New Hampshire, 354 U.S. 234, 250 (1957).

If the Commission were to deem the prospective expenditures to be contributions because of the past associations of certain individuals affiliated with the named committees or groups, there would be a significantly chilling effect on the total level of political activity. In addition, individuals who had worked in the past for a candidate or a party would be effectively denied, indefi-

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nitely, the right to join other committees or groups seeking to make independent expenditure on behalf of the same candidates or party. Moreover, under such an interpretation of the law, one member whose associations are unbeknown to the other members of a group, could be the basis for denying the whole group an effective political voice.

Third, Complainants charge that the individuals, committees and groups named in the Complaint will illegally maximize the effectiveness of their right to free speech by reading, listening and watching the media to learn the strategy of Governor Reagan's campaign. They argue that this use or attention to the media will convert the expenditures into contributions. Since the media is all pervasive in today's society, a course of action by the Commission accepting such an argument would chill the right of persons to make independent expenditures. Such expenditures would be greatly curtailed if persons had to fear that too much knowledge of the candidates, the voters, and the issues might lead the Commission to find that their expenditures were coordinated by the candidate or party on whose behalf the expenditures were made.[18]

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18. Similarly, there would be a chilling effect on the candidates' right to free speech. Candidates would necessarily be guarded in their statements, lest they be held to be attempting to control or coordinate independent expenditures being made on their behalf.

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Moreover, to find a violation of law based on a presumption that independent expenditures will be coordinated through the media would have a chilling effect on the free flow of information and would be inconsistent with the "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open . . . ." New York Times Co. v. Sullivan, 376 U.S. 254, 270 (1964). The First Amendment

> guarantees of freedom of speech and press were not designed to prevent the censorship of the press merely, but any action of the government by means of which it might prevent such free and general discussion of public matters as seems absolutely essential. Bigelow v. Virginia, 421 U.S. 809, 829 (1975).[19]

The overall effect of an interpretation of the statute which would sustain a violation based on the activities outlined by Complainants would be a drastic reduction in protected political activity. It is apparent that individuals would be constrained into "voluntarily"

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19. Complainants also seek to have the Commission influenced by Governor Reagan's exercise of his right under the First Amendment to express his ideas on the campaign laws. Complainants cite (Complaint, p. 9) that certain of the media have reported Governor Reagan's opposition to limits on contributions and spending as if Governor Reagan's exercise of his right to criticize a law is evidence that he is in violation of it.

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refraining from exercising their political rights. Such consequences must be strictly guarded against:

> In the domain of these indispensable liberties, whether of speech, press, or association, the decisions of this Court recognize that abridgment of such rights, even though unintended, may inevitably follow from varied forms of governmental action [even though] the governmental action . . . may appear to be totally unrelated to protected liberties. NAACP v. Alabama, 357 U.S. 449, 461 (1958).17

Individuals might be further constrained by candidates who, fearing punishment for the uncertain legal activity of their third party supporters, might request those supporters to cease such activity. In effect, the candidate would have become a conduit by which a prior restraint is imposed on individuals making independent expenditures:

> Of course the prior restraints at issue in this case are not imposed by the Government directly. But the fact that censorship is indirect, accomplished by means of criminal sanctions . . . in no way diminishes its constitutional infirmity. On the contrary, we think the unconstitutionality of these prior restraints is, if anything, aggravated by the means chosen to enforce them. ACLU v. Jennings, 366 F. Supp. 1041, 1051 (D.D.C. 1973).

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(4) A Construction Of The Campaign Laws As Requested By Complainants Would Necessarily Be Impermissibly Vague

A construction of the campaign laws which would find a violation based on the activities alleged in the Complaint would render the campaign laws impermissibly vague as to the definition of independent expenditures. The "standards of permissible statutory vagueness are strict in the area of free expression." NAACP v. Button, 371 U.S. 415, 432 (1963); Buckley v. Valeo, 424 U.S. 1, 77. The interpretation of the campaign laws urged by Complainants is imprecise. If the Commission were to adopt it, "men of common intelligence [would] necessarily [have to] guess at its meaning." Coates v. Cincinnati, 402 U.S. 611, 614 (1971).

Persons active in politics would not know what form of association with or expressions on behalf of candidates, causes or political parties would render them tainted and raise a presumption that independent expenditures made by them, or organizations to which they belong, are coordinated by the candidate. Nor would such persons know for how long they would be effectively denied the right to make independent expenditures on behalf of that candidate. Similarly, potential presidential candidates, and persons

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who may or may not, at a future time, be part of an authorized committee, would necessarily have to restrict their expression and association for fear that such association might later form the basis for a violation of the campaign laws.

In addition, no standard could be established to indicate the type of speech by a candidate which, when publicized by the media, would raise a presumption that the candidate is signaling persons to make independent expenditures. In the same way, persons making independent expenditures on behalf of a candidate would have no constitutionally adequate standard to judge when they would be considered so knowledgeable or so attuned to a candidate and the electorate that expenditures made in behalf of that candidate would be deemed coordinated. Even the timing and amount of a person's expenditures would be of concern. Persons might avoid spending money in an area, or with respect to an issue which a candidate had neglected for fear of being found to be acting in concert. Similarly, if a candidate were about to visit an area, or had just departed, persons might perceive themselves compelled to avoid making independent expenditures in that area, lest they be charged with coordination.

The chilling effect is exacerbated by the stiff criminal penalties which can be imposed for a violation.

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The campaign laws require that all independent expenditures over $100 be reported and that the persons making the expenditures certify under penalty of perjury that the expenditures are, in fact, independent. Moreover, an expenditure which is not independent is considered to be a contribution to the candidate. 2 U.S.C. § 441a(a)(7)(B)(i). Thus, a person making an expenditure, believing it to be independent, would risk the possibility of also being held to have violated the campaign laws' contribution and reporting requirements. 2 U.S.C. § 441a(a) and § 434(b)(4). In addition, a candidate would necessarily be uncertain as to whether the independent expenditures of others could be deemed to be unreported contributions to the campaign in excess of the limits of the law.

The threat of serious penalty would hang like a sword of Damocles over the heads of candidates and persons interested in making independent expenditures so as to reduce greatly protected political expression and association. Even if a person's expenditures could ultimately be vindicated as legal, it would be "of little consequence -- for the value of a sword of Damocles is that it hangs -- not that it drops." Arnett v. Kennedy, 416 U.S. 134, 231 (1974) (Marshall, J., dissenting). Persons would inevitably "steer far wide of the unlawful zone," Speiser v. Randall, 357 U.S. 513, 526 (1958), and the chilling effect

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from the potential for prosecution, would be "unaffected by the prospects of its success or failure." Dombrowski v. Pfister, 380 U.S. 479, 487 (1965).

This restraint on free expression and association would be further exacerbated by the necessary intricacy and uncertainty of the standard which would emerge. The result would be an unconstitutional "in terrorem mechanism" affecting the nation's political debate. Keyishian v. Board of Regents, 385 U.S. 589, 601 (1967). The Supreme Court has repeatedly recognized that attempts to administer the law on the sort of bases urged by Complainants are invalid because such attempts are too susceptible to improper and discriminatory application, while fostering an interpretation of law which is unworkable and intimidating. See, Gooding v. Wilson, 405 U.S. 518, 528 (1972); Hynes v. Mayor of Oradell, 425 U.S. 610, 622 (1976).[20]

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20. In addition, it should be noted that Complainants seek enforcement of 26 U.S.C. 9012(f). In light of Buckley, that section is unconstitutional since it is overbroad and its deterrent effect on constitutionally protected expression is real and substantial. See Erznoznik v. City of Jacksonville, 422 U.S. 205, 216 (1975); Broadrick v. Oklahoma, 413 U.S. 601, 615 (1973). It would also appear that other provisions relied upon by Complainants may be constitutionally invalid as impermissibly vague, e.g., 11 C.F.R. § 109.1.

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The Complainants seek to have the Commission hold Governor Reagan in violation of the law because third parties seek to exercise their consitutional rights of free expression and association through the constitutionally protected means of making independent expenditures on behalf of a candidate and a political philosophy they support. In an attempt to circumvent the constitutional protection afforded such independent expenditures, Complainants cite theoretical coordination of the expenditures through the media by Governor Reagan's campaign. In addition, Complainants cite a collection of past and present political activities, expressions, and associations, all of which are not only constitutionally protected but encouraged as the foundation of a free society. The Commission could not constitutionally find a violation of the campaign laws on these grounds.

## III. The Candidates And The Authorized Committees Have Taken More Than Adequate Precautions To Ensure That Qualified Campaign Expenditures Are Made Only By The Authorized Committees

The Affidavits of William Brock, III and Senator Paul Laxalt (Exhibits 3 and 4) clearly establish that the authorized committees are acutely aware of the potential problems which could be created by independent expenditure groups. To forestall any such problems the members and staff of the Republican National Committee (RNC) were sent

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a memorandum outlining the requirements of the law and underscoring the RNC's policy of strict observance of these requirement (Brock Affidavit, ¶¶ 9, 10). This admonition was repeated to the newly elected members of the RNC following the conclusion of the 1980 Republican National Convention (Brock Affidavit, ¶ 11). It should further be noted that the RNC advisory councils and committees, having fulfilled their functions relating to the party platform, are being disbanded (Brock Affidavit ¶ 12).[21]

Similarly, Governor Reagan's campaign has exhibited from the outset an awareness of the legal requirements relating to independent expenditure groups and has also taken great pains to inform the campaign staff repeatedly regarding Governor Reagan's campaign policy of strict adherence to these legal requirements (Laxalt Affidavit, ¶ 6). Furthermore, Senator Laxalt has expressly denied the charge that Governor Reagan's campaign has any

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21. By noting that these advisory councils and committees are being disbanded, we do not mean to suggest that their continuation would be improper or that their prior activities and former members should be viewed with concern. We would be reluctant to accord any dignity to the innuendo and rank speculation which the complainants presented to the Commission. Nevertheless, since these "allegations" form a vital part of the pending complaint, the dissolution of the advisory councils and committees provides an added measure of assurance that the fears expressed in the complaint are groundless.

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intention to "get around" the restrictions relating to independent expenditures, as the complaint alleges. (Laxalt Affidavit, ¶5). An integrated campaign plan has been formulated without reference to possible independent expenditures which relies solely on the receipt of federal campaign funds. (Brock Affidavit, ¶¶ 14, 17).

The precautions taken and the assurances given by responsible officials for the Republican Party and Governor Reagan's campaign are more than adequate to ensure that only the authorized committees will engage in qualified campaign expenditures and that the fears and suspicions framed in the Complaint will never in fact materialize.[22]

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22. The firm assurances of Messrs. Brock and Laxalt, provided under penalty of severe criminal sanctions (26 U.S.C. § 9012(d)), stand in marked contrast to the "opinion[s]" and "feel[ings]" offered by Mr. Strauss (Strauss Affidavit, ¶ 2) and to the "facts" glibly recited in the Complaint. The Complaint and its seemingly never-ending amendments and supplements dispatched in each day's mail, viewed charitably, consist of little more than occasional (and irrelevant) organizational affiliations common to a few individuals, liberally sprinkled with references to newspaper articles, of uncertain worth at best.

These articles are nevertheless frequently mischaracterized in the Complaint. For example, on page 26, the Complaint states that "[t]he building address given for the AFC is the same as that apparently used by AEP." (Wall Street Journal, 6/19/80, p. 1). The Complaint neglects to point out, however, that the

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## IV. The Relief Requested By Complainants Would Destroy The Ability Of One Of The Two Major Party Candidates To Mount An Effective Campaign For The Presidency

The affidavits of Messrs. Brock and Laxalt set forth in stark relief the irreversible damage which would be done to Governor Reagan should the Commission deny him the immediate certification of eligibility to which he is entitled.

To begin with, any delay in providing the requisite federal campaign funds would bring Governor Reagan's campaign to a halt. Campaign plans have been formulated exclusively on the premise that the authorized committees will receive $29.4 million in federal campaign funds. (Brock Affidavit, ¶¶ 14, 16, and 17). Stop-gap financing measures could not sustain the campaign if certification were delayed because: (i) commercial loans would be unavailable if there were a cloud over the candidate's

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article upon which this grave "allegation" is founded also points out: (i) Thomas Reed of AEP termed this fact "purely coincidence"; (ii) "People who ought to know insist it really is a coincidence." and (iii) nothing in the federal law prohibits independent expenditure groups from cooperating with each other. Evidently, Complainants are prepared to rely on their vast appendix of newspaper articles for convenient "facts" only.

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entitlement to federal funding; and (ii) any recourse to private contributions would automatically render the campaign ineligible for the later receipt of federal funds. 26 U.S.C. § 9003(b). Any attempt to seek private contributions would thus constitute an irreversible decision to forego public funding and to finance the campaign entirely from private donations. However, the $1,000 limit placed upon individual contributions, the compressed time frame in which enormous sums would have to be raised, the high transaction costs associated with such private fund-raising, and the disruptive effects caused by imposing extensive fund-raising commitments on an already overburdened campaign, make it totally impossible to mount a private fund-raising effort which would yield anything approaching $29.4 million (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶ 9).

Therefore, Governor Reagan's campaign, confronted with a delay in the receipt of its federal campaign funds, would have no choice but to wait. Any such delay would be disastrous to the campaign. Without funds, Governor Reagan would be unable to travel and to engage in the campaign activities which a nonincumbent must rely upon to generate national and local media coverage. (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶ 8). It would be impossible to rent office space, office equipment or to engage utilities and

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telephone service which are indispensible to the operation of various campaign headquarters throughout the country (Brock Affidavit, ¶ 17). Without funds for salaries, the campaign could not hire full-time professional and clerical staff (Brock Affidavit, ¶ 17). Persons already selected to assume critical positions would inevitably be forced to seek alternative employment in order to meet personal financial needs (Brock Affidavit, ¶ 17). Finally, given the extensive financial commitments, lead time, and preparation necessary to organize a media campaign, the absence of federal funds, even for a short time, would strike a crippling blow to this vital aspect of the campaign (Brock Affidavit, ¶ 17, Laxalt Affidavit, ¶¶ 7, 9, 12).

Depriving Governor Reagan's campaign of its federal funds, however briefly, would necessarily have a disastrous impact on the campaign effort and could well determine the outcome of this presidential election. Complainants seek nothing less than irreparable harm to Governor Reagan's campaign effort by delaying or denying it the funds vital to its success. They seek purely and simply to preclude the possibility of a freely and fairly contested presidential election which the Fund Act was intended to promote. The FEC, as the primary guardian of fairness in the campaign process, must reject such an outrageous

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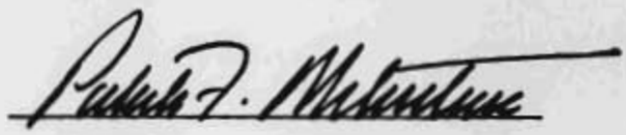
attempt to deny the American people a fair presidential election in 1980.

## CONCLUSION

For all of the foregoing reasons, the FEC should dismiss the Complaint without further proceedings.



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JAMES R. JOHNSON
1735 Eye Street, N.W.
Washington, D.C. 20006

Attorneys for Respondents Governor Ronald Reagan, Reagan for President General Election Committee, Reagan for President Committee, Reagan for President Compliance Fund and Republican National Committee

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10-13-82

CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.
1413 K STREET, N.W., WASHINGTON, D.C. 20005

PRESS RELEASE

FOR IMMEDIATE RELEASE
JULY 2, 1980

Ambassador Robert S. Strauss, national chairman of the Carter/Mondale Presidential Committee, today issued the following statement:

The Carter/Mondale Presidential Committee is today joining with the Democratic National Committee in a complaint to the Federal Election Commission about the activities of the five major "independent expenditure" committees supporting Ronald Reagan's Presidential candidacy.

In the complaint, we are asking the FEC to determine whether the activities and spending of the "independent" committees--which could spend up to $50 million on Reagan's behalf in the Presidential election, by their own estimate--violate federal election laws, or make Governor Reagan ineligible for public campaign financing.

It was never the intent of the Congress, or of the Supreme Court in the landmark case of Buckley v. Valeo, to permit a Presidential candidate receiving public funds for his campaign, to evade the limits on campaign spending by receiving the benefits of a multi-million dollar parallel campaign operated by former associates and party professionals.

If this type of parallel campaign is not prohibited, the post-Watergate election reforms--public financing of Presidential elections, campaign spending limits, and the rest--are meaningless.

Governor Reagan's supporters, who openly oppose campaign spending limits, are seeking, in effect, to double their candidate's campaign resources, and to create a financial advantage for their candidate of a size not seen in Presidential elections since before Watergate, when Richard Nixon outspent George McGovern by more than $30 million.

For us to stand by without opposing these committees would be irresponsible. These vast sums could make a great difference in a close election. And passive acceptance of this activity could allow back-door destruction of hard-won campaign reforms, which the President and the Democratic Party fought for and continue to support.

#

FOR MORE INFORMATION, CALL LINDA PEEK OR
SCOTT WIDMEYER, 202/789-7306

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

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10-13-IC

CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.
1413 K STREET, N.W., WASHINGTON, D.C. 20005

PRESS RELEASE

FOR IMMEDIATE RELEASE
JULY 11, 1980

Ambassador Robert S. Strauss, chairman of the Carter/Mondale Presidential Committee, today released the following statement commending yesterday's Federal Election Commission's "independent expenditure" decision. Strauss also released the attached letter from Carter/Mondale special counsel Thomas Barr seeking further FEC action.

The bi-partisan decision by the Federal Election Commission yesterday to initiate a federal court proceeding in connection with the Reagan so-called "independent expenditure" committees represents a crucial and timely commitment by the Commission to protecting the integrity of the post-Watergate election law reforms.

Our understanding is that the Commission will seek a declaratory judgment from the United States District Court for the District of Columbia that the law's limits on contributions made on behalf of a presidential candidate receiving public financing does apply to these Reagan committees and is constitutional.

Such a ruling by the court in effect would prohibit the committees named in our recent complaint from pouring $50 million into the Reagan campaign in addition to the almost $30 million in taxpayer funds that Governor Reagan apparently also intends to seek.

We continue to believe that this type of spending would not only financially unbalance the 1980 campaign in a way not seen since the Watergate year of 1972, but also have the inevitable effect of undermining, if not destroying, the whole system of campaign spending limits and public financing of Presidential elections.

The Commission's decision also has another important message. It puts those who would seek to spend these vast sums on behalf of Governor Reagan on clear notice that the enforcement agency charged with interpreting the election laws thinks that to do so would constitute a potentially criminal violation.

-more-

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Although the Commission's decision did not respond to our request that the FEC not certify Governor Reagan's campaign as eligible for public financing until these matters are addressed and resolved, we are asking today that the Commission act quickly on this vital, additional step, which as a practical matter is as necessary to uphold the law as the Commission's commendably decisive court action.

#

FOR MORE INFORMATION, CALL LINDA PEEK OR
SCOTT WIDMEYER, 202/789-7306

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THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 11, 1980

Carter-Mondale v. Reagan, et al.

Dear Mr. Steele:

Thank you for your letter of July 9, 1980, informing me of the action taken by the Commission with respect to the complaint.

However, your letter does not address the principal point raised by the complaint. The principal relief sought was:

> "1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act;"

and, in the alternative, paragraph 2 of our prayer for relief requested:

> "(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation [which we requested] and determination of the extent to which the Acts are being violated."

Therefore, would you please inform me promptly:

1. What action, if any, the Commission has taken with respect to those prayers for relief;

2. If the Commission has not taken any action, what action it plans to take.

3. If the Commission has no plans to take any further action, whether it intends to give any

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further consideration to those prayers for relief and when such consideration will be given.

4. Whether the Commission will take any action now to insure that the amount Mr. Reagan is certified to receive from the United States Treasury will not be greater than $29.4 million minus any contributions made directly or indirectly to or on behalf of Mr. Reagan;

5. Whether the Commission will give me on behalf of complainants notice as to whether it intends to certify Mr. Reagan as eligible to receive any public funds before such action is taken so that we may take appropriate action to enjoin, or otherwise seek review of, the Commission's action. Seventy-two hours notice would be adequate.

As you know, it is theoretically possible for Mr. Reagan to be certified by the Commission as early as next week. To protect my clients' interests, I, therefore, request that we be provided with answers to these questions by Monday, July 14.

Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D.C. 20463

BY HAND

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AFFIDAVIT OF

WILLIAM E. BROCK, III

DISTRICT OF COLUMBIA ) ss.

I, WILLIAM E. BROCK, III, being first duly sworn, do hereby depose and say:

1. I am Chairman of the Republican National Committee, ("RNC") the governing body of the Republican Party. I have served in that capacity since 1977.

2. I first became involved in politics in 1956 when I worked as a volunteer in support of the reelection of President Eisenhower. I have been an active participant in Republican politics at the national, state and local levels since that time. I was elected to the United States House of Representatives from the 3rd District of Tennessee in 1962 and served four terms. In 1970, I was elected to the United States Senate, where I served until 1977.

3. During the 1974 Congressional Election Campaign, I served as Chairman of the Republican Senatorial Campaign Committee which supports the reelection efforts of Republicans, and recruits and supports the election efforts of Republican Senatorial challengers.

4. In my capacity as Chairman of the RNC, I have supported the election efforts of Republican candidates to federal, state and local offices and have sought to strengthen the Republican Party at all levels.

5. As a result of my experience set forth above, I am fully familiar with the workings of the political process at all levels and with the requirements and techniques of organizing and conducting modern political campaigns.

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6. I am also generally familiar with the provisions of the Federal Election Campaign Laws (the Presidential Election Campaign Fund Act, 26 U.S.C. §9001, et seq., and the Federal Election Campaign Act, 2 U.S.C. §431, et seq.) both as result of serving in the Senate when the two acts were originally passed and as a result of my experience serving as Chairman of the RNC.

7. Based upon my previous political experience and my experience with the requirements of the Federal Election Campaign Laws, it is my understanding that the Republican Party candidates for President and Vice-President, in order to qualify for federal funds in the general election campaign are required, among other things, to certify that: (i) they will not accept private contributions to defray campaign expenses and (ii) they and their authorized campaign organizations will not incur expenses in excess of the amount of federal funds to which they are entitled.

8. It is my further understanding that private individuals and private groups retain the First Amendment right to expend their private funds in support of or in opposition to any presidential candidate, notwithstanding the spending and contribution restrictions placed upon the candidates and their authorized campaign committees. So long as such individuals and groups are genuinely independent and do not act in cooperation with, or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate, it is my understanding that such independent expenditures do not disqualify a candidate from receiving federal funds.

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9. Recognizing that various independent and unauthorized committees planned to function during the 1980 campaign, I directed that RNC staff be advised, by means of a memorandum dated June 19, 1980, a copy of which is attached hereto as Exhibit A, of the requirements of the relevant campaign laws, and that the RNC staff also be admonished to avoid any involvement with individuals or groups intending to engage in independent expenditures in connection with the forthcoming presidential campaign.

10. A copy of the June 19 memorandum was thereafter sent to each member of the RNC and to the executive directors of each state Republican Party organization in all 50 states.

11. On July 18, 1980, at the first meeting of the newly elected RNC in Detroit, Michigan, following the 1980 Republican National Convention, members of the committee were advised by me as follows:

> The RNC is one of the authorized committees for our candidates for president and vice-president. Your actions are important to help insure that our candidates comply with Federal Election Laws. Those laws require that there be no connection between authorized campaign committees and groups who may wish to make independent expenditures on behalf of our candidates or in opposition to Democratic candidates.
>
> It is necessary, then, that those of you who hold a position with an independent expenditure group should terminate your association with any such group.
>
> Those of you who are not members of independent expenditure committees are now advised that your membership on the Republican National Committee will preclude your association with such groups.
>
> If you have any questions about your association with independent expenditure groups, see Ben Cotten or Don Ivers [members of the RNC legal staff].

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12. Since the drafting of the Republican Party Platform and the statement of official Republican Party positions have now been completed, the RNC advisory counsels and committees I appointed to assist in those efforts are now being disbanded. A copy of the letter which is being sent to each member of each advisory counsel or committee is attached hereto as Exhibit B.

13. To the best of my knowledge, information and belief, the RNC has not encouraged, controlled, assisted or coordinated with any unauthorized committee who may have made or who may be making any independent exemption on behalf of the candidate of the Republican Party for President and Vice-President of the United States. Nor, as the instructions set forth above clearly demonstrate, will the RNC do so during the general election campaign.

14. Based upon my extensive political experience with national campaigns, the likelihood of independent groups such as those named in the instant complaint actually organizing themselves effectively in order to raise anything like the amounts suggested in the complaint (tens of millions of dollars) is extremely remote. A national campaign for the Presidency, would be most unwise -- indeed foolhardy and irresponsible -- to base its campaign plans on the speculative possibility: (i) that substantial amounts of independent funds could in fact be raised by the groups named in the complaint or (ii) that any such funds raised would be expended by the independent groups in a manner which would actually benefit its campaign. The Reagan-Bush campaign staff has prepared and is now waiting to implement a campaign strategy which solely and critically depends upon receipt of the $29.4 million dollars promised under the Federal Campaign Election Laws for which the Reagan-Bush Campaign has recently applied.

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15. In addition, as I have stated publicly on earlier occasions (see page A-3, Washington Post, July 1, 1980), I personally am highly concerned about the proposed independent and unuathorized campaign expenditure efforts to the extent they are at all successful. First, the efforts of such independent efforts by definition cannot be controlled by the candidate they are supposed to benefit nor can they be controlled by his organization. Thus, the themes or arguments advanced by such groups are quite likely, if not almost certain, to be counterproductive to the authorized campaign effort. For example, the views or positions expressed by such groups may be wrongfully attributed to the candidate himself. Large groups of voters may thereby be alienated because of efforts over which the candidate himself has no control. Thus, these independent expenditure efforts are likely to produce a fragmented, disorganized and confused election effort which will succeed only in draining vitally-needed funds from the critical tasks of gross-roots party-building.

16. I have had the opportunity to review the complaint of the Carter-Mondale Reelection Committee and the Democratic National Committee against Ronald Reagan, et al., filed before the Federal Election Commission. Based upon my knowledge and experience as Chairman of the RNC, I do not believe that the "facts" and allegations set forth in that complaint establish any basis for an inference that independent campaign expenditure committees are in fact cooperating or coordinating with the authorized Reagan campaign or are in any way operating under its control. To the best of my knowledge, this is not the case. Moreover, I am quite skeptical that any of the groups mentioned in the complaint, have the ability to raise and expend anything approaching the amounts stated in the newspaper clippings.

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17. Based upon my experience as a national party leader, were the Federal Election Commission or any court to delay or deny the Reagan-Bush campaign access to its lawful public funds, any such a delay or denial would produce a crippling of the Reagan-Bush campaign effort from which it could not hope to recover. A non-incumbent challenger for the presidency has no staff or logistical support beyond that which he can pay for with his public campaign funds. Were public funding to the Reagan-Bush campaign to be cut off, neither Governor Reagan nor Ambassador Bush could travel, pay any campaign staff, or begin to establish campaign organizations in any of the 50 states. Such vital services as telephone, office rental equipment, and office space would be impossible to obtain. Both the preparation of vital campaign media materials, and the hiring of necessary campaign field personnel would be stopped in their tracks. At this late stage, to mount an effective effort to raise private funds to run a national presidential campaign, given the $1,000 limit on contributions by any single individual would be virtually impossible. In addition, were the candidate to expend any such funds which could be privately raised, he would be legally ineligible for public funds, if and when they ever became available.

18. If the Reagan-Bush campaign is delayed or denied its lawful access to public funding, the President and Vice-President would be the sole candidates to have continuous access to government funds and staff support by virtue of their respective offices, as well as access to various types of public campaign funds. They and their campaign alone would continue to have access to publicly-provided primary campaign funds prior to

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have access to publicly-provided primary campaign funds prior to the Democratic National Convention and publicly-provided general election campaign funds shortly thereafter.

19. In brief, the Carter-Mondale and Democratic National Committees seem intent on using the legal process to insure that the President has no effective opposition in the general election. They seek to deprive his major party opponent of any ability to speak to the American people. They seek to eliminate any possibility of a free and fair election in 1980. In this way they hope that somehow they will win reelection for President Carter. One can understand why such a cynical maneuver is attempted, but one can hardly believe that result sought is either just or in the public interest.

20. The foregoing statements are true to the best of my knowledge, information, and belief.

William E. Brock, III

Subscribed and sworn to before me this 23rd day of July, 1980.

Philip A. Guarino
Notary Public

My Commission Expires My Commission Expires July 31, 1981

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Republican
National
Committee

**Donald L. Ivers**
House Counsel

**E. Mark Braden**
Deputy House Counsel

MEMORANDUM

TO: RNC Staff
RE: Independent Expenditure Committees
DATE: June 19, 1980

Independent expenditure committees of all sizes and descriptions are being established to participate in the General Election campaign. "Independent expenditure" is defined under the Federal Election Campaign Act as:

> "An expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee, or agent of such candidate." (emphasis supplied)

Federal Election Commission regulations further discuss independent expenditures, clarifying the meaning of the phrase, "made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate" by stating that such phrase means:

> "Any arrangement, coordination or direction by the candidate or his or her agent prior to the publication, distribution, display or broadcast of the communication. An expenditure will be presumed to be so made when it is:
>
> (a) Based on information about the candidate's plans, projects, or needs provided to the expending person by the candidate, or by the candidate's agents...;
>
> (b) Made by or through any person who is, or has been, authorized to raise or expend funds, who is, or has been, an officer of an authorized committee, or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent....

The Federal Election Commission has placed a very narrow construction on the language set forth above.

THE REPUBLICAN NATIONAL COMMITTEE IS, BY LAW, AN AUTHORIZED COMMITTEE AND AGENT OF THE PRESIDENTIAL AND VICE PRESIDENTIAL CAMPAIGN. THEREFORE, NO MEMBER OF THE RNC STAFF SHOULD MEET WITH, PROVIDE INFORMATION TO OR COORDINATE IN ANY MANNER WITH ANY MEMBER OF AN INDEPENDENT EXPENDITURE COMMITTEE OR ANY INDIVIDUAL WHO IS PLANNING FOR, OR IS MAKING, INDEPENDENT EXPENDITURES.

EXHIBIT A

Should you be contacted by an independent expenditure committee or an individual making independent expenditures seeking assistance, you should immediately inform that individual that, due to the restrictions placed upon us by federal law, you must refuse to have any further discussion with them with respect to independent expenditures. Any discussions or coordination with such individuals may be interpreted by the Federal Election Commission as sufficient to remove their activities from the independent expenditure category and result in their activities being allocable to the expenditure limitations of the campaign committee or of the Republican National Committee and/or, place them in a position of having violated the Federal Election Campaign Act.

If you have any questions with respect to this information, please do not hesitate to contact this office at 202/484-6638.

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Republican
National
Committee

Bill Brock
Chairman

July 24, 1980

X

Dear X:

As we move from the Convention into the General Election campaign, I want to express my personal appreciation to you for your outstanding dedication of time and talent to the important policy discussions and the many fine papers we have published from the Advisory Councils and Committees.

The work you have done has, in most cases, been incorporated into the platform. It has provided extremely helpful information for the development of other party positions for the campaign. Most of all, it has contributed to a continued Republican presence in a very creative and important fashion for these past few years, giving us the opportunity to begin this campaign from a much stronger position.

Although, with the work completed, these Advisory Councils and Committees have run their course, I trust that you will agree that, given the excellent work performed, the concept should be reactivated next year. In the meantime, we all have jobs to do in the campaigns to elect Republican candidates at all levels and I know you will give it your best.

Again, thank you for your tremendous contribution. Hope to see you soon.

Very truly yours,

BILL BROCK

BB:dsb

EXHIBIT B

Dwight D. Eisenhower Republican Center, 310 First Street Southeast, Washington, D.C. 20003 (202) 484-6500

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# Brock Calls Independent Efforts for Reagan 'Divisive'

By David S. Broder
Washington Post Staff Writer

Republican National Chairman Bill Brock yesterday said recent polling data point to the possibility of a banner GOP year in 1980. But he warned that unauthorized, independent efforts for Ronald Reagan could "fragment the campaign" and cost Republicans their opportunity.

Brock criticized the "independent expenditures" plans of various Reagan supporters, as William J. Casey, director of the official campaign organization for the prospective GOP presidential nominee, announced several aides to former president Gerald R. Ford will take major posts in the Reagan campaign.

In a breakfast meeting with reporters, Brock tipped his hand on a new GOP national poll, which he said shows Republicans running almost even with Democrats in voter preference for the 1980 congressional elections.

According to Brock, the survey by Robert Teeter of Market Opinion Research Corp. in Detroit gave the Democrats only a 52-48 percent lead over the GOP, which he said was the best showing for the Republicans since 1966.

"On every major issue except unemployment, where we broke even, it's an advantage to be a Republican," Brock said.

Others in the GOP hierarchy cautioned that these were partial results and subject to interpretation. But the party chairman coupled them with public polls showing Reagan 10 points ahead of President Carter and said they pointed to the possibility of a great year for the Republicans.

But Brock said he was "extremely concerned" about announced plans by several groups of Republicans, operating independently of the Reagan campaign, to raise and spend millions of dollars in behalf of the former California governor's candidacy. Such expenditures have been allowed by law as long as they are not done in cooperation with the offictal campaign, but Common Cause, a public advocacy lobby, is expected to announce a legal challenge to them today.

Brock said he opposed the half dozen separate pro-Reagan committees on political grounds asserting they could lead to a "fragmented, confused, disorganized" campaign.

"If they emphasize different issues than Reagan wants to emphasize, if they run ads that are factually inaccurate, they force us to disavow them — and that's divisive," Brock said.

The chairman said he doubted the independent committees, some headed by well-known Republican officeholders and veterans of the Nixon and Ford administrations, could raise the millions of dollars they have talked about.

But he said that if they succeeded, there would be "a draining of funds for the grass-roots party building" and the support of GOP candidates for offices lower on the ballot.

He accused the promoters of these groups of acting as if "we're going to elect one person and change the whole goldarn world."

In urging Republicans interested in Reagan to contribute to the GOP's official campaign committees, Brock said he thought Reagan's high command had the same sort of the independent efforts he expressed.

But Casey, Reagan's campaign director, took a noncommittal stand at his press conference later in the day.

"I won't discourage anyone from exercising their constitutional rights," Casey said. "How helpful it is remains to be seen."

Casey did condemn efforts by some conservative groups to kill Sen. Howard H. Baker Jr.'s (Tenn.) vice presidential prospects, calling such activity damaging to Republican unity and the Reagan campaign.

Casey formally announced that two former officials of the Nixon and Ford administrations, Washington lobbyist William Timmons and lawyer James T. Lynn, would join the Reagan campaign. Timmons will be deputy director for campaign operations and Lynn the general counsel.

*Staff writer Bill Peterson contributed to this article.*

EXHIBIT C

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AFFIDAVIT OF

PAUL LAXALT

DISTRICT OF COLUMBIA ) ss.

I, PAUL LAXALT, being first duly sworn, do hereby depose and say:

1. Since 1975 I have served as United States Senator from the state of Nevada. Prior to my election and subsequently I have participated actively in the political process at the national, state, and local levels. Before becoming a United States Senator, I was for a number of years a practicing attorney in Carson City, Nevada; I have also served as Governor and Lieutenant Governor of Nevada.

2. During the 1976 campaign for the Republican nomination for the presidency, I served as Chairman of the Reagan for President Committee.

3. In the 1980 primary campaign just recently concluded, I again served as Chairman of the Reagan for President Committee. I am now Chairman of the Reagan for President General Election Committee. In these respective positions I have had the occasion to become generally familiar with the requirements of the Federal Election Campaign Laws as they apply to campaign contributions, and other related matters.

4. I have had occasion to examine the Complaint filed before the Federal Election Commission by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against Ronald Reagan et al.

5. Based upon my knowledge and experience in the Reagan campaign, the central charge contained in the Complaint, namely: "that Mr. Reagan and his associates have chosen to try

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to 'get around' the [Federal campaign] law [and] to coordinate contributions through political fronts claiming to be 'independent' committees" is baseless and without any foundation in fact.

6. Indeed, the often-stated policy of the Reagan campaign has been and will continue to be not to stimulate or encourage the formation of independent expenditure groups and not to cooperate with, or give prior consent to, or consult with, or make requests or suggestions to any individuals or groups making independent expenditures in support of the Reagan candidacy. This policy was reiterated in meetings held with all key Reagan campaign staff personnel immediately following the conclusion of the Republican National Convention. I am further informed that prior to the convention this same policy against cooperation with independent expenditure efforts was repeatedly stated by those responsible for compliance with the Federal Election Campaign Laws to headquarters, regional and field personnel during the Reagan primary campaign.

7. Given my experience in the Reagan campaigns of 1976 and 1980, I can state unequivocally that the advantages held by an incumbent president over a primary or general election challenger are so immense as to be almost insuperable. A president has free and instant access to the national media from his White House doorstep. By contrast, a challenger must expend scarce campaign funds to travel and engage in various campaign activities in order to attract any significiant media attention.

8. The result sought by the complainants to deprive the Reagan-Bush campaign of its only feasible source of campaign funds based upon the chimerical expectations of expenditures by

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groups independent of and unauthorized by our campaign would torpedo the Reagan-Bush effort and initially guarantee the absence of a freely and fairly-contested presidential election in the fall.

9. Any delay or denial of public funds to the Reagan-Bush general election campaign at this stage would cripple our campaign effort, and irreparably injure our ability to present our case to the American people. At this point, given the amount of time remaining between now and the general election as well as the $1,000 per person contribution limit, there is no way to raise from private sources adequate funding for the general election campaign.

10. This fundamental point was made most effectively by my colleague Robert Strauss, the current Chairman of the Carter-Mondale reelection committee, in testimony before the Congress in 1976:

> My responsibilities as Chairman of the Democratic National Committee, make me focus on the incalculable problems faced by presidential candidates as long as the status of the FEC remains in question. Most of our candidates cannot sustain even a lapse of a few days in the payment of federal matching funds. Many of our campaigns are operating on a day-to-day cash flow. A time lapse in the certification and distribution of federal funds could be so disruptive to the political process that it could have a dangerous impact on the outcome of both the Democratic and Republican nominating systems. This must be avoided. [Emphasis supplied]

This statement is just as valid today in the general election context as it was during the primary campaigns of 1976.

11. Based upon my previous political experience, were a court to grant any form of temporary injunctive relief in connection with the Reagan-Bush request for certification of

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eligibility for federal campaign funds, it could have drastic political consequences beyond those caused by the interruption in public funding. Such an action would inevitably -- even though mistakenly -- be misperceived by some members of the public as a judicial determination that the Reagan campaign had done something unlawful or improper, even though nothing could be futher from the truth. Given the sensitivity of the American public to charges of misconduct by elected officials, the corrosive impression created by the initial adverse publicity attending such a judicial action could never be completely removed even after the Reagan campaign was completely vindicated, as it assuredly would be.

12. The result sought by the complainants would leave President Carter in full possession of his pre- and post- convention campaign war chests provided by the public in addition to the vast professional staff and other government resources available to him as President. In addition, he will be principally featured at the publicly-funded events of the Democratic National Convention in further promotion of his candidacy. In contrast, Ronald Reagan and George Bush would be grounded with no campaign funds whatsoever. They would be effectively denied their basic First Amendment rights to communicate with the American people. The Congress never contemplated such an unjust result when it passed the campaign laws which are the subject of the instant complaint.

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13. The foregoing statements are true and correct to the best of my knowledge, information, and belief.

PAUL LAXALT

Subscribed and sworn to before me this 23rd day of July 1980.

NOTARY PUBLIC

My Commission Expires 1-1-82

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## A. FEC Filings

Tab

1 Citizens for Reagan/Citizens for the Republic

a. Amendment of Registration Statement re: change of name and officers 1/27/77

b. FEC Form 3 for Citizens for Reagan 2/1/77

c. FEC Form 3 for Citizens for the Republic 2/2/78

d. Amendment of Registration Statement for Citizens for the Republic re: support of Jesse Helms 12/28/77

e. Amendment of Registration Statement for Citizens for the Republic re support of additional candidates. 6/2/78

f. Citizens for the Republic Independent Expenditures on behalf of:

(i) Jesse Helms;
(ii) David Durenberger; and
(iii) William Clements.

g. Amendment of Registration Statement for Citizens for the Republic re change of chairman. 11/9/79

2 1980 Republican Presidential Unity Committee

a. Statement of Organization

3 The Fund for a Conservative Majority

a. Itemized Independent Expenditures on behalf of Ronald Reagan during April. 5/20/80

b. Itemized Independent Expenditures on behalf of Ronald Reagan during May. 6/20/80

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4 Americans For Change

a. Statement of Organization 5/23/80

5 Congressional Club

a. Report of Receipts and Disbursements--April 15, 1980, Quarterly Report 6/6/80

6 National Conservative Political Action Committee

a. Registration Form and Statement of Organization 3/27/75

7 Americans for an Effective Presidency

a. Advisory Opinion Request 5/15/80

b. Amendment to Advisory Opinion Request 5/16/80

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8 National Committee for an Effective Congress

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## B. Articles

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| 9 | Baltimore Sun | 2/9/77 | p. A6 |
| 10 | Baltimore Sun | 6/6/80 | p. A4 |
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| 12 | Boston Globe | 5/28/80 | p. 1 |
| 13 | California Journal | 9/77 | p. 286 |
| 14 | Chicago Sun Times | 10/23/78 | p. 17 |
| 15 | Christian Science Monitor | 4/25/80 | p. 7 |
| 16 | Congressional Quarterly | 6/11/77 | p. 1141 |
| 17 | Congressional Quarterly | 12/24/77 | p. 2649 |
| 18 | Congressional Quarterly | 2/17/79 | p. 307 |
| 19 | Congressional Quarterly | 6/14/80 | p. 1635 |
| 20 | Dallas Times Herald | 6/25/80 | p. A29 |
| 21 | Houston Chronicle | 5/6/80 | p. 8 |
| 22 | Los Angeles Times | 4/4/72 | p. 3 |
| 23 | Los Angeles Times | 6/6/80 | p. 1 |
| 24 | Los Angeles Times | 6/25/80 | p. 1 |
| 25 | National Journal | 11/4/78 | p. 1772 |
| 26 | Newsday | 6/15/80 | p. 1 |
| 27 | Newsday | 6/16/80 | p. 1 |
| 28 | Newsday | 6/17/80 | p. 1 |
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| 30 | Newsweek | 6/2/80 | p. 21 |

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| 31 | New York Times | 4/17/69 | p. 16 |
| 32 | New York Times | 12/2/69 | p. 20 |
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| 34 | New York Times | 5/26/70 | p. 20 |
| 35 | New York Times | 11/15/70 | p. 42 |
| 36 | New York Times | 3/20/72 | p. 24 |
| 37 | New York Times | 4/20/72 | p. 12 |
| 38 | New York Times | 12/3/72 | p. 1 |
| 39 | New York Times | 2/26/74 | p. 1 |
| 40 | New York Times | 4/27/74 | p. 26 |
| 41 | New York Times | 7/27/74 | p. 12 |
| 42 | New York Times | 10/9/74 | p. 6 |
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| 45 | New York Times | 7/17/76 | p. 9 |
| 46 | New York Times | 7/20/76 | p. 20 |
| 47 | New York Times | 8/25/77 | p. B5 |
| 48 | New York Times | 12/14/79 | p. 10 |
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| 50 | New York Times | 3/22/80 | p. 10 |
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| 52 | New York Times | 5/12/80 | p. D14 |
| 53 | New York Times | 5/17/80 | p. 20 |
| 54 | New York Times | 5/30/80 | p. B6 |

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| 55 | New York Times | 6/15/80 | Editorial |
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| 58 | Wall Street Journal | 6/19/80 | p. 1 |
| 59 | Washington Post | 2/6/73 | p. A2 |
| 60 | Washington Post | 12/7/74 | p. A1 |
| 61 | Washington Post | 4/10/75 | p. 19 |
| 62 | Washington Post | 7/9/75 | p. A6 |
| 63 | Washington Post | 3/2/77 | p. A19 |
| 64 | Washington Post | 9/24/78 | p. A3 |
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| 66 | Washington Post | 3/8/79 | p. 2 |
| 67 | Washington Post | 5/12/79 | p. A8 |
| 68 | Washington Post | 8/29/79 | p. A4 |
| 69 | Washington Post | 12/14/79 | p. A5 |
| 70 | Washington Post | 5/13/80 | p. 4 |
| 71 | Washington Post | 6/6/80 | p. 1 |
| 72 | Washington Star | 1/30/79 | p. 3 |
| 73 | Washington Star | 5/11/80 | p. 3 |
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| 75 | Washington Star | 6/12/80 | p. 3 |

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b. Winton Malcolm Blount, Who's Who in America, 1980-1981, page 332

c. Kenneth Frederick Boehm, Who's Who in Politics, 1977-1978, page 93

d. William Perry Clements, Jr., Who's Who in America, 1980-1981, page 642

e. Marlow Webster Cook, Who's Who in Government, 1975-1976, page 189

f. Carl Thomas Curtis, Who's Who in America, 1980-1981, page 775

g. Harry Shuler Dent, Who's Who in Government, 1975-1976, page 234

h. David Ferdinand Durenberger, Who's Who in America, 1980-1981, page 944

i. James Burrows Edwards, Who's Who in America, 1980-1981, page 969

j. Peter Magnus Flanigan, Who's Who in American Politics, 1973-1974, page 351

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l. John Loren Harmer, Who's Who in Government, 1975-1976, page 264

m. Jesse Helms, Who's Who in America, 1980-1981, page 1512

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o. Clare Booth Luce, Who's Who in America, 1980-1981, page 2080

p. William Edward Miller, Who's Who in America, 1980-1981, page 1473

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q. George Lloyd Murphy, Who's Who in Government, 1975-1976, page 740

r. Thomas Care Reed, Who's Who in America, 1980-1981, page 2742

s. George Romney, Who's Who in America, 1980-1981, page 2817

t. Harrison Hagan Schmitt, Who's Who in America, 1980-1981, page 2830

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## D. Books

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77 Alexander, Financing the 1976 Election, Congressional Quarterly Press

78 Blumenthal, The Permanent Campaign, Beacon Press

79 Witcover, Marathon: The Pursuit of the Presidency, Viking Press

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| 84 | Republican National Committee--Advisory Council's Committees--Directory 6/79 |
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CFR

FEDERAL ELECTION COMMISSION

# CITIZENS FOR REAGAN

1253 7th St. -- Suite 200
Santa Monica, California 90401
Phone: (213) 451-8548

January 27, 1977

William C. Oldaker, Esquire
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Mr. Oldaker:

Citizens for Reagan hereby files the following changes to its Registration Form and Statement of Organization. These amendments shall be effective as of January 31, 1977.

New Name and Address:
Citizens For The Republic
1253 7th St. -- Suite 200
Santa Monica, California 90401

New Officers:
Ronald Reagan -- Chairman
10960 Wilshire Blvd.
Suite 812
Los Angeles, California 90024

Senator Paul Laxalt -- Chairman of the Steering Committee
326 Russell Senate Office Building
Washington, D.C. 20510

Franklyn C. Nofziger -- Executive Vice Chairman
12012 Goshen
Los Angeles, California 90049

New Officers (continued):

Jack L. Courtemanche -- Treasurer
621 South Lorraine Blvd.
Los Angeles, California 90005

Loren A. Smith -- Secretary
1811 N. Highland St.
Arlington, Virginia 22201

Arthur J. Dellinger, C.P.A. -- Assistant Treasurer
4565 Sherman Oaks Ave.
Sherman Oaks, California 91403

Custodian of books and accounts from January 31, 1977 forward:

Arthur J. Dellinger, C.P.A. --Assistant Treasurer

Custodian of books and accounts from July 14, 1975 through January 31, 1977 related to the Reagan presidential campaign will continue to be former Treasurer:

Henry M. Buchanan, C.P.A.
4706 Highland Ave.
Bethesda, Maryland 20014

Our committee hereby ceases to be a single-candidate principal campaign committee and changes its Area, Scope and Jurisdiction to become a multi-candidate political committee that contemplates operating in more than one state and supporting federal candidates. The committee has not yet determined those federal candidates it will support.

Our committee will continue to be unaffiliated with any other political committee.

Our committee's existence will be in perpetuity and for this reason contemplates no disposition of residual funds.

All former state affiliates have ceased to exist and are hereby formally terminated. At the present time our committee has no state officers. All state affiliate bank accounts are closed.

Our committee's current bank accounts are as follows:

7703046403907

Bank accounts (continued):

Santa Monica Bank
4th Street & Arizona Avenue
Santa Monica, California 90401
Checking Account

National Bank of Washington
1129 20th St., N.W.
Washington, D.C. 20036
Two Checking and One Savings Account

Metropolitan Federal Savings and Loan
7901 Wisconsin Ave.
Bethesda, Maryland 20014
Savings Account

Home Federal Savings and Loan Association
1500 K. St., N.W.
Washington, D.C. 20005
Savings Account

Bache Halsey Stuart Inc.
5454 Wisconsin Ave.
Chevy Chase, Maryland 20015
Treasury Bill Account

If the Commission has any questions or desires any futher informatio please feel free to contact me by letter or phone either through our California office or at 1811 N. Highland St./Arlington, Virginia 22201.

Yours truly,

Loren A. Smith

Loren A. Smith
General Counsel
Citizens for Reagan

cc: Federal Election Commission
Registration Statement Amendment

7 7 0 3 0 4 6 4 0 3 6 8 3 0 4 0 4 2 3 0 7 6

FEC Form 3
January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Report of Receipts and Expenditures for a Candidate or Committee Supporting any Candidate(s) for Nomination or Election to Federal Office

RECEIVED FEDERAL ELECTION COMMISSION

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with his election are required to maintain separate records with respect to each election.

'77 FEB 1 AM 10:19

1(a) Name of Candidate or Committee (in full): CITIZENS FOR REAGAN

2 Identification Number: C-00029918

(b) Address (number and street): c/o Henry M. Buchanan, 4706 Highland Avenue

(c) City, State and ZIP code: Bethesda, Maryland 20014

3(a) Is this a report of receipts and expenditures for only one election? ☒ Yes ☐ No

(b) If "Yes," for which election? _____ (General, Primary, Runoff) on _____ (Date)

4 Type of Report (Check appropriate box and complete, if appropriate)

(a) ☐ Amendment
(b) ☐ April 10 Report
(c) ☐ July 10 report
(d) ☐ October 10 report
(e) ☒ January 31 Report
(f) ☐ Alternative Monthly Report
(g) ☐ Termination
(h) ☐ Tenth day report preceding _____ (primary, general or convention) election on _____ (date) in the state of _____
(i) ☐ Thirtieth day report following _____ (primary, general or convention) election on _____ (date) in the state of _____

## Committee Summary of Receipts and Expenditures

5 Covering Period: From 10/1/76 Through 12/31/76

| Section A - Cash Balance Summary | Column A This Period | Column B Calendar Year-To-Date |
|---|---|---|
| 6 Cash on hand January 1, 19 76 | | $ 416,723.46 |
| 7 Cash on hand at beginning of reporting period | $ 1,670,603.33 | |
| 8 Add total receipts (from line 19) | $ 146,693.99 | $ 16,684,173.20 |
| (a) Subtotal | $ 1,817,297.32 | $ 17,100,897.36 |
| 9 Subtract total expenditures (From line 24) | $ 206,512.64 | $ 15,490,112.68 |
| 10 Cash on hand at close of reporting period | $ 1,610,784.68 | $ 1,610,784.68 |
| 11 Contributed items on hand to be liquidated (attach itemized list) $ -0- | | |
| **Section B - Presidential Campaign Expenditures Subject to Limitation - Summary (Applies Only To Presidential Candidates Receiving Federal Funds)** | | |
| 12 Operating expenditures (from line 20) | $ 199,710.64 | $ 10,302,357.10 |
| 13 Less Refunds and Rebates (from line 17) | $ 138,127.58 | $ 994,552.11 |
| 14 (a) Expenditures subject to limitation | $ 61,583.06 | $ 9,307,804.99 |
| (b) Expenditures from prior years subject to limitation | | $ 653,125.65 |
| (c) Total expenditures subject to limitation | | $ 9,960,930.64 |

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Henry M. Buchanan TREASURER — (Signature of Treasurer or Candidate)

Feb 24, 1977 — (Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 441 (see back of form)

For further information Contact: Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463

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FEC Form 3
January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Detailed Summary Schedule of Receipts and Expenditures
## (Page 2)

Name of Candidate or Committee: CITIZENS FOR REAGAN

Report Covering the period from 10/1/76 To 12/31/76

| Part I Receipts | Column A This Period | Column B Calendar Year to Date |
|---|---|---|
| 15 Contributions and other income | | |
| (a) Itemized (use Schedule A) | $ 2,130.[illegible] | |
| (b) Unitemized | $ 11,092.00 | |
| (c) Sales and Collections Included Above | Schedule 15E | 24,3[illegible].00 |
| List by event on memo Schedule D $ 100.00 (Sale of Pins) | | |
| (d) Subtotal of contributions and other income | $ 37,[illegible] | $ 12,[illegible] |
| 16 Loans and Loan Repayments Received | | |
| (a) Itemized (use Schedule A) | $ None | |
| (b) Unitemized | $ None | |
| (c) Subtotal of loans and loan repayments received | $ None | $ 1,3[illegible] |
| 17 Refunds, Rebates, etc. | | |
| (a) Itemized (use Schedule A) | $ 107,935.00 | |
| (b) Unitemized | $ 192.56 | |
| (c) Subtotal of refunds, rebates, etc. | $ 108,127.[illegible] | $ [illegible] |
| 18 Transfers In | | |
| (a) From Affiliated Committees (Itemize all on Schedule A) | $ None | |
| (b) From other Committees (Itemize all on Schedule A) | $ 948.[illegible] | |
| (c) Subtotal of transfers in | $ 948.[illegible] | $ 31,[illegible] |
| 19 Total Receipts | $ 146,[illegible] | $ [illegible] |

| Part II Expenditures | | |
|---|---|---|
| 21. Independent Expenditures | None | |
| 20 Operating Expenditures | | |
| (a) Itemized (use Schedule B) | $ 198,607.74 | |
| (b) Unitemized | $ 1,102.90 | |
| (c) Subtotal of operating expenditures | $ 199,710.64 | $ [illegible] |
| 22 Loans, Loan Repayments, and Contribution Refunds | | |
| (a) Itemized (use Schedule B) | $ 6,802.00 | |
| (b) Unitemized | $ None | |
| (c) Subtotal of loans and loan repayments made and contribution refunds | $ 6,802.00 | $ 1,[illegible] |
| 23 Fundraising Expenditures (Apply to 20% Exemption—Presidential Campaigns Receiving Federal Funds) | | |
| (a) Itemized (use Schedule B) | $ None | |
| (b) Unitemized | $ None | |
| (c) Subtotal of fundraising expenditures | $ None | $ [illegible] |
| 24 Transfers Out | | |
| (a) To Affiliated Committee (Itemize all on Schedule B) | $ None | |
| (b) To Other Committees (Itemize all on Schedule B) | $ None | |
| (c) Subtotal of transfers out | $ None | $ [illegible] |
| 24 Total Expenditures | $ [illegible] | $ [illegible] |

| Part III Debts and Obligations | |
|---|---|
| 25 Debts and obligations owed to the Committee (Itemize all on Schedule C) | $ [illegible] |
| 26 Debts and obligations owed by the Committee (Itemize all on Schedule C) | $ [illegible] |

| Part IV Receipts and Expenditures, Net of Transfers to and from Affiliated Committees | |
|---|---|
| 27 Total Receipts (from line 19) | $ 146,[illegible] |
| 28 Less Transfers In (from line 18(a)) | $ None |
| 29 Net Receipts | $ 146,[illegible] |
| 30 Total Expenditures (from line 24) | $ 206,512.[illegible] |
| 31 Less Transfers out (from line 23(a)) | $ None |
| 32 Net Expenditures | $ 206,512.[illegible] |

FEC Form 3c
January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Allocation of Primary Expenditures by State for a Presidential Candidate

1(a) Name of Principal Campaign Committee: CITIZENS FOR REAGAN

2 Identification Number: C-00029918

(b) Committee Address: c/o Henry M. Buchanan, 4706 Highland Avenue

3 Name of Candidate: Ronald Reagan

(c) City, State and Zip code: Bethesda, Maryland 20014

## ALLOCATION BY STATE

Report Covering Period From: 10/1/76 to: 12/31/76

| STATE | ALLOCATION THIS PERIOD | YEAR TO DATE ALLOCATION | STATE | ALLOCATION THIS PERIOD | YEAR TO DATE ALLOCATION |
|---|---|---|---|---|---|
| Alabama | -- | 98,607.37 | Nebraska | -- | 91,353.0[illegible] |
| Alaska | -- | 1,074.81 | Nevada | -- | 63,318.1[illegible] |
| Arizona | -- | 44,816.03 | New Hampshire | 1,714.95 | 156,979.0[illegible] |
| Arkansas | -- | 53,663.77 | New Jersey | -- | 37,797.1[illegible] |
| California | -- | 1,048,461.33 | New Mexico | -- | 15,354.4[illegible] |
| Colorado | -- | 74,386.66 | New York | -- | 83,761.0[illegible] |
| Connecticut | -- | 21,889.04 | North Carolina | -- | 535,167.1[illegible] |
| Delaware | -- | 2,261.07 | North Dakota | -- | 4,910.1[illegible] |
| District of Columbia | -- | 3,258.97 | Ohio | -- | 283,708.9[illegible] |
| Florida | -- | 721,098.07 | Oklahoma | -- | 31,289.7[illegible] |
| Georgia | -- | 122,675.50 | Oregon | -- | 79,196.2[illegible] |
| Hawaii | -- | 2,862.14 | Pennsylvania | -- | 67,616.4[illegible] |
| Idaho | -- | 34,616.77 | Rhode Island | -- | 16,752.6[illegible] |
| Illinois | -- | 541,519.32 | South Carolina | -- | 34,635.2[illegible] |
| Indiana | -- | 236,914.89 | South Dakota | -- | 16,993.3[illegible] |
| Iowa | -- | 61,881.33 | Tennessee | -- | 144,232.8[illegible] |
| Kansas | -- | 14,406.53 | Texas | -- | 469,849.4[illegible] |
| Kentucky | -- | 110,002.71 | Utah | -- | 23,163.5[illegible] |
| Louisiana | -- | 20,360.04 | Vermont | -- | 4,977.2[illegible] |
| Maine | -- | 8,398.34 | Virginia | -- | 35,731.2[illegible] |
| Maryland | -- | 69,125.53 | Washington | -- | 62,890.0[illegible] |
| Massachusetts | -- | 149,358.81 | West Virginia | -- | 43,102.1[illegible] |
| Michigan | -- | 155,141.26 | Wisconsin | -- | 145,753.2[illegible] |
| Minnesota | -- | 44,453.93 | Wyoming | -- | 5,619.2[illegible] |
| Mississippi | -- | 17,241.59 | Puerto Rico | -- | 8,593.1[illegible] |
| Missouri | -- | 83,615.48 | Guam | -- | 248.7[illegible] |
| Montana | -- | 13,276.57 | Virgin Islands | -- | 278.1[illegible] |
| Column Totals | -- | 3,755,467.86 | Column Totals | 1,714.95 | 2,463,294.1[illegible] |

| | | |
|---|---|---|
| 4 Total Allocated Expenditures ▶ | 1,714.95 | 6,218,761.9[illegible] |
| 5 Total Non-allocated Expenditures ▶ | 89,868.11 | 3,089,043.0[illegible] |
| 6 Total Campaign Expenditures (Lines 4 & 5) ▶ | 91,583.06 | 9,307,804.9[illegible] |

7 7 0 3 0 4 7 2 7 4 9

FEC Form 3
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Report of Receipts and Expenditures for a Candidate or Committee Supporting any Candidate(s) for Nomination or Election to Federal Office

YEAR END 1977 REPORT

RECEIVED FEDERAL ELECTION COMMISSION '78 FEB 2 PM 3:33

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Candidate or Committee (in full) ☐ Check if name or address is changed
CITIZENS FOR THE REPUBLIC

(b) Address (number and street)
1253 7th Street, Suite 200

(c) City, State and ZIP code
Santa Monica, California 90401

2 Identification Number
C-00029918

3(a) Is this a report of receipts and expenditures for only one election? ☐ Yes ☒ No
(b) If "Yes," for which election? _____ on _____
(general, primary, runoff) (date)

4 Type of Report (Check appropriate box and complete, if applicable)
(a) ☐ Amendment For _____ (which report)
(b) ☐ April 10 Quarterly Report
(c) ☐ July 10 Quarterly Report
(d) ☐ October 10 Quarterly Report
(e) ☒ January 31 Year End Report
(f) ☐ Monthly Report _____ (month)
(g) ☐ Termination Report
(h) ☐ Tenth day report preceding _____ (primary, general or convention) election on _____ (date) in the State of _____
(i) ☐ Thirtieth day report following _____ (primary, general or convention) election on _____ (date) in the State of _____

## Candidate or Committee Summary of Receipts and Expenditures

5 Covering Period: From October 1, 1977 through December 31, 1977

| Section A - Cash Balance Summary | Column A This Period | Column B Calendar Year-To-Date |
|---|---|---|
| 6 Cash on hand January 1, 19 77 | | $ 1,610,784.68 |
| 7 Cash on hand at beginning of reporting period | $ 1,484,205.09 | |
| 8 Total receipts (from line 19) | $ 430,616.99 | $ 1,094,822.56 |
| (a) Subtotal (Add lines 7 and 8) | $ 1,914,822.08 | $ 2,705,607.24 |
| 9 Total expenditures (From line 28) | $ 990,635.88 | $ 1,781,421.04 |
| 10 Cash on hand at close of reporting period (Subtract line 9 from line 8) | $ 924,186.20 | $ 924,186.20 |
| 11 Contributed items on hand to be liquidated (attach itemized list) $ _____ | | |
| **Section B - Presidential Campaign Expenditures Subject to Limitation - Summary (To Be Used Only By Presidential Candidates Receiving Federal Funds)** | | |
| 12 Operating expenditures (from line 20) | $ N/A | $ N/A |
| 13 Refunds and Rebates (from line 17) | $ N/A | $ N/A |
| 14 (a) Expenditures subject to limitation (Subtract line 13 from line 12) | $ N/A | $ N/A |
| (b) Expenditures from prior years subject to limitation | | $ N/A |
| (c) Total expenditures subject to limitation (Add lines 14a and 14b) | | $ N/A |

I certify that I have examined this Report, and to the best of my knowledge and belief it is true, correct and complete.

Jack L. Courtemanche
(Typed name of Treasurer or Candidate)

[signature]
(Signature of Treasurer or Candidate)

12-31-77
(Date)

Note: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 437g or §441. (See reverse side of form)

For further information Contact: Federal Election Commission 1325 K Street, N.W. Washington, D.C. 20463

Any information reported herein may not be sold or used by any person for purposes of soliciting contributions or for any commercial purpose.

13310012055457

FEC Form 3
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Detailed Summary Schedule of Receipts and Expenditures
## (Page 2)

Name of Candidate or Committee: CITIZENS FOR THE REPUBLIC

REPORT COVERING THE PERIOD FROM: 10-1-77 TO: 12-31-77

| PART I - RECEIPTS | Column A This Period | Column B Calendar year-to-date |
|---|---|---|
| 15 Contributions and other income | | |
| (a) Itemized (see Schedule A) | $ 63,868.23 | |
| (b) Unitemized | $ 304,298.84 | |
| (c) Sales and Collections Included Above: List by event on memo Schedule D (e) 36,001.67 | | |
| (d) Subtotal of contributions and other income | $ 368,167.07 | $ 850,454.83 |
| 16 Loans and Loan Repayments Received: | | |
| (a) Itemized (see Schedule A) | $ -0- | |
| (b) Unitemized | $ -0- | |
| (c) Subtotal of loans and loan repayments received | $ -0- | $ -0- |
| 17 Refunds, Rebates, Returns Received: | | |
| (a) Itemized (see Schedule A) | $ 46,908.44 | |
| (b) Unitemized | $ 11,593.24 | |
| (c) Subtotal of refunds, rebates, returns | $ 58,501.68 | $ 234,690.04 |
| 18 Transfers In: | | |
| (a) From Affiliated Committees (Itemize on Schedule A Regardless of Amount) | $ -0- | |
| (b) From other Committees (Itemize on Schedule A Regardless of Amount) | $ 3,948.24 | |
| (c) Subtotal of transfers in | $ 3,948.24 | $ 9,677.69 |
| 19 Total Receipts | $ 430,616.99 | $1,094,822.56 |
| **PART II - EXPENDITURES** | | |
| 20 Operating Expenditures (Committees Not Receiving Federal Funds Include Fundraising, Legal and Accounting Expenditures): | | |
| (a) Itemized (see Schedule B) | $ 983,590.67 | |
| (b) Unitemized | $ 220.21 | |
| (c) Subtotal of operating expenditures | $ 983,810.88 | $1,757,756.04 |
| 21 Independent Expenditures (see Schedule E) | $ -0- | $ -0- |
| 22 Loans, Loan Repayments, and Contribution Refunds Made | | |
| (a) Itemized (see Schedule B) | $ 825.00 | |
| (b) Unitemized | $ -0- | |
| (c) Subtotal of loans and loan repayments made and contribution refunds | $ 825.00 | $ 5,715.00 |
| 23 For Use Only By Presidential Campaigns Receiving Federal Funds; Exempt Fundraising, Legal and Accounting Expenditures: | | |
| (a) Itemized (see Schedule B) | N/A | |
| (b) Unitemized | N/A | |
| (c) Subtotal of fundraising expenditures | N/A | N/A |
| 24 Transfers Out: | | |
| (a) To Affiliated Committees (Itemize on Schedule B Regardless of Amount) | $ -0- | |
| (b) To Other Committees (Itemize on Schedule B Regardless of Amount) | $ 6,000.00 | |
| (c) Subtotal of transfers out | $ 6,000.00 | $ 17,950.00 |
| 25 Total Expenditures | $ 990,635.88 | $1,781,421.04 |
| **PART III - DEBTS AND OBLIGATIONS** | | |
| 26 Debts and obligations owed to the Committee (Itemize all on Schedule C) | $ 15,899.39 | |
| 27 Debts and obligations owed by the Committee (Itemize all on Schedule C) | $ -0- | |
| **PART IV - RECEIPTS AND EXPENDITURES, NET OF TRANSFERS TO AND FROM AFFILIATED COMMITTEES** | | |
| 28 Total Receipts (from line 19) | $ 430,616.99 | |
| 29 Transfers In (from line 18(a)) | $ -0- | |
| 30 Net Receipts (Subtract line 29 from line 28) | $ 430,616.99 | |
| 31 Total Expenditures (from line 25) | $ 990,635.88 | |
| 32 Transfers out (from line 24(a)) | $ -0- | |
| 33 Net Expenditures (Subtract line 32 from line 31) | $ 990,635.88 | |

10 L

Citizens for the Republic
a political action committee

1253-7th Street, Suite 200
Santa Monica, California 90401
213/451-6548

RECEIVED
FEDERAL ELECTION COMMISSION
JAN 3 PM 12:51

ederal Election Commission
125 K Street, N.W.
ashington, D.C. 20463

ttn: Registration Statement Amendment

Date: December 28, 1977

entlemen:

itizens for the Republic wishes to amend it's Registration Statement to nclude support of the following additional candidates:

andidate: Jesse Helms
ommittee: Helms for Senate Committee
ddress: P. O. Box 19433
Raleigh, N. C. 27609
arty: Republican
ffice and District: U. S. Senate

andidate:
ommittee:
ddress:

arty:
ffice and District:

andidate:
ommittee:
ddress:

arty:
ffice and District:

Thank you for your attention.

Sincerely,

Rose Marie Monk

Rose Marie Monk
Assistant Secretary

RMM/rcg

Citizens for the Republic
1253-7th Street, Suite 200
Santa Monica, California 90401
213/451-8548

'78 JUN 5 PM 1:17

June 2, 1978

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: Registration Statement Amendment

Gentlemen:

Citizens for the Republic wishes to amend it's Registration Statement to include support of the following additional candidates:

Candidate: Bill Fisher
Committee: Bill Fisher for Congress Committee
Address: P.O. Box 21
Abiliene, Tx 79604
Party: Republican
Office and District: Congress-TX-17th

Candidate: Eric Seastrand
Committee: Friends of Eric Seastrand
Address: P.O. Box 1354
Salinas, CA 93902
Party: Republican
Office and District: US Congress-CA-16th

Candidate: Ed Gurney
Committee: Gurney for Congress
Address: 445 Wymore RD Suite 101
Winter Park, FL 32789
Party: Republican
Office and District: US Congress-FL-9th

Candidate: David Volk
Committee: Volk for Congress Committee
Address: P.O. Box 347
Sioux Falls, SD 57101
Party: Republican
Office and District: US Congress-SD-1st

Candidate: Terry Branstad
Committee: Terry E. Branstad for Lt. Gov. Committee
Address: P.O. Box 207
Des Moines, IA 50301
Party: Republican
Office and District: Lt. Gov.-IA-

03040425003

Candidate: Ed King
Committee: Ed King Committee
Address: RM 917, 73 Tremont ST
Boston, MA 02108
Party: Republican
Office and District: Governor-Mass.

Candidate: Arlan Strangeland
Committee: Strangeland for Congress '78
Address: Box 704
Moorehead, MN 56560
Party: Republican
Office and District: US-Congress-MN-7th

Candidate: David W. Marston
Committee: People for Marston For Governor
Address: 1237 Public Ledg. Bldg.
6th & Chesnut
Philadelphia, PA 19106
Party: Republican
Office and District: Governor-PA

Candidate: Jim Reese
Committee: Jim Reese for Congress Committee '78
Address: P.O. Box 7099
Odessa, TX 79760
Party: Republican
Office and District: US Congress-TX-19th

Candidate: Charles Loos
Committee: Loos for State Auditor Committee
Address: 126 Arden Dr.
Indianapolis, IN 46220
Party: Republican
Office and District: State Auditor-IN

Candidate: Richard Turner
Committee: Turner Committee
Address: 8850 Wood Mayer Cr.
Lakewood, IA 50211
Party: Republican
Office and District: Att.Gen.-IA

Candidate: Buz Lukens
Committee: Lukens Campaign Committee
Address: 31 N. Grant Ave.
Columbus, OH 43215
Party: Republican
Office and District: State Auditor-OH

Candidate: Jimmy Wilson
Committee: Wilson for Congress
Address: P.O. Box 5163
Shrevport, LA
Party: Republican
Office and District: US Congress-LA-2nd

Candidate: Mike Thompson
Committee: Committee to Elect Mike Thompson to Congress
Address: P.O. Box 53597
Lafayetter, LA 70505
Party: Republican
Office and District: US Congress-LA-7th

Candidate: Roger Jepsen
Committee: Friends of Roger Jepsen
Address: 532 First Ave RM 304
Council Bluffs, IA 51501
Party: Republican
Office and District: US Senate-IA

3 3 0 4 0 4 2 5 0 3 5

Candidate: Frank Wolf
Committee: Frank Wolf for Congress Committee
Address: P.O. Box 263
Falls Church, VA 22046
Party: Republican
Office and District: US Congress-VA-10th

Candidate: Ken Kramer
Committee: Ken Kramer Congress Committe
Address: P.O. Box 2120
Colorado Springs, CO 80901
Party: Republican
Office and District: Congress-CO-5th

Candidate: Jim Martin
Committee: The Jim Martin Committee 1978
Address: P.O. Box 4469
Charlotte, NC 28204
Party: Republican
Office and District: Charlotte, NY 28204

Candidate: Charles Pickering
Committee: Charles Pickering for US Senate
Address: P.O. Box 23007
Jackson, MS 39205
Party: Republican
Office and District: US Senate-MS

Candidate: Tom Loeffler
Committee: Tom Loeffler for Congress
Address: P.O. Box 2119
Keirville, TX 78028
Party: Republican
Office and District: Congress-TX-1st

Candidate: Jim Reese
Committee: Jim Reese for Congress Committee '78
Address: P.O. Box 7099
Odessa, TX 79760
Party: Republican
Office and District: Congress-TX-19th

Candidate: Ron Marlenee
Committee: Montanans for Marlenee
Address: P.O. Box 1776
Great Falls, MT 59403
Party: Republican
Office and District: Congress-MT-2nd

Candidate: Don Meyer
Committee: Don Meyer for Congress Committee
Address: P.O. Box 89
Labodie, MO 63055
Party: Republican
Office and District: Congress-MO-8th

Candidate: Arlan Erdahl
Committee: Erdahl for Congress Committee
Address: 33 Wentworth Ave.
West St. Paul, MN 55118
Party: Republican
Office and District: US Congress-MN-7th

Candidate: Robert Kasten
Committee: Wis. For Bob Kasten Committee
Address: 3015 N. 114th Street
Wauwatosa, WI 53222

Party: Republican
Office and District: Governor-WI

Candidate: Bob Livingston
Committee: Friends of Bob Livingston
Address: P.O. Box 7111
New Orleans, LA 70114
Party: Republican
Office and District: US Congress-LA

Candidate: Dan Durenberger
Committee: Durenberger for US Senate
Address: 1821 University Ave.
St. Paul, MN 55104
Party: Republican
Office and District: Senate-MN

Sincerely,

Angela M. Buchanan

Angela M. Buchanan
Assistant Treasurer

7830404250 3 3

Jan 77 12/77

Schedule C

| Name of Candidate or Committee in full: CITIZENS FOR THE REPUBLIC | | | | |
|---|---|---|---|---|
| Full Name, mailing address and ZIP code, and nature of obligation | Date (month, day, year) | Amount | Payments | Outstanding Balance Close of This Period |
| "A Salute to the Republic Dinner<br>2626 Westheimer<br>Houston, TX 77098 (dinner proceeds) | 12-28-77 | $ 500.00 | $ | $ 500.00 |
| Edine for Senate Committee<br>P.O. Box 19433<br>Raleigh, N.C. 27609<br>(Sale of list) | 12-28-77 | $ 9,358.70 | $ 5,000.00 | $ 4,358.70 |
| Bruce W. Eberle & Assoc., Inc.<br>8320 Old Courthouse Rd. #440<br>Vienna, VA 22180 (Sale of List) | 12-31-77 | $ 8,363.69 | $ | $ 8,363.69 |
| WIKPAC<br>193 Commercial Drive<br>Bozeman, MT 59715 (Loan) | 3-6-77 | $ 2,700.00 | $ | $ 2,700.00 |
| | | $ | $ | $ |
| | | $ | $ | $ |
| | | $ | $ | $ |
| | | $ | $ | $ |
| Subtotals this period this page (optional) ▶ | | $ 20,899.39 | $ 5,000.00 | $ 15,899.39 |
| Total this period (last page this line number only) ▶ | | $ 20,899.39 | $ 5,000.00 | $ 15,899.39 |

Carry outstanding balance only, to appropriate line of summary.

DEC 28 77

5/78

SCHEDULE E
REVISED
January, 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# DEBTS AND OBLIGATIONS

Supporting Line Numbers 12 and 13 of FEC FORM 3

(Indicate Primary or General Election for each Entry)

Page 5 of 6 for
Line Number 12
Use Separate Schedules for each numbered line

Name of Candidate and Committee (if ...)

| Full Name, Mailing Address and ZIP Code of Lender or Creditor | Date Incurred (Mo. Day Year) | Amount of Original Debt, Contract, Agreement or Promise | Cumulative Payments To Date | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| Helms for Senate Committee<br>P.O. Box 19433<br>Raleigh, NC 27609 | 12/28/77 | 9355.70 | 5000.00 | 4355.70 |
| Primary ✓ General Other | | $ | $ | $ |

NATURE OF OBLIGATION (Describe of Debt)

sale of list

| Full Name, Mailing Address and ZIP Code of Lender or Creditor | Date Incurred (Mo. Day Year) | Amount of Original Debt, Contract, Agreement or Promise | Cumulative Payments To Date | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| Bruce Eberle & Assoc., Inc.<br>8320 Old Court House Rd. #440<br>Vienna, VA 22180 | 5/31/78 | 9643.16 | - | 9643.16 |
| Primary General Other | | $ | $ | $ |

NATURE OF OBLIGATION (Describe of Debt)

sale of list

| Full Name, Mailing Address and ZIP Code of Lender or Creditor | Date Incurred (Mo. Day Year) | Amount of Original Debt, Contract, Agreement or Promise | Cumulative Payments To Date | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| WTBNC<br>103 Commercial Drive<br>Bozeman, MT 59715 | 3/4/77 | 2700.00 | - | 2700.00 |
| Primary General Other | | $ | $ | $ |

NATURE OF OBLIGATION (Describe of Debt)

loan

| | | | |
|---|---|---|---|
| SUBTOTALS (this period this page (optional)) | $ 21698.86 | $ 5000.00 | $ 16698 |
| TOTAL (this period (last page this line number only)) | $ | $ | $ |

Cash Outstanding Balance (only in addition and line 8 of Summary)

2/78

Schedule C
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Debts and Obligations for Line Numbers 26 and/or 27 of FEC Form 3

(see instructions on back)

Page 3 of 3 for
LINE NUMBER: 26
(Use separate schedule(s) for each numbered line)

| Name of Candidate or Committee in full: CITIZENS FOR THE REPUBLIC | | Amount of Original Debt, Contract, Agreement, or Promise | Cumulative Payments To Date | Outstanding Balance Close of This Period |
|---|---|---|---|---|
| Full Name, mailing address and ZIP code, and nature of obligation<br>Helms For Senate Committee<br>P.O. Box 19433<br>Raleigh, NC 27609<br>Sale of List | Date (month, day, year)<br>12-28-77 | $ 9,355.70 | $ 5,000.00 | $ 4,355.70 |
| Full Name, mailing address and ZIP code, and nature of obligation<br>Bruce W. Eberle & Assoc., Inc.<br>8320 Old Courthouse Rd., #440<br>Vienna, VA 22180<br>Sale of List | Date (month, day, year)<br>2-28-77 | $ 6,552.64 | -- | $ 6,552.64 |
| Full Name, mailing address and ZIP code, and nature of obligation<br>WINPAC<br>103 Commercial Drive<br>Bozeman, MT 59715<br>Loan | Date (month, day, year)<br>3-4-77 | $ 2,700.00 | -- | $ 2,700.00 |
| Full Name, mailing address and ZIP code, and nature of obligation<br>Friends of Dick Obenshain<br>P.O. Box 13208<br>Richmond, VA 23225<br>Loan | Date (month, day, year)<br>2-7-78 | $ 5,000.00 | -- | $ 5,000.00 |
| Full Name, mailing address and ZIP code, and nature of obligation | Date (month, day, year) | $ | $ | $ |
| Full Name, mailing address and ZIP code, and nature of obligation | Date (month, day, year) | $ | $ | $ |
| Full Name, mailing address and ZIP code, and nature of obligation | Date (month, day, year) | $ | $ | $ |
| Full Name, mailing address and ZIP code, and nature of obligation | Date (month, day, year) | $ | $ | $ |
| Subtotals this period this page (optional) ▶ | | $23,608.34 | $ 5,000.00 | $18,608.34 |
| Total this period (last page this line number only) ▶ | | $ | $ | $ |

Carry outstanding balance only, to appropriate line of summary.

July-Nov

SCHEDULE B
FORM 3
Rev. 1976
Federal Election Commission
[illegible] K Street, NW.
Washington, D.C. 20463

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 22b, and 22c of FEC FORM 3

Page 4 of ___ for
Line Number 22b

Also Separate Schedules for each numbered line

Name of Committee or Candidate Filer
Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Particulars of Expenditure | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Jim Waltermire for Congress Committee<br>Box 2262<br>Missoula, MT 59806 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 1,000.00 |
| Carney for Congress Committee<br>PO Box V<br>Centridge, NY 11720 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 1,000.00 |
| Bill Jones Campaign Fund<br>7925 Lake Dr.<br>Del Rey Beach, FL 33444 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 1,000.00 |
| Fauke for Congress<br>Box 22<br>Dubuque, IA 52001 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 1,000.00 |
| Ware for Controller<br>3820 W. 3rd St.<br>Los Angeles, CA 90045 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 500.00 |
| Jim Wright for Congress Committee<br>2805 E. Washington<br>Suite 8<br>Madison, WI 53704 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-24-78 | 500.00 |
| Helms for Senate Committee<br>PO Drawer 18943<br>Raleigh, NC 27609 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-25-78 | 5,000.00 |
| Conlin for Congress Committee<br>425 W. Grand River<br>East Lansing, MI 48823 | Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 7-26-78 | 1,000.00 |
| SUBTOTAL of Expenditures this page (optional) | | | $ 11,000.00 |

SCHEDULE B
REVISED
January, 1978
Federal Election Commission
325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 22b, and 22c of FEC FORM 3

Page 3 of ___ for Line Number 22 B

(Use Separate Schedules for each numbered line)

Name of Candidate or Committee in Full: Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure / Expenditure for (Primary, General, Other) | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Tom Loeffler for Congress<br>PO Bx 2119<br>Keirville, TX 78028 | Contribution | 5/11/78 | 1000.00 |
| Jim Reese for Congress '78<br>PO BX 7099<br>Odessa, TX 79760 | Contribution | 5/12/78 | 2000.00 |
| * Durenberger for US Senate<br>1821 University Av.<br>St. Paul, Minn. 55104 | Contribution | 5/15/78 | 2000.00 |
| Pauken for Congress Committee<br>2627 Baker, Suite E<br>Mesquite, TX 75150 | Contribution | 5/18/78 | 1500.00 |
| Montanans for Marlenee<br>PO BX 1776<br>Great Falls, MT 59403 | Contribution | 5/22/78 | 2000.00 |
| Don Meyer for Congress Cmte.<br>PO BX 89<br>Labodie, MO 63055 | Contribution | 5/22/78 | 1000.00 |
| Friends of Bob Livingston<br>PO BX 7111<br>New Orleans, LA 70114 | Contribution | 5/22/78 | 1000.00 |
| | | | |

SUBTOTAL of expenditures this page (optional) $ 10,500.00

TOTAL this period (last page this line number only) $

SCHEDULE B
REVISED
January, 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 22b, and 22c of FEC FORM 3

Page 1 of 1 for
Line Number 22c

(Use Separate Schedule for each numbered line)

Name of Candidate or Committee as Filed
Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Durenberger for U.S. Senate<br>1821 University Ave.<br>St. Paul, MN 55104 | polling information in kind contribution<br>Expenditure for ☐ Primary ☐ General ☐ Other | 5/30/78 | 400.00 |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |
| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure<br>Expenditure for ☐ Primary ☐ General ☐ Other | Date (month, day, year) | Amount of each expenditure this period |

SCHEDULE B
REVISED
January, 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 22b, and 23c of FEC FORM 3

Page 3 of ____ for
Line Number 22b

(Use Separate Schedules for each numbered line)

Name of Candidate or Committee in Full
Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure / Expenditure for: | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Friends for Mike Curb<br>4455 Wilshire<br>Los Angeles, CA 90010 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/18/78 | 3,000.00 |
| Robb for Congress Comm.<br>216 E. Main St.<br>Norman, OK 73069 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/18/78 | 1,000.00 |
| Susan Roylance for Congress Comm.<br>419 E. 36th St.<br>Kennewick, WA 99336 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/19/78 | 500.00 |
| Durenberger for U.S. Senate<br>1821 University Ave.<br>St. Paul, MN 55104 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/19/78 | 1,000.00 |
| Frank Dunkle for State Senate<br>2030 - 11th Ave.<br>Helena, MT 59601 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/22/78 | 250.00 |
| Bob Chase for Congress Comm.<br>750 N. New Balles<br>Creve Coeur, MO 63141 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/22/78 | 1,000.00 |
| Shrader for Superintendent Comm.<br>500 Killarney<br>Cheyenne, WY 82001 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/22/78 | 250.00 |
| Bill Thomas for Congress<br>P O Box 395<br>Bakersfield, CA 93302 | Contribution<br>☐ Primary ☐ General ☐ Other | 9/22/78 | 1,000.00 |
| SUBTOTAL of expenditures this page (last page only) | | | $ 8,000.00 |
| TOTAL this period (last page this line number only) | | | $ |

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8 3 0 4 0 1 2 5 0 2

MY 11... 12/78

SCHEDULE A
REVISED
January, 1976
Federal Election Commission
325 K Street, N.W.
Washington, D.C. 20463

# ITEMIZED RECEIPTS

(Contributions, Transfers, Contribution In-Kind, Other Income, Loans, Refunds)

Supporting Lines 14a, 15a, 15b, 15c, 16a, 17a, and/or 18a of FEC FORM 3

Page 9 of ____ for
Line Number 18

(Use Separate Schedules for each numbered line)

Name of Candidate or Committee in Full: Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Principal Place of Business / Occupation | Date (month, day, year) | Amount of each Rec. this Period |
|---|---|---|---|
| Republican Party of Texas<br>P.O. Box 855<br>Austin, TX 78767 | In kind contribution, non-reimbursed travel & advance expense incurred by Gov. Reagan.<br>Occupation | 10/17/78<br>10/17/78 | 195.54<br>540.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ N/A | | |
| Nebraska Republican Party<br>212 Anderson Building<br>Lincoln, NE 65608 | same as above<br>Occupation | 10/24/78<br>10/24/78 | 240.24<br>696.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| Clements for Governor<br>1901 N. Akard - #800<br>Dallas, TX 75201 | Same as above<br>Occupation | 9/12/78<br>10/19/78 | 656.00<br>656.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| Jim Baker for Atty General of Texas<br>P.O. Box 52833<br>Houston, TX 77052 | Same as above<br>Occupation | 10/17/78 | 540.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| Full Name, Mailing Address and ZIP Code | Principal Place of Business / Occupation | Date (month, day, year) | Amount of each Rec. this Period |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| Full Name, Mailing Address and ZIP Code | Principal Place of Business / Occupation | Date (month, day, year) | Amount of each Rec. this Period |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| Full Name, Mailing Address and ZIP Code | Principal Place of Business / Occupation | Date (month, day, year) | Amount of each Rec. this Period |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year To Date $ | | |
| SUBTOTAL of receipts this page (optional) | | | $ 3523.78 |
| TOTAL this period (last page this line number only) | | | $57,901.25 |

9/30/78

10/78

# ITEMIZED RECEIPTS

(Contributions, Transfers, Contributions In-Kind, Other Income, Loans, Refunds)

Supporting Lines 14a, 14b, 15b, 16c, 16a, 17a, and/or 18a of FEC FORM 3

Name of Candidate or Committee in Full

**Citizens for the Republic**

| Full Name, Mailing Address and Zip Code | Principal Place of Business / Occupation | Date Received (Mo., Day, Year) | Amount of Each Receipt This Period |
|---|---|---|---|
| Mr. Dick Cheney<br>P O Box 10119<br>Casper, WY 82610 | Radio Tape - In-Kind Contribution | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| Clements for Governor<br>c/o Studio 7<br>1616 El Lime Drive<br>Dallas, TX 75207 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| Corcoran for Congress Comm.<br>P O Box 141<br>Aurora, IL 60507 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| Crane for Congress<br>3570 Vermilion<br>Danville, IL 61832 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| Cronk for Congress<br>400 Garland Street<br>Flint, Michigan 48503 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| State Political Committee<br>of Jack Davis<br>Dixie Highway<br>Beecher, IL 60401 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| Dillon for Congress Comm.<br>111 E. Church Street<br>Sugar Grove, TX 75961 | • | 10/12/78 | 200.00 |
| Receipt for: ☐ Primary ☐ General ☐ Other | ☐ Check if Contributor is self-employed<br>Aggregate Year-To-Date ...$ N/A | | |
| SUBTOTAL of Receipts this page (optional) ..... | | | $ 0,000.00 |
| TOTAL of Receipts this page (optional) ..... | | | $ |

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10/1/78 - 10/23/78

10/78

| | | |
|---|---|---|
| 20<br>000<br>Action Committee<br>Post, D.C.<br>Wash, D.C. 20463 | **ITEMIZED EXPENDITURES**<br>(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)<br>Supporting Lines 30a, 31a, and 32a, 32b, and 32c of FEC FORM 3 | Page 2 of ____ for Line Number 32C<br>P.R.C.<br>See Separate Schedule for each numbered line |

Name of Candidate or Committee in Full

Citizens for the Republic

| Full Name, Mailing Address and ZIP Code | Purposes of Expenditure | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Clements for Governor<br>c/o Studio 7<br>1616 Mi Lina Drive<br>Dallas, TX 75207 | Radio Tape - In-kind Contribution<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 200.00 |
| Corcoran for Congress Comm.<br>P O Box 141<br>Aurora, IL 60507 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| Crane for Congress<br>3570 Vermilion<br>Danville, IL 61832 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| Cronk for Congress<br>400 Garland Street<br>Flint, Michigan 48503 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| State Political Committee<br>of Jack Davis<br>Dixie Highway<br>Beecher, IL 60401 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| Dillon for Congress Comm.<br>113 N. Church Street<br>Nacogdoches, TX 75961 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| Bob Dunne for Congress Comm.<br>4239 W. 95th St.<br>Oaklawn, IL 60453 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| Gabehart for State Representative<br>Route 3, Box 236<br>Flora Vista, NM 87413 | •<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/12/78 | 100.00 |
| SUBTOTAL of expenditures this page (optional) | | | $ 900.00 |
| TOTAL this period (last page this line number only) | | | $ |

Citizens for the Republic
1333-7th Street, Suite 200
Santa Monica, California 90401
213/451-6548

November 9, 1979

Federal Election Commission
Registration Statement Division
1325 K Street N.W.
Washington, DC 20463

Re: Citizens for the Republic - Registration Statement Amendment.

Gentlemen:

Citizens for the Republic hereby files the following change to its Registration Form and Statement of Organization. This amendment shall be effective November 12, 1979:

Chairman - Franklyn C. Nofziger
3358 Moore Street
Los Angeles, CA 90066

The names of all other officers remain as stated in our letter of July 3, 1979.

Sincerely,

Fiona M. Cochrane

Fiona M. Cochrane
Assistant Treasurer

Citizens for the Republic — Ronald Reagan, Chairman, Jack Courtemanche, Treasurer
A copy of our report is filed with and available for purchase from the Federal Election Commission, Washington, D.C. 20463

8 3 0 4 0 4 5 1 0 0

HAND DELIVERED

RECEIVED

STATEMENT OF ORGANIZATION

80 : 2Y15 P4: 01

1980 Republican Presidential Unity Cmte.

May 16, 1980

25 K Street, N.E.

Washington, D.C. 20002

X See p below This is a joint fundraising committee.

The Baker Committee 25 K St., Washington,D.C.20002 Affiliat

Connally for President Cmte. 3110 Arlington Bl.,Arlington Virginia 22204 Affiliat

Reagan for President Committee 9841 Airport Blvd.,Los Angeles 90045 Affili

Crane for President Committee 4416 Woodson Rd.,St. Louis,Mo. 63134 Affili

Stan Huckaby 25 K St.,N.E., Washington, D.C. 20002 Treasur

Stan Huckaby 310 1st St.S.E., Washington, D.C. 20003 Treasur

1st American Bank 412 1st St., SE., Washington, D.C. 20003

Stan Huckaby

May 16, 1980

SIGNATURE OF TREASURER

NOTE

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SCHEDULE B

# ITEMIZED INDEPENDENT EXPENDITURES

(Use Reverse Side for Instructions)



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (Month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Lloyd Daugherty<br>Rt. #4<br>Beavercreek Dr.<br>Powell, Tn. 37849 | Consulting services | 4/1/80 | 300.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Lloyd Daugherty | To reimburse for mileage and meal expenses. | 4/1/80 | 461.16 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Name Exchange<br>7015 Old Keene Mill Rd.<br>Suite #203<br>Springfield, Va. 22150 | List rental<br>Calif. pkg. | 4/2/80 | 4000.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Name Exchange | List rental | 4/2/80 | 287.50 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Name Exchange | List rental | 4/2/80 | 4801.15 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| P. R. Promotions<br>835 West Jefferson St.<br>Suite 100<br>Louisville, Ky. 40202 | Posters and buttons. | 4/2/80 | 1740.94 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Kenneth F. Bacon
Signature

May 20, 1980
Date

Subscribed and sworn to before me this 20th day of May, 1980

My Commission expires April 14, 1984

Notary Public

U00315639911

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

Also Reverse Side for Instructions



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No. C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| J & R Quick Print<br>5710 Kingston Park<br>Knoxville, Tn. 37919 | Printing expense | 4/4/80 | 26.50 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| United Parcel Service<br>2702 Tarham Rd.<br>Richmond, Va. 23229 | Delivery services | 4/4/80 | 9.38 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Lloyd Daugherty | To reimburse for meals and mileage expense. | 4/4/80 | 254.81 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Suburban Publishers<br>c/o Seymour Holtzman<br>33 Sahara<br>Kingston, Pa. 18704 | Printing expense | 4/4/80 | 500.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Printers, Inc.<br>5146 Euclid Ct.<br>Manassas, Va. 22110 | Printing expense | 4/7/80 | 202.80 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| J & R Quick Print | Printing expense | 4/7/80 | 111.30 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19____

My Commission expires _____

NOTARY PUBLIC

U00315639941

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

Use Reverse Side for Instructions



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| David Sanders<br>6930 Espey Lane<br>McLean, Va. 22101 | To reimburse for lodging, meals and gas expense. | 4/7/80 | 384.88 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Add-Rite<br>301 Magnolia Ave.<br>Knoxville, Tn. 37917 | Rental-office equipment | 4/9/80 | 114.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Thompson & Assoc.,Inc.<br>7015 Old Keene Mill Rd.<br>Suite 203<br>Springfield, Va. 22150 | Mailing expense | 4/10/80 | 15000.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Broadcast News- Wash.<br>1428 Wisconsin Ave. NW<br>Washington DC 20007 | Reagan spots per Rhatican Assoc. | 4/11/80 | 863.40 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Smarr Mailing Inc.<br>5380 Eisenhower Ave.<br>Alexandria, Va. 22304 | Postage expense. | 4/11/80 | 35900.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Frank Enten<br>5305 Wilson Lane<br>Bethesda, Md. 20014 | Buttons expense | 4/14/80 | 1282.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

NOTARY PUBLIC

U00315639 95

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

Use Reverse Side for Increment



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Postmaster | Bulk mail permit | 4/14/80 | 70.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Name Exchange | List rental | 4/14/80 | 5821.65 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Smarr Mailing | Postage | 4/15/80 | 597.80 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Smarr Mailing | Postage | 4/15/80 | 2011.93 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Artype<br>P. O. Box 671<br>Springfield, Va. 22150 | Printing expense | 4/15/80 | 126.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Paperworks<br>2876 Hartland Rd.<br>Falls Church, Va. 22043 | Printing expense | 4/15/80 | 308.65 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

_____ Signature _____ Date

Subscribed and sworn to before me this _____ day of _____, 19____

My Commission expires _____

_____ NOTARY PUBLIC

30031563995

SCHEDULE

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| P. S. Enterprises<br>3802-04 Old Silver Hill<br>Silver Hill, Md. 20023 | Printing expense | 4/15/80 | 1246.44 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Envelopes, Inc.<br>1112 North Fairfax St.<br>Alexandria, Va. 22314 | Printing expense | 4/15/80 | 11031.90 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Mass Exchange | List rental | 4/15/80 | 54.44 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Telepost<br>1700 Old Meadow Rd.<br>McLean, Va. 22102 | Postage | 4/15/80 | 602.64 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Community Improvement Assoc.<br>2300 Laral Ave.<br>Knoxville, Tn. 37916 | Reagan booth for Community Fair | 4/16/80 | 40.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Telepost | Postage | 4/16/80 | 750.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

NOTARY PUBLIC

80031563997

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(Use Reverse Side for Instructions)



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Lloyd Dougherty | To reimburse for meals, gas and resources expense. | 4/21/80 | 693.52 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Mailroom Rt. #1, Box 1002 Woodland Rd. Sterling, Va. 22170 | Reagan kits and postage. | 4/22/80 | 236.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Thompson & Assoc. Inc. | Mailing services | 4/23/80 | 6552.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Airborne Freight Corp. P. O. Box 662 Seattle, Wash. 98111 | Delivery services | 4/24/80 | 26.50 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Thompson & Assoc. Inc. | Mailing services | 4/24/80 | 200.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Lion & Fox Recording Inc. P. O. Box 1639 Springfield, Va. 22151 | Reagan spots | 4/24/80 | 73.50 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____ 19____

My Commission expires _____

NOTARY PUBLIC

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SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

Use Reverse Side for Instructions



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate mentioned or alluded to in the expenditure & office sought |
|---|---|---|---|---|
| Carmir Video<br>1600 S. Eads St.#534 N<br>Arlington, Va. 22202 | Reagan video spot | 4/24/80 | 1475.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Airborne Freight Corp. | Delivery expense. | 4/24/80 | 329.75 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| RF & A Advertising<br>59 Lee Rd.<br>Livingston, N.J. 07039 | Consulting services | 4/24/80 | 1075.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Artype | Printing expense | 4/24/80 | 95.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Park Lane Press<br>Fallsway Building<br>1501 North Guilford Ave.<br>Baltimore, Md. 24202 | Printing expense | 4/24/80 | 14548.56 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| P. R. Promotions | Buttons expense | 4/24/80 | 269.58 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19____

My Commission expires _____

NOTARY PUBLIC _____

30031563990

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(Use Reverse Side for Instructions)

Page 8 of 9 Pages

Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Cash Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Name Exchange | List rental | 4/25/80 | 1463.59 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Uniphoto 1071 Wisconsin Ave. NW Washington DC 20007 | Reagan picture expense. | 4/28/80 | 250.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Southern Central Bell Telephone Co. 706 Walnut St. Knoxville, Tn. 37902 | Telephone expense for Lloyd Daugherty | 4/29/80 | 460.50 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| H & R Block 5401 Clinton Hwy. Knoxville, Tn. 37912 | Deposit-office space for Lloyn Daugherty | 4/29/80 | 577.50 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Lloyd Daughery | Consulting fee | 4/30/80 | 300.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Name Exchange | List rental | 4/30/80 | 708.18 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

NOTARY PUBLIC

8003156400

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (In Full): The Fund for a Conservative Majority

I.D. No.: C00001986

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Thompson & Assoc. Inc. | Mailing services | 4/30/80 | 8000.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ 126,235.45

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or his agent.

Signature: [signature]

Date: May 20, 1980

Subscribed and sworn to before me this 20 day of May, 19 80

My Commission expires April 14, 1984

NOTARY PUBLIC: [signature]

00031564001

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001866

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate Supported or Opposed by the Expenditure & Office Sought |
|---|---|---|---|---|
| Bond Office Services<br>14498 Telegraph Rd.<br>Woodbridge, VA | Postage | 5/1/80 | $33,840.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Thompson & Assoc.<br>7015 Old Keene Mill Rd.<br>Springfield, VA | Mailing Service | 5/1/80 | $ 4528.80 | Ronald Reagan<br>U. S. President<br>☐ Support ☐ Oppose |
| Western YAF<br>7917 Balboa Suite A<br>San Diego, CA 92111 | Ad in Regional Program | 5/5/80 | $ 100.00 | Ronald Reagan<br>U. S. President<br>☐ Support ☐ Oppose |
| Lloyd Daugherty<br>Route 4<br>Beavercreek Drive<br>Powell, TN 37849 | Meals, mileage, and source material for 4/15 - 4/30 | 5/5/80 | $ 601.34 | Ronald Reagan<br>U. S. President<br>☐ Support ☐ Oppose |
| Potomac Asso.<br>P. O. Box 57204<br>Washington, DC 20037 | Printing Exp. | 5/7/80 | $ 343.87 | Ronald Reagan<br>U. S. President<br>☐ Support ☐ Oppose |
| Kane Delivery Ltd.<br>12411 Washington Ave.<br>Rockville, MD 20852 | Delivery Service | 5/8/80 | $ 39.65 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ 143,379.06

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication, in whole or in part, of any campaign materials prepared by the candidate, his campaign committee, or their agents.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

Notary Public

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SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Bond Office Services<br>14448 Telegraph Rd.<br>Woodbridge, VA 22192 | Vice Pres. Survey Expenses | 5/12/80 | 16,675.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Sherrod Sign & Graphics<br>P. O. Box 3085<br>Knoxville, TN 37197 | Sign for HQ in TN. | 5/16/80 | 125.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Bond Office Services | Postage & Mail Serv. | 5/12/80 | 33,666.00 | Ronald Reagan<br>U. S. President<br>☐ Support ☐ Oppose |
| Artype<br>P. O. Box 671<br>Springfield, VA 22150 | Typesetting/Design | 5/27/80 | 80.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Chronomatic Inc.<br>1503 South County Trail<br>East Greenwich, RI 02818 | Reagan Lapel Pins | 5/27/80 | 939.14 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Envelopes Inc.<br>112 North Fairfax St.<br>Alexandria, VA 22314 | Printing Services | 5/27/80 | 492.70 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not include the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____ 19__

My Commission expires _____

NOTARY PUBLIC

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate Supported or Opposed by the Expenditure & Office Sought |
|---|---|---|---|---|
| Whatican & Assoc. Inc.<br>1011 Arlington Blvd. #131<br>Arlington, VA 22209 | Public Relations Proffesional Fees | 5/27/80 | 143.70 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Paperworks<br>2876 Hartland Rd.<br>Falls Church, VA 22043 | Printing Expenses | 5/27/80 | 156.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Park Lane Press | Advertising Fees | 5/27/80 | 313.04 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Wiland & Assoc. Inc<br>219 East Davis St.<br>Culpepper, VA 22701 | Printing Expenses | 5/27/80 | 1299.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Diversified Direct Inc.<br>2936 Prosperity Ave.<br>Fairfax, VA 22031 | Printing Services | 5/27/80 | 2112.14 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Thompson & Assoc.<br>7015 Old Keene Mill Rd.<br>Suite 203<br>Springfield, VA 22150 | Artwork Services | 5/27/80 | 28.00 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not include the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agents.

_____ Signature

_____ Date

Subscribed and sworn to before me this _____ day of _____, 19____

My Commission expires _____

_____ NOTARY PUBLIC

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

ID No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Fine Print Inc.<br>5403 Annapolis Rd<br>Bladensburg, MD 20710 | Reagan Brochures Printing Exp. | 5/28/80 | 636.28 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Ram Printing & Graphics<br>1112 North Fairfax St.<br>Alexandria, VA 22314 | Printing Services | 5/28/80 | 145.60 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Smurr Mailing Inc.<br>5380 Eisenhower Ave.<br>Alexandria, VA 22304 | Direct Mail Fees | 5/28/80 | 778.57 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Thompson & Assoc. Inc. | Direct Mail Fees | 5/28/80 | 1318.45 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Lion & Fox Recording Inc.<br>P. O. Box 1639<br>Springfield, VA 22151 | Recording for Radio Advertising | 5/28/80 | 158.85 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |
| Name Exchange<br>7015 Old Keene Mill Rd.<br>#203<br>Springfield, VA 22150 | List Rental | 5/28/80 | 242.36 | Ronald Reagan<br>U. S. President<br>☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

_____ Signature _____ Date

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

_____ Notary Public

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Park Lane Mailing Service | Mailing Service | 5/28/80 | 1526.51 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Thompson & Assoc. Inc. | Artwork expenses for mail. | 5/28/80 | 300.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Envelopes & Inc. | Printing Services | 5/28/80 | 3663.50 | Ronald Reagan U. S. President ☐ Support ☐ Oppose |
| Park Lane Press | Mailing Service | 5/28/80 | 4810.05 | Ronald Reagan U. S. President ☐ Support ☐ Oppose |
| Thompson & Assoc. | Artwork expenses for mail. | 5/28/80 | 250.00 | Ronald Reagan U. S. President ☐ Support ☐ Oppose |
| Ram Printing & Graphics | Printing Services | 5/28/80 | 1051.44 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

Notary Public _____

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SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)



Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Smarr Mailing Inc. | Direct Mail Fees | 5/28/80 | 2809.69 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Larry Hunter | Advertisement Exp. for Newspaper | 5/28/80 | 50.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Thompson & Assoc. | Newspaper & Radio Advertising Expenses | 5/29/80 | 525.59 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Lloyd Daughtery Route #4 Beavercreek Dr. Powell, TN 37849 | Consulting Fee | 5/30/80 | 300.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Envelopes Inc. | Printing Services | 5/30/80 | 6518.51 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Poster Art Displays, Inc. 415 Walnut St. Jacksonville, FL 32203 | Manuf. of Advertising Materials. | 5/30/80 | 3669.37 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____ 19____

My Commission expires _____

NOTARY PUBLIC _____

830401231117

SCHEDULE E

# ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

Page 7 of 7 Pages

Name of Committee (in Full): The Fund for a Conservative Majority

I.D. No: C00001966

| Full Name, Mailing Address & ZIP Code of Each Payee | Purpose of Expenditure | Date (month, day, year) | Amount | Name of Federal Candidate supported or opposed by the expenditure & office sought |
|---|---|---|---|---|
| Name Exchange | List Rental | 5/30/80 | 6498.28 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Name Exchange | List Rental | 5/27/80 | 2389.43 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Bond Office Services | Direct Mail | 5/2/80 | 10,540.00 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| Name Exchange 7015 Old Keene Mill Rd. Springfield, Va. 22150 | List Rental | 5/7/80 | 213.20 | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |
| | | | | Ronald Reagan U. S. President ☒ Support ☐ Oppose |

(a) SUBTOTAL of Itemized Independent Expenditures $ _____

(b) SUBTOTAL of Unitemized Independent Expenditures $ _____

(c) TOTAL Independent Expenditures $ _____

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature _____ Date _____

Subscribed and sworn to before me this _____ day of _____, 19__

My Commission expires _____

Notary Public _____

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# STATEMENT OF ORGANIZATION

1:12

1. Name of Committee (in Full): AMERICANS FOR CHANGE
2. Date: May 29, 1980
Mailing Address (Number and Street): 218 N. Lee Street
3. FEC Identification Number: TO BE ASSIGNED
City, State and ZIP Code: Alexandria, Virginia 22314
4. Name, Address and Position of Treasurer:

5. This committee serves:
- [ ] (a) This committee is a principal campaign committee. (Complete the section in question below.)
- [ ] (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the section in question below.)

| Name of Candidate | Candidate Party Affiliation | Office Sought | District |
|---|---|---|---|
| | | | |

- [ ] (c) This committee supports only one candidate _____ (Name of candidate) and is NOT an authorized committee.
- [ ] (d) This committee is a _____ (Congressional, State or subdivision) committee of the _____ (Democratic, Republican, etc.) Party.
- [ ] (e) This committee is a separate segregated fund.
- [ ] (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

| 6. Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship |
|---|---|---|
| NONE | | |

If the reporting political committee has identified a "connected organization" above, please indicate type of organization:
- [ ] Corporation
- [ ] Corporation w/o Capital Stock
- [ ] Labor Organization
- [ ] Membership Organization
- [ ] Trade Association
- [ ] Cooperative

7. Custodian of Records: Identify by name, address (street number — optional) and position, the person in possession of committee books and records.

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Stan Huckaby | 310 First Street, S.E. - Suite 110<br>Washington, D.C. 20003 | Assistant Treasurer |

8. Treasurer: List the name and address (street number — optional) of the treasurer of the committee; and the name and address of any designated agent or assistant treasurer.

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Carl T. Curtis | 218 N. Lee St., Alexandria, Va. 22314 | Treasurer |
| Stan Huckaby | 310 First St., S.E., Washington, D.C. 20003 | Assistant Treasurer |
| Harrison H. Schmitt | 218 N. Lee Street, Alexandria, Va. 22314 | Chairman |

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, name accounts, name of any officers of the or manner of funds.

| Name of Bank, Depository, etc. | Mailing Address and ZIP Code |
|---|---|
| American Security Bank | First and D Streets, S.E.<br>Washington, D. C. 20003 |

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Carl T. Curtis — Carl T. Curtis — _____

Typed or Printed Name of Treasurer — Signature of Treasurer — Date

NOTE: Failures or refusals to provide information may subject the person filing this Statement to the penalties of 2 U.S.C. 437g.

For form or assistance contact: Federal Election Commission, Washington, D.C. 20463

FEC-1 (Rev. 1/80)

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# REPORT OF RECEIPTS AND DISBURSEMENTS
## For a Political Committee Other Than an Authorized Committee

(Summary Page)

1. Name of Committee (in full)

Congressional Club

Address (Number and Street)

3825 Barrett Drive
P.O. Box 18848

City, State and ZIP Code

Raleigh, N.C. 27619

☐ Check if address is different than previously reported.

2. FEC Identification Number
C00 119370

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on 1-1-80 (date)

4. TYPE OF REPORT (check appropriate boxes)

(a) ☒ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment? ☒ YES ☐ NO

| SUMMARY | Column A This Period | Column B Calendar Year-to-Date |
|---|---|---|
| 5. Covering Period Jan. 1, 1980 Through Mar. 31, 1980 | | |
| 6. (a) Cash on Hand January 1, 1980 | | $ 17,704.78 |
| (b) Cash on Hand at Beginning of Reporting Period | $ 17,704.78 | |
| (c) Total Receipts (from Line 18) | $ 384,058.17 | $ 384,058.17 |
| (d) Subtotal (add lines 6(a) and 6(c) for Column A and lines 6(a) and 6(c) for Column B) | $ 401,762.95 | $ 401,762.95 |
| 7. Total Disbursements (from Line 28) | $ 378,030.18 | $ 378,030.18 |
| 8. Cash on Hand at Close of Reporting Period (subtract line 7 from 6(d)) | $ 23,732.77 | $ 23,732.77 |
| 9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D) | $ 16,076.00 | |
| 10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D) | $ 52,141.45 | |

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Carter Wrenn
Type or Print Name of Treasurer

Carter Wrenn
SIGNATURE OF TREASURER

6-3-80
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (R 2/80)

SCHEDULE B
REVISED
January, 1978
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Quin

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions In-Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 22b, and 22c of FEC FORM 3

Page 1 of 2
Line Number 22

(Use Separate Schedules for each numbered line)

Name of Candidate or Committee in Full

Congressional Club

| Full Name, Mailing Address and ZIP Code | Particulars of Expenditure | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| Jesse for Vice President<br>P.O. Box 28066<br>Raleigh, N.C. 27611 | Loan<br>Expenditure for: ☒ Primary ☐ General ☐ Other | 2/11/80 | 1,000.00 |
| Jesse for Vice President<br>P.O. Box 28066<br>Raleigh, N.C. 27611 | Loan<br>Expenditure for: ☒ Primary ☐ General ☐ Other | 2/18/80 | 4,000.00 |
| N.C. Federation Young Repub.<br>650 Holland Drive<br>Statesville, N.C. 28677 | Contribution<br>Expenditure for: N/A ☐ Primary ☐ General ☐ Other | 2/20/80 | 50.00 |
| N.C. Republican Party<br>P.O. Box 10625<br>Raleigh, N.C. 27605 | Contribution<br>Expenditure for: N/A ☐ Primary ☐ General ☐ Other | 2/22/80 | 1,225.00 |
| Watson for ~~Congress~~ U.S. Senate<br>7051 Lingelstown Rd.<br>Harrisburg, PA 17112. | Contribution<br>Expenditure for: ☒ Primary ☐ General ☐ Other | 2/25/80 | 50.00 |
| | Expenditure for: ☐ Primary ☐ General ☐ Other | | |
| | Expenditure for: ☐ Primary ☐ General ☐ Other | | |
| | Expenditure for: ☐ Primary ☐ General ☐ Other | | |
| SUBTOTAL of expenditures this page (last page only) | | | $ |
| TOTAL this period (last page this line number only) | | | $ |

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# UNITED STATES HOUSE OF REPRESENTATIVES

Office of the Clerk
Washington, D.C.

## REGISTRATION FORM AND STATEMENT OF ORGANIZATION FOR A POLITICAL COMMITTEE

☒ New Registration
☐ Registration Amendment
I.D. #

SEE REVERSE SIDE FOR ADDITIONAL INSTRUCTIONS
ALL QUESTIONS MUST BE ANSWERED FOR NEW REGISTRATIONS

1. Full name of committee: National Conservative Political Action Committee
Mailing address and ZIP code: 5907 S. 5th Rd., Arlington, Va. 22204
Telephone number: 703/379-4059

2. Affiliated or connected organizations:

| Name of affiliated or connected organization | Mailing address and ZIP code | Relationship |
|---|---|---|
| none | | |

3. Area, scope and jurisdiction of the committee:
(a) Will this committee operate in more than one State? yes
(b) Will it operate on a statewide basis in one State? yes
(c) Will it primarily support candidates seeking State or local office? no
(d) Will it support a candidate for the U.S. House of Representatives in an aggregate amount in excess of $1,000 during the calendar year? yes

4. (a) If the committee is supporting individual candidates for the U.S. House of Representatives, li each candidate by name, address, office sought, and party affiliation:

| Full names of candidates | Mailing address and ZIP code | State and Congressional District | Party |
|---|---|---|---|
| none as of yet | | | |

(b) List by name, address, office sought, and party affiliation, any candidate for other Federal or publ office that this committee is supporting:

| Full names of candidates | Mailing address and ZIP code | Office sought | Party |
|---|---|---|---|
| none as of yet | | | |

5. If this committee is supporting the entire ticket of a party, give name of party:

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in t appropriate box above when information is continued on separate page(s).

Revised January 1974

H.R. ELECTION FORM

U.S. GOVERNMENT PRINTING OFFICE : 1974—O-525-779

7500095501176

6. Identify by name, address and position, the committee's custodian of books and accounts:

| Full name | Mailing address and ZIP code | Committee title or position |
|---|---|---|
| Roger J. Stone, Jr. | 5907 S. 5th Rd, Arlington, Va. 22204; | Treasurer<br>Office telephone No. |

7. List by name, address and position of other principal officers of the committee, including the chairman and treasurer if not identified in Question 6 above and members of the finance committee, if any:

| Full name | Mailing address and ZIP code | Committee title or position |
|---|---|---|
| Charles R. Black | 3709 Colonial Ave., Alexandria, Va. 22309; | Chairman |
| John Carbaugh | 815 Marshall St., Alexandria, Va. 22300; | Vice Chairman |
| Frank J. Donatelli | 1662 N. 21st St, Arlington, Va. 22209; | Director at Large |
| J. David Nickles | 430 M St., SW, Washington, D.C. 20024; | Secretary |
| Roger J. Stone, Jr. | 5907 S 5th Rd., Arlington, Va. 22204; | Treasurer |

8. Does this committee plan to stay in existence beyond the current calendar year? Yes If so how long? indefinite

9. In the event of dissolution, what disposition will be made of residual funds? We will dispose of residual funds in any manner that is lawful.

10. List all banks or other repositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds:

| Name of bank, repository, etc. | Mailing address and ZIP code |
|---|---|
| bank still to be selected | |

11. List all reports required to be filed by this committee with States and local jurisdictions, other than reports required under this Act, the names, addresses, and positions of the recipients of the reports:

| Report title | Dates required to be filed | Name and position of recipient | Mailing address and ZIP code |
|---|---|---|---|
| We have not determined which states we will be operating in. However, when the determination is made, we will comply with all state and local filing requirements. | | | |

*Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate box above when information is continued on separate page(s).

VERIFICATION BY OATH OR AFFIRMATION OF TREASURER

State of District of Columbia
County of Columbia ss.

I, ROGER J. STONE, JR., being duly sworn, depose (affirm) and say that the information in this Registration Form and Statement of Organization is complete, true, and correct.

(Full Name of Treasurer of Political Committee)

(Signature of Treasurer of Political Committee)

Subscribed and sworn to (affirmed) before me this 27th day of January A.D. 1975

(Notary Public)

NOTARY PUBLIC DISTRICT OF COLUMBIA

[SEAL]

My commission expires _____, 19____

MY COMMISSION EXPIRES DEC. 14, 1978

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LATHAM, WATKINS & HILLS
ATTORNEYS AT LAW
1333 NEW HAMPSHIRE AVENUE, N. W.
WASHINGTON, D. C. 20036
TELEPHONE (202) 828-4400

LOS ANGELES OFFICE
400 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 485-1234

ORANGE COUNTY OFFICE
888 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 752-8100

80 MAY 15 AM : 39

May 15, 1980

Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

AOR 1980-61

Re: Advisory Opinion Request Concerning An Independent Expenditures Committee in Connection with the 1980 Presidential General Election

Gentlemen:

We are counsel to several individuals who are in the process of forming a political committee (the "Committee") for the purpose of soliciting contributions from the public and making expenditures in the general election in support solely of the nominees for President and Vice President of one of the major political parties. Pursuant to the Federal Election Campaign Act of 1971, as amended (the "Act"), our clients intend that the Committee's activities will be undertaken completely independently of the activities of the candidates which it will be supporting, as well as the campaign committees and agents of such candidates, and that the expenditures of the Committee will be "independent expenditures" within the meaning of the Act and regulations. Our clients intend that the expenditures of the Committee will be made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and will not be made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

We are writing on behalf of our clients for the purpose of requesting an advisory opinion in answer to the following questions:

1. Assuming that the Committee's expenditures are in fact independent expenditures as defined in the Act, does 26 U.S.C. §9012(f) of the Presidential Election Campaign Fund Act prohibit or restrict the independent expenditures activities of the Committee?

2. Assuming that the Committee's expenditures are in fact independent expenditures as defined in the Act, may the Committee receive contributions of up to $5,000 from each contributor, assuming that the contributor is not prohibited from making contributions under the Act, and subject to the $25,000 aggregate contribution limitation with respect to individuals contained in 2 U.S.C. §441a(a)(3)?

Regarding the first question, we believe that pursuant to Buckley v. Valeo, 424 U.S. 1 (1976), 26 U.S.C. §9012(f) is invalid under the United States Constitution. At the very least, under Buckley and the independent expenditures scheme of the Act, see especially 2 U.S.C. §431(17) and 11 C.F.R. Part 109, 26 U.S.C. §9012(f) can and should be read to be inapplicable to independent expenditures activities undertaken by political committees in accordance with the Act.

Regarding the second question, we believe that it is clear that the Committee is neither an authorized political committee nor a political committee established and maintained by a national political party, and that it is therefore "any other political committee" within the meaning of 2 U.S.C. §441a(a)(1)(C). Pursuant thereto, we believe that the Committee should be able to receive contributions of up to $5,000 from each contributor, assuming that the contributor is not prohibited from making contributions under the Act, and subject to the $25,000 aggregate contribution limitation with respect to individuals contained in 2 U.S.C. §441a(a)(3).

We look forward to your responses to these questions. Thank you for your consideration.

Very truly yours,

LATHAM, WATKINS & HILLS

Roderick M. Hills

Roderick M. Hills

BY MESSENGER

LATHAM, WATKINS & HILLS
ATTORNEYS AT LAW
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4000 NEWPORT CENTER DRIVE
NEWPORT BEACH, CALIFORNIA 92660

GENERAL COUNSEL
80 MAY 16 P 4:
GCC #1370

May 16, 1980

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

AOR 1980-61

Attn: Bradley Litchfield
Assistant General Counsel

Re: Supplement to Advisory Opinion Request of May 15, 1980 Concerning An Independent Expenditures Committee in Connection with the 1980 Presidential General Election

Gentlemen:

We are writing to supplement and amend our advisory opinion request of May 15, 1980 concerning an independent expenditures committee in connection with the 1980 Presidential election. Pursuant to the comments of Mr. Bradley Litchfield, Assistant General Counsel of the Federal Election Commission conveyed in a telephone conversation of today with Edward Sonnenschein, Jr. of our office, we hereby inform you that the name of the committee which our clients are in the process of forming will be "Americans for an Effective Presidency." The committee was referenced in the May 15, 1980 letter as the "Committee."

We hope that this information is adequate, and we look forward to your response to our letter of May 15, 1980.

Very truly yours,

LATHAM, WATKINS & HILLS

William A. Long

William A. Long

BY MESSENGER

3304251 30

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PAUL R. WATKINS (1888-1973)
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June 27, 1980

Federal Election Commission
1325 K Street, N. W.
Washington, DC 20463

Attn: Bradley Litchfield
Assistant General Counsel

Re: Supplement to Advisory Opinion Request of May 15, 1980 Concerning An Independent Expenditures Committee in Connection with the 1980 Presidental General Election

Gentlemen:

On May 15, 1980, we submitted the above-referenced Advisory Opinion Request on behalf of Americans for an Effective Presidency ("AEP"), a political committee being formed by our clients for the purpose of making independent expenditures within the meaning of the Federal Election Campaign Act of 1971, as amended, and the regulations thereunder. In that request, we asked the Commission to consider two questions, the first of which concerns the applicability of 26 U.S.C. § 9012(f) to AEP, and the second of which concerns the contribution limitation applicable to contributions made to AEP.

However, having completed their preliminary analysis of the coming election, our clients have concluded that they will make independent expenditures supporting a number of congressional candidates in addition to making independent expenditures on behalf of the nominees for President and Vice President of one of the major political parties. Accordingly, on behalf of our clients, we are hereby withdrawing our Advisory Opinion Request with respect to the second issue identified above concerning the limitation on contributions made to AEP.

Very truly yours,

LATHAM, WATKINS & HILLS

Roderick M. Hills

Roderick M. Hills

RMH:sc

BY MESSENGER

80 JUN 27 P 1:03

AOR 1980-61 Supplement - Partial Withdrawal

80040395151

# NCEC RELEASE

## NATIONAL COMMITTEE for an EFFECTIVE CONGRESS

EAST 39th STREET
N YORK, NEW YORK 10016
- 686-4905

505 C STREET, N.E.
WASHINGTON, D.C. 20002
202 - 547-1151

APRIL 19, 1979
FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION
CONTACT: JEFF BYRON/
MIKE FERNANDEZ

### N C E C FILES COMPLAINT AGAINST BUSH, CONNALLY, AND REAGAN COMMITTEES. CITES EVIDENCE OF ELECTION LAW VIOLATIONS

(Washington, D.C., April 19) Russell D. Hemenway, National Director of the National Committee for an Effective Congress (NCEC), this morning announced the filing of a complaint with the Federal Election Commission against three presidential candidates in a press conference at the National Press Club. Hemenway alleged that the campaign committees of these three Presidential candidates have violated the federal election law limiting contributions from individuals to political committees to $1,000 per election by establishing affiliated committees and raising funds above the $1,000 contribution limit.

The NCEC, a thirty-one year old national citizens political action committee, charges that the Reagan for President Committee and Citizens for the Republic (CFTR); the Connally for President Committee and The John Connally Citizens' Forum; and the George Bush for President Committee and The Fund for Limited Government are affiliated under the Act and therefore all contributions to both the Presidential committee and the Political Action Committee cannot exceed $1,000 by an individual.

Hemenway said, "It is obvious that these pre-presidential committees were used to evade the $1,000 contribution limits, in clear violation of the law. Our analysis shows that Connally had 123 contributors who violated the law by giving more than $1,000. Reagan had 104 and Bush 82. These illegal contributions to the Presidential campaigns of these candidates allow them to campaign for several years before they publically declare their candidacy. The NCEC asks all three presidential campaigns to refund all contributions made to affiliated committees aggregating over the $1,000 limit."

"We have been following these 'pre-presidential' committees since they were formed in 1977 and early 1978," Hemenway stated. "Our investigation shows that they spent most of their funds, approximately 90 percent, on operating overhead. Citizens for the Republic spent 91 percent of the $4,865,710 raised on operating overhead, giving only 9 percent to other candidates. The John Connally Citizens' Forum spent 89 percent, $641,457, on operating overhead, giving only $77,427 to other candidates. The Fund for Limited Government gave only 15 percent of its expenditures to other candidates, spending $204,052 on operating expenses. It appears obvious that this 'operating overhead' went to maintain a Presidential campaign staff, develop direct mail lists, and support nationwide travel for the candidate and his staff."

(over)

"Even a cursory look at the common staff members of the committees proves they are one in the same. All were organized solely for the purpose of promoting the Presidential ambitions of their respective candidates," stated Hemenway. "No one will question that Lyn Nofziger and John Sears were not working on Ronald Reagan's presidential campaign while active in Citizens for the Republic. Certainly Doug Lewis and Eddie Mahe while active in the Connally Citizens' Forum were primarily concerned with the Connally candidacy. Jim Baker and Bob Visser understood their roles as Bush presidential operatives while running the Fund for Limited Government. Why did Bob Visser resign as Treasurer of the George Bush for President committee on April 5, 1979, just prior to the April 10, 1979 filing? Could it be that he questioned the affiliation of the two Bush committees?"

The NCEC complaint also shows that a substantial portion of the contributors to the pre-presidential committees also gave to the presidential committees. This is a key test in the F.E.C. Regulations governing the affiliation of committees. 52 percent of the Fund for Limited Government contributors of above $100 gave to the George Bush for President Committee. 44 percent of the contributors above $100 to the John Connally Citizens' Forum also gave over $100 to the Connally for President Committee. As of the April 10 report only 8 percent of the contributors of over $100 to Citizens for the Republic gave over $100 to the Reagan for President Committee, but 22 percent of the Reagan for President contributors had given to CFTR. Due to federal filing laws, only contributions over $100 are disclosed to the F.E.C. and are available for NCEC scrutiny.

Hemenway further commented, "Our complaint simply cites facts. The record proves that these pre-presidential committees and candidate committees are controlled by a single group of people. The law states that such committees are affiliated and subject to a single contribution limit. The contributions already accepted above that limit are in violation of the election law, and we are demanding that they be returned."

"We are asking the Federal Election Commission to investigate all the facts on the record and enforce the law with regard to these violations. We expect the F.E.C. will conclude, as we do, that these committees are affiliated and any contributions aggregating more than $1,000 from individuals be returned. NCEC, which initiated election law reform, will continue to monitor compliance with and the administration of the law to insure that both the letter and its spirit are adhered to," said Hemenway.

The NCEC has 80,000 supporters in fifty states. It has been dedicated to constructive reform of the political and legislative process since its inception in 1948. The NCEC was founded by a group of distinguished Americans who recognized the importance of citizens' pooling their resources to help elect progressive men and women of both parties to the House and Senate. In its thirty-one year history, the NCEC has been praised for its role in the censure of Senator Joseph McCarthy, the passage of the Voting Rights Act, the passage of the Congressional Budget Control Act, the passage of election law reforms, the formation of Republicans for Progress and the Democratic Study Group, its early leadership in opposition to the war in Vietnam and the effort to impeach President Nixon.

###

NCEC
THE NATIONAL COMMITTEE FOR AN EFFECTIVE CONGRESS

April 19, 1979

Mr. William Oldaker
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR_____

Dear Mr. Oldaker:

The National Committee for an Effective Congress (NCEC) of 505 C Street, N.E., Washington, D.C. 20002, hereby files a complaint pursuant to Federal Election Commission Regulation 11 CFR 111.2 alleging violation of the Federal Election Campaign Act (the Act) by the Reagan for President committee and Citizens for the Republic; the Connally for President committee and The John Connally Citizens Forum; and the George Bush for President committee and the Fund for Limited Government.

As set forth below, the authorized, principal campaign committee for each candidate and the respective multi-candidate political action committee are affiliated under the Act and FEC regulations. Therefore all past and future contributions and transfers to these 'political committees' exceeding $1,000 and $5,000 are in violation of 2 U.S.C. § 441a (a)(1)(A) and 441a (a)(2)(A) limits.

This complaint is not being filed on behalf of or at the request or suggestion of any present or future candidate.

This complaint alleges that 1) Citizens for the Republic, a qualified multicandidate political action committee is affiliated with Reagan for President, the authorized campaign committee of Ronald Reagan, a candidate for President of the United States, 2) The John Connally Citizens' Forum, a qualified multi-candidate political action committee is affiliated with Connally for President, the authorized principal campaign committee of John Connally, and 3) Fund for Limited Government, a qualified multicandidate political action committee is affiliated with Bush for President, the authorized principal campaign committee of George Bush.

Section 441a (a)(1) and (a)(2) limit contributions from persons and multi-candidate political committees. The 1976 Amendments to the Act included the following provision (2 U.S.C. § 441a (a)(5)):

> "For purposes of the limitations provided by paragraph (1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or <u>any other person, or by any group of such persons</u>, shall be considered to have been made by a single political committee.". [emphasis added]

NCEC will present facts which lead to the inexorable conclusion that these PACs and Presidential Committees are established, financed, maintained and controlled by a single group of persons. These committees, therefore, should be considered as the same committee. Contributions to these committees would then be considered to have been made to the same committee -- the principal campaign

KEY OFFICIALS AND PERSONNEL

Federal Election Commission Regulation 11 CFR 100.14(c)(2):

> "All committees...established, financed, maintained, or controlled by the same corporation, labor organization, <u>person, or group of persons</u>, including any parent, subsidiary, branch, division, department, or local unit thereof, are affiliated. [emphasis added]
>
> (i) Application of the rule of this paragraph means that -
>
> (E) All the political committees established by the same <u>person or group of persons</u> are affiliated." [emphasis added]

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Past Commission Advisory Opinions have interpreted this as meaning that one or more persons serving in key decision-making positions on two or more political committees could lead the Commission to the conclusion that such committees are affiliates:

> A.O. 1975-35 ..."Political committees which have the same person or persons serving as key officials or personnel may be compromising the independence of each committee. In a given case, such interconnection may lead to the legal conclusion that, for the purpose of applying the limitations, the several committees are in fact only one committee." [see Appendix A]
>
> A.O. 1975-45 ..."The Commission would regard committees which are controlled by the same person or group of persons as one entity." [see Appendix B]

While A.O.s 1975-35 and 1975-45 refered to concurrent committee affiliation, the letter of 11 CFR § 100.14 (c)(2) remains true for successive committees: "All political committees established, maintained, or controlled by the same person or persons are affiliated."

Citizens for the Republic is affiliated with Reagan for President

A recent review of public documents and newspaper accounts revealed that at least six individuals currently serving as key officials or personnel of the Reagan for President committee held similar positions with Citizens for the Republic. In addition, four others now in the employ of the PCC were employeed by the PAC and may have been key personnel of one or both committees.

Those individuals and their positions:

| OFFICIAL OR EMPLOYEE | CITIZENS FOR THE REPUBLIC | REAGAN FOR PRESIDENT |
|---|---|---|
| Senator Paul Laxalt | Chairman-Steering Committee | Chairman |
| Angela 'Bay' Buchanan | Assistant Treasurer | Treasurer |
| Loren A. Smith | Secretary | General Counsel |
| Franklin Nofziger | Executive Vice-Chairman | Fundraising Head |
| John P. Sears | Steering Committee Member | Exec. Vice-Chmn. |
| Mike Deaver | Steering Committee Member | (Public Relations) |
| Pete Hannaford | Steering Committee Member | |
| John Erthein | employee | employee |
| Robin Gray | employee | employee |
| Kevin Hopkins | employee | employee |

In addition, candidate Reagan was Chairman of Citizens for the Republic.

he John Connally Citizen's Forum is affiliated with Connally for President

he Statements of Organization and FEC Form 3 reports filed by hese committees show that a significant number of individuals erved in key positions on the PAC and now occupy similar positions on the PCC:

| OFFICIAL OR EMPLOYEE | THE JOHN CONNALLY CITIZEN'S FORUM | CONNALLY FOR PRESIDENT |
|---|---|---|
| Presley E. Werlein III | Treasurer | Treasurer |
| Michael Gardner of Bracewell & Patterson | General Counsel | General Counsel |
| R. Doug Lewis | Assistant Treasurer/ Executive Director | Campaign Organizer |
| Anne Meine | employee | Assistant Treasurer |
| Edward Mahe, Jr. | employee | Campaign Director |
| Mike Crockett | employee | employee |
| John Nolan | employee | employee |
| Eileen Tracy | employee | employee |

Fund for a Limited Government is affiliated with Bush for President

Again, Statements of Organization and financial reports indicate that these two committees share a significant number of common officials and employees.

| OFFICIAL OR EMPLOYEE | FUND FOR A LIMITED GOVERNMENT | GEORGE BUSH FOR PRESIDENT |
|---|---|---|
| James Baker III | Chairman | Chairman |
| Robert Visser | counsel | Treasurer* |
| David Bates | employee | employee |
| Rebecca Brady | employee | employee |
| Betty Green | employee | employee |
| Margaret Tutwiller | employee | employee |

*Replaced as Treasurer on April 5, 1979

:IMILAR PATTERNS OF CONTRIBUTIONS

.1 CFR 100.14 (c)(2) states:

> "All committees...established, financed, maintained, or controlled by the same corporation, labor organization, person, or group of persons, including any parent, subsidiary, branch, division, department or local unit thereof, are affiliated.
> (ii) ...indicia of establishing, financing, maining or controlling include:...
> (D) Similar patterns of contributions".

While the Commission has never addressed the question of similar patterns of contributions to political committees, it has used the 100.14 (c)(2)(ii)(D) test to evaluate contributions from seemingly affiliated committees.

> A.O. 1976-104 "These [expenditure] records also indicate similar patterns of contributions between the Committee [The Good Government Committee of First Federal Savings of Miami] and FSPAC [Florida Savings Political Action Committee]: two-thirds of the Federal candidates to whom the committee made contributions also received contributions from FSPAC; one-third of the Federal candidates to whom FSPAC made contributions also received contributions from the Committee. Accordingly, by virtue of the last two criteria of § 110.3 (a)(1)(iii) [the reflection of 100.14 (c)(2)(ii) on the expenditure side], the commission concludes that the Committee and FSPAC are affiliated committees." [parentheses added]

If we are to use a percentage test of contributions similar to that used in Advisory Opinion 1976-104 for expenditures, we find that after only one Presidential Committee filing on April 10, 1979 there is substantial overlap in contributors among those contributions disclosed. (Only those contributions in the aggregate above $100 are disclosed, therefore, only these can be analyzed for this purpose). The NCEC has found that fifty-two percent of the disclosed contributors to the Fund for Limited Government gave to The George Bush for President Committee. Seven percent of the disclosed contributors to the George Bush for President Committee had given to the Fund for Limited Government. Forty-four percent of the disclosed contributors to the John Connaly Citizens' Forum have given to the Connally for President Committee. Fourteen percent of the disclosed contributors to the Connally for President Committee had previously given to the John Connally Citizens' Forum. Eight percent of the disclosed contributors to Citizens for the Republic gave to the Reagan for President Committee. Twenty-two percent of the disclosed contributors to Reagan for President had contributed $100 or more to Citizens for the Republic. [See Appendix C for complete listing of common disclosed contributors and amounts]

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SIGNIFICANCE OF FORMING A PRE-PRESIDENTIAL-POLITICAL ACTION COMMITTEE

The three Presidential campaigns have formed these pre-presidential committees to avoid the § 441a(a)(1)(A) limits. By illegally evading these limits, these committees have been able to contribute to candidates, hire staff, and travel the country to promote their Presidential ambitions, and perform other functions more common to Presidential Committees. The Act did not contemplate the formation of such committees when it provided for multi-candidate political action committees. Indeed, the Act set for in § 441a (a)(5), the "anti-proliferation" provision of the Act, a specific section to deal with this situation. The actions of these committees are a violation of the law, demanding commission action.

Finally, the NCEC asks that the Commission live up to its earlier commitments in its investigation of the affiliation of these respective committees. Advisory opinion 1975-45 states: "The Commission will, in determining the existence of common control, look beyond the form to the substance of relationships between committees." [see Appendix B]. The substance discovered by even a preliminary investigation of these committees reveals that they exist under common control for a common purpose to promote the election of a candidate for President.

The Federal Election Commission must, therefore, find that the committees are affiliated as defined in § 441a (a)(5) and in violation of § 441a(a)(1)(A) and (a)(2)(A).

Sincerely,

Russell D. Hemenway
National Director

SUBSCRIBED AND SWORN TO
ME THIS 18th DAY OF APRIL, 1979

Joseph W. Rogers
Notary Public
My Comm. Expires Sept. 30, 1981

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Baltimore Sun
2/9/77
Page A6

# Reagan group to begin wooing conservative majority for 1980

BY LEON WEBER
Sun Staff Correspondent

Los Angeles—Ronald Reagan's new political action committee formally began laboring for a nationwide conservative majority tomorrow, building a platform on which the former Governor could mount a presidential race in 1980.

Called Citizens for the Republic, with headquarters in nearby Santa Monica, the organization springs full-blown from the defunct Citizens for Reagan, the committee that ran his 1976 presidential campaign.

In fact, the new group's front money, about $1 million of it, comes from a Citizens for Reagan surplus transferred with the approval of federal election authorities.

Tomorrow's office opening will be Mr. Reagan's second big event of the week. Sunday, he celebrated his 65th birthday. In their separate ways, both occasions may bear heavily on whether he runs again.

The new committee's day-to-day operations will be directed by Lyn Nofziger, an old friend and adviser who managed Mr. Reagan's successful California primary campaign last year.

While Citizens for the Republic will "do nothing to reduce Ronald Reagan's ability to run again, if he chooses," it also will support state, local and national candidates whose views are properly conservative, Mr. Nofziger said.

As such, it technically is a multi-candidate political action committee subject to supervision by the Federal Elections Commission.

A hard-boiled political activist, Mr. Nofziger promised the new committee "will be on the attack, looking for openings" offered by the Carter administration and the Democratically controlled Congress.

"For the first time in a long while, everything does back there (in Washington) will be clearly Democrat," he said, "and they won't be able to escape any of the blame."

Mr. Reagan, too, is counting on the collapse of this Democratic phalanx under the pressures of running the government. In the committee's first newsletter, a twice-monthly sheet available to 625 contributors, he wrote:

"If the combination of a Democratic President and a liberal Democratic Congress over the next four years gives us bigger government, less national defense, more deficit spending, more interference in our lives, we will see a new (conservative) majority come together."

Such an occurrence is one of Mr. Reagan's articles of faith. He was preaching it Saturday in Washington at the fourth annual conservative Political Action Congress, declaring "I refuse to believe that the good Lord divided this world into Republicans who defend basic values and Democrats who win elections."

Victory for conservatives will be the new committee's major goal, Mr. Nofziger said, even in races involving non-elective party offices.

"If we're going to be an effective political force in this country," he said, "conservatives not only have to seek and win public office, but we want to help conservatives within the Republican party who think the way Ronald Reagan does, win party leadership posts."

No serious planning is going into a new Reagan White House campaign, either within the Republican party or under the aegis of a third party, Mr. Nofziger said.

"We're not thinking presidency or talking presidency," he added, "and won't be until after we can analyze the 1978 congressional elections."

But Citizens for the Republic is there just in case.

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BALTIMORE SUN
6/6/80
Page A4

# Conservatives plan financial boost for Reagan

B Sun 6/6 A4

By CARL P. LEUBSDORF
Washington Bureau of the Sun

Washington—If the plans of four groups work out, Ronald Reagan's presidential campaign could get enough help this fall to double the $35 million that will be available to him from federal and party campaign funds.

Even if they fall short of their ambitious targets, more will almost certainly be spent on Mr. Reagan's behalf than for President Carter, who will presumably be the Democratic candidate, though the president will get substantial free publicity as the occupant of the White House.

Under the federal campaign law, both the Republican and Democratic nominees will get $29.4 million from the fund created by the $1 checkoff on annual income tax forms. By accepting the funds, the two nominees agree to forgo any private solicitation of funds for the general election.

And in addition, each can benefit from up to $4.6 million in direct help from his party's National Committee and from the assistance of state and local party committees, which can spend $5,000 apiece for campaign materials, such as bumper stickers and buttons.

Unless the Federal Election Commission, presided over by three Democrats and three Republicans, makes an exception, the independent campaign of Representative John B. Anderson (R, Ill.) would be denied federal funds until after the election, when, depending on how well it does, it could be reimbursed. Even the most optimistic goals for Mr. Anderson would provide him less than half of the federal and party money that will be available to his major party rivals.

But when the Supreme Court upheld the constitutionality of the Federal Campaign Act, which provides for federal financing of presidential campaigns, it also ruled that it was legal for private individuals or groups to make unlimited "independent" expenditures on behalf of candidates as long as there was no evidence of collusion.

If such a group helps only a presidential candidate, it can raise funds of up to $1,000 per contributor. But if it helps other candidates, it can collect up to $5,000 per contributor.

In both the 1976 and 1980 Republican primaries, a group called the Fund for a Conservative Majority raised and spent funds on behalf of Mr. Reagan. But now, it appears to be just one of four organizations which have been set up or for which plans are proceeding that will act on Mr. Reagan's behalf.

Here are the groups:

• Americans for Change, a group chaired by Senator Harrison Schmitt (R, N.M.) and originated by Brad O'Leary, a Texas Republican fund-raiser, and Jack Harmer, 1974 Republican candidate for lieutenant governor of California. The group hopes to raise between $20 million and $30 million as a multi-candidate committee, helping GOP congressional and senatorial candidates as well as Mr. Reagan. It plans to concentrate on radio and newspaper advertising and also pay the expenses of pro-Reagan speakers.

• Americans for an Effective Presidency, organized by a group that includes Thomas Reed and Peter Flanigan, both active in past Republican campaigns, and Winton M. Blount, Jr., the chairman of John B. Connally's 1980 presidential effort. It will be run by Stuart Spencer, one of the GOP's most experienced professionals, who was the campaign manager for Mr. Reagan's initial race for governor in 1966 and for former President Gerald R. Ford's 1976 presidential campaign. The group, which hasn't officially been created, hopes to raise $15 million, to be used primarily for anti-Carter "negative" advertising on television and the radio and in newspapers.

• Americans for Reagan, a committee headed by Senator Jesse Helms (R, S.C.), which last week sent out its initial mailing of 250,000 letters and expects to raise $2.5 million to purchase television time on behalf of Mr. Reagan's candidacy. The group's organizer is Bruce W. Eberle, who heads a direct mail agency that raised money for Mr. Reagan in 1976.

• Fund for a Conservative Majority, which spent more than $500,000 during the 1980 primaries, much of it on advertisements that attacked Mr. Reagan's chief primary rival, George Bush. Ralph Galliano, the executive director of the group, said he hopes to raise and spend between $3 million and $10 million this fall.

So far, there are no such groups being set up to help the Democratic ticket. But Mr. Carter probably will have the help of labor unions, which can spend money for such activities as informing their members and getting them to the polls.

Some Democrats think their party will have trouble raising the $4.6 million that can be spent by the Democratic National Committee. They fear their nominee could be hurt if he is far outspent this fall.

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BOSTON GLOBE
3/29/80
Page 5 Column 1

# The men around Reagan

## Most are conservative Westerners — but not all see eye-to-eye

By Barbara Patterson
Globe Staff

WASHINGTON — With the New York and Connecticut primaries over, another roadmap designed to put Ronald Reagan in the White House is being drawn up by a team of strategists and advisers.

[illegible]

[illegible] Reagan's campaign manager, Drew Searls, who planned the strategy for last Tuesday's hunt in New York.

The staff attributes to Reagan's campaign organizers skill and reflect the dominant philosophy of the Republican party. Most have had prior ties to former President Richard Nixon, come from the Western part of the country and have backgrounds in business or politics or both.

William J. Casey, a 67-year-old tough talking New York lawyer, is the man Reagan picked to direct the future of the campaign, manage its finances and set strategy with [illegible]. His accomplishments range from working a decade in venture capital to heading US intelligence in Europe during World War II.

[illegible] Reagan's campaign insiders who include an aide, staff and a [illegible] interview, Casey said, "Whether I'd like to be [illegible] to run a President's campaign.

Attributes always fall campaigns — and Casey is aware of the highly [illegible] Searls, the predecessor, [illegible] strategist. The Baltimore expert [illegible] both [illegible] Reagan campaign since March [illegible].

[illegible] Searls [illegible] Casey [illegible] Reagan's advisers [illegible] the staff an admirable stability. Rather than [illegible] Searls with whom Casey [illegible] the days of the Nixon Administration, [illegible] to be free to concentrate on political strategy. A few days before the Feb. 26 New Hampshire primary, Casey was asked by Reagan to oversee the campaign's operations. The effect on the primary Searls was brought [illegible].

There have been various explanations for Searls's departure. [illegible] with the press, a personal disagreement with Reagan's California advisers over [illegible] issues, the use of the strategy that led to Reagan's defeat in the Iowa caucuses, the anger of Nancy Reagan.

But Casey wasted no time taking over. The one-time Securities and Exchange Commission chairman seems to get along with Reagan's California inner circle much better than Searls did — he intends to run the campaign from Los Angeles. "I will see that the issues are substantive, that the campaign is financially sound and that it is well managed," the employee he said, is on gearing up for the general election.

Reagan has already spent $2 million of the $17.5 million allowed by law for all the primaries. Casey has so far laid off 18 aides, shifted the Washington office to less expensive quarters in Virginia, and ordered a halt in media spending for the rest of the primary season.

Casey's background as a successful corporate lawyer, former Securities and Exchange Commission chairman, former undersecretary of state for economic affairs, and former president of the Export-Import Bank has earned him the respect of the Californians.

Interviews with some key members of Reagan's campaign point to an efficient orga-

WILLIAM CASEY
Tough talking campaign director

[illegible]

[illegible] Reagan's [illegible] Charles Black, who [illegible] has been [illegible] moved.

Casey said [illegible] don't [illegible] operation [illegible] Detroit [illegible].

[illegible] Reagan [illegible] Reagan [illegible] power.

[illegible] Reagan [illegible].

● [illegible] Monroe [illegible] when he was [illegible] president of the [illegible] Chris Monroe has Reagan [illegible] on the grounds [illegible] Reagan's people [illegible] submitted with particular [illegible] that point [illegible].

● [illegible] Reagan's [illegible] director [illegible] New Mexico. [illegible] campaign [illegible] Reagan presidential [illegible] 1966 and 1970 as fund-raiser [illegible] candidate for US Senate from New Mexico [illegible]. He is said to have brought [illegible] Washington. But [illegible] aspects of a campaign. He [illegible] strategy team.

● [illegible] strategist is the campaign's chairman [illegible] state. He first met Reagan [illegible] Reed, former secretary of the Air Force [illegible] volume GOP national committeeman from California who headed the [illegible] movement for Gerald [illegible]. [illegible] asked to do a study for Reagan [illegible] attitudes in 1966 and has been with him ever since. He is a former economics professor and president of Decision Research, a Washington California firm that has been [illegible] political accounts.

[illegible]

● [illegible] Reagan [illegible] Bush [illegible] New York [illegible].

● [illegible] Reagan [illegible] Buffalo [illegible] Reagan [illegible] Bill [illegible] Reagan [illegible] Bush's New York [illegible].

● [illegible] Reagan [illegible] Bush [illegible] Reagan [illegible] Bush [illegible] Reagan [illegible] Bush

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# Cat and mouse on Reagan funds

BOSTON GLOBE
5/28/80
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By David Nyhan
Globe Staff

ARLINGTON, Va. — The conservative groups trying to elect Ronald Reagan President by spending money on his behalf outside federal election restrictions know they are being watched.

In this cat-and-mouse game, the Federal Election Commission (FEC) is the cat. So far, the mouse is winning.

The key to making independent political expenditures is to make sure you don't get caught coordinating your efforts with the campaign you are trying to help. The largest group helping Reagan this way is the Fund for a Conservative Majority (FCM), which has already raised and spent $500,000 for Reagan and hopes to spend up to $10 million for him, outside of FEC restrictions, this fall.

The young men of FCM, many of them alumni of the conservative Young Americans for Freedom, know that the FEC is looking over their shoulders like a disapproving teacher, worried about the import of their actions, powerless to stop it, but waiting until someone steps over the line.

"Sure they are (watching)," said Ralph Galliano, an FCM official. But he waved aside any suggestion that his group would be so careless as to cross the regulatory line. "They are not going to find it. . . . It would be foolish for us to even risk that. As far as the FEC is concerned, you're guilty 'till proven innocent."

FCM Treasurer Ken Boehm laughed. "We figure they (FEC officials) are looking for everything. If we see one of them (a Reagan campaign official) at a cocktail party, we leave.

"Any person who is not a lawyer gets up against so many regulations — there are more restrictions...," said Boehm, shrugging.

FCM has monitored the Reagan campaign closely: Whenever he is in trouble, or broke, they move in swiftly and skillfully.

For example, after Bush upset Reagan in Iowa, the New Hampshire primary suddenly became crucial. Reagan's campaign expected Bush to win in Massachusetts the following week, and Reagan backers were fearful the Bush bandwagon could gain so much momentum he would be difficult to stop.

After Iowa, Bush was ahead of Reagan in some polls in Florida, where a Bush victory would have been devastating to Reagan. So the fund mobilized in New Hampshire: The group spent $60,000 for Reagan, even bused in "40 to 50" students from New York and farther south to hand out literature. The fund took out advertisements criticizing Bush and boosting Reagan, all apparently legal.

At that point, Reagan had spent just about all of the $294,000 he was legally allowed in New Hampshire, so the $60,000 from the fund gave him a 20-percent boost in his spending.

"We are reading everything Bush says publicly" about his political plans, said Boehm before Bush threw in the towel Monday. "In New Hampshire, Pennsylvania and Texas, we stretched ourselves to the limit" of the fund's financial resources to help Reagan.

Another example: Bush tried to upset Reagan with vigorous campaigning and a $700,000 outlay before the Texas primary May 6, and Reagan was again up against money problems. He had almost exhausted his $14.7-million limit for the primaries, so FCM pumped $80,000 or more into Texas, blitzing the state with radio ads and a 250,000-piece mailing (half of it to Texas Republicans). Reagan pulled out a narrow win, preventing Bush from achieving a major psychological victory.

The Bush camp was so nettled by the success of independent expenditures for Reagan that it began trying to collect evidence of collusion, but has not filed a complaint with the FEC.

Galliano says the liberals are tripping over the very regulations they lobbied to put in place. "When the federal government restricts and continues to control some aspect of our lives, you are going to find people and groups trying to circumvent — legally — federal restrictions. This will feed on itself as more groups go the independent route. The FEC and the liberal groups clamor for more restraints — they're choking."

Galliano is adamant that such groups as his are better positioned to take advantage of the loophole than their philosophical rivals on the left. In terms of technology and organizing. "We got a leg up on everybody. We planned and organized early."

FCM is not the only right-wing group helping Reagan. Groups opposed to gun control and abortion have joined in.

The Congressional Club, based in Raleigh, N.C., was originally formed to help Sen. Jesse Helms (R-N.C.) raise $7.5 million for his re-election two years ago, then shifted to helping Reagan. The Congressional Club has helped Reagan with independent expenditures in at least two Southern primaries. Despite the close ties between Helms and the club, and between Helms and Reagan, authorities have no evidence of any illegal cooperation or consultation.

"Helms and Reagan probably have had pictures of themselves in the papers . . . together," fumed Joseph Rauh, a vice president of the liberal Americans for Democratic Action. "I find it difficult to believe that Helms and Reagan are at arms length. I am skeptical that they are at arms length."

Boehm is confident his FCM can escape being flagged down by the FEC. And he thinks the Carter Administration is not yet fully aware of the perils that lay ahead.

"Right now they (the Carter campaign) are getting their knives out for John Anderson (who is trying to get on November ballots as an independent). At this point they view us as a potential irritant. But soon we'll be an irritant. We can target a specific area where we can make a difference for Reagan, a key state or a number of key states. Then — boom — we go in."

The FEC is barred by statute from disclosing whether a complaint has been filed against anyone, unless the disclosure is made first elsewhere. The Bush campaign was studying whether it had grounds to file a complaint, but apparently was unable to come up with convincing evidence of collusion between such groups as FCM and the Reagan camp. Now, with Bush's effective withdrawal, that issue appears moot.

But FCM officials expect the Carter campaign this fall to make the same effort, and vow they will keep their efforts within the letter of the law.

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*NO AGE PROBLEM 'IF HE DOESN'T ACT 70'*

# Is it Citizens for the Republic or yet another Reagan campaign?

By MARTIN SMITH

Jack Cunningham's requests were modest enough. He wanted his picture taken with Ronald Reagan for use in a mailer in his long-shot campaign for Congress. He also hoped to be given some campaign money by Reagan's new political action committee, Citizens for the Republic. Cunningham is a conservative Republican, the kind that the Reagan committee was established to help — but he didn't get either of his requests granted right away. Instead, CFTR paid for a public opinion survey of Cunningham's district in Washington state: heavily blue-collar, lopsidedly Democratic, with a congressional vacancy created when Brock Adams resigned to become President Carter's secretary of transportation. Reagan's committee thought there might be a better way to campaign than distributing photographs of Cunningham shaking hands with the former governor of California.

The poll found one. The survey indicated the over-riding concern of voters in the district was unemployment. This is an issue which Republicans normally leave to Democrats, but the survey discovered the voters' concern had a contemporary twist: an anti-environmental backlash. Since his Democratic opponent was a strong environmentalist, this provided Cunningham with his golden opportunity. Forgetting about the posed photograph with Reagan, Cunningham took his money from the GOP to campaign as a protector of jobs against environmental extremism. Today he sits in Congress as the Republican successor to the Democratic Adams.

Citizens for the Republic is unusual in more than its political sophistication. It is the reincarnation of Ronald Reagan's 1976 presidential campaign committee, a fact which leads inevitably to the suspicion that it is part of a holding operation for yet another Reagan presidential campaign in 1980. This suspicion draws quick denials from such top Reagan associates as John Sears and Lyn Nofziger, who point out that by transferring the substantial leftovers from its treasury to CFTR, the 1976 Reagan campaign committee eliminated all hope of the former governor ever getting more than a small percentage back for any future campaign. Under federal law, no political action committee (PAC) may contribute more than $5,000 to a campaign, even if the money originally was given to the PAC by the candidate.

The origins of CFTR also are unusual. They involve the highly effective sabotage which President Ford was able to perform on his challenger's campaign for the Republican nomination last year. CFTR was conceived after Reagan returned to his Southern California home last November from campaigning for those Republicans who had backed his presidential candidacy. He and his top advisers then were confronted with a problem for which there is little precedent in presidential politics: what to do with a $1.5 million surplus in campaign funds.

### A bitter reminder

The money itself was a bitter reminder of how well Gerald Ford had undercut Reagan's campaign. Most of the surplus was the final installment Reagan received from the Federal Election Commission in presidential campaign funds. It arrived too late to help him when he needed it most — during the final drive to win delegate support in the last of the GOP presidential primaries and state conventions. It was late because Ford, as president, deliberately delayed signing legislation authorizing the distribution of the federal money. When the funds finally reached the Reagan campaign committee, there was nothing left on which to spend them. Eventually, about one third of the $1.5 million would have to be returned to the United States Treasury, but the Federal Election Committee has proved to be even slower in submitting a detailed bill for refunds than it was in delivering the money. So the Reaganites have had use of the full $1.5 million for more than half of 1977. And because the Reagan committee had used privately raised money to pay campaign bills which most of the federal funds were intended to cover, it was entitled to keep about $1 million.

*Martin Smith is the political editor for the McClatchy Newspapers.*

Deciding what to do with the leftover funds proved to be a fairly easy decision, according to one of those in on the deliberations. "Just in talking among ourselves, we came to the conclusion that the best thing we could do with it would be to try to continue the effort that we had begun in 1975, not in terms of electing Reagan president, but in terms of advancing his cause," said Lyn Nofziger, who was to become the top staff member of CFTR. "To do that, you have to go ahead and set up an organization."

Creating that organization may have involved a touch of vengeance as well as a dose of ideology. Reagan's anger at Ford's tactics rankles all the more because of his two firm convictions. One is his certainty that he could have defeated Jimmy Carter if he and not Ford had won the GOP nomination in Kansas City. The second belief Reagan has long held: The conservatism for which he speaks does not represent merely a minority view within a minority party. He believes it reflects the thinking of the large majority of Americans, both Democrats and Republicans. Reagan is convinced that all that has kept his brand of conservatism from becoming national policy is the lack of a Republican presidential nominee espousing that philosophy and articulating it effectively by relating it to the concerns of average Americans.

As a result, Reagan also believes that the Ford White House, through the unfair leverage it was able to exercise on the Republican process of nominating a presidential candidate, not only cheated him out of the presidency but cheated a majority of Americans out of the chance to have their views become federal policy. Citizens for the Republic, born from the ashes of the 1976 Reagan presidential campaign and with the defeated candidate as its leader, was created to move the nation to the right by moving the party even further in that direction. It seeks to do this by supporting conservative Republicans for office at all levels of government, improving the electioneering skills of conservative campaign workers and eliminating the image of the GOP as the party of the country club set.

Organizing the committee was quickly done, and the names of the members of CFTR's steering committee read like a directory of the top leadership of Reagan's 1976 campaign committee. Besides Nofziger, campaign staff leaders on the steering committee include Mike Deaver, Pete Hannaford, Martin Anderson, David West, Ed Meese and John Sears, who was the campaign director. Other members include two U.S. Senators: Paul Laxalt of Nevada, the campaign's national chairman, and Richard Schweiker of Pennsylvania, the Reagan house liberal who was the candidate's designated vice presidential running mate and who is anxious for Reagan to run again in 1980. Still others on the steering committee are William French Smith, Reagan's personal attorney and political backer; Efrem Zimbalist Jr., the actor and a Reagan point man in attacks on Henry Kissinger at the Kansas City convention; Richard Wirthlin, the Orange County pollster, and Holmes Tuttle, one of the senior members of the Reagan kitchen cabinet.

CFTR was functioning by January. By February 1st the first issue of the new committee's newsletter — with a 10-year-old photograph of Reagan on the front page — was in the mails to a subscription list which soon would grow to 25,000 names, and the Nofziger-led staff was looking for conservative Republican candidates to support.

Despite some talk by some die-hard Reaganites of splitting off from the GOP, Reagan has committed himself and CFTR to working within the Republican party. But he didn't do it first without making threatening noises against the new Republican national chairman, William Brock. Reagan made it clear that a conservative walkout from the party was not impossible if those in official party positions failed to prove accommodating to Reagan conservatives. The veiled threat was delivered by Reagan in a face-to-face meeting with Brock and later underlined in a speech by Reagan to the California Republican Assembly. Then it was further reinforced by letters to Brock, complaining of the lack of appointments of Reagan conservatives to Republican National Committee staff positions. Brock saw the light and made the appointments. He also took pains to praise Reagan publicly for his "magnificent" contributions to party unity.

### Pulling power

CFTR demonstrated early its effectiveness and the pulling power of the Reagan name in raising a permanent campaign treasury. The committee's 13 fulltime employees have established a direct mail operation, using as its core 180,000 names of Reagan campaign contributors and workers across the nation. These names — supplemented with other lists of conservatives such as the subscribers to *Human Events* — were sent more than three-quarters of a million pieces of mail during the first six months of CFTR's operations. Through these solicitations the new committee has received more than $300,000 in additional contributions, enough to pay staff salaries, support the newsletter and restore funds borrowed as working capital from the $1.5 million in seed money supplied by the Ford White House.

Until next year's mid-term elections, the most visible part of CFTR's work are the Nofziger-edited newsletters and the quarterly board meetings, featuring regional workshops at which conservative Republicans are instructed in the practicalities of electioneering.

The newsletters still bear a photograph of Reagan on every page one, but more recent photographs have been substituted for the one of a decade ago. The articles take a hard line against Carter appointments and pronouncements, against Democrats who talk like Republicans but vote in favor of government spending and against the "Democrat-leaning national press." A recent short item noted that a poll of Iowa voters showed Reagan to be viewed as the strongest contender for the Republican presidential nomination in 1980. Reagan columns warn against trade with Cuba and President Carter's proposed changes in election laws. Most of it is standard conservative fare, but there are also recurrent criticisms of major corporate political action committees which contribute to Democratic candidates. The newsletter has called for Republicans to be the party of free enterprise but not of big business.

These strictures are consistent with Reagan's position

that a conservative Republican majority can be created out of the party's traditional economic conservatism and the blue-collar conservatism in social matters such as lifestyles. These blue collar conservatives, traditional Democratic voters most of the time, would have to be sold on the conservative principle that economic troubles, including unemployment, stem from inflation, and that inflation is the creation of too much government spending.

The 180,000 names of previous Reagan contributors and campaign workers are drawn from every state in the union but chiefly from Reagan country: California, Texas, the Rocky Mountain states and those parts of the South where Reagan has enjoyed his strongest support. CFTR's first quarterly board meeting last June in Salt Lake City demonstrated Reagan's continuing popularity in that western heartland of conservatism. About 600 of his most loyal supporters from all over the West attended the event — some flying in by chartered airplane, others buying up the seats in an Amtrak coach, still others driving hundreds of miles. They heard a luncheon benediction by Ezra Taft Benson which included an attack on socialism, and they cheered enthusiastic expressions of ongoing support for Reagan. He was described as "our next president" by Schweiker. Utah State GOP Chairman Richard Richards, another CFTR steering committee member and the man Reagan preferred as national Republican chairman over Brock, said that if only the GOP had nominated Reagan and Schweiker "Reagan would be president today."

Reagan responded to these statements the same way he always responds to such gratifying but politically inconvenient expressions: He ignored them and launched into a standard speech warning of the dangers of deficit spending, the need for stronger armaments and the inadequacies of government in just about all but police and military activities.

The day's emphasis, however, was not on the recycled Reagan speech but on the political workshops held concurrently with the board meeting. John Sears lectured on ways of capturing and retaining the initiative in campaigns and presented mock political problems for workshop participants to solve. How, he asked in one exercise, would you have advised Richard Nixon to gain the initiative over Watergate during the final days of his White House tenure? Veteran GOP publicist Jan McCoy conducted a seminar entitled "They Are Not The Enemy" on working cooperatively and effectively with political reporters. Hers was not an easy assignment; she had to spend time refuting one participant's argument that the Rockefeller family controlled the national news media.

Such instruction in basic politicking is designed to give CFTR a dimension missing in most other conservative movements which also have money and manpower but lack political expertise. Sears sees the 1976 Reagan campaign as providing a particularly valuable legacy in this regard:

"A number of the people that were involved in the Reagan campaign effort are interested in what the committee does and have the capability of doing things like providing or recommending campaign managers in various states. We worked with an awful lot of people when we went through as many primaries and convention states as we did."

### White House yearning

This vigorous after-life provided for the Reagan campaign committee leads back to the possibility that the former governor wants to try once again for the presidential nomination in 1980. There are two obvious answers to that. The first is that, of course, Reagan considers running again. He has, after all, demonstrated a long-lived yearning for the White House, comparable to the presidential desires of Richard Nixon or Hubert Humphrey. Neither of them ever went so far as to challenge a sitting president of his own party for the nomination. But no less obvious is the fact that, from Reagan's viewpoint, there is no sense in talking about that now — not in public, not even with his top associates. It would serve no purpose. The 1978 congressional and gubernatorial elections must be held first to determine who else might be in a position to seek the nomination. (One possibility is Illinois Governor James Thompson.) Those elections also may show how much the 1980 Republican nomination would be worth if they give many clues about President Carter's possible vulnerabilities.

Reagan's biggest problem in a 1980 campaign would be his age. He will be 70 on March 11, 1981, which is only a few weeks after the start of the next presidential term. If nominated, he would be the oldest standard-bearer ever selected by either major party. John Sears, however, takes a sanguine view of the issue and compares it to the position of some Republicans, a decade ago, that Richard Nixon should not be nominated in 1968 because he was a two-time loser, having been defeated in the 1960 presidential election and the 1962 California gubernatorial contest. Sears thinks Reagan could surmount the age problem just as Nixon surmounted his image as a loser.

"Things like being a loser and age are usually things that politicians are saying, and what they really mean is, 'We don't want to support you, and we aren't going to say exactly why right now, but if you want some reason why we won't, we'll give you one,'" Sears says.

"But they don't really amount to anything as far as the voter is concerned. Now if the fellow is 32, and he acts 82, well, he's got an age problem. If you take somebody who is 70 or something and doesn't look or act that, I don't know that that's going to hurt him."

### Wait-and-see time

If time is against Reagan in this sense, it is on his side in another as he waits for 1980. He is better known than almost any other leading Republican. Ford is the exception, but, out of office, is unlikely to be much of a force, much less a strong contender for the party's nomination at the 1980 convention. He will find himself without much more power there than Harry Truman was able to summon for the Democratic conventions of 1956 or 1960 when he was unable to prevent the nominations of Adlai Stevenson and, four years later, John Kennedy. Reagan's situation is best described by Sears:

"It certainly is a matter in his case, perhaps more than anybody else's, of waiting a couple of years and seeing if he wants to (run) and whether conditions are right to do it again. That's not as true of the others, since he does have a constituency and can raise money. So he doesn't need to spend the time during the next couple of years worrying about that aspect of it. A number of the others, I think, would have to do a number of things in the next couple of years to better their chances."

These assets — the acknowledged ability to raise money and the freedom from any need to spend a lot of it to make himself better known — make Reagan's gift of his 1976 campaign fund leftovers to the CFTR less of an act of political self-denial. For the time being, it is all fitting together rather nicely for Reagan. The money which was too late to help him win the presidency is being put to use to turn the party away from those who were on Ford's side. It should help guarantee that the party's next presidential nominee will be, if not Reagan himself, then some other articulate and unvarnished conservative. Reagan, in the meantime, can do what he likes best and at which he is superb — preach the conservative gospel without having to wake up the next morning and face the problems of governing. He can afford just to let things happen for a while.

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# Reagan gearing up for presidential run in '80

Jerome Watson
Sun-Times Correspondent

STOCKTON, Calif.—The smile on Ronald Reagan's face appeared to freeze as the speaker, plowing through an introduction at a fund raising dinner here, reached a climax in his praise of the former California governor:

"Were it not for narrowness and backbiting and intrigue in our own party," the speaker said, "he [Reagan] would be President today [applause]. And, God willing, he'll be our next President [more applause]."

RONALD REAGAN

For Reagan, the reference to his protracted, bitter struggle with Gerald R. Ford for the 1976 Republican presidential nomination must have seemed an especially tactless indulgence in the recollection of state grudges.

Reagan, who is moving toward another campaign for President in 1980 and who would like to avoid competition or opposition from Ford, has been careful to cleanse and medicate the wounds of 1976, and he made that clear as soon as he got to the lectern at Stockton.

"Obviously, we've had some differences," Reagan said of himself and Ford. "But we've joined in a cause of electing

## Campaign '78

Republicans." Reagan noted that he and Ford had campaigned together in Texas and had appeared jointly in a television spot produced for Evelle Younger, the GOP gubernatorial candidate in California.

In Texas, with Ford present, Reagan opened a speech by extolling Ford's efforts as President to heal the wounds of Watergate. Later, Ford invited Reagan to lunch in Palm Springs.

REAGAN AIDES ARE under instructions to avoid any aggravation of the old animosities, and one Reagan adviser said, "We think it [the Ford-Reagan quarrel] is a rapidly diminishing problem. Neither man is vindictive by nature, and their visits seem to have done a lot to put them at ease with one another."

Reagan is defensive about complaints from some Ford advisers that he didn't do enough to help Ford in the 1976 general election. On the flight from Stockton back to Los Angeles, where he lives, Reagan said, "I campaigned for the President in 25 states, and we carried California for him. It's not true that I sat on my hands."

His advisers maintain there is very little support in the Republican Party for another Ford campaign, that Ford could be humiliated if he ran and were demolished in the primaries. They also discount the likelihood that Ford could deliver his supporters to an anti-Reagan candidate. Nonetheless, they are concerned Ford might play the role of spoiler.

Reagan's position as front-runner for the 1980 nomination is undisputed. "He's the one Republican with a [large] personal, national constituency, [heavy] name recognition and the ability to raise a lot of money," said Reagan adviser John Sears.

Despite his 67 years, Reagan is stumping hard for Republican candidates (and to set the stage for 1980) this year. Some 200 candidates—mostly Senate and House hopefuls—have been aided by personal appearances and, through the Citizens for the Republic—the organization that spreads the Reagan gospel—150 television and radio ads and $750,000.

REAGAN HAS NOT been alone in seeking to build support for himself by extensive campaigning on behalf of Republican candidates. Former Texas Gov. John B. Connally has made some 150 apearances in the last year. Sen. Robert J. Dole (R-Kan.), the GOP's 1976 vice presidential candidate, has maintained a heavy travel schedule. So has former party chairman George Bush. And so, too, has former President Ford.

Ford's "Campaign '78" travels have been capped by a nine-day tour ending Friday that will have taken him to 21 appearances in 14 states. Ford has indicated he might make himself available for a draft at the 1980 Republican convention, while forgoing the primaries. But few Republicans seem to believe a draft is realistic.

Reagan's status in the party, on the other hand, makes his nomination a plausible, if not necessarily probable, event. Reagan aide Lyn Nofziger, in an interview at the Committee for the Republic headquarters in Santa Monica, Calif., said Reagan's timetable calls for formation, probably next February, of an exploratory citizens' committee. It would raise money and put together Reagan organizations in the states in preparation for a formal announcement of candidacy—possibly late in summer or early fall of next year.

IN AN INTERVIEW, Reagan was asked to suggest some

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# Reagan moving toward 1980 race

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of the steps he would take to turn the country away from big, centralized government.

He said he would push for a balanced budget, impose a freeze on federal hiring (with exceptions for critical need) that would be designed, through attrition, to cut the federal work force by 10 per cent; return to the states some federal or federally supported programs, such as welfare and regulation of occupational health and safety, given adequate revenue to the states to pay for local handling of such programs.

In 1976, Reagan got caught in controversy when he proposed returning $90 billion in federal programs to the states. Democrats conjured visions of "essential" programs being wiped out, so Reagan no longer uses such a figure.

"What if we passed a law that said 'X' per cent of the [federal] income tax paid in each state will now stay in that state (to be used as the state sees fit). To help out poorer states, you could just increase the percentage of the tax that they wouldn't have to send to Washington."

Reagan, an excellent orator, believes he could use the presidential "bully pulpit" to enlist public support for his programs and bring a (probably) Democratic Congress into line.

BUT TO GET TO the Presidency, Reagan must solve the problem of getting nominated. Along with the "age problem," he faces others of consequence.

• Age. Some Republicans believe Reagan is too old to run (he would be 70 the month after taking office) and that his age would hurt him in the primaries or general election, Hodgson says, however, "The problem is not chronological age, but the capacity to govern, which he clearly has."

• Philosophy. Many Democrats and some Republicans see Reagan's conservatism as an asset in the primaries, but maintain he's "too far right" to be elected. "His record [as governor] in California proves he's not a knee-jerk reactionary," Holtzger said. Scott maintained the country "has been drifting to where Reagan is. There is a trend away from big government and too much taxation."

• Crane. Rep. Philip M. Crane (R-Ill.), a former Reagan supporter, has announced his own presidential candidacy and is bidding to take away Reagan's base. "I don't see him as a major factor," Holtzger said. "He appeals to a relatively narrow segment of the electorate. We expect him to come back to Reagan after he's had a run at it."

However, Holtzger acknowledges that Crane is "siphoning off funds" that otherwise might go to a Reagan campaign and is "creating some confusion out there [among the GOP electorate]."

• Timing. "Timing is all," Scott said in response to a question about when Reagan ought to jump into the race. "A campaign is like a Broadway play—it has a beginning, middle and end, and then enough people have to applaud for it to succeed."

Reagan's advisers said that too early an entry into the race would make Reagan a target for a longer period, and that voters can weary of a candidate through too much exposure to him.

IN STOCKTON, is a standard speech delivered with slight variations. Reagan unloaded a series of biting witticisms and then championed a Republican attack on inflation and high taxes.

As always, the applause was frequent and vigorous.

"I've been with him for 13 years," said Michael Deaver, a public relations aide who frequently travels with Reagan, "and I've never seen the response so good."

After 10 years of stalking the Presidency, Reagan and his aides believe the man and the times may be about to find one another.

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# Why Reagan is getting Capitol Hill endorsements

## House, Senate Republicans back front-running outsider for sake of party unity

By Peter C. Stuart
Staff correspondent of
The Christian Science Monitor
Washington

Television lights switch on. Cameras whirr. Another smiling Republican senator or representative steps forward to endorse leading GOP presidential candidate Ronald Reagan.

More than one-half of the Republicans in the House of Representatives (67 out of 159) now have done so, including their second-ranking leader, the party whip. So, too, have nearly half of the GOP senators (17 out of 41), including both the minority leader and whip.

A bandwagon of enthusiastic congressional supporters of the odds-on favorite for the Republican presidential nomination, it might appear, is steaming across Capitol Hill – which, of course, is just the impression that the Reagan campaign wants to create.

But the appearance may be deceiving. Like Jimmy Carter before him, former California Governor Reagan – despite the wave of endorsements – remains very much an arm's-length outsider to Congress.

Interviews among Republicans – both those who have endorsed Mr. Reagan and those who haven't – suggest that, outside of a small band of loyalists, the party's likely nominee for president is being received with more pragmatic acceptance than open-armed welcome.

"It's not that no one thinks Reagan is the best man. Many do," says an aide of one representative who recently announced his support. "But, above all, these guys on the Hill are politically pragmatic, and they understand the way the wind is blowing."

One California Republican who hasn't endorsed Mr. Reagan, Rep. Paul N. McCloskey Jr., also detects a tepidness. "To the true conservative, he's the last person of real national stature [who] is electable," Mr. McCloskey says. "Among them, there's a good deal of enthusiasm," he says, "but some of my friends who have supported Reagan are not enthusiastic about it."

Behind the obligatory words of acclaim for the former California governor echoed in the congressional endorsements often lie more hard-headed reasons that have very little to do with being convinced of the candidate's qualifications.

One of them is simple acknowledgment of the political reality that Mr. Reagan probably has the nomination sewed up.

"I think the contest is virtually over at this point," concedes Rep. Richard B. Cheney (R) of Wyoming, who was White House chief of staff for the man who defeated Mr. Reagan for the nomination in 1976, Gerald R. Ford, but who now endorses Mr. Reagan.

Another reason is party unity. "The time has come to unite our party," explained Senate minority leader Howard H. Baker Jr., once a rival of Mr. Reagan for the nomination, in backing the Californian last weekend.

The warmth of congressional endorsements might be less significant in this year's election than afterward, should Mr. Reagan become President. If elected, his ability to work closely with Congress is likely to be crucial.

Standoffishness on Capitol Hill toward Mr. Carter – another former governor with little instinctive rapport with Congress – is widely believed to have handicapped his programs throughout his presidency. And President Carter has had the advantage of Democratic majorities in both House and Senate – something Mr. Reagan would be unlikely to enjoy.

The endorsements of Mr. Reagan by congressional Republicans frequently have been far from spontaneous. The largest batch – from 36 lawmakers last week – was staged by Reagan operatives as a low-budget headline-grabber for their cash-starved campaign in the Pennsylvania presidential primary. It was thrown together on such short notice that the endorsements caught some of the congressmen's own staffs by surprise.

Former Governor Reagan's guarded reception on Capitol Hill has occurred despite attempts to cultivate congressional support on an unprecedentedly lavish scale. Citizens for the Republic, a California-based political action committee funded by money left over from the unsuccessful 1976 Reagan presidential campaign, gave $615,385 to 25 Senate candidates and 234 House hopefuls (plus 141 state and local office seekers) during the 1978 campaign.

But the heavy investment so far has yielded no bonanza of grateful Reaganites on Capitol Hill.

Only three of the six top recipients who won election to the Senate (Republicans Jesse Helms of North Carolina, who got $10,000; James McClure of Idaho, $5,166; and Gordon Humphrey of New Hampshire, $5,000) have endorsed Mr. Reagan.

Another, David Durenberger of Minnesota, a political moderate who received $3,675 as well as Reagan radio endorsements for his successful 1978 campaign, has no plans to reciprocate.

Nor do Republicans running for Congress this year appear to be rushing to associate their campaigns with their party's probable standard bearer. An official of the National Republican Congressional Committee who just returned from a nine-day swing across the country reports no evidence that GOP candidates out on the campaign trail are yet hitching their political wagons to the Reagan star.

The circle of Mr. Reagan's close allies on Capitol Hill, like Mr. Carter's four years ago, seems exceedingly small.

Names of two groups of Reagan policy advisers, on foreign and defense issues, were announced this week. Among the 67 persons listed there was not a single congressman.

In the Senate, the Reagan "inner circle" may be limited to one: Paul Laxalt (R) of Nevada. Senator Laxalt was the only member of Congress to endorse Mr. Reagan at the start of his 1976 race. He is Mr. Reagan's national campaign chairman this year.

"No one else has worked that closely with him," says a Laxalt aide, unable to name any other Reagan intimates among the 100 senators.

In the House, the potential GOP presidential nominee is reportedly closest to Republicans Jack F. Kemp of New York, Henry J. Hyde of Illinois, and John H. Rousselot of California. Congressman Kemp, a former professional football quarterback, got his start in politics working for Governor Reagan in California. He now is the Reagan campaign's chairman for policy development.

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***New Realism:***

# GOP Strategists View 1978 With Lower Expectations, Push Grass Roots Organizing

Whatever problems Republican congressional strategists encounter between now and election day 1978, they will not make the one mistake that embarrassed them most in 1976—overpromising.

There is no repetition of the "76 in '76" promotional campaign through which Republicans vowed to take over the House in the 95th Congress. In the end, they lost two House seats, leaving them with only one-third of the House membership as the 95th Congress began. Nor are there boasts that GOP Senate strength will increase much in 1978 beyond its current level of 38.

"I might accept losing one or two in the Senate and go home and take my marbles," said Charles Black, the newly appointed campaign director of the Republican National Committee.

"We've got a cheerleading responsibility," said Steven Stockmeyer, executive director of the Republican Congressional Committee, "but we've got to separate that from what we have to do in realistic situations.... Perhaps the reason we're less optimistic is to make people realize how hard the job is that we have to do."

The mood of lowered expectations comes at a time when several factors should point toward optimism about 1978. Republicans have won two of three special House elections this year, including one in a Seattle district that had been solidly Democratic by tradition. There will be no presidential voting in 1978 to siphon off money or attention from congressional contests. And Republican candidates will be able to campaign as spokesmen for the opposition to the White House as well as to Congress—something that has not been true in a decade.

In 1966, the last time Republicans waged a mid-term campaign as the party out of executive power, they won a smashing victory. The returns brought a GOP gain of 47 seats in the House and three in the Senate, and produced the relatively close margins in both chambers that prevailed until Democrats swept to a 2-1 House majority in the post-Watergate election of 1974.

Republican congressional candidates will be free to criticize in 1978—delivered of the frustrating problem of having voters consider them the "ins" even though they have been the congressional opposition in all but four of the past 46 years.

But Republican strategists are quick to point out that 1978 is not likely to be another 1966. Twelve years ago, they say, Democrats had been in full control for six years, not just two, and voters had plenty of time to grow tired of them. The President was waging an unpopular war. And the 295 Democratic House members included nearly 50 first-termers brought in on Lyndon Johnson's coattails in 1964; 24 of them were beaten by Republicans in 1966.

There is no such group of Democrats for Republican strategists to pick on in 1978. Outside the South, virtually all House Democrats ran ahead of Carter in 1976. Even the first-termers won election on their own, and will be seeking re-election on their own. The Democrats chosen in the 1974 landslide have proven remarkably adept politicians. Only two of them fell to Republicans in 1976.

On the Senate side, Republicans will be up against their own successes of the past. The class of senators up in 1978 is the same one that ran in 1966, and the same one that prospered in Richard Nixon's overwhelming presidential victory in 1972. So the Republicans have a disproportionate amount to lose. Republicans hold only 38 of the 100 seats in the Senate, but they hold 17 of the 33 at stake in 1978. *(Weekly Report p. 916)*

Nevertheless, Republican officials do realize that 1978 presents a new situation and a new opportunity, and are looking for ways to exploit it. They spent much of the past winter analyzing how things could possibly have gone so far wrong in 1976—and how they might do them differently next time.

No one answer emerged from the three-month "self-examination" that Stockmeyer says took place at the Republican National Committee and at his own National Congressional Campaign Committee, the strategy center for GOP House aspirants.

## Congressional Elections

**1946-1976**

| Year | Vote cast for Republican candidates | | Vote cast for Democratic candidates | |
|---|---|---|---|---|
| 1946 | 18,404,764 | 53.5% | 15,228,408 | 44.3% |
| 1948 | 20,979,049 | 45.4 | 23,838,353 | 51.6 |
| 1950 | 19,750,393 | 48.9 | 19,785,122 | 48.9 |
| 1952 | 28,399,286 | 49.3 | 28,336,127 | 49.2 |
| 1954 | 20,034,763 | 47.0 | 22,177,088 | 52.1 |
| 1956 | 28,697,321 | 48.7 | 29,831,608 | 50.7 |
| 1958 | 19,943,882 | 43.6 | 25,365,961 | 55.5 |
| 1960 | 28,750,866 | 44.8 | 38,844,338 | 54.3 |
| 1962 | 24,160,387 | 47.1 | 26,694,634 | 52.1 |
| 1964 | 27,908,176 | 42.4 | 37,487,445 | 56.9 |
| 1966 | 25,408,798 | 48.0 | 26,712,142 | 50.5 |
| 1968 | 31,850,140 | 48.2 | 33,045,283 | 50.0 |
| 1970 | 24,121,959 | 44.5 | 28,781,048 | 53.0 |
| 1972 | 33,064,172 | 46.4 | 36,780,100 | 51.7 |
| 1974 | 21,165,583 | 40.5 | 29,872,842 | 57.1 |
| 1976 | 31,244,059 | 42.1 | 41,749,411 | 56.2 |

SOURCE: Statistics of the Congressional Elections, published after each election, compiled from official sources by the office of the Clerk of the House, U.S. Government Printing Office, 1947 to 1973. 1976 figures compiled by Congressional Quarterly. Because the vote of minor candidates is not included, the percentages do not add up to 100.

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"There wasn't necessarily anything wrong that was going on," Stockmeyer said. "We had a fairly good crop of candidates. And it wasn't that we weren't doing things for them. We do know we have to start earlier.... The party found itself running around two weeks before the filing deadline in some places trying to find somebody."

## The Incumbency Factor

The essential Republican fallacy in 1976 was the assumption that the party's candidates would regain the 10 percentage points they lost in many marginal districts in 1974. Most of those votes did not come back in 1976, and the reason, as GOP analysts now concede, was incumbency.

There is no solid estimate of the dollar value of incumbency to a candidate running for Congress. It is generally agreed that the mailing frank, the constituent service and promotional operation, the government-funded trips back home and other perquisites of the job are worth at least $200,000. Some estimates have placed it much higher.

Most of the Democrats Republican House strategists targeted in 1976 were under 40, energetic and single-minded in their determination to stay in the House. They knew how to take advantage of congressional perquisites, many of which were expanded by Democratic leaders specifically for the purpose of keeping newcomers in office.

Democrat Thomas J. Downey of New York, elected in 1974 from a heavily Republican area, personally called constituents on the telephone to solicit their opinions. He also invited groups of them to tea at his home on Long Island. Downey won re-election by more than 20,000 votes over a strong Republican challenger in a result that still leaves GOP strategists shaking their heads in frustration.

As a result of the Downey victory and similar ones around the country, Republicans are not looking to the junior Democrats as their prime 1978 targets. "We'll be in less of those districts than we were two years ago," Stockmeyer said.

What Republicans will look for is the veteran member who is getting on in years, not particularly visible at home and rusty on his constituent service. These representatives have been the most frequent incumbent losers in recent years. But most of them have been Republicans, like Garner E. Shriver of Kansas and Albert Johnson of Pennsylvania in 1976. Now Republicans hope to target the veterans as a deliberate tactic. The Republican Congressional Committee is already using tangible measures of constituent service, such as trips home and use of the frank, to see which Democrats to target in 1978.

The other move Republicans want to make is into selected primaries for the first time. The old California commandment not to speak ill of any fellow Republican has kept the party out of primaries in most states in the past. But Republican National Chairman Bill Brock insists that the party has no choice but to intervene in favor of candidates it thinks can win in November. House Republican leader John J. Rhodes (Ariz.) has been quoted as saying flatly that "we get too many turkeys" as Republican congressional nominees.

The Republican National Committee acted in May to help a black bank official win nomination for a state legislative seat in a largely black district in California. More important, Senate GOP campaign chairman Bob Packwood of Oregon is asking local politicians in states with a Senate election in 1978 to compile priority lists of strong candidates for the national party to recruit.

*"We're getting smart. It's a different conservative movement than we've seen before. You're going to hear the liberals squeal...."*

—Richard Viguerie, direct-mail specialist

## A 'No Theme' Strategy

In 1976, the Republican Congressional Committee tried to win on the issue of a wasteful and unproductive Congress. Candidates ran against Democratic control of the institution itself, and urged that they be elected to bring the House or Senate one step closer to Republican leadership.

It was not a successful tactic. As has happened often in recent years, Democrats reacted by separating themselves from the institution, arguing that they were doing their jobs even if Congress as a whole was not. Voters accepted that.

As a result, there is a school of thought within the GOP that argues against any such "theme" for 1978, insisting that each candidate should find his own issue and resist the temptation of running against Carter.

"The best strategy is to avoid a national strategy," said Eddie Mahe, until recently the GOP executive director. "We have no alternative but to assume that Jimmy Carter will be popular in 1978. If that's the case, the one way we can't win is to try to run a national referendum on the Carter administration."

"If I'm a Republican running against a Democrat," said Mahe, "I should be running against him—just him. Not Carter, not Congress, not the energy program, just that one Democrat. Then maybe I can beat him. I couldn't beat the whole Democratic administration."

Lurking behind these new ideas, however, is the fear among some Republicans that the party label itself is now part of the problem, and that new tactics alone may not contribute much to solving it.

Some strategists are quite candid about that. "It is true," one of them conceded. "A guy starts with a Republican label, he starts somewhere in the hole. If you look at the last 10 or 15 years, the guys that de-emphasize the party label do better in most sections of the country. But the more Republicans do that, the more they may be digging a hole for themselves. By adopting that strategy you help the trend that diminishes the party's future."

## 'New Right'

It is the issue of the Republican Party's future that divides GOP congressional strategists from the "new right" bloc that has become an important force in congressional campaigns. The new right group, led by fund-raising specialist Richard Viguerie, is likely to be the leading source of money and expertise for GOP candidates in 1978. Viguerie and his allies continue to insist that the Republican Party as an institution is barely worth



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There is still little public awareness of the importance of the new right, even though it raised $3-million during the 1976 congressional contests and was instrumental to Republican success in the two recent special House elections. Next year Viguerie has promised to raise several times that much money, work in up to 250 congressional districts and build a polling and media apparatus to go with his specialty, direct mail.

"Liberals control every form of communication in America," said Viguerie. "Radio, television, magazines, all except one. Direct mail. Conservatives have in the last few years discovered a form of communication that bypasses Walter Cronkite and Katherine Graham."

Viguerie is not modest—he insists his movement will drastically change American politics. "We're getting smart," he said. "It's a different conservative movement than we've seen before. You're going to hear the liberals squeal. We're going to give them some competition for the first time."

Viguerie's boastfulness is worth taking seriously because political professionals take it seriously. Said Eddie Mahe: "If you ranked political institutions in this country, organized labor would be first. The Democratic Party is second. The Republican Party is third. The Viguerie network is unquestionably fourth."

The "network" consists of Viguerie's own direct-mail firm, which bears his name; the priceless computerized mailing lists he has built up in more than a decade of working for conservative candidates, and the political action groups which do their own fund-raising and contributing with Viguerie's lists and expertise.

In 1976 three separate groups raised most of the $3-million: The Committee for the Survival of a Free Congress (CSFC); the National Conservative Political Action Committee (NCPAC), and the Gun Owners of America. In 1978 all three will be able to offer candidates a far more complete package of services Viguerie's operation is expanding to provide.

This is an obvious bonanza for Republican candidates. But it will be a problem for the Republican Party itself. The Viguerie groups will work with the GOP only in order to move it to the right. They are not interested in the party label.

"The Republican Party will have to have a definite right-of-center image," Viguerie said, or it will forfeit new right support. "If it wants to please Jacob Javits as much as Jesse Helms, it will be doomed to failure. It will have to become a conservative vehicle, or it will die."

In some primaries next year, the Republican National Committee will find itself backing moderate candidates against the opposition of the Viguerie network. In others, it will be tempted to accept the candidate furthest right in order to keep the conservative money flowing.

"We find ourselves in agreement more often than we're in disagreement," Stockmeyer said of the new right. "I say the more the merrier."

But it remains to be seen how close the party and the conservatives can work in a climate where they have clearly different goals.

Ideology is not the only source of potential conflict. Conservatives complain that national Republican strategists are too willing to run campaigns through local GOP officials—even if those officials have a record of losing in the past. They point to Indiana's 4th Congressional District, where Republican Dan Quayle ran in 1976 against veteran Democratic Rep. J. Edward Roush.

Quayle, nominated for the House because more prominent Republicans declined to run, found the local GOP organization relatively cool to him. Some party regulars privately felt comfortable with Roush. Quayle, using a considerable amount of money and help from the Viguerie-linked Committee for the Survival of a Free Congress, built an independent organization and won. New right spokesmen love to cite that race as an example of Republican flabbiness and their own potential.

## Targeting Support

But it is also a trouble spot. Where local GOP organizations are weak or unresponsive, conservative strategists will be trying to persuade candidates to work around them. Party officials in Washington may not be able to go along with that.

Black, the national committee's campaign director, insisted that serious conflict can be avoided. "If a candidate can do better by putting together his own organization," he said, "he ought to do it. We're not well organized in every district in the country. I would hope that if he puts one together it eventually becomes the Republican organization."

The Viguerie conservatives are unrestrained in their enthusiasm for the Kasten plan, a campaign system developed in 1974 by Robert Kasten, who was elected to the House from Wisconsin that year.

Many of the elements of the plan had been used by others before Kasten, notably by liberal Rep. Robert F. Drinan (D Mass.) in his first House campaign in 1970. Essentially it is a targeting system. Campaign workers seek to identify and categorize potential voters by the degree of their support, and then concentrate on building up the turnout among people regarded as friendly. There is no effort to build a high overall turnout.

Republicans found the Kasten plan difficult to implement in 1976. Trying to elect a President and a Congress simultaneously, GOP officials had to be concerned with a voter's choice at the top of the ticket. So voters likely to favor Carter would not be targeted—even if they might support the Republican candidate for Congress further down. Republican strategists admit that the inability to target split-ticket voters probably cost the party several seats, especially in areas of the South where Carter ran well even though they had been going Republican for other offices in recent years.

Republicans think targeting systems like the Kasten plan can be used more effectively in 1978 when there is no presidential contest to worry about. But even here they warn against overpromising. "I think there's been a little overselling of the Kasten plan," Stockmeyer said. "Sometimes the message comes through that Kasten is the only way. Obviously it's not the only way. There are no magic buttons."

## Repairing the Foundation

What does emerge from conversations with Republican leaders is a consensus that no one strategy or technique promoted from Washington will bring the party back to power until the organization is rebuilt at the grass roots level. Watergate was disastrous to Republican morale, fund raising and candidate recruitment throughout the country.

Brock has made it clear he wants to rebuild from the bottom up. Black sees that as his primary task.

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"We took too much for granted when we had the White House for eight years," Black said. "We didn't do too much to keep the local base operating. Now we've got to turn around and start putting the whole thing together again."

Eddie Mahe, Black's predecessor as the top GOP congressional strategist, agrees that organization is the only ultimate salvation. "I take exception," he said, "to the theory that we should find a few young chargers on white horses, elect them at the top, and the party will magically appear around them. We had a lot of good candidates last year—not these chargers on white horses, but pretty good candidates. That's all we're going to have next year. We have to be able to elect people like that. And it takes organization." ■

*—By Alan Ehrenhalt*

*New Jersey Primary:*

# Gov. Byrne Renominated; GOP Chooses Bateman

A coalition of liberals, blacks and the elderly helped carry New Jersey Gov. Brendan T. Byrne to a renomination victory in the June 7 Democratic primary.

It was a stunning turnaround for the first-term governor, whose political fortunes had plummeted sharply after he had pushed successfully for passage of a state income tax in 1976. Byrne campaigned doggedly, augmented by an effective media campaign that admitted past mistakes, and he benefited from a crowded field that included four major anti-Byrne Democrats.

He will face this fall the Republican primary winner, State Sen. Raymond Bateman, in a campaign that could develop into a referendum on the state income tax. Bateman opposes the tax and has indicated he would seek needed revenue for the state through an increased sales tax.

Bateman enjoyed the support of most party regulars in the primary and ran well ahead of his principal opponent, State Rep. Thomas Kean, who relied on extensive media advertising.

Complete but unofficial primary returns:

**Democratic**

| | | |
|---|---|---|
| Brendan T. Byrne | 173,716 | 30.3% |
| Robert A. Roe | 137,105 | 23.9 |
| Ralph C. DeRose | 98,365 | 17.1 |
| James J. Florio | 87,214 | 15.2 |
| Joseph A. Hoffman | 58,351 | 10.2 |
| Raymond Garramone | 6,434 | 1.1 |
| A. Howard Freund | 5,764 | 1.0 |
| Emery J. Zold | 2,864 | 0.5 |
| George Koukos | 2,830 | 0.5 |
| Melvin Whaley | 1,268 | 0.2 |

**Republican**

| | | |
|---|---|---|
| Raymond H. Bateman | 193,654 | 54.5% |
| Thomas H. Kean | 129,463 | 36.4 |
| C. Robert Sarcone | 20,608 | 5.8 |
| William A. Angus | 11,800 | 3.3 |

## Statewide Support

Byrne ran well across the state, defying the forecasts of political observers who expected the vote to break down along regional lines. *(New Jersey outlook, Weekly Report p. 1036)*

While the powerful Democratic county organizations generally split their support among the wide field of candidates, Byrne was able to gain several important individual endorsements from U.S. Rep. Frank Thompson Jr. (D), Newark's black Mayor Kenneth Gibson and Jersey City Mayor Paul Jordan. Jordan, a reformer, was himself a leading contender for the governorship but dropped out in favor of Byrne, freeing liberal support for the governor.

Byrne also wooed the state's senior citizens, explaining that they benefited from lower property taxes and the homestead rebate program. Byrne ran well among the elderly throughout the state, who were a particular force in retirement communities near the ocean resorts.

Byrne carried most of New Jersey's major counties: Mercer (Trenton and Princeton), suburban Bergen, urban Essex (Newark) and Union (Elizabeth) and Monmouth, Ocean and Atlantic. Byrne was helped in Atlantic County by his primary eve signing of a bill to permit casino gambling in Atlantic City, a measure residents wanted to revive the resort city's faltering economy.

U.S. Rep. Robert A. Roe, a four-term House veteran, was the runner-up to Byrne and was the only other candidate to show statewide appeal. It was due in large part to an expensive media campaign. He reportedly spent about $1-million on his primary effort, far more than any other candidate.

Roe demonstrated his greatest strength in his political base, medium-sized Passaic County, where he routed Byrne by a margin of nearly 10-1. Roe also carried neighboring Morris County and ran nearly even with Byrne in Bergen.

Waterfront Commissioner Ralph C. DeRose, the strongest anti-tax candidate in the race, was counting on the support of the Democratic machines in Essex and Hudson (Jersey City) Counties to make a strong showing. But the results were mixed. DeRose beat Byrne by more than 2-1 in Hudson, but lost narrowly in Essex. Elsewhere he drew few votes.

The situation was similar for U.S. Rep. James J. Florio in his second House term, and former state Labor Commissioner Joseph Hoffman. Their strength was localized, with Florio easily winning his home county, Camden, while Hoffman took Middlesex (Perth Amboy and New Brunswick), where he had the support of the county organization.

## GOP Primary

Bateman breezed to victory in the Republican primary by a margin of 64,000 votes, nearly twice as wide as Byrne's victory margin. Although both Bateman and Kean were considered moderate Republicans, Bateman had the benefit of substantial party organization support. Among his backers was former Gov. William T. Cahill (R 1970-74), who Kean accused of running a corrupt administration. Kean later apologized for the accusation.

Kean's expensive media campaign worked little better, as Bateman counterattacked by portraying himself as the broad-based candidate up against big money. Like Byrne, Bateman carried nearly all the major counties. ■

*—By Rhodes Cook, Warden Moxley and Mark Gruenberg*



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*Victory for Labor:*

# House Votes to Ease Hatch Act Restrictions

Organized labor, Rep. William (Bill) Clay (D Mo.) and President Carter were the big winners June 7 when the House passed the bill to revise the Hatch Act (HR 10) by a vote of 244-164. *(Vote 296, p. 1186)*

Approval came nearly three weeks after Democratic leaders abruptly pulled the bill from the floor when House Republicans succeeded in adding a crippling, anti-union amendment. As soon as consideration began June 7, the bill's supporters succeeded in watering down the controversial amendment.

The victory was particularly sweet for organized labor. Federal employees' unions were expected to be the chief beneficiaries of HR 10, a measure to ease restrictions on political activity by the nation's 2.8 million federal workers.

The bill was a top legislative priority for labor and gained added significance as a test of labor muscle after the defeat of the common site picketing bill earlier in the session. *(Weekly Report p. 521)*

### Ashbrook Amendment

The Hatch bill was first considered by the House May 18. But both labor and Clay, the bill's prime sponsor and floor manager, were embarrassed when John M. Ashbrook (R Ohio) succeeded in adding the anti-union amendment to the legislation.

The Ashbrook amendment, which would have prevented unions from using their dues for political purposes, passed in the confusion of a long, late-night session with substantial Democratic support. Stunned party leaders were forced to pull the bill off the floor and Clay was widely criticized for mismanagement. *(Earlier floor story, Weekly Report p. 1016)*

The Carter administration had been less active in pushing HR 10, but the bill was supported by the President and was the first piece of his election reform package to gain the approval of either the House or the Senate. Election day registration, congressional public financing and electoral college reform have yet to reach the floor in either chamber.

### Opponents Surprised

Opponents of the Hatch bill were caught off guard by the quick re-emergence of HR 10. A sizable advertising and editorial campaign against the bill peaked at the time it first reached the floor in mid-May. But the opposition was quiet when the bill reached the floor the second time.

John Minarik, director of congressional affairs for the anti-union Public Service Research Council, said his organization did not have enough time to orchestrate another lobbying effort. "We went to the wall with everything we had and held them off," Minarik said. "While we were reloading, they re-attacked."

The council led the opposition to HR 10 along with Common Cause, which argued that the bill would help politicize the Civil Service.

Opponents of HR 10 had hoped that the bill's difficulties would decrease its chances of winning House approval. But the comfortable victory margin on final passage lent credence to the contention of supporters that the bill's withdrawal, while embarrassing, was the result of a fluke.

It was not necessary to lobby for votes, supporters said. All that was needed was to acquaint Democratic House members with the anti-union features of the Ashbrook amendment, and that was done quickly.

## Floor Action

When debate began June 7, the bill's supporters attacked the Ashbrook amendment, with Clay offering an amendment to delete the controversial provision. Clay argued that the Ashbrook amendment went beyond existing law and would prohibit unions from engaging in legal activities such as internal communications on political matters, nonpartisan registration efforts and get-out-the-vote drives.

"The language, if permitted to stand unclarified, could be subject to mischievous interpretation," Clay said.

Stephen J. Solarz (D N.Y.), who was a major spokesman for HR 10 throughout the session, added that the Ashbrook amendment was "a legislative lemon. It looks sweet on the outside, but it tastes bitter on the inside." He added that it amounted to a "gag rule" on legitimate labor activities.

John H. Rousselot (R Calif.) attempted to negate the Clay amendment by proposing an amendment to delete a key section that would have rendered the Clay wording essentially meaningless. The Rousselot amendment was rejected 131-277. *(Vote 290, p. 1184)*

The Clay amendment was subsequently approved, 266-139. *(Vote 291, p. 1184)*

The one-sided votes provided an early indication that the bill had strong support.

For the next four hours the House debated nearly one dozen amendments with Clay and his allies rebuffing Republican efforts to weaken the bill.

Thomas N. Kindness (R Ohio) briefly threw the Democrats into confusion by springing a hazily worded amendment to define the term "extortion" in reference to the bill. It made reference to labor unions and under the rules was considered without debate.

Administration and labor lobbyists had difficulty understanding the unexpected amendment and urged a "no" vote. The amendment was rejected, 190-219, the closest roll call of the day. *(Vote 293, p. 1184)*

### Opposing Arguments

Throughout the session, opponents emphasized that HR 10 was wanted by union bosses, not federal workers. "The concern is not for the federal employee and giving them certain rights," declared Robert E. Bauman (R Md.). "The real concern is for federal unions, to allow them to get into politics, which they are now prohibited from doing."

Supporters countered that the 38-year-old Hatch Act was an anachronism, passed to deal with abuses of New Deal days. It relegated federal workers, they claimed, to the status of "second-class citizens." They argued that HR 10 would remedy this while providing safeguards against coercion and intimidation of those federal workers who did not want to participate in politics.

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energy development on public lands, after consultation with the Interior Secretary.

• Reserved to the Interior Secretary all other authority over public lands leasing, including sole power to issue leases and enforce regulations over them.

• Allowed the Secretary to veto any economic term in any lease.

• Transferred to the Secretary from the Department of Housing and Urban Development authority to set energy conservation standards for new buildings.

• Transferred to the Secretary from the Interstate Commerce Commission authority over oil pipelines.

• Transferred to the Secretary from the Department of Defense authority over three Naval oil reserves and three oil shale reserves.

• Transferred to the Secretary from the Department of Commerce authority over industrial energy conservation programs.

• Transferred to the Secretary from the Department of Defense authority over the Division of Naval Reactors and the Division of Military Application.

• Transferred to the Department of Transportation from the FEA authority over an FEA van pooling and car pooling program.

## Title IV—Federal Energy Regulatory Administration

• Created within the department an independent regulatory agency consisting of five members, appointed by the President subject to Senate approval.

• Provided that the commission's members would serve staggered terms of four years, and that not more than three could belong to the same political party.

• Transferred to the commission from the FPC the power to set interstate prices for natural gas and electricity, and other FPC powers under the Natural Gas Act and the Federal Power Act not transferred to the Secretary under Title III.

• Specified that the commission shall not be subject to direction by any department official and that commission decisions would constitute final department action on matters within its jurisdiction.

• Prohibited commission members from holding any official or financial relationship with any person or company engaged in energy business, including owning stock in such companies.

• Gave the Secretary the right to intervene in any commission adjudicatory proceeding.

• Specified that commission business was subject to provisions of the Sunshine Act of 1976 (PL 94-409).

## Title V—Administrative Procedures, Judicial Review

• Made the Administrative Procedures Act applicable to department rules and orders.

• Provided that notice of proposed rules must be published in the *Federal Register* and that interested parties must be allowed 30 days to respond unless the Secretary determined that an emergency required immediate action.

• Provided that when previous law specified which courts hold judicial review over functions transferred to the new department, review would remain as those laws required; otherwise, federal district courts would hold original [illegible] review of the act.

• Directed the Secretary to report to Congress within one year [illegible] information on the adequacy of [illegible] under the act [illegible]

• Required that any rule from the new department [illegible] than those setting oil and gas prices be submitted to Congress for review.

• Provided that both houses of Congress could veto a proposed rule by concurrent resolution within 90 days after the rule was proposed.

• Provided that either house of Congress alone could veto the proposed rule if it adopted a concurrent resolution opposing the rule within 60 days after the rule was proposed, and if the other house of Congress did not disapprove the resolution within 30 days.

• Provided that a proposed rule could become effective 60 days after being proposed if no committee in either house of Congress had reported out or had discharged a resolution opposing the rule within that time.

• Provided that persons charged with violating terms of the Emergency Petroleum Allocation Act could have a hearing before the Economic Regulatory Administration.

## Title VI—Administrative Provisions

• Prohibited any supervisory department employee from receiving compensation or holding any official relation to any energy concern.

• Allowed personnel transferred to the new department six months to comply with that prohibition;

• Allowed the Secretary to waive the requirement for divestiture of energy holdings where such divestiture would result in severe hardship.

• Specified that no former supervisory department official shall appear before the department in any official capacity on any matter for two years after leaving office, and shall not appear for five years after leaving office on any matter in which he was personally involved while with the department.

• Required the Secretary to provide various amenities for employees stationed in remote locations.

• Required the Secretary to file an annual report with the President for submission to Congress summarizing department activities for the preceding year and outlining department plans and goals for the future.

• Specified that the annual report include information on projected national energy needs, estimates of domestic and foreign energy supplies, analysis of trends, a review of research and development efforts and similar information.

• Directed the Secretaries of Defense, Commerce, Housing and Urban Development, Agriculture, Transportation, Interior and administrators of the Postal Service and the General Services Administration to designate one senior official as the agency's energy conservation officer.

## Title VII—Transitional and Other Provisions

• Transferred to the Secretary all personnel, assets and liabilities that go along with functions transferred under this act.

• Specified that personnel transferred to the department could not be fired or reduced in pay scale for one year.

## Title VIII—Effective Date

• Made the act effective 120 days after the Secretary takes office, or sooner if the President orders.

• Provided that in the interim, department officials could be appointed and rules issued.

## Title IX—Sunset Provision

• Provided that the act shall expire Dec. 31, 1982. ■

—*By Bob Rankin*



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# New Right: 'Many Times More Effective' Now

The organized conservative community seems serious about its promise to "move against Congress in 1978 in a way that's never been conceived of."

A constellation of conservative groups that use the direct-mail services of Richard A. Viguerie and form the nucleus of what is coming to be known as the New Right, already has amassed funds that are far in excess of what it had raised at this point two years ago. New Right groups contributed a bit less than one million dollars to House and Senate candidates in 1976.

Viguerie, one of the New Right's major tacticians, predicts a massive assault on liberal incumbents and says the New Right will be "many, many times more effective" in 1978 than it was two years ago.

A combination of early fund-raising drives, which have raised more than $3.5-million already, plus predictions of more to come from the right, have Democrats, labor unions, liberals and even some Republicans terribly worried.

"We have the talent and resources to move in a bold, massive way," Viguerie told Congressional Quarterly. "We plan something which is larger than anything that's been done before outside the major two parties."

It is still much too early to tell if the prophecy from the man who has been called the political guru and financial wizard of the New Right will come true. But it is already clear that ideological groups on the right, as well as the left, are preparing for an expensive election year.

It also is quite evident that the New Right's activities to date and future plans dwarf anything the liberal organizations and the older, more traditional conservative groups have contemplated.

The so-called New Right is a collection of groups that pledge allegiance to conservative positions on the "social issues," such as abortion, the Equal Rights Amendment and gun control, as well as emotional issues such as ratification of the Panama Canal treaties. There is less emphasis on traditional conservative values of balanced budgets and the free enterprise system. The New Right also makes a point of supporting conservative Democrats as well as Republicans. Most of the groups and their leaders have emerged in the last three or four years.

Viguerie is one of the key figures and certainly the most successful fund raiser in the New Right. From his offices in Falls Church, Va., near Washington, he sends out more than two million letters a week for conservative candidates and half a dozen right-wing organizations. *(Background, 1976 Weekly Report p. 3027)*

*"We have the talent and resources to move in a bold, massive way."*

—Richard A. Viguerie

The most prominent New Right groups include the National Conservative Political Action Committee (NCPAC), the Committee for the Survival of a Free Congress (CSFC), Gun Owners of America (GOA) and the Committee for Responsible Youth Politics (CRYP). All of these groups are planning to be heavily involved in supporting conservative candidates from both parties in next year's primary and general elections.

"We expect to be involved not only in congressional and Senate elections," Viguerie said, "but also legislative, gubernatorial, lieutenant gubernatorial and all kinds of other races as well."

There are several other groups on the right, not connected to Viguerie's operation, that are already active. Ronald Reagan used a million-dollar surplus from his unsuccessful presidential campaign to begin Citizens for the Republic (CFTR). The Fund for a Conservative Majority (FCM) grew out of the Young Americans for Freedom. The oldest of the major right-wing groups, which has raised the least amount of money this year, is the Conservative Victory Fund (CVF), an offshoot of the American Conservative Union.

According to reports filed with the Federal Election Commission, in the first 10 months of 1977 these seven groups raised $3,573,824. The four groups utilizing Viguerie's fund-raising machinery have raised two-thirds of the total amount. By contrast the groups which traditionally support liberal candidates, such as the National Committee for an Effective Congress (NCEC), have raised less than half a million dollars in 1977.

Because committees such as these are limited to contributing $5,000 to a candidate for each primary and general election, Viguerie also is planning to do a considerable amount of fund raising directly for candidates. He is confident he can easily raise $250,000 in each of 30 different House

*—By Christopher Buchanan*

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## What Groups Have Spent, Raised

**Interest groups have spent more than they have raised during 1977. Expenditures for 1977 include printing and mailing costs both for fund raising and lobbying purposes, as well as salaries, research and general office expenses.**

**The following figures come from reports filed with the Federal Election Commission, either on a quarterly or monthly basis. Organizations in *italics* usually support liberal candidates. Those in regular type generally support conservative candidates.**

| Organization | Receipts | Expenditures | Cash on Hand |
|---|---|---|---|
| National Conservative Political Action Committee (NCPAC) | 1,002,778 | 1,167,958 | 37,109 |
| Committee for the Survival of a Free Congress (CSFC)* | 757,559 | 736,466 | 65,455 |
| Citizens for the Republic* (CFTR) | 664,206 | 790,785 | 1,484,205 |
| Gun Owners of America (GOA) | 616,237 | 710,314 | 34,297 |
| Fund for a Conservative Majority* (FCM) | 278,877 | 280,044 | 7,580 |
| *National Committee for an Effective Congress* (NCEC)* | 229,825 | 240,011 | 25,664 |
| Conservative Victory Fund (CVF) | 199,050 | 177,041 | 20,343 |
| *Council for a Livable World** | 161,858 | 136,807 | 31,897 |
| Committee for Responsible Youth Politics (CRYP) | 55,117 | 55,361 | 1,556 |
| *League of Conservation Voters** | 28,346 | 17,092 | 13,497 |

*Includes reports through Sept. 30. All others include reports through Oct. 30.

elections in 1978. The average cost of a House campaign in 1976 was less than $100,000. *(1976 House campaign spending, Weekly Report p. 2299)*

### Concern on the Left

The ambitiousness of the conservatives' plans for 1978 have their opponents troubled.

"The right is better organized than they have ever been," worries Russell D. Hemenway, national director of NCEC. "They are beginning to emulate our campaign tactics, which is flattering, but it is also going to make things tougher."

In a speech to the Democratic National Committee Oct. 7, DNC Chairman Kenneth M. Curtis warned that "millions of dollars...will fund a vigorous nationwide effort against progressive Democratic representatives and senators in 1978. I think it is essential," he continued, "to combat the demagoguery of the right wing in any reasonable and feasible way available to us."

Viguerie seems pleased with the apprehension he sees among liberal activists. "I know the left is very bothered, and with good cause." For the last 20 to 30 years, he said, "the liberals have had a free reign." But with the new conservative groups now in place, he predicts, "we are going to give them one gosh awful run for their money."

Viguerie's efforts are not limited to defeating liberal Democrats. "We are not going to ignore some incumbent Republicans if they are a detriment to the interests of the conservative cause," he said.

Several Republican senators are upset by Viguerie's statements and letters being sent on behalf of conservative primary challengers to liberal Republicans.

In a letter to Republican Chairman Bill Brock, eight Republican senators organized by Charles McC. Mathias (Md.) complained that funding primary challenges from the right against incumbent Republicans "is not the kind of healthy competition we should encourage within the Republican Party. It is cannibalism."

Viguerie called the letter hypocritical and asked how three of the senators who signed it could justify demanding party loyalty when they refused to support Sen. Barry Goldwater (R Ariz.) in his 1964 presidential bid.

### 1978 Game Plans

The political objectives of both the right- and left-wing groups are clear. Conservatives plan to concentrate on ousting House liberals, many of whom were first elected in 1974. They also have targeted for defeat Republican Sens. Clifford P. Case (N.J.) and Edward W. Brooke (Mass.), as well as Rep. John B. Anderson (R Ill.). At the same time the right will support two leading conservative senators, Jesse Helms (R N.C.) and Strom Thurmond (R S.C.), both of whom may face strong Democratic challengers next year. *(Senate races, Weekly Report p. 2609)*

The liberals see 1978 as a defensive year. NCEC's Hemenway does not expect any gains in the Senate west of the Mississippi River, and said his group's main objective will be holding on to the suburban House districts which NCEC-backed candidates won in 1974 and 1976.

Kathryn Fahnestock, executive director of the League of Conservation Voters, one of the most effective environmental groups involved in supporting candidates, said she thought the opposition in the marginal districts would be harder to beat this year.

"In the past couple of elections the candidates who have been put up to oppose pro-environmental incumbents have not been particularly well-suited to the district, which made it easier to re-elect our candidates," she said. But "a lot of folks on the other side have now caught on and will start putting up stronger candidates against these people."

### Same Races

The left- and right-wing groups will end up targeting their money and support into the same races on opposing sides.

Along with the vigorous Senate campaigns expected to be waged on both sides in North and South Carolina, the re-election effort of Floyd K. Haskell (D) in Colorado will attract a lot of attention on both sides. The chairman of the CSFC, Paul Weyrich, worked for the man Haskell narrowly defeated in 1972, former Sen. Gordon Allott (R 1955-73). Weyrich has a



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personal reason for seeing Haskell defeated; the Colorado race is "the number-one interest in the country" for his group.

In the House, some liberal two-term members will also see a lot of money poured into their districts from both the left and right. Reps. Timothy E. Wirth (D Colo.) and Abner J. Mikva (D Ill.) are prime targets for CFSC and NCPAC. Both won in 1976 by less than 1 per cent. NCEC is committed to helping them resist a strong challenge from the right. Gladys Noon Spellman (D Md.) and Bob Carr (D Mich.) are two prominent NCEC favorites who have appeared on early conservative target lists for 1978.

The primary fund-raising tool for ideological groups on the right and the left, and increasingly for the major political parties as well, is through direct-mail solicitation.

"Without direct mail" says Viguerie, "the conservative cause may not exist today."

### Hyperbole

Most direct-mail fund-raising appeals by the right and left use emotional language and hyperbole to get their point across.

NCEC and CSFC frequently use each other's claims to stir up concern among their own supporters over the threat from the other side. An NCEC fund-raising pamphlet used in 1976 began with a bold headline: "There's a new 'enemies list' and some of your best friends are on it." The list was of 35 liberal House members CSFC had targeted for defeat.

On Oct. 18, NCPAC sent out a letter by first-class postage with "Urgent" stamped in red letters across the envelope. The letter asked readers to "send a $5 or $10 contribution today to help defeat liberal senators who want to give our Panama Canal away."

The letter identified 16 senators—Republicans and Democrats—who "will decide if a Marxist dictator will take both our canal and our money, and then open the canal to Russian warships—while our Navy is blocked from going through." The four-page, single-spaced letter continued, "What's next on the liberals' agenda? Do we give Alaska back to Russia and pay them at the same time?"

Curtis at the DNC meeting criticized the New Right for their "shrillness, stridency and superficiality." John Buckley, the executive director of the Fund for a Conservative Majority, defended such approaches, saying, "In some cases the shriller you are the more success you have in raising funds."

Although Viguerie denies that direct mail works better for conservatives than liberals, Scott Wolf who has been following the activities of the New Right for the Democratic National Committee, disagrees. He says conservatives have taken advantage of emotional issues that have greater fund-raising appeal. Direct-mail experts concur that the best method for raising money is to conjure up an enemy.

### Cost-Effectiveness

Direct mail, however, also has been criticized for not being particularly cost-effective. It has been reported that in North Carolina, of the $1.8-million Viguerie raised for Sen. Helms so far this year, only $200,000 will be used for campaign spending.

In 1976, a Congressional Quarterly study showed that candidates only received 9 cents of each dollar Viguerie raised for three of the largest conservative groups. *(1976 Weekly Report p. 3029)*

Viguerie and other direct-mail advocates respond to the criticism in a number of ways. They argue that the high cost is a result of the initial expense in building up lists of contributors. They promise that the ratio of money spent on campaigns to money raised will be higher in 1978.

The most effective way to raise funds through the mail is to re-solicit past contributors. It is here that Viguerie and the groups he works for have a tremendous advantage. Viguerie maintains current addresses of one and a half to two million people who have contributed to right-wing groups or candidates in his files. By contrast, NCEC has a list of 80,000.

Weyrich of the CSFC explains that "prospect mailings" to names on lists of potential contributors may pay for themselves, but will usually not bring in a profit. By contrast, in a mailing to past CSFC contributors, "if it cost 40 cents per name to send out a piece, we might get back as much as $1.75," Weyrich said.

Viguerie's other justification for the high cost of direct mail is that it should not be seen only as a fund-raising apparatus, but also as a means of advertising. "Direct mail is an unbelievably successful advertising medium when properly used," he said. "The people who focus in on direct mail as only a fund-raising vehicle are missing the boat."

### Cash vs. Services

Contributions to endorsed candidates are either in the form of direct-cash or in-kind services. The larger organizations tend to favor services rather than contributions because this gives them greater control over how their resources are utilized. Smaller groups without the ability to provide sophisticated services favor direct-cash contributions.

Mac Hansborough, NCEC's chief political consultant, said that it has taken his organization four to five years to develop and refine the in-kind services it now offers. NCEC will provide general campaign consulting, media services, polling information and targeting advice.

On the right, NCPAC and CSFC lean toward services rather than cash.

*"The theory is that if everything else is in order, then a good precinct organization could make the difference in a close election."*

—Paul Weyrich, Committee for the Survival of a Free Congress

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A fund-raising pamphlet from NCPAC says the group "goes beyond 'tossing money into a campaign.' In short, NCPAC has the ability to organize every level of campaign activity."

In 1976, CSFC provided candidates with direct cash support. Weyrich was disappointed with the results—"We threw money away."

"Our particular bag in life is precinct organization," Weyrich said. In 1978 rather than giving cash, CSFC plans to pay the salary of a campaign staff worker in each House district with an endorsed candidate. The staffer's only responsibility will be to conduct the precinct organization campaign. "If he ends up organizing spaghetti dinners and not doing the precinct organization work we will simply stop paying his salary," Weyrich said.

Not every group is as firmly committed to the idea of providing services or having staff people placed in campaigns.

Lyn Nofziger, who runs Reagan's Citizens for the Republic, said his organization would "provide some consultation because we want to know where our money is going, but we probably won't clutter up campaigns with a lot of field men. There just aren't that many good ones around."

Fahnestock of the League of Conservation Voters plans to give cash contributions rather than providing organizational or consultant support. "Most of our candidates reek of organization," she said. "It's the money they need. We don't even tell them how to spend it, but it is usually well spent."

Another environmental group, the Dirty Dozen campaign of Environmental Action, is switching this year to direct-cash contributions. Previously the group campaigned against 12 incumbents it felt had particularly objectionable environmental records by running negative campaigns against them rather than becoming directly involved in the challengers' campaigns. "It was a big hassle with the Federal Election Commission and we incurred a lot of administrative overhead," said Dennis Bass, who coordinates the program. This year he hopes to be able to earmark the group's cash contribution to be used for highlighting environmental issues.

### 1976 Record

Despite the large amount of money they raised in 1976, the impact of conservative groups on the outcome of the elections was slight.

In the House, CSFC contributed the maximum amount, or close to it, in 17 races. Only three of its endorsed candidates won. NCPAC contributed heavily to 15 House candidates, and only three won. Both groups supported the same three winners, all of whom were Republicans elected to open seats formerly held by Republicans—Eldon Rudd (Ariz.), Robert K. Dornan (Calif.) and Mickey Edwards (Okla.)

Conservative groups fared better in the 1976 Senate elections with NCPAC winning four of eight contests and CSFC winning two of the three where it spent the maximum allowable amount. *(1976 Weekly Report p. 3136)*

Weyrich said several CSFC-supported House candidates lost close elections in 1976 because they did not follow through with the precinct organization plan he advocates. "The theory is that if everything else is in order then a good precinct organization could make the difference in a close election."

Many feel that the high fund-raising costs were responsible for the New Right's poor showing in 1976.

NCEC's Hemenway said, "I'd be embarrassed if I spent 80 cents to raise a dollar." (In 1976, he said, NCEC spent 32 cents on fund raising for every dollar it raised.)

Terry Dolan, chairman of NCPAC, promises that the 1978 costs will not be as high. In 1976, he says, it cost 46 cents to raise a dollar. This year's fund raising has cut about 20

## Right Active in '77 House Elections

The success rate of right-wing organizations in 1977 special elections has been much better than its 1976 effort. Conservative groups contributed heavily in three of the four special elections held to fill House vacancies this year. Their endorsed candidates won each election.

In Minnesota, Republican Arlan Stangeland received nearly $12,000 from six conservative groups, including $6,552 from NCPAC. Stangeland won the district formerly held by Democrat Bob Bergland, the Secretary of Agriculture, with nearly 58 per cent. *(Minnesota election story, Weekly Report p. 369)*

In Washington, Republican John E. Cunningham upset Democrat Marvin Durning in a traditionally blue-collar Democratic district. Conservatives were active in both the Democratic and Republican primaries. After putting nearly $11,000 into the losing right-wing Democratic primary campaign of John Hemenway, conservatives lined up behind Cunningham, who easily won the Republican nomination. More than $33,000 was contributed to Cunningham's campaign by an array of seven right-wing groups.

NCPAC again was the largest of the groups, contributing $9,000, followed by the Fund for a Conservative Majority with $8,500 and the Gun Owners of America, which gave $7,500. Cunningham also raised more than $250,000 directly through mailings Viguerie sent out across the country on the candidate's behalf.

The Cunningham victory was a boost to the New Right. Supporters said it demonstrated the movement's appeal to blue-collar voters who traditionally were thought to be loyal Democrats. *(Washington election story, Weekly Report p. 995)*

The third special election, in Louisiana, was another surprise victory for a conservative Republican candidate in an historically Democratic district. With the help of $26,772 from six conservative groups, Robert Livingston managed to win the Aug. 27 special election caused by the resignation of Richard A. Tonry (D). A few months after his election Livingston signed a fund-raising letter for the Fund for a Conservative Majority, which donated $5,000 to his campaign. "FCM was instrumental in my upset victory," Livingston wrote. "Without their assistance the election results very easily could have been reversed." *(Louisiana election story, Weekly Report p. 1856)*

In all, major conservative groups contributed more than $80,000 in the three special elections. In each case, they supported winning Republican candidates in races to fill vacancies left by Democratic representatives.

There was no similar effort on behalf of liberal candidates by NCEC or other left wing groups.



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*"In some cases the shriller you are the more success you have in raising funds."*

—John Buckley, Fund for a Conservative Majority

cents off the cost. "We're an established group now," says Dolan, "and we are using our own house lists which are much more productive."

**Future Plans**

Four groups associated with Viguerie—NCPAC CSFC, GOA and CRYP—expect to contribute close to $2-million in 1978 to campaigns ranging from city council races to gubernatorial and senate contests.

NCPAC has the most ambitious plans, expecting to draw on its house list of 150,000 contributors to raise "at least a million dollars" for campaigns, according to Dolan. The organization expects to be involved on a day-to-day basis with about 100 campaigns and will contribute money and campaign services to approximately 200 more.

CSFC plans to contribute between $300,000 and $400,000 in salaries for precinct organization staff workers. Weyrich predicted the group would target 50 liberal House members for defeat and also would be involved in about half of the races for open seats.

H. L. (Bill) Richardson, chairman of the Gun Owners of America, one of the most active groups in 1976, would not disclose how many campaigns the GOA would enter, or how much it would contribute overall. He said the figure would exceed last year's $300,000, which went to state and federal election campaign committees. GOA has a firm rule not to support any incumbents.

One of the smaller organizations by Viguerie standards is the Committee for a Reponsible Youth Politics (CRYP). The main task is to train youth coordinators in campaigns, according to Morton Blackwell, who heads CRYP and also is the editor of Viguerie's newsletter, *The Right Report*. CRYP plans to contribute between $75,000 and $100,000 to House and Senate campaigns.

One of the major conservative organizations outside of Viguerie's circle is Reagan's Citizens for the Republic (CFTR). Unlike the Viguerie-related groups, CFTR will only contribute to Republicans. Nofziger, the group's director, refused to speculate on how many campaigns the committee would become involved in, or to what extent.

CFTR's last quarterly filing with the Federal Election Commission covering the first nine months of the year showed it had nearly $1.5-million on hand. But this figure was reduced considerably Nov. 28 when the committee repaid the federal government $611,141 in unused matching funds to Reagan's presidential campaign.

The Conservative Victory Fund, which in recent years has been eclipsed by the efforts of the New Right, hopes to double its contributions to candidates in 1978 and spend close to $200,000. The fund plans to break with its past tradition of only supporting challengers, so that it can help out Sens. Helms, Thurmond and perhaps John G. Tower (R-Texas).

The Fund for a Conservative Majority, a descendent of the Young Americans for Freedom, plans to contribute "upwards of $75,000 to $100,000," according to Executive Director John Buckley. The group will concentrate on "a handful of races with solid, hardcore, committee conservatives," Buckley said.

The largest liberal group is the National Committee for an Effective Congress, which has been operating for 29 years. Its 1978 budget calls for spending about $550,000 on campaigns, either through in-kind services or direct and indirect cash contributions. National director Hemenway expects about 35 candidates will receive the maximum support from the committee, and it will endorse another 30 candidates.

The Council for a Livable World endorses only six to eight non-incumbent Senate candidates each year. Rather than serving as a conduit for these campaigns, CLW asks potential contributors to select a candidate described in its fund raising brochure and give directly to that candidate's committee.

This method avoids the $5,000 group contribution limit and, according to the Council's executive director Steve Thomas, "lets the supporter control what is going on. The contributors is not forced to give wildly to some fund."

Thomas hopes CLW will funnel about $200,000 into its Senate races.

The League of Conservation Voters, which supports candidates who it feels are committed to protecting the environment, plans to spend about $100,000 on 20 to 25 House and Senate campaigns. Like NCEC, the League will be forced to spend more of its resources in 1978 supporting incumbents.

Environmental Action's Dirty Dozen campaign plans to spend $50,000 to $60,000 in its efforts. ■

*Amendment Proposed:*

# Debate Opens on Initiative System For Enacting New Federal Laws

In a few years voters across the country might be able to initiate federal legislation on controversial issues such as abortion, school busing and gun control.

That is the hope, at least, of several members of Congress who are pushing for a constitutional amendment that would provide for the enactment of federal laws by popular vote.

The opening round in what is expected to be a long debate on the so-

—By Rhodes Cook

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**Changes in Postal Services.** Decisions to modify existing services, such as Saturday delivery, would not go into effect if either house passed a resolution of disapproval within 60 days after the proposed change was submitted to Congress by the Postal Service. Existing law provided for review of mail service changes by the Postal Rate Commission, but the Postal Service could disregard commission recommendations.

**Rate-making.** The decisions of the Postal Rate Commission were made subject to congressional veto by concurrent resolution. Existing law permitted review only by the Postal Service Board of Governors. If Congress did not reject a change in rates within 60 days of receiving a rate proposal, it would go into effect. Congress would have to reject an entire rate package—as many as 600 separate rates—if it disapproved the commission's decisions. The bill also authorized an automatic federal appropriation to replace any postal revenues lost because of a congressional veto of proposed rate increases.

The committee also established a rate-making formula that it said would permit the Postal Service to make necessary allowances for "noncost" factors when deciding how much to charge for each class of mail. These factors included the volume of a class of mail, its social or educational value, the market demand for it and the impact of higher rates on its users, among other things.

The proposed formula would nullify a 1976 appeals court decision that said the Postal Service method of attributing costs—identifying the expenses of carrying each type of mail—was not in accord with the 1970 reorganization law. The effect of the appeals court decision was to lower the cost of first class mail and raise that of other classes such as nonprofit mailings, magazines and advertisements. Before the court decision, the Postal Service had already been using the rate formula approved by the committee. However, its pending rate proposal was based on the court decision.

In other rate-making decisions, the committee authorized a reduced rate for the first 250,000 copies of magazines and "controlled circulation" publications, plus a uniform rate for delivering these materials rather than a variable rate based on how far they had to be transported. Both were intended to help small-circulation magazines that could not benefit from postal discounts for pre-sorting their mail, or from the variable rate that was part of the pending rate package. (Controlled circulation publications were those sent without charge to specialized groups of recipients. They ranged from highly technical trade publications to "vehicles for advertisements," one committee source said.)

The committee said the proposed rate formula did not have to be applied to parcel post rates, and that the public service subsidy could not be used to make more than minimal—7 per cent—reductions in the package delivery rates. Critics of the bill said those provisions would keep the Postal Service from adopting rates that were competitive with private parcel delivery companies, but the private competitors of parcel post thought the bill did not adequately protect them. The committee also prohibited the Postal Service from using any revenues generated by rate increases to pay off old debts.

**Public Service Subsidy.** The committee nearly tripled the annual subsidy for postal services, to about $2.5-billion for fiscal 1979, according to committee estimates. Under a new formula, the subsidy would be 15 per cent of the previous year's operating expenses. After fiscal year 1980 the subsidy would have to be authorized on an annual basis. For fiscal 1979, the subsidy would be $920-million under the formula in effect.

The committee stipulated that, among other things, the additional funds should be used to keep small post offices open, continue six-day delivery of mail and expand postal research and development programs.

**Postmaster General, Postal Governors Board.** Congress' decision in 1970 to isolate top postal officials from partisan politics had "either not worked well or, perhaps, worked too well," the committee said. The executive branch had "virtually abdicated responsibility" for mail service, and the performance of the Postal Service Board of Governors in setting policy had been "unsatisfactory."

The committee recommended that the President appoint the postmaster general, with the advice and consent of the Senate, that the board of governors be eliminated, and that its functions be transferred to the postmaster general. Appointment of the postmaster general and policy review were the responsibility of the board under existing law.

In other action, the committee:

- Required the Postal Service to hold public hearings on proposals to close or consolidate post offices, in addition to other procedures already required by statute, and required the Postal Service to consider the social effect on a community of a proposed closing or consolidation.
- Required congressional review of all new Postal Service capital investments exceeding $9-million. The review was to be conducted by the House and Senate committees having postal jurisdiction, and the Postal Service could not go ahead with the projects until it had received "the congressional report" or until four months had elapsed after its submission.
- Required the Postal Service to contract with American ships for overseas delivery "unless no American carrier served the route." Rep. Wilson, who sponsored this provision, said in a markup session that it was needed to ensure timely delivery to American troops of mail that was not sent by air. Cheaper foreign vessels had not provided adequate service, Wilson said.
- Required broader public disclosure of the costs of the various classes of mail and the percentage of those costs that were paid for by appropriations.
- Stipulated that the legislation was not to affect existing contracts with postal workers or interfere with future collective bargaining.

In a separate section on costs the committee said that if the Postal Rate Commission approved a pending discount for mass circulation second class publications, its plan to lower rates for the first 250,000 issues of certain publications would cost the Postal Service $59.9-million each year in lost revenues. There was "no cost" for establishing a uniform rate for second class and controlled circulation publications, the committee said, and there was "no reliable method" of estimating the cost of extending library rates. The preferential use of American-owned vessels would cost about $1.4-million annually.

The Congressional Budget Office (CBO) in its review of HR 7700 concurred with committee findings except that it also estimated the impact of a congressional veto of postage rates. Disapproval of a "1-cent increase in first class postage, along with proportional [increases] in all other classes of mail," would cause a postal revenue loss of about $1-billion, half of which would be from the first class rate, the CBO calculated.

*—By Elizabeth Wehr*



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*Picking Up Chits:*

# GOP Presidential Hopefuls Gave Plenty to Party Candidates in 1978

When a group called the Citizens for the Republic gave $1,000 to Republican House candidate John E. Cunningham of Washington in March 1977, it began a new chapter in the history of presidential campaigning. It also opened up significant new sources of campaign funds for Republican congressional candidates.

The Citizens for the Republic was established in January 1977 by Ronald Reagan with surplus funds from his unsuccessful campaign for the Republican presidential nomination the previous year. By early 1978 three other Republican presidential hopefuls — George Bush, John Connally and Sen. Robert Dole of Kansas — had followed Reagan's lead and established political action committees (PACs).

Without much fanfare, the four committees had a major impact on the 1978 election. According to a Congressional Quarterly study of campaign finance reports filed with the Federal Election Commission (FEC) for the two-year period 1977-78, the four PACs contributed more than $800,000 to Republican candidates and party organizations, and their sponsors helped raise millions more with their appearances at fund-raising events.

"The PACs are a new way a presidential candidate can pick up chits," observed Steve Stockmeyer, executive director of the Republican Congressional Campaign Committee, and it's a logical extension of the traditional non-presidential election year appearances by White House hopefuls at fund-raising dinners along the "rubber chicken circuit."

In forming PACs, the four Republican hopefuls borrowed a technique from hundreds of corporations, labor unions and trade associations, which have established political committees in recent years to maximize their giving under the contribution limits of the 1974 Federal Election Campaign Act. As individuals or nonqualified groups, they could contribute only $1,000 to a House or Senate candidate in each primary or general election. As qualified PACs, they can give $5,000 per election.

From the start, Citizens for the Republic has been the Goliath of the Republican PACs. Possessing a $1 million surplus from 1976 and a mailing list of more than 100,000 names, the Reagan PAC was able to spend $4.5 million by the end of 1978, and listed $615,385 in direct or in-kind contributions to federal, state and local candidates and various party organizations. *(Box on PAC spending, p. 309)*

In gross receipts and overall expenditures, an FEC study found that the Citizens for the Republic exceeded all other non-party PACs in 1978. But because of its high overhead, its level of contributions to federal candidates trailed PACs established earlier by large business and labor organizations, such as the American Medical Association and the AFL-CIO. Yet the size and scope of the Reagan effort was unprecedented for a presidential hopeful in a midterm election.

Citizens for the Republic listed contributions to 400 Republican candidates across the country: 25 running for the Senate, 234 for the House, 19 for governor and 122 for other offices, which ranged from lieutenant governor of California to clerk of Clinton County, Mo. Reagan's wide-ranging activities also extended into intra-party affairs, with contributions to candidates for several state chairmanships.

Citizens for the Republic clearly dwarfed the other Republican PACs — the John Connally Citizens Forum, Bush's Fund for Limited Government and Dole's Campaign America. The Bush and Dole groups had limited objectives, serving primarily as speaking bureaus for their sponsors. Connally's PAC had more ambitious ideas, but fell short of its projected $1 million budget when it encountered difficulty in developing a reliable base of direct-mail contributors.

Altogether the four PACs spent more than $5.6 million during the 1978 campaign, most of it eaten up by heavy start-up and operating costs and unitemized travel expenses. Of the $809,330 the PACs listed on their campaign spending forms as contributions, more than two-thirds went to House and Senate candidates. The remainder went to candidates at the state and local level and various party organizations.

A substantial minority of the contributions were made by providing in-kind services rather than direct donations. Forty percent of the contributions listed by the Citizens for the Republic, for example, were in the form of in-kind services, such as television and radio tapes by Reagan, travel expenses for a Reagan appearance and polling data commissioned by the PAC.

## Conservative Challengers Favored

The Republican PACs were fairly similar in funneling most of their donations to conservative non-incumbents.

Ronald Reagan confers with old ally Sen. Paul Laxalt, R-Nev., at a GOP gathering in January.

—*By Rhodes Cook*

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None of the PACs listed a contribution to prominent moderate Republicans like Sens. Mark O. Hatfield of Oregon and Charles H. Percy of Illinois, or Govs. James R. Thompson of Illinois, William G. Milliken of Michigan and Richard L. Thornburgh of Pennsylvania. Sen. Edward W. Brooke of Massachusetts, who was obviously vulnerable throughout the year, received only a $1,000 contribution from the Connally PAC.

The itemized contributions listed on the campaign spending reports represent a significant new source of funds for Republican candidates, but are only the tip of the iceberg in measuring the boon the presidential hopefuls provided party fund-raising. Spokesmen for the Bush and Connally PACs both claimed that fund-raising appearances by their leaders helped raise upwards of $2.5 million for Republican candidates in 1978.

Other party personalities like Rep. Philip M. Crane, who formally launched his presidential candidacy in August, and former President Gerald R. Ford also were actively campaigning for Republican candidates throughout the year. The President Ford Committee moved too late in the year to form a PAC, but still gave $46,500 to 46 House and Senate candidates.

The creation of Republican PACs could pose a threat to the financial base of existing party organizations, although in 1978 there appeared to be a minimal amount of friction. "We're not in competition with them to raise money," contended Stockmeyer, "but we're gleefully joining with them to give it. They've opened a new area of candidate money."

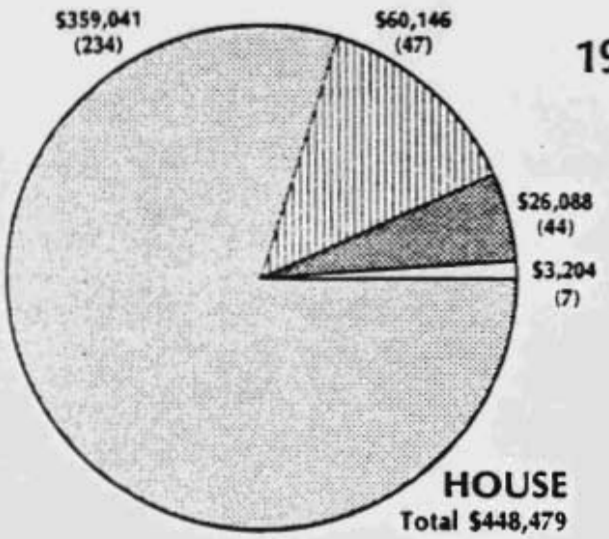
While PAC spokesmen stressed that the basic purpose of their organizations was to help Republican candidates in 1978, there is little doubt that they also had 1980 on their minds. All of the hopefuls were actively involved in campaigns in more than 40 states, and they showed a noticeable interest in contests in next year's early presidential primary states.

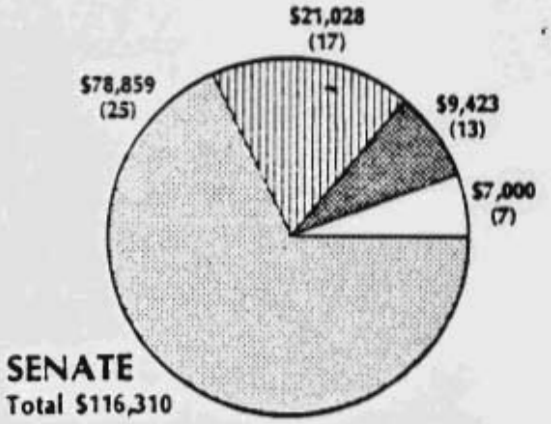
New Hampshire, traditionally the first primary state, got special attention from the PACs that belied its small size. Led by a $5,000 contribution from the Citizens for the Republic, all four PACs gave to Gordon Humphrey, the upset Senate winner over Democratic incumbent Thomas J. McIntyre. The Bush PAC's contribution of $500 was sent two weeks after the election, the PAC's only post-election contribution.

The Republican hopefuls also channeled funds into the coffers of other New Hampshire candidates. The Bush PAC gave its largest direct contribution last year ($1,250) to veteran Rep. James C. Cleveland, a one-sided general election winner in the 2nd District, and all except the Bush PAC gave to the House candidacy of unsuccessful Republican challenger Daniel M. Hughes in the neighboring 1st District. "We didn't totally disregard the primary schedule for 1980," said Campaign America's executive director Paul Russo, in describing Dole's speaking schedule. *(Major recipients, box, p. 310)*

The frenetic campaigning by the four hopefuls last year was an adaptation of Richard Nixon's barnstorming on behalf of Republican candidates in 1966. But while Nixon used the political IOUs he garnered that year as a major

## Expenditures on Behalf of 1978 Republican Candidates




Citizens for the Republic (Reagan)

John Connally Citizens Forum

Fund for Limited Government (Bush)

Campaign America (Dole)

NOTE: Number of candidates assisted in parentheses. Totals include direct contributions and in-kind expenditures, such as for travel or mailings. Based on reports filed with Federal Election Commission covering the period from Jan. 1, 1977 to Dec. 31, 1978.



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Sen. Robert Dole

George Bush

*Former Party Chairmen Use Personal Contacts*

stepping-stone to the 1968 Republican presidential nomination, he had the advantage of having the field almost entirely to himself.

The sheer volume of competition last year will prevent any of the presidential hopefuls from cornering the chits as Nixon did. "Everybody was doing it," contended Karl Rove, former executive director for the Fund for Limited Government. "Everybody was being helpful. The biggest advantage [for the PACs] was exposure to the party elite and party activist cadre."

Only the Citizens for the Republic is committed to remaining in operation. The Bush and Connally PACs have already closed down, with Connally announcing his presidential candidacy in January and Bush forming a separate exploratory committee to further test the waters. The future of Dole's Campaign America is uncertain. Dole is expected to form an exploratory committee preparatory to a presidential candidacy in the next few months.

Although some of the Republican PACs were short-lived, there is agreement among their directors that a PAC is a necessity for a presidential hopeful under the present campaign finance law. No longer are candidates permitted to tap sympathetic individuals or groups for large donations, nor can they count on a single aide or their congressional staff to handle scheduling requests throughout the increasingly long presidential campaigns. "The law forces top national candidates into PACs," observed Russo. "How else would you pay for travel?"

Another PAC spokesman agreed with Russo, but put it more bluntly: "Any potential candidate has to ally himself with this type of structure," he said. "They have to move around the country and meet party leaders. The law forces us to set up dodges called PACs."

### Sources of Funds

The four PACs were formed with the short-term intention of maximizing assistance to Republican candidates within the limitations of the campaign finance law. Their methods varied.

Bush, Connally and Dole all developed small-scale operations with a staff of five or fewer. Bush and Dole concentrated on speaking at Republican events for little or no cost, lending their prestige to help raise funds and draw media attention. Compared to the other PACs, they made few direct contributions.

Connally also maintained a heavy speaking schedule but placed a greater emphasis on contributions. His PAC was able to give more than twice as much money to candidates as the Bush and Dole groups combined. *(Box on PAC spending, p. 309)*

But the Citizens for the Republic was in a different league altogether, employing a staff of nearly 30, a crew of consultants, and a cartoonist. With a multi-million dollar budget, the Santa Monica, Calif.-based organization emerged as an off-year refuge for many long-time Reagan advisers such as Lyn Nofziger, the head of the PAC, David A. Keene, Mike Deaver and Pete Hannaford, who all did consulting work.

Citizens for the Republic relied heavily on its finely tuned mailing list for money, but augmented it with fund-raising events and campaign management workshops around the country.

Beginning operations with the left-over surplus from 1976, the Reagan PAC has maintained an enviable financial position. It began 1978 with nearly $1 million in the treasury and concluded the campaign with $216,000 cash-on-hand.

The other PACs had to build from scratch. Only the Connally PAC tried an extensive direct-mail effort to raise money and it had mixed results. The PAC went through about 65 mailing lists and ended up more than a quarter million dollars short of its projected $1 million budget. But Connally did develop a list of 12,000 contributors, primarily Texans, which should be helpful in financing the presidential campaign he launched Jan. 24.

Both Bush and Dole, former chairmen of the Republican National Committee (RNC), relied extensively on personal contacts with business leaders around the country to raise money for their PACs. A Bush PAC spokesman claimed funds were raised by the "rifle shot technique," which consisted of Bush's brother or some other aide on the telephone. The Bush PAC claimed this method was both effective and inexpensive, with fund-raising costs less than one percent of the total budget.

## Republican PAC Spending in 1978

Spending totals for the four political action committees sponsored by Republican presidential hopefuls is based on campaign spending reports filed with the Federal Election Commission (FEC) through Dec. 31, 1978.

Expenditures include all of the committee's expenses, primarily operating expenses. Contributions include all direct or in-kind donations to candidates and party organizations at the federal, state and local level that were itemized on the FEC reports.

Because federal law does not require the itemization of all expenses on behalf of non-federal candidates, such as travel costs for fund-raising appearances, the total level of campaign activity by the committees is understated.

| | Expenditures | Contributions | Percent of Expenditures |
|---|---|---|---|
| Citizens for the Republic | $4,509,074 | $615,385 | 13.6 |
| John Connally Citizens Forum | 718,884 | 133,940 | 18.6 |
| Fund for Limited Government | 228,321 | 48,051 | 21.0 |
| Campaign America | 197,399 | 11,954 | 6.1 |
| TOTAL | $5,653,678 | $809,330 | 14.3 |

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## Major 1978 Recipients

The following Republican House and Senate candidates each received a total of more than $5,000 in direct and in-kind contributions from the four candidate political action committees — Citizens for the Republic (CFTR), the John Connally Citizens Forum (JCCF), the Fund for Limited Government (FLG) and Campaign America (CA).

Of the 21 recipients, only Sens. Jesse Helms of North Carolina and James A. McClure of Idaho were incumbents.

The information is based on campaign spending reports filed with the Federal Election Commission through Dec. 31, 1978. An asterisk (*) appears next to the names of the winners.

| SENATE | CFTR | JCCF | FLG | CA | Total |
|---|---|---|---|---|---|
| Bell, N.J. | $10,000 | $1,000 | — | $1,000 | $12,000 |
| Helms, N.C.* | 10,000 | — | — | — | 10,000 |
| Cochran, Miss.* | 5,016 | 1,000 | 1,000 | 1,000 | 8,016 |
| Humphrey, N.H.* | 5,000 | 1,000 | 500 | 1,000 | 7,500 |
| Durenberger, Minn.* | 3,675 | 1,000 | 1,171 | 1,000 | 6,846 |
| Martin, Ala. | 4,200 | 1,923 | 628 | — | 6,751 |
| Jepsen, Iowa* | 6,519 | — | — | — | 6,519 |
| McClure, Idaho* | 5,166 | — | 370 | — | 5,536 |
| **HOUSE** | | | | | |
| Wilson, La.4 | 5,907 | 3,006 | — | — | 8,913 |
| Garner, Wash. 2 | 4,900 | 2,601 | — | — | 7,501 |
| Chase, Mo. 2 | 5,575 | — | 1,828 | — | 7,403 |
| Loeffler, Texas 21* | 5,594 | 1,000 | — | — | 6,594 |
| Goedeke, Calif. 38 | 6,500 | — | — | — | 6,500 |
| Cardenas, Fla. 14 | 4,618 | 1,536 | — | — | 6,154 |
| Lungren, Calif. 34* | 4,900 | 1,000 | — | — | 5,900 |
| James, Fla. 11 | 4,872 | 1,000 | — | — | 5,872 |
| Bronson, Mass. 6 | 5,400 | — | — | — | 5,400 |
| Briggs, Fla. 1 | 2,600 | 2,684 | — | — | 5,284 |
| Hughes, N.H. 1 | 2,100 | 2,642 | — | 500 | 5,242 |
| Horton, N.C. 5 | 2,900 | 1,245 | 1,062 | — | 5,207 |
| Litsey, Kan. 4 | 4,575 | — | — | 500 | 5,075 |

More than the other Republican PACs, Dole's Campaign America relied on contributions from corporate PACs as a source of revenue. Campaign America collected $43,000 in contributions from 31 separate agricultural, medical and business PACs.

Campaign America received $5,000 apiece in donations from the Associated Milk Producers, the Mid-America Dairymen, the National Association of Realtors and the American Family Corporation, and $4,000 each from Dairymen, Inc., and Dart Industries. Dole serves on the Senate Finance, Judiciary and Agriculture, Nutrition and Forestry committees.

The John Connally Citizens Forum was the only other Republican PAC to receive more than $10,000 from other political committees. It collected $17,754, all from Texas-based PACs, which included $5,000 from Connally's Houston law firm and $1,000 from the Associated Milk Producers, the group charged in 1974 with bribing Connally as secretary of the treasury to help increase milk price supports. Connally was indicted for his role in the case but won acquittal the following year.

### Where the Money Went

Although the four Republican PACs made their greatest effort on behalf of candidates in their sponsors' home states — Texas for Bush and Connally, Kansas for Dole and California for Reagan — they all were active across the country.

But the efforts of Citizens for the Republic far outstripped the rest. On its campaign finance reports, the Reagan PAC listed contributions to 400 candidates, five times as many as the John Connally Citizens Forum. The Bush PAC listed contributions to 51 candidates; the Dole PAC to 17.

While Citizens for the Republic aided some office-seekers who backed President Ford for the nomination in 1976 — such as Sens. Robert P. Griffin of Michigan and John G. Tower of Texas — the largest chunks of money went to Reagan loyalists like Guy Hunt, chairman of the Alabama delegation which voted solidly for Reagan in 1976 and an unsuccessful gubernatorial candidate last year; Jeffrey Bell, a former aide who ran unsuccessfully for the Senate in New Jersey; and Sen. Jesse Helms of North Carolina. Hunt received $11,242 in direct contributions and services while Bell and Helms received $10,000, the largest amounts the Reagan group gave any candidate. *(Box on major recipients, p. 310)*

Unlike the other Republican PACs, the Citizens for the Republic made several forays into primary races where there was no incumbent running — supporting former Mississippi Republican State Chairman Charles W. Pickering, for instance, in the Senate primary against Rep. Thad Cochran; Roger Jepsen against Gov. Robert Ray's choice in the Iowa Senate primary; and David Marston, the candidate of Reagan's 1976 running mate, Sen. Richard S. Schweiker, against a host of gubernatorial rivals in Pennsylvania.

Like the other Republican PACs, the Citizens for the Republic made its greatest effort on behalf of challengers and candidates for open seats. In House races, GOP opponents of Democratic members elected in 1974 and 1976 were major recipients. But a lot of other help went to long-shot candidates running in traditionally Democratic southern and urban districts.

Although it was only a small fraction of its treasury ($4,000), the Reagan PAC made a significant dip into Republican intra-party politics in 1977-78, donating to candidates for the state party chairmanship in Georgia, Maryland, Montana and Oklahoma and a county chairmanship in Texas. All except Maryland were strong Reagan states in 1976.

Citizens for the Republic also gave $7,500 to the Committee to Save the Panama Canal and $1,500 to the Committee for Tax Limitation.

The other three Republican PACs worked more closely with the RNC and its congressional, senatorial and gubernatorial affiliates in determining which candidates to support. In addition, both the Bush and Dole PACs established



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their own priorities. Dole placed special emphasis on helping local and state legislative candidates while Bush focused on helping Republican candidates that either held or were contending for marginal seats. As a result, Bush aided a higher proportion of House incumbents than the others and saw nearly all of those he helped win.

While the Republican PACs tended to be most active on behalf of conservative candidates, both the Bush and Dole PACs backed some prominent moderates. Bush lent campaign assistance to Reps. John B. Anderson of Illinois, William S. Cohen of Maine (in his successful Senate campaign) and the late William A. Steiger of Wisconsin. Dole campaigned for two Republican House members endorsed by the United Auto Workers — Elwood Hillis of Indiana and Matthew J. Rinaldo of New Jersey.

The Bush PAC's support for Anderson, another 1980 presidential prospect, was one of several intriguing interplays between the Republican hopefuls. Both the Connally and Reagan PACs contributed to Bush's son, an unsuccessful House candidate in Texas; Jim Baker, the chairman of Bush's PAC and an unsuccessful candidate for attorney general of Texas; and at least one of Phil Crane's two brothers who were running for the House.

None of the groups, though, contributed directly to Phil Crane. ■

*Five Challenges:*

# Contested House Elections

Faced with election-related complaints from five losing 1978 House candidates, the House Administration Committee Jan. 30 formed separate three-man ad hoc panels to hear each case. Hearings are scheduled to begin at the end of February.

Voting irregularities were reportedly the basis for four of the challenges — brought by Republican Jimmy Wilson against Democratic winner Claude (Buddy) Leach in the Louisiana 4th District, by Republican Leo K. Thorsness against Democratic winner Thomas A. Daschle in the South Dakota 1st, by Republican A. A. Rayner against Democratic winner Bennett Stewart in the Illinois 1st, and by U.S. Labor Party candidate Debra Hanania Freeman against Democratic winner Parren J. Mitchell in the Maryland 7th.

In the other case, involving the Maryland 6th District contest, Republican Melvin Perkins has contended that Democratic winner Beverly Byron was ineligible to run because she did not win the Democratic primary. Byron was selected as the Democratic candidate by a party committee Oct. 12 after her husband, Democratic Rep. Goodloe E. Byron, died unexpectedly.

Two of the five contests were quite close — the South Dakota race where Daschle was certified the winner by 139 votes, and the Louisiana election where Leach won by 266 votes.

Recommendations by the ad hoc panels will be forwarded to the entire committee and then to the full House, which ultimately must decide each case.

John L. Burton, D-Calif., will chair the panel hearing the Wilson-Leach case; with Vic Fazio, D-Calif., chairing the Thorsness-Daschle panel; Lucien N. Nedzi, D-Mich., the Rayner-Stewart panel; William R. Ratchford, D-Conn., the Freeman-Mitchell panel; and Peter A. Peyser, D-N.Y., the Perkins-Byron panel. ■


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# Surge in Independent Campaign Spending

"Money," the saying goes, "is the mother's milk of politics." Thanks to a quirk in the federal election law, Ronald Reagan may be better fed financially than Jimmy Carter.

Reagan and many other candidates will benefit this year from a surge in independent expenditures — a previously little used device to get around the legal limits on campaign financing.

Under a 1976 Supreme Court decision, a candidate's supporters may spend an unlimited amount to aid him; the proviso is that they can have no contact with the candidate or his campaign.

This sidesteps the federal law restricting contributions directly to a candidate's campaign committee. Legally, a single candidate may only get up to $1,000 from an individual contributor and $5,000 from a political committee in each election. Primary and general elections count as separate contests.

The Democratic and Republican nominees for president, who each receive $29.4 million in government funds for the general election, generally may accept no outside contributions during the fall campaign.

Independent spending so far during the current two-year election cycle towers over anything done before in this area.

According to a Congressional Quarterly study of Federal Election Commission (FEC) records, $2,148,293 was spent independently in 1979 and the first three months of 1980. That compares to an estimated $792,953 for the entire 1975-76 cycle and $147,764 for 1977-78.

A presidential race seems to spur independent spending, which is the likely explanation for the falloff between 1975-76 and 1977-78.

An FEC study of individuals and some committees in the 1976 election showed that 73 percent of that cycle's independent activity was devoted to the competition for the presidency. Senate races got 13 percent of the independent spending, and House contests 14 percent.

—By Larry Light

### Pro-Reagan Plans

This current cycle's total will balloon tremendously if plans come to pass for two massive independent drives touting Reagan in the fall election against Carter. Should that happen, Reagan will enjoy a tremendous advantage.

Sen. Harrison (Jack) Schmitt, R-N.M., announced the formation June 5 of a new organization that claims it will spend $20 million to $30 million in Reagan's behalf. The group, called Americans for Change, already had $150,000 in pledges, said Schmitt, its chairman.

In addition, several former Nixon and Ford administration officials reportedly are organizing a second independent pro-Reagan committee, which aims to spend up to $18 million. It would be headed by Stuart Spencer, a political consultant and chief strategist for President Gerald R. Ford's 1976 campaign.

Of course, it remains to be seen whether these two groups will attain their ambitious goals.

Their fund-raising plans rest on the assumption that political action committees (PACs) and other big givers will be willing to contribute for the fall campaign. The logic behind these parallel Reagan groups is that contributors will be looking for outlets because no one may make direct donations to presidential campaigns in the general election except for the very limited purpose of paying for the campaign's legal and accounting costs.

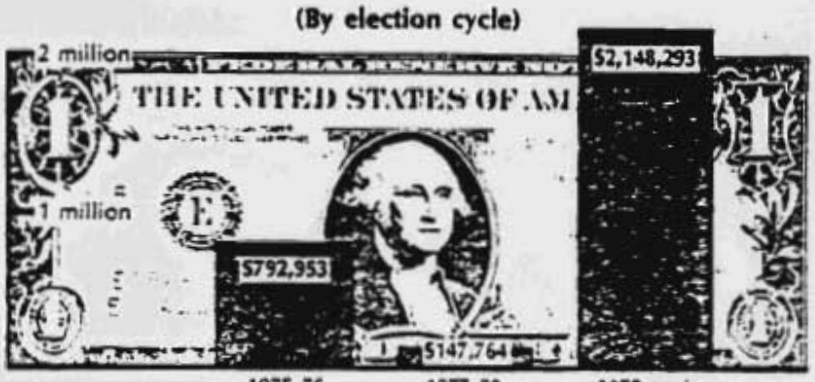
The evidence suggests that Reagan may be privately pleased to have this activity in his behalf. He failed to strongly disavow such efforts both this spring and four years ago, when he also ran for the GOP presidential nomination.

The Carter camp, though, dislikes independent efforts. John C. White, the president's handpicked chairman of the Democratic National Committee, criticized Schmitt's committee, saying it would lead to "a distortion of the fund-raising process."

In 1976, Carter was aided by a minor amount of independent spending — the bulk of it from the United Auto Workers ($27,064). But his campaign actively discouraged it and may do so again this year.

## Independent Expenditures

(By election cycle)




NOTE: The chart shows independent expenditures by individuals and political committees in federal campaigns for 24-month periods for the 1976 and 1978 elections and for the first 15 months of the 1980 election cycle.

SOURCE: Compiled by Congressional Quarterly from reports filed with the Federal Election Commission (FEC) and from tabulations by the FEC.

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Observers paint that as a tactical move, aimed at keeping the level of GOP independent spending low.

"If Carter were going great guns using this loophole, the Republicans could easily top him," explained one political operative who has worked for the president. "The Republicans always could blast us out of the water on money."

The 1972 presidential contest, the last one without financial limits, illustrates this. The Democratic nominee, Sen. George McGovern of South Dakota, spent just $30 million, while President Richard M. Nixon disbursed $61.4 million.

Independent spending has ample territory for expansion. Merely a handful of the more than 2,000 PACs indulge in the practice. The same goes for the nation's wealthy individuals. And an April 1978 Supreme Court decision may clear the way for independent expenditures by corporations.

In *First National Bank of Boston vs. Bellotti*, the court overturned a Massachusetts law forbidding companies from spending money to influence voters on a referendum issue.

A broad interpretation of this case could end the legal prohibition on corporate involvement in federal politics. No attempts to go this far have surfaced, but it may be a matter of time. Now, the only corporate-related entities that may spend in federal elections are PACs, which are separate from their parent companies.

## Top Independents

The leaders among independent expenditors are ideologically oriented. Most of them are on the right, perhaps reflecting the conservative ascendancy in national politics.

PACs, whose funds are composed of voluntary contributions, dominate the independent spending field. Rich individuals who travel this route are few. *(PAC independent expenditures, p. 1637)*

So far, the biggest share of the 1979-80 independent spending — $623,667 from January 1979 through last March — belongs to the National Conservative Political Action Committee (NCPAC). This group has launched a negative advertising campaign to defeat six Democratic senators who are viewed as liberal by NCPAC.

Next comes the Fund for a Conservative Majority, another ideological PAC. For 1979 and the first quarter of 1980, it spent $232,147 to help Reagan win the GOP presidential nomination.

The third and fourth highest independent spenders for the 15-month period were two liberal millionaires who took out ads boosting the presidential candidacy of Rep. John B. Anderson, R-Ill. New York philanthropist Stewart R. Mott spent $110,180 (part of it for Sen. Edward M. Kennedy, D-Mass.) and California television producer Norman Lear, $105,573.

In fifth place was the National Rifle Association Political Victory Fund with $68,188.

NCPAC and the Fund for a Conservative Majority also are eyeing large independent expenditures to aid Reagan in the autumn.

Despite its rapid expansion recently, independent spending takes up a minuscule share of overall campaign financing. In 1979, independent expenditures totaled less than 1 percent of direct contributions. NCPAC, the independent spending leader, gave four times as much in direct contributions in the first 15 months of the 1977-78 election cycle as it spent on independent expenditures.

"The better way to spend money is to give it directly to candidates," former Sen. Eugene J. McCarthy, D-Minn., told Congressional Quarterly.

Generally, candidates prefer to control all spending designed to help them — and, by definition, they cannot control independent activity. From the contributor's viewpoint, direct donations offer convenience; he only has to write out a check.

To make an independent expenditure, he must go through the trouble of drawing up ads, buying publication space or air time and filling out FEC reports. Plus, for the duration of the campaign, he must scrupulously avoid any association with the candidate he admires.

## Controversy

The recent outpouring of independent money is accompanied by a growing controversy over the practice.

Its backers laud independent expenditures as a cornerstone of constitutional rights.

"It's not a loophole, it's clearly a First Amendment question," said John Bolton, a Washington attorney for the plaintiffs in the 1976 Supreme Court case that sanctioned independent financial operations, *Buckley vs. Valeo*.

"If it's your money, you should be able to spend it any way you want to," said Henry C. Grover a public relations man and one-time Texas state legislator.

Grover independently spent $29,076 to benefit former Texas Gov. John B. Connally in his 1980 push for the Republican presidential nomination. He spent $63,000 in Reagan's behalf in 1976 and may do the same for him this fall.

"Independent expenditures are a good safety valve for people to vent their emotions," said Herbert E. Alexander, director of the Citizens Research Foundation and a University of Southern California political scientist. "What if there had been financial limits put on the [anti-Vietnam War] peace movement?"

But others condemn independent expenditures as a means of subverting the six-year-old federal election reforms.

In a dissenting opinion to *Buckley vs. Valeo*, Justice Byron R. White said permitting independent spending would result in "transparent and widespread evasion of the contribution limits."

"This could crush the system of regulation," Fred Wertheimer, senior vice president of Common Cause, the self-styled citizens' lobby, commented. "I'm not sure the [Spencer cer and Schmitt efforts] fit within the parameters of the *Buckley* decision. A separate track wasn't what the Supreme Court was talking about."

"You have to include independent expenditures in regulations somehow; you can't regulate everybody else and let them do their thing," said Rep. Tom Railsback, R-Ill., a devotee of campaign spending lids. The only good aspect of independent spending, he added, was that it helps challengers take on entrenched incumbents.

## Restrictions Difficult

In light of the Supreme Court's ruling, however, finding a legal way to clamp down on the practice would be difficult.

One answer, Railsback says, might be to limit the use of broadcast time for paid political ads, thus constricting a major outlet of independent spending. Under Railsback's plan, candidates would get free air time.

Another remedy, Wertheimer proposes, could be to lift the election law's financial restrictions for a candidate if independent expenditures were used against him.



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# PACs are Independent Expenditure Leaders

As "Sweet Georgia Brown" played in the background, the basketball player showed South Dakota television viewers his dribbling artistry.

"Globetrotter is a great name for a basketball team," said the advertisement's narrator. "But it's a terrible name for a senator.

The alleged junketeer was Sen. George McGovern, running for re-election this year. The ad, designed to soften up McGovern for his conservative Republican challenger, is part of a nationwide media blitz to defeat six Democratic senators in 1980.

Known as Target 80, the controversial independent spending drive has been mounted by the National Conservative Political Action Committee (NCPAC). That group's independent expenditure efforts are the most visible — and most expensive — so far in the 1979-80 election cycle.

The size of NCPAC's program, which dwarfs any previous independent expenditure effort, also underscores the predominance of PACs in this field.

Wealthy individuals like New York philanthropist Stewart R. Mott, whose solo spending primarily has benefited John B. Anderson's presidential campaign, are the exception.

Among PACs, conservative and single-interest groups have set the pace on independent spending. For many of these organizations, such as the Life Amendment PAC and the National Rifle Association Political Victory Fund, the emphasis clearly is on negative advertising.

For them, the effectiveness of the negative approach was demonstrated in 1978 with the defeat of Sen. Dick Clark, D-Iowa. Anti-abortion forces claim that leafletting of church parking lots the Sunday before the election provided the crucial margin to dislodge the liberal Clark.

While some observers dispute this assessment, it has taken root in the political community and helped foster endeavors like NCPAC's ambitious Target 80. *(NCPAC plans, 1979 Weekly Report p. 1540)*

In addition to McGovern, the other Democrats targeted by NCPAC are: Birch Bayh of Indiana, Alan Cranston of California, John C. Culver of Iowa, Frank Church of Idaho and Thomas F. Eagleton of Missouri.

"Our goal is a conservative Senate, and this is the best way to get it," said John T. Dolan, the NCPAC chairman.

The group, which makes direct contributions as well, plans not to do any independent spending on House races because it feels its impact will be greater in the smaller Senate.

Federal Election Commission records show NCPAC independently spending $623,667 in 1979 and the first three months of 1980. This sum paid for a media blitz that highlights what the PAC sees as the senators' anti-defense and fiscally profligate views. Three of the senators, for instance, are hit with a "baloney" ad.

This features slices of baloney with multimillion-dollar price tags equaling the amount of deficit spending the target senator purportedly voted for. "One very big piece of baloney is Birch Bayh telling us he's fighting inflation," the announcer says.

Several of the NCPAC targets have complained that the group has distorted their records. Church objected to one ad that showed an empty missile silo in an attempt to demonstrate that the senator's votes had weakened the military. It turned out that the silo was empty only because the Titan missile it housed had been removed as obsolete.

NCPAC intends to phase out its ads in mid-summer, giving the senators' general election opponents a clear field.

The negative independent campaign finds few supporters among PACs whose interests are more economic than ideological.

Such political committees are offshoots of lobbying organizations, whose creed generally is to make as few enemies and as many friends as possible. To the American Medical Association (AMA), which involves itself in a broad range of legislation, a positive approach aids the alliance-making necessary in day-to-day lobbying.

"We really don't believe the negative ads would be productive for us," said an official with the AMA's PAC. In 1978, AMPAC independently spent $42,372 for magazine ads extolling Sen. Sam Nunn, D-Ga. The ads mentioned nothing about Nunn's opponent.

Why are rich people not flocking to use independent expenditures?

Mott, television producer Norman Lear, Texas industrialist Cecil R. Haden and former Texas legislator Henry C. Grover were the only individuals spending a lot independently in the current election cycle through March.

One reason is that PACs often are more politically attuned than wealthy individuals, who spend most of their time tending to business and other interests. The reticence of the rich to make independent expenditures, said NCPAC's Dolan, stems "from their not knowing how to do it and maybe not even knowing it exists."

The biggest disincentive may be the extensive reporting requirements for federal political financing. Individuals must report each independent expenditure exceeding $250.

"I consider that a major breach of my privacy so I choose not to be involved," said one big giver to McGovern's 1972 presidential campaign.

Also, the stigma attached to being a so-called "political fat cat" reportedly has dissuaded many of the rich from pursuing the independent route. Such large-scale spending raise suspicions of influence-seeking, such as the "ambassador auction" under the Nixon administration.

A $250,000 donation for Nixon's 1972 re-election, for instance, made New Yorker Ruth Farkas the envoy to Luxembourg, according to testimony in the Nixon impeachment inquiry.

If independent activity emerges from 1980 with wide acceptance in the political community, however, many more moneyed individuals may try it.

"The rich simply are not organized yet," observed former Sen. Eugene J. McCarthy.

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**The leader in independent campaign spending for the first 18 months of the 1980 election cycle is the National Conservative Political Action Committee. Its advertising is aimed at defeating six Democratic senators — the five pictured above in a NCPAC handbill and Thomas F. Eagleton of Missouri.**

Raising the caps on direct contributions, which were set in 1974, is a third possible means of stemming the growth of independent expenditures.

As Alexander, who feels the ceilings are too low, points out, "$1,000 in 1974 dollars is meaningless — it's worth less than $500."

If independent expenditures enable Reagan to defeat Carter and helps the opponents of the six NCPAC-targeted Democratic senators to win, the climate might be right to clamp down, onlookers say.

"Let the focus be negative enough, and it certainly could cause a backlash," said Richard P. Conlon, staff director of the liberal House Democratic Study Group.

## Regulators' Attitude

Meanwhile, the attitude among the regulators about independent spending is one of resignation.

As FEC Commissioner Robert O. Tiernan put it, "There's nothing the commission can do. This is protected by the *Buckley* decision. As long as we have the First Amendment, the so-called 'fat cats' can get back in, using this."

"Because of constitutional considerations, all you can expect is disclosure" of independent activity, argued FEC Commissioner Thomas E. Harris. "Congress salvaged what it could after *Buckley* by requiring that [independent spenders] file reports to us."

If a person or committee makes an independent expenditure of $250 or more, it must be reported to the FEC.

The two attempts to control the phenomenon have been weak in the eyes of some. They also have drawn legal challenges.

FEC opinions in 1975, 1976 and 1979 discouraging pooling of independent spenders' resources prompted a lawsuit from philanthropist Mott, who wanted to combine his money with television producer Lear.

The FEC had concluded that a united effort like this would constitute a PAC; Mott and Lear each would be limited to giving $5,000 to the fund as a result — far less than they intended to spend.

The second bid to curb independent spending concerns an Internal Revenue Service ruling, issued March 21, 1979. The action disallowed tax credits for contributions that go to negative campaigns, such as NCPAC's ad blitz opposing the six Democratic senators.

But NCPAC has appealed the matter within the IRS, and the ruling has no effect until a final decision is made. That could take a long time. In any event, the IRS ruling applies only to the one NCPAC contributor who was the subject of the agency's action, says the group's attorney, J. Curtis Herge. That is an interpretation the tax agency disputes.

## Background

Independent spending must be for a communication — usually broadcast spots, print ads, brochures, bumper stickers or buttons — and must be done without consultation with the candidate it is designed to help.

The practice is a reaction to the ceilings placed on direct contributions in 1974. Before then, financial limits were nominal and seldom enforced, letting big campaign donors give as much as they wanted straight to a candidate.

"With no caps, there would be no need for independent expenditures," said NCPAC's Dolan. "Otherwise, we could work through [a candidate's] campaign. We'd say, 'Here's $10,000, and you should spend it this way.'"

Also helping to squeeze money into independent activity were the 1976 amendments (PL 94-283) to the law. They banned the formation of subgroups to get around the direct contribution limit of $5,000 that each committee can give one candidate. In other words, a PAC could not split into four subsidiaries and give a total of $20,000 to its favorite politician. *(1976 campaign act amendments, Congress and the Nation Vol. IV, p. 996)*

Independent spending used to be an occasional undertaking reserved for politically minded millionaires and small interest groups.

In 1968, liberal philanthropist Mott spent $100,000 for newspaper ads trying to persuade the late Nelson A. Rockefeller, governor of New York, to run for president. In 1972, with



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the Vietnam War still ongoing, the General Motors heir spent $50,000 to publicize a 1968 statement by President Nixon: "Those who have had a chance for four years, and could not produce peace, should not be given another chance."

The Vietnam conflict saw a flurry of peace groups bidding to mobilize public opinion both for and against candidates. And Environmental Action started its "Dirty Dozen" effort in 1972, designed to highlight the records of 12 members of Congress that the conservationist group deemed pro-pollution.

The seeds of the present era of independent spending were planted nine years ago. That is when Congress, distressed by the large television costs of the 1968 presidential race, passed the Federal Election Campaign Act of 1971 (PL 92-225). *(Background, Congress and the Nation Vol. III, p. 397)*

That measure imposed ceilings on spending for media advertising. Media were required to get certificates from candidates stating that their ads did not exceed the spending limits.

The crucial element, though, was the law's treatment of independently placed ads opposing a candidate. People who took out such negative ads were compelled to certify that they had no affiliation with the targeted candidate's opponent. Otherwise, the opponent would have the cost of the ad counted toward his limit, even though he had nothing to do with it.

The entire certificate system came into question when *The New York Times* refused to accept ads listing members of Congress who voted against President Nixon's busing proposals. The ads had no accompanying certificates of non-affiliation. In a 1973 case growing out of this episode, *ACLU vs. Jennings*, the U.S. District Court for the District of Columbia held the media limits unconstitutional.

Partly with this in mind, Congress in 1974 passed the landmark legislation (PL 93-443) setting ceilings across the board — for all kinds of campaign activity, while repealing the specific limit on media. Included were independent expenditures, which the lawmakers limited to $1,000 yearly on behalf of a candidate. *(1974 campaign act amendments, Congress and the Nation Vol. IV, p. 991)*

The major stimulus for the 1974 amendments was the revelation of massive secret contributions to Nixon's 1972 re-election drive.

But an ideologically diverse group — led by the conservative Sen. James Buckley, R-N.Y., and the liberal McCarthy — contested the statute in court on grounds that it abridged freedom of speech by restricting what someone could spend on a candidate.

In *Buckley vs. Valeo*, the Supreme Court agreed, at least as far as independent expenditures were concerned. If an independent spender had no dealings with a candidate, the justices said, then the object of the 1974 amendments had been attained — corruption would not be a problem. By this reasoning, the court upheld limits on the supposedly more corruption-prone direct contributions.

## Treading Carefully

Although there have been no major FEC crackdowns on independent expenditures, most such spenders get lawyers' advice before taking a step. A talk with an independent spender is as much about the law as it is about politics.

NCPAC, for instance, recently solicited guidance from the commission on nine different courses it is thinking about pursuing.

Under one proposal, NCPAC wanted to hire a consultant with a husband employed by a Republican Senate candidate whose Democratic foe the group opposed through independent spending. The FEC said it could hire her provided that the couple had no professional dealings.

A desire to avoid legal problems played a role in Environmental Action's scrapping its "Dirty Dozen" campaign after 1976. According to group official Peter Harnik, "it became difficult to guarantee that our people were not strategizing with campaign people."

Currently, the FEC is examining charges of collusion between NCPAC and Rep. James Abdnor, R-S.D. NCPAC has been running negative ads directed at Abdnor's fall opponent, McGovern. The South Dakota Democratic Party complained in April that the conservative group was simultaneously urging Abdnor to enter the race.

NCPAC contends that a previous FEC opinion allowed it to talk to Abdnor until he became the Republican senatorial nominee June 3.

Like many independent expenditors, philanthropist Mott fears that the FEC may end up viewing the rule against collusion too narrowly.

In February, he says, he held a fundraiser for Anderson, but in March and April he kept clear of personal contact with the Anderson campaign while he boosted it with independent spending.

"I had to check I.D.s before I talked with anyone to ensure they weren't with Anderson," he recounted.

And now, Mott is back in touch with the candidate because, wishing to have Anderson's ear, he no longer intends to use independent expenditures. He hopes that "the slate is wiped clean."

One political problem with the no-contact rule is that independent spenders may inadvertently hurt the very candidate they seek to help.

"You might choose an issue that's not the feeling of the district and damage your guy," said a coordinator for the American Medical Association PAC.

Aides of Rep. Steven D. Symms, R-Idaho, who is challenging that state's Democratic senator, Frank Church, reportedly are nervous that NCPAC's anti-Church ads will arouse sympathy for their target. The "Dirty Dozen" campaign caused trepidation in several of its intended beneficiaries.

Most ideological groups believe the risk is worth it.

"You see, no candidate wants to discuss abortion," said Bea McClellan, president of the Oregon Life Amendment PAC. "That's why we have to make sure it's one of the issues."

To individual spender Grover, his activity for Connally was a matter of regional savvy. "I knew Texas better than anybody in that campaign," he said.

But NCPAC's Dolan thinks polling is vital before doing independent spending, "because it's more objective than talking to your friends."

The seeming key to successful independent spending is to monitor a favored candidate's progress.

An example is the 1980 New Hampshire primary, when Reagan appeared threatened by a hard-charging George Bush.

With Reagan nearing the crucial first-in-the-nation primary's $294,000 spending lid, the Fund for a Conservative Majority leaped in with an estimated $60,000 for advertising and leafletting.

That amounted to a 20 percent spending hike for Reagan. And Bush could do nothing about it. ■

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DALLAS TIMES-HERALD
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# Reagan campaign plans $2 million Texas effort

AUSTIN (AP) — Ronald Reagan's campaign plans to spend about $2 million in state and national funds in Texas with special efforts made to attract Democratic and independent voters, Gov. William P. Clements Jr. said.

"You would be surprised at the friends Reagan has among the Democrats," said Clements, newly appointed state chairman of the Reagan campaign, at a Tuesday news conference.

"I have no doubt that Ronald Reagan will carry Texas and be the next president of the United States."

Former Midland Mayor Ernest Angelo, who has been the state campaign coordinator and is now deputy state chairman and campaign manager, said Clements was selected at a Monday meeting in Dallas attended by William J. Casey, chairman of the national campaign, and Lin Nofzinger, deputy campaign director and director of communications.

"He was our unanimous choice," Angelo said at the news conference.

Clements said campaign plans still were incomplete but "we plan to unite all the factions of Texans . . . We plan to utilize all the volunteer work we can. We expect to have 25,000 to 30,000 volunteers by November. I am very enthusiastic."

He said the campaign is expected to raise about $1.5 million within Texas, with the rest coming from national coffers.

Asked about his plans to have a separate organization for Democrats and independents, Clements said he was "reasonably sure; we will be talking with Allan Shivers." Former governor Shivers headed similar organizations.

*Gov. William P. Clements Jr.*

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HOUSTON CHRONICLE
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# Clements backs Reagan for GOP nomination

Chronicle Austin Bureau

AUSTIN — Gov. William P. Clements Jr. announced his "total support" of former Calif. Gov. Ronald Reagan's candidacy for the Republican presidential nomination and predicted Reagan will be the next president.

After complimenting Reagan and former CIA Director George Bush on a "tough, hard-fought and well-organized campaign" that drew the largest Republican primary turnout in the state's history, Clements said Monday he was fulfilling a campaign pledge to support the candidate favored by a majority of the voters.

Clements admitted his endorsement of Reagan will have no effect nationally on the outcome of the Republican contest for the presidential nomination.

Clements also refused to rule out the possibility he would accept an invitation to be his party's vice presidential candidate.

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CAUCUS LEADER

# Sen. John Harmer --Rising GOP Star in Sacramento

BY ROBERT FAIRBANKS
Times Staff Writer

SACRAMENTO—A new Republican star is rising over the state Capitol, and the wise men are wondering how high it may go.

The new light is John Loren Harmer, 37, a state senator from Glendale who has emerged during recent weeks as a formidable leader in the upper house.

Harmer has all the characteristics that contribute to political success. He is ambitious, youthful, handsome, intelligent, articulate, fidgetsome and frank.

Although he is usually described as a Republican conservative, his independent approach to problems has won him respect from men of all political persuasions.

### Burton's Reaction

"He's always willing to listen," said Democratic Assemblyman John L. Burton of San Francisco, a legislative champion of the left.

In fact, about the only people who speak ill of Harmer are some of those who have stood in his political way. From their point of view, Harmer has all the humanity of a shark.

In 1970, for instance, Harmer entered late but finished second in the Republican primary election for the state attorney general nomination. The winner (and attorney general today), Evelle J. Younger, says that he has forgiven and forgotten Harmer's typically slashing campaign.

However, some of Younger's associates still become furious at recollections of a four-page "Republican Journal" that Harmer mailed statewide late in the race. Among other things, it implied that Younger—a former judge—had been wantonly releasing child molesters to prey on California's population.

(The journal listed 15 separate cases in which Younger had granted probation to convicted child molesters.

(Younger's associates replied that child molesters are usually treated as sexual psychopaths and are sent to a state mental hospital for treatment.

(Upon their release, perhaps after several years, these persons are returned to the courts, which routinely conclude the case by granting probation, a device to keep the person under judicial surveillance.).

Seated in his office recently, before a large portrait of Abraham Lincoln, Harmer briefly defended his use of the child molesting material by noting that it was literally true. (Probation had been granted.)

### Approval Given

"But," he continued, "I cannot deny the fact that I gave approval for its use in view of the desperate condition of my own campaign."

He was losing, he believed, because he lacked the money to match Younger's supremely effective television campaign that featured an endorsement from Dragnet star Jack Webb.

"If he had it to do over, would he use the child molesting material again?"

"I can only say that in the detached quiet of this room . . . I would not send it out," Harmer replied.

Harmer was born April 28, 1934, in Salt Lake City and, as he says, there is no understanding his political career without understanding his Mormon religion.

### Mormon Reaction

According to Harmer, the Mormon church—the Church of Jesus Christ of Latter-day Saints—has the fundamental task of preparing this world for the second coming of Jesus Christ. Crucial to that task, he said, is the preservation of freedom in the United States. But freedom cannot be preserved unless the right kind of men serve in government.

Thus, Harmer says, he sees his service in government as service to his church, similar to the missionary work he did in England from 1955 to 1957.

Unfortunately for Harmer, the state Senate was not altogether ready for the diligent young missionary who—having been elected in 1966—began his first term in January, 1967.

Arriving with a serious manner and plans to reform everything from race relations to the public schools, freshman Harmer soon found himself in trouble.

At that time, the Senate was a clubby, convivial place run by a bipartisan group of senior members who were jealous of their authority. Harmer, who probably cannot even feign back-slapping chumminess, never quite fit into the club, and his ambitious program appeared to challenge the leaders.

Furthermore, Harmer clashed with Republican Sen. Jack Schrade of San Diego (then a member of the all-powerful Rules Committee) by writing a letter that was used against Schrade in a Republican primary campaign. In effect, the letter accused Schrade of disloyalty to the Republican Party.

As a result of all this, life became increasingly difficult for Harmer through 1967 and 1968. And though he smiles now at some of the things that happened during those years, they had considerable impact upon him at the time.

One day in 1968, for instance, Harmer, a teetotaler, took what he believed was his bottle of orange juice from the refrigerator in the Senate lounge, a small room just behind the Senate chamber.

Harmer poured a drink and gulped it, realizing instantly that something was mightily wrong. Someone had removed most of the juice and replaced it with vodka.

Harmer recalled the effects with smiling wonder. "I couldn't talk for two days," he said.

### Bills Killed

But more importantly, the Senate in 1968 killed all the bills that Harmer had introduced, including one from which he had removed his own name as author in hopes of pushing it through.

The Senate leaders allowed him to enact only a few innocuous resolutions, such as one proclaiming the week of April 21-27, 1968, "Youth Temperance Education Week."

As he reviews those years, Harmer indicates that he may have deserved a good deal of what he got. "I came here rigid and intolerant of those who, I thought, by their philosophy and actions were doing harm to the republic," he said.

In the opinion of many Senate colleagues, Harmer has changed since then. In interviews, some say he has mellowed; others say that he is a shrewd man who realized that if he didn't change, he would accomplish little in government.

Harmer puts it this way: "I have learned to be much more considerate of the men who differ with me . . . I think I've grown a great deal."

But that hardly explains his rise to a leadership position. Why, in March, 1971, did the Republican senators elect him as their

caucus chairman, a position that has permitted him to become their spokesman on important issues and has given him a statewide platform that he lacked before.

**Caucus Chairman**

As caucus chairman, Harper summons Republican senators to meetings, presides at those meetings and directs a six-man caucus staff that researches and develops partisan issues.

He also joins with the floor leader as spokesman for the GOP senators and serves as liaison with the Reagan Administration.

His colleagues offer almost as many explanations for Harmer's election to the caucus position as there are definitions of leadership itself. They cite his fairness, his willingness to work, his extraordinary knowledge of issues, his skill at debate, etc.

However, one characteristic is apparent to everyone. Harmer wants to be a leader; his ambition for higher office is so intense that it's almost visible.

A few colleagues said that Harmer wants to be the first Mormon President of the United States. Harmer denies having said that, but notes that the higher he goes, the better he may serve his church.

Harmer said he will run for statewide office in 1974, but is not sure which. He would like to be attorney general, but apparently will not try for that office again unless Younger moves out by running for governor.

If past performance is any guide, Harmer will receive heavy financial support from fellow Mormons. When he ran for attorney general in 1970, his finance chairman,— chief money raiser—was Roy E. Christensen, a Mormon and president of Beverly Enterprises, a firm that operates nursing homes.

Harmer's financial statement for the campaign shows that Christensen personally contributed $51,000 of the $101,000 that Harmer received. Also, Harmer listed contributions from members of the Glendale, Pasadena and Burbank stakes (groups of Mormon congregations).

However, Harmer's financial support is not limited to members of the Mormon Church. He is a favorite of many California conservatives who admire his legislative proposals for improved law enforcement, campus reforms, new pornography controls, less bureaucracy and similar goals.

Although Harmer has been in the Legislature only since 1967, his career in politics and government goes back to 1952, when as a 17-year-old precinct captain in Salt Lake City, he said, he achieved a 100% turnout for presidential candidate Dwight D. Eisenhower.

Upon returning in 1957 from missionary duty in England, Harmer served briefly in the Army and graduated from the University of Utah in 1959. From there, he moved to Washington, D.C., to join the staff of Utah Republican Sen. Wallace F. Bennett, the father of one of his college classmates.

Harmer worked full time for Bennett, but at odd hours, filled the gaps with law classes at George Washington University. Harmer received his law degree in 1962 and took a job with Americans for Constitutional Action, a national conservative group.

The ACA assigned Harmer to work in the campaigns of five conservative congressional candidates in Southern California, all of whom were to lose. Meanwhile, Harmer set up his home in Glendale and after the elections took a job with the National Assn. of Manufacturers, primarily assisting local businessmen with their government problems.

By 1964, Harmer had set up a private law practice in Glendale and attracted many of the same businessmen as clients. The practice continues today, he said, and adds about

Please Turn to Pg. 27, Col. 1

$10,000 per year to his legislative wages.

Harmer's 1966 arrival as a political candidate has not been forgotten in Glendale, Burbank and other parts of the 21st Senate District, particularly among friends of former Republican Assemblyman Howard J. Thelin, Harmer's chief opponent in the GOP primary that year.

(In the predominately Republican 21st, the winner of the primary is all but assured of election.)

Although Thelin may have been destined to lose, (Harmer had youth, energy and a surging conservatism on his side) some Thelin supporters remain bitter over Harmer's tactics in the race. Specifically, they cite Harmer's attack on Thelin for having once voted in the Assembly to commend a colleague, Democratic Assemblyman Phillip Burton, upon Burton's election to Congress.

"(Whenever California conservatives see red there's a good chance they're looking at the Burton brothers of San Francisco—John in the Assembly and Phillip, now in the Congress. Among other [illegible] the [illegible] believe in bigger and better welfare benefits and confiscation of excess wealth.)

Harmer cited Thelin's Burton vote and implied that it made Thelin—now a Los Angeles municipal judge—a traitor to the Republican Party.

Harmer says now that he knew then that Thelin's vote meant nothing, that legislators routinely commend departing members regardless of philosophy.

But, Harmer continued, the great principle of political campaigning is to put your opponent on the defensive. And to do so, you may test a number of charges against him.

Thus, when he tested the Burton issue against Thelin, he was pleased to learn, he said, that it put Thelin in a rage. And it continued to do so every time Harmer made the charge.

"He so constantly overreacted that we couldn't let go of it," Harmer recalled.

How did this help Harmer's campaign?

"If he had five minutes with a service club and used three minutes on Phil Burton, that was two minutes left for something positive," Harmer explained.

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# REAGAN GROUP HOPES TO RAISE $20 MILLION

WASHINGTON (UPI)—A committee was formed Thursday to raise and spend $20 million to $30 million on behalf of Ronald Reagan's presidential campaign in addition to the nearly $30 million the government will provide to finance the campaign of the Republican Party standardbearer.

Sen. Harrison H. Schmitt (R-N.M.) announced formation of the fund and said he would serve as chairman. The senator defended its existence as fully legal and in compliance with the federal election law.

That law provides public funding of about $29.4 million for the campaigns of the Republican and Democratic presidential candidates—once they have been nominated—and prohibits them from raising or spending any other money.

But Schmitt said that Americans individually cannot be barred from spending their own money on behalf of candidates and that Americans for Change, the new organization, was created for that purpose.

"This is a legal committee," he told a news conference. "I would not be part of anything that would attempt to skirt any law."

Officials said pledges of $150,000 had been raised in the last 24 hours as word of the committee's creation spread across the country.

Committee officials said the law permits any individual to contribute $5,000 to the committee and a total of $25,000 in an election year to all such committees.

The committee must have no ties with the candidates it supports, and Schmitt said the founders had been careful to avoid contact with Reagan or his staff.

Schmitt said he based his estimate that the committee could raise $20 million to $30 million on how much had been raised by candidates for the Republican nomination during the primary season.

Among the committee's officers are: John Harmer, who served as Reagan's lieutenant governor in California; Brad O'Leary, former executive director of the Republican Party in Texas, who has raised more than $20 million for political races in the last two years; former Sen. Carl T. Curtis (R-Neb); Stan Huckaby, former Baker for President Committee treasurer, and Jan Baran, legal consultant.

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## GLIMPSE OF A PRIVATE MAN

# Reagan: Long in Spotlight, Still Enigmatic

LA TIMES 6/25/80 F1

By ROBERT SCHEER
Times Staff Writer

Even on the chartered campaign plane surrounded by a bevy of faithful aides and his ever-present wife, Ronald Reagan remains a lonely and obscure figure.

As they and the press buzz about gossiping, he sits in furious concentration, adjusting his reading glasses over his contact lenses, his face drawn tight, systematically underlining page after page of speeches, press clippings and memoranda that have been placed before him in neat little bundles.

At times like this, he seems all of his 69 years and in need of the loving protection reserved for relatives past their prime.

But then the plane lands, the reporters join the crowd assembled at the steps below the front door. Behold! It's super-Reagan who emerges, suddenly transformed into a bold, ruddy-cheeked, smiling and confident candidate for the presidency of the United States.

His walk is brisk, the handshake firm, and his answers at the airport press conference come easily. Later, at the end of a day of speeches and meetings, he may falter a bit, the body bends and the head begins to shake. But much of the time, in the spotlight, he appears the vigorous leader determined to save us.

How to figure Ronald Reagan? At times on the platform, he seems so coldly contemptuous of all the government programs designed over

**First of two articles.**

the past 30 years to make life a bit more equitable. And yet, in a private interview on a plane, he reminds one that as governor he increased welfare payments to the poorest of California by 43%.

On the stage, he can sound simplistic and jingoistic, as if still playing the lead in some World War II propaganda film—an actor reading lines written by others. But off the stage he can be thoughtful and friendly, even with someone critical of his views.

At times he seems the carefully packaged product of an efficient campaign but, in fact, for months he carried on despite a campaign staff that was in shambles.

Just who is this man who seems always to have been with us but who now, perhaps for the first time, must be treated seriously by the media which has tended to deride his perennial campaign for the presidency?

Back when Reagan was a loser, after Iowa, some of the traveling press dismissed him with a contempt that bordered on viciousness. There were jokes about his brain being the most valued for a transplant because it had never been used, or the one a network correspondent got off, to general merriment, when Reagan was late one morning: "They're still rubbing life into his legs."

They began to perceive him as a Howard Hughes figure to be wheeled about by a protective staff. On the campaign plane a few days before the Nashua, N.H., debate, Reagan's staff was divided and dispirited; the "old man," as the reporters had come to call him, sat alone up front and some of the press in the back of the plane talked about who they would be covering when Reagan dropped out.

But late the next evening at the Wayfarer Inn bar in Manchester, N.H., California Gov. Jerry Brown warned a few California reporters that the Eastern press was once again seriously underestimating Ronald Reagan. He observed that his own father had committed the same error, had welcomed "this actor" as an easy opponent and had been trounced by a million-vote margin of defeat.

"He's smarter, tougher and more able than people back East realize," Brown said of the man he'd followed as governor. Of course, in part, Brown reflected his own chagrin, shared by Reagan, over the fact that conducting the affairs of "a state that is the eighth largest government in the world" has tended to be viewed as a kookier and less challenging experience than, as Brown put it, "running a second-rate state like Georgia where the legislature only meets 40 days a year."

# Reagan: Enigma in the Spotlight

Brown's prediction turned out to be accurate enough after Reagan's stellar performance the next night in the Nashua debate and his resultant victory in the New Hampshire primary, which put him back on the winning track.

The day after the victory, the "old man" was being referred to as "the oldest and wisest" on the campaign plane. But while the labels had changed, the man himself remained an enigma.

It's hard to get a fix on Reagan because he is always on stage, and it soon becomes obvious to those covering him that laughter, tears, anger and fervor can all be summoned by this candidate instantly on command. Many other candidates strive to do exactly that, but they have not had his training. Reagan's voice will choke up at the same line in a speech that he has given five times that day, and it is difficult for a reporter, recording it and then re-listening, not to become cynical and begin to believe that there is no real Reagan there.

Reagan and his aides contribute to this cynicism by projecting a cardboard poster image of the man—a man devoid of doubt, insecurity or conflict; an honest, happy Christian driven only by a desire to serve his country as an actor or a politician, in war and in peace, on the state or the federal level.

And in their accounts, he's always the warm, decent family man, the citizen-politician who would be happier with his family at home but must do his duty. It's an image of goodness so extreme as to be unctuous.

From the days when he first became an actor, Reagan's public persona has been carefully managed and he has been continuously on guard. That makes for almost half a century of contrived appearance, not as a matter of personal deceit but as a necessary mark of his trade.

As his longtime actor friend, former Sen. [illegible] explains it, his and Reagan's Hollywood generation, and the big studios that owned them, were reacting against the negative publicity incurred by many of the silent screen era stars.

Murphy recalls that he and Reagan may have had a drink or two, and Reagan chased women after his 1948 divorce from Jane Wyman, but in public they were always wholesome.

Wyman asked Reagan for a divorce when he returned home from testifying before the House Un-American Activities Committee investigating Communist penetration of Hollywood. According to newspaper accounts at the time she testified at the trial that Reagan had become obsessed with the issue and that they "engaged in continual arguments on his political views."

Indeed, in the early years of the Cold War, Reagan got more involved with fighting the Hollywood Reds than with acting. Murphy claims it was he who first alerted Reagan to the "red menace" after learning from J. Edgar Hoover, a close personal friend, that Franklin D. Roosevelt's New Deal was masking a plot to socialize America, "which is what's going on now," he says, "only Ron will stop them in their tracks."

A lunch with Murphy these days produces the intelligence that Vice President Walter F. Mondale is a "dangerous socialist," that Jane Fonda is a traitor who belongs in jail, and that he and Reagan have agreed on most things political ever since Murphy recruited Reagan into the fledgling Screen Actors Guild back in the late 1930s.

Murphy feels there are still no differences between his and Reagan's political positions, and this campaign "is something of a second coming," in the words of the former senator. Which is how Reagan's rhetoric on the stump sometimes sounds.

But almost all of Reagan's aides and friends, with the exception of Murphy, are quick to attribute the hoary Reagan rhetoric about the "godless communists" and "welfare cheats" to the necessities of campaign oratory, rather than to any fanaticism on the governor's part.

Former members of his cabinet in Sacramento, like James E. Jenkins, Verne Orr and Edwin Meese III, insist that Reagan the governor was a pragmatic administator, not at all given to the rhetorical excesses or obsessions of his public speeches. We are told that, as a campaigner, Reagan is simply the old performer who enjoys moving a crowd.

One former aide who has been close to him provided this insight into his campaign style:

"I think that the rhetoric and the cheer lines, that reaction to the red meat, is what gives him security, that makes him feel confident that he's out there doing the right thing. He feels good about those applauses. Remember, he wasn't an A-line movie actor; no one was pounding on his door saying, 'Ronnie, we've got to have you for our new movie.' He was happy when he got the nice contract with General Electric to do the General Electric Theatre, and part of his contract said: 'You go around and make speeches to our plants and personnel.' He wanted to do a good job—he's thinking about his livelihood. He wants to succeed, he wants to keep this GE contract, he wants to impress those people from GE. It's a matter of pride. He's a proud man, not arrogant, but he is proud. He wants people to think he's an able, articulate, bright, sound fellow who does good work, and so confirmation of the fact that he's done well is applause. The way to get applause is those cheer lines. Applause is a public speaker's report card. It's the way he guaranteed his tenure with General Electric and to the public speaking events that he was paid to do. It reaffirms to him that he's good. At the end, he was getting between $5,000 to $10,000 a speech."

However, the man who said all that went on to add, "I'm not afraid for Ronald Reagan to be President; he is a careful, thoughtful man. His rhetoric might belie that, but my experience with him is that his rhetoric is one thing and his actions are another."

This is the general line now of the Reagan campaign. The argument offered repeatedly by his current top aides is that Reagan's campaign oratory was necessary to securing the Republican nomination but that, as President, he would act as he had during his eight years as governor, as a pragmatic and able manager of the affairs of state.

This is the view of Meese, the man who helped Reagan run California and who now, in effect, runs his presidential campaign.

When asked whether Reagan's views had mellowed over the years, Meese replied, "I don't think they were ever extreme . . . If you look at the history of Ronald Reagan in California, you didn't find Dr. Strangelove there. And I don't think you'd find that in the national administration."

## more involved with fighting Reds than with acting.

Meese denies that Reagan said or meant virtually all of the extreme comments that have been attributed to him in past press accounts. He says that Reagan did not mean to provoke violent confrontation with California university students with his remark in 1970: "If it's a blood bath they want, let's get it over with." The statement is conceded but the intent is said to have been to state the inevitable rather than provoke it.

The 1966 remark about having seen one redwood and you've seen them all is attributed by Meese to distortion by Pat Brown, although Reagan's comment was first reported by a San Francisco Examiner reporter. And on another occasion, UPI quoted Reagan as saying, "A tree's a tree—how many more do you need to look at?"

Reagan's expressed wish for the food giveaway by the Hearst family in the 1974 SLA kidnap case—"It's just too bad we can't have an epidemic of botulism"—is dismissed as harmless hyperbole.

In the current campaign, Reagan has continued his habit of rhetorical hyperbole.

As one aide put it, "Ron is his own man, he writes his own speeches basically, and he'll pick up something from some article or someone telling him something at a reception and it will make its way into the speech. And if the crowd howls, he'll use it again every time, even when he can't remember the source."

This was offered as an explanation of Reagan's line in the early primaries about there being more oil in Alaska than in Saudi Arabia. Reagan had read it somewhere and, although he had lost the clipping he insisted on repeating the claim to buttress his central energy argument—that we do not have anything but a government-caused shortage. It was only dropped after the national press challenged him repeatedly.

One mainstay of his speeches that hasn't been challenged by reporters is the case of "young girls under-age who deliberately go out to have a baby" in order to get on the welfare rolls and "have a pad of their own." But Martin Anderson, his domestic issues adviser, Jim Jenkins, who ran welfare for Reagan in his last year as governor, Robert B. Carleson, who designed Reagan's welfare reform and advises him now on welfare, and Caspar Weinberger, who was Reagan's finance director and later secretary of the U.S. Department of Health, Education and Welfare, all stated that they had never heard of anyone getting pregnant in order to get on welfare and, while it might happen, they all said they believed it would be rare. One shrugged and stated, "That's Ron's rhetoric but the people love it."

At a typical performance before a mock Republican convention of Portland, Ore., high school seniors, which featured banners like "Boycott the Olympics, let the Russians play with themselves," the audience loved Reagan, particularly when he attacked the draft and, in the same moment, called for a strong military. There was no generation gap here, for Reagan evokes the heroic but undemanding world of great-grandfathers rather than their own parents, who might have grounded them the week before.

Tears welled in Reagan's eyes, as they often do toward the end of his major speeches, as he told the students: "I have one burning ambition and that is to restore to you the freedom in this country I had when I was your age."

Reagan was born on Feb. 6, 1911, and assuming those kids were about 18, the golden age he referred to must be 1929. No matter. No one among the faithful notices.

If Reagan has doubts he never lets on to his audience or, so far as one can tell, to his staff. To all he encounters, whether chance acquaintances or close aides, he presents an image of calm assurance about any and all statements, positions or philosophies that he has sponsored.

He seems at peace with himself, yet, at times, he also seems awkwardly disconnected from life outside of his personal shell. He bears the marks of a man who has listened to his own voice say the same things over and over for too long.

External experience seems filtered into that rhetorical shell like Tang to an astronaut—powdered, sanitary and lifeless.

For example, he refers frequently to "life in the ghetto," but when pressed as to his personal contact with blacks, he offers his experience with one black football player back in Eureka College 48 years ago.

In his speeches, he frequently contends that the federal government is "destroying the American family," but that seems to have no connection to anything he might have experienced in his own family life.

He seems strangely uninvolved, as if his life has been untouched by any of the problems that beset the American family. In this sense, Ronald and Nancy Reagan are quite different from former President Gerald R. Ford and his wife who were frank about drinking, drugs and questions about premarital sex within their family.

Reagan's persona suggests the life of a happy, successful father (in 1976 he was West Coast Father of the Year) without any of the complexity of fatherhood. Yet he is a man who, when asked by a network television correspondent (in a 1978 interview the network did not use) about his youngest son's decision to drop out of Yale after his first year to become a ballet dancer, replied, almost in the style of a drill sergeant speaking of a new recruit: "But he's all man—we made sure of that."

He talks about youthful permissiveness as something inspired by government, yet his youngest daughter Patti went to live with a member of the Eagles, a rock group, and for a time, "concealed her whereabouts from her strongly disapproving parents."

All of his four children (including two from his first marriage) dropped out of college and they all seem to lead lives that are more interesting than the official campaign information implies. For example, his daughter Maureen actively campaigns for passage of the ERA, as well as for her father who opposes it.

Reagan, more than most politicians, has been successful in avoiding press scrutiny of his personal life. And perhaps it is because he is so effective in shrugging off the suggestion that his may have been anything other than a Norman Rockwell version of American family life.

Reagan's autobiography barely touches on his divorce. Which is understandable except that so much of his public speaking centers on an attack on government for destroying the family.

In his speeches, as in his 1966 autobiography, he holds out the hope of a simpler, problem-free time made possible by the absence of government interference. Yet, by his own account, his father was a chronic alcoholic incapable of holding onto a job, who was only saved from the soup kitchens by the New Deal giving him a bureaucratic job dispensing Works Progress Administration jobs.

And, by his own account, he and Jane Wyman were divorced because he was spending too little time with her.

It is possible that Reagan has more profound and introspective thoughts about the human condition, but they never seem to make their way into his public pronouncements. Nor do conversations with his few friends, his family or staff provide much of a clue.

**Also contributing to this article was Times researcher Nina Green.**

Reagan does not socialize with those who work for him, and has few friends outside of work. Art Van Court, the ex-police officer who escorted Reagan daily during his early campaign days, recalls that Reagan only seemed truly relaxed when he was riding a horse on his ranch, and added, "It's like the governor would tell me, the best thing for the inside of a man is the outside of a horse."

Interesting. But not much of a clue as to the temperament of a man who now is on the verge of power. One can almost imagine a raft of White House reporters pathetically trailing after the President's horse for comment about what its owner is really like.

One assessment of the horse factor comes from Reagan's former press secretary, Jim Lake, who remains supportive despite their recent falling out.

"That's how he (Reagan) recharges his batteries: he doesn't go out and drink or carouse or party or entertain. He likes to go up there in the lonesomeness of his 677-acre ranch, riding his horses, building his fences, being with his wife, building that house—I think it's his sense of personal accomplishment and achievement, his physical handling of the world."

Reagan will indicate to a reporter his quiet pride in the way he has managed his land on the coastal mountains north of Santa Barbara. He has a sense of stewardship associated with his profound belief in the sanctity and efficacy of private ownership of property.

In a rural area of Michigan last month, he proudly announced, "I'm for the farmers because I am one." While Reagan does not actually raise anything on his 677 acres, he did participate a few years ago in a tax shelter involving Montana cattle, but that did not require visitations. But he does mend fences and cut his own firewood and, anyway, what matters is that he thinks he's a farmer. Or, more accurately, a lone rancher.

Riding that horse for long hours of his leisure time, he is said by some of his close aides to do most of his serious thinking about the problems a President might face.

Even while campaigning, Reagan would return religiously for weekends alone with his wife at the ranch or their home in the Pacific Palisades. It is there, in the narrow clean air zone off the Pacific Ocean, where, according to Nancy, they "spend hours discussing politics and life."

One aide who has had much contact with them says, "They are as close as a couple can be. She is totally supportive—his port in a storm."

Former bodyguard Van Court adds approvingly, "She would scratch your eyes out if she thought you threatened Ron." She is said to live through and for her husband and, in the words of another associate, "puffs him up to be more important and secure than he really is."

On the campaign trail Mrs. Reagan is almost always at her husband's side, with the stoical duty-bound stance of a Secret Service agent checking the audience for signs of danger to the candidate. Only she is preoccupied with the danger of a tough question and, through nudges or glances directed at her husband, seeks desperately to head off yet another gaffe.

Whether it's in straightening out staff wrangles or smiling through a reception, she appears to have the function of negotiating his entrance into a larger social world that he now needs but in which he remains uncomfortable.

A life that has embraced Eureka College in Illinois, the movies, the GE lecture circuit and the governorship of California has given him considerable experience, but there is also something fractured and incomplete about his training. As a result, he does not pass easily between different worlds of ideas or people.

Those who know him well describe Reagan as the opposite of urbane—sincere to the point of naivete but also insecure, painfully shy and ever protective of his own world. At a reception in his honor, he will not work the crowd, but rather stands off to the side while aides bring important people to meet him. He does not mix well socially or intellectually and remains forever the loner. And forever enigmatic.

He remains difficult to understand because he is the product, or rather vestige, of a culture that no longer exists.

It is difficult enough for Easterners to understand Californians, but Reagan presents a particular problem: he is perhaps the most perfect example of pre-condominium California, which represented a more innocent culture in which land ownership was widespread and its worship was manifest.

The people who came to California, be they Jews escaping the garment district to become chicken farmers in Petaluma or Baptist dust bowl refugees looking for fruit trees in Riverside, loved this incredibly fertile land and all that it could produce.

Reagan believes in that dream—a house and fruit trees and a car of your own and sunshine and clean air.

He never toiled and tilled the land for a living, but that misses the point of his sentimentality. And sentimentality is the key to Ronald Reagan.

Reagan believes that he is a farmer, cowboy, worker and, that's what's important. He is an extremely effective politician, not because he shares the angst of ordinary Americans in their workaday lives, but rather because he shares the angst they have over the myths that surround them.

He knows nothing about the drudgery of getting through an eight-hour factory day, never having done it. But he knows a great deal about the fantasies that run through one's mind while getting through an eight-hour day—fantasies of freedom and flight.

He knows about it because the fantasies of ordinary Americans derive in large measure from movies, television and corporate advertising, the industries Reagan worked for.

He plays upon those myths of freedom more now than when he was the GE salesman. He knows that the real American—the guy whose vote, his needs—is not some farmer concerned about parity—hell, they make up less than 2% of us.

The farmers he's plugged into are the modern Willy Lomans trapped in tracts of townhouses, breaking up the concrete in their backyards in a vain attempt to grow something, anything.

Reagan is powerful because he's in touch with forces that grip us all—he is in tune with our consciousness about those forces because—in his Hollywood days—he was present at the creation.

**Next: The people around Reagan.**

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# The Selling of the Candidates, 1978

**Professional campaign consultants are growing in number and are playing a much more important role in the political process.**

BY WILLIAM J. LANOUETTE

"I find myself wondering, at this time of year, 'When will I burn out?'"

For John Deardourff, a professional campaign consultant, "this time of year" is the busiest – the best and the worst all at once. Deardourff is personally supervising political strategy, internal management and advertising for five major campaigns, while helping other consultants with two more. Mort of the races are close.

He's exhausted. During a recent span of less than six days, he flew from New York, where he's running Perry B. Duryea's gubernatorial campaign; to Miami, where he's helping the fight against casino gambling; to Caracas, Venezuela, where he's advising a presidential candidate; back to New York; to Detroit, for Gov. William G. Milliken's reelection campaign; to Columbus, Ohio, to work for Gov. James A. Rhodes; to Philadelphia, for another gubernatorial race, Richard L. Thornburgh's; and finally back to New York.

Few voters realize the increasing involvement – and importance – of campaign consultants like Deardourff. Civics textbooks rarely mention them. Press coverage is rare, and most consultants try hard to remain anonymous – at least until their clients win. They rely on complex technologies – mass-media electronics, data processing, direct-mail computer systems – that the general public does not understand.

Even a decade ago there were scarcely any full-time professionals. Now there are more than 200, with their own professional group, the American Association of Political Consultants. Most Senate, House and gubernatorial candidates – not to mention a lot of state legislative candidates – are relying on them this year. (*For a partial list of campaign consultants, see box, p. 1774.*)

They no longer confine their services to general elections. They also wage campaigns over such ballot issues as abortion, nuclear power and gambling in Florida. They work more and more in primaries. They run union campaigns and, like Deardourff, they even work overseas. (*See box, p. 1776.*)

Despite the variety, the work is not as exciting as it might seem. "It's seldom as dramatic as aerial warfare, with planes falling out of the sky," Deardourff said. "It's more like ground warfare: tough and not very glamorous. You work to gain a few yards every day."

Some politicians think of consultants as "hired guns" who perform their special brand of magic and move on to other campaigns. But, in fact, the consultants will have just as much at stake when the election returns come in on Nov. 7 as the candidates themselves. More than just their professional reputations will be on the line.

"You become very intimate with the candidate, involved with his ego and feelings," said Robert Goodman, a consultant who specializes in making political films. "You worry about his health, shepherd him through it all. You take it very personally, win or lose."

Who are today's political consultants? What do they do? How are they changing the conduct of elective politics? How ethical is their business? What is its future?

With a profession that has grown so large in so short a time, generalizations are risky. But a few conclusions are possible:

- Most consultants are specialists, in fields such as fund raising, media production, polling, campaign tactics, management, direct-mail appeals, precinct organization, data processing, and Election Day voter drives. But a few veterans prefer to remain as generalists, orchestrating entire election efforts from beginning to end and hiring experts as they are needed.
- Most prefer to work for one party, or for candidates with a particular ideology. A few work for both parties.
- Most came to consulting from fields allied to today's political technology, such as public relations, advertising, radio, television, polling and fund raising. Only a few entered the business as party professionals.
- Most feel that their work is more art than science, despite its technical trappings. Yet it is modern technology that fostered its growth.
- Most would like to make political consulting their only work but resort to commercial clients between elections. A few have managed to make this their only profession.
- Most enjoy the personal excitement of the campaign but shun elective office for themselves. A few have been candidates – with disappointing results.

"I wouldn't mind running," said Stuart Spencer of Spencer-Roberts & Associates Inc. "But I'd hate like hell to serve.

I'd be bored to death." When reminded that House Members have to run every other year, Spencer still demurred. "Not often enough," he said.

## WHAT THEY DO

"There's a tendency to exaggerate what we can do," said Robert Squier of The Communications Co. "Somehow clients want to believe you're a wizard who can work magic. They don't believe me when I tell them it's mostly luck and a good plan that wins elections. The luck comes from your opponent making some blunder. The plan gives you a rational strategy to use your money and your people efficiently to communicate with the voters."

Deardourff, chairman of Bailey, Deardourff & Associates Inc., thinks that "most campaigns are inherently chaotic" but that technical and management skills and common sense can help a lot. "Politicians are becoming more sophisticated," he said, "but it's a gradual upgrading of their skill levels and awareness. . . . Things we pioneered in the mid-sixties, such as long-term planning, voter-trend analysis, targeting of our message, rational resource allocation, were not new ideas then—just new in their application to political campaigns. The whole notion of producing a full-blown written campaign plan was novel then. It's standard practice today."

Yet beyond the use of techniques common to the business community, the consultants also bring something else to a campaign: a critical eye. "Their key function" said Joan McLean, political action coordinator at the National Women's Political Caucus, "is to ask the right questions of the candidate and the organization."

Squier added that campaign managers are usually too close to their candidates to provide objective advice. "A paid consultant from outside can add that necessary candor," he said. "You've got to be able to tell the client that the emperor has not only no clothes, but also a very bad skin condition."

Drafting a campaign plan is an art in itself, and good ones can run to 100 pages or more, including time sequences for all the necessary details that must be handled by Election Day. "If you can stick to your plan, you're controlling the campaign," said Joe Rothstein of Rothstein Buckley. "If you have to junk your strategy, then somebody else is controlling your campaign."

Matt Reese's strategy for the reelection of Sen. Claiborne Pell, D-R.I., was to display his candidate as so formidable that he would draw no serious opposition. He began last year to arrange public appearances for Pell. "He gave more attention to the Democratic Party in the state, renewed acquaintances and alliances, raised money," Reese said. "We made it so no Democrat of any significance tried to run, and so Republicans would feel Rhode Island is not a viable target. It worked."

In Missouri, where Reese is running a campaign to defeat proposed right-to-work laws, he is concentrating on likely supporters identified by computers. "When we're through," he said "we will have made 2,360,000 repetitive contacts using mail, phones or personal visits with 595,000 voters in Missouri."

Reese also is known for his careful organization of precinct workers, a technique once standard with the political parties but seldom used in personal campaigns. "A lot of the new guys today go in for all this 'image' crap, creating and projecting the candidate's image," said Spencer, whose firm dates back to 1960 and also stresses local organization.

"With the media becoming so expensive, though, I predict you'll see a rebirth of organizational work soon," Spencer said. "They'll call it by some new name, but it'll be the same as the old days: five people to a precinct handing out literature, by hand, door to door."

John G. Stewart, a former Democratic National Committee employee and political writer (*One Last Chance*, Praeger, 1976) now working for the Senate, said political parties and their traditional vote-getting techniques have declined in importance as television has risen. Now candidates can bypass party organizations and, with consultants in control of their media campaigns, go directly to the voters.

As a result, a well-run campaign today is planned and executed by paid professionals, who turn to their colleagues for necessary services. "Frustrations today don't come from stubborn party officials," said consultant Roger Ailes, a television specialist. "They come from candidates and workers who don't follow your plan . . . The times I've told my clients, 'Do it!' we've won. The times I've let them second-guess me, we've lost."

Consultant David Garth has gained a reputation and Ailes's admiration for taking charge of his clients, then designing and executing their campaigns himself. His record: 67 wins, 16 losses. This year his Democratic clients are Govs. Hugh L. Carey of New York and Ella T. Grasso of Connecticut, Sen. Jennings Randolph of West Virginia and Lt. Gov. Richard Celeste, the gubernatorial challenger in Ohio.

Garth is a current high flyer in a business that usually produces one or two celebrated winners each year. "His secret is that his thinking is unified," said Tony Schwartz, a radio and television campaign specialist. "A lot of firms pull together different people for the different tasks. He closely supervises all of them. He's a one-man submarine."

*Joe Rothstein of the Rothstein Buckley campaign consulting firm edits the tape of a film on a candidate that he's working for.*

The few generalists in the field—Garth and a half-dozen others—try to limit themselves to four or five races at a time so that they can personally direct most of the work. But, as Goodman said, "Sometimes you get carried away." Indeed, a common pattern is for a consultant to hit a winning streak, then over-extend himself in the next election, losing personal control of his operation and a few races as well.

"I try to take no more than four

# A Roster of Campaign Consultants

Campaign consultants may have a similar goal electing politicians – but are often very different in their styles and specialties. Some run full-time operations from offices in several cities, with permanent staffs that number more than a dozen. Others are little more than a "me and my secretary" business. A few work in unrelated businesses except at election time, such as Mel Kusin of Small Town Poli Consultants, who sells furniture in Texarkana, Texas, most of the time; or Gordon Weil of Political Intelligence, who writes books from his Maine home.

Here is a list of campaign consultants culled from professional association lists, political directories and party rosters. Their location, party preferences (R for Republican, D for Democratic) and specialties are also noted.

Roger Ailes & Associates Inc., New York City, (R) counseling, electronic media
Johnny Allen & Associates, Washington, (D) generalist, campaign staff training
Attention Inc., Ottawa, Ill., (R) Midwest, generalist
Bailey, Deardourff & Associates Inc., Washington, (R) generalist, advertising
Bishop & Bryant, Media Management, Arlington, Va., (R) generalist
California Research Center, San Jose, Calif., (D) California, fund raising, polls
Cambridge Survey Research, Washington, (D) polls, election analysis
Cerrell Associates Inc., Los Angeles, (D) generalist
Cogman & Associates Inc., Oklahoma City, (R) fund raising, Election Day organization
The Communications Co., Washington, (D) generalist, films
Contemporary Political Consultants Inc., Alexandria, Va., (R) generalist, polls
Cook, Reuf, Spann & Weiser Inc., Columbia, S.C., (D) east of Mississippi, public relations
Decision Making Information, Santa Ana, Calif., (R) electronic media, polls
DeVries & Associates Inc., Wrightsville Beach, N.C., generalist, polls
Ofield Dukes & Associates, Washington, generalist, voter turnout
Arthur J. Finkelstein & Associates, Rye, N.Y., (R) polls
First Tuesday Communications Inc., Buffalo, (R) generalist, electronic media
The Robert Goodman Agency Inc., Baltimore, (R) electronic media, films
Guggenheim Productions Inc., Washington, (D) films, electronic media
William R. Hamilton & Staff Inc., Washington, (D) polls
Peter D. Hart Research Associates Inc., Washington, polls
Image Dynamics Inc., Baltimore, bond issues, graphics
Ruth Jones Ltd., New York City, (R) media time buying
Lou Kitchin Consultant Inc., Atlanta, (R) campaign management, polls
Terry Lutes & Associates, Springfield, Ill., (D) Midwest, bond issues
Eddie Mahe Jr., Washington, (R) campaign management
Market Opinion Research Inc., Detroit, (R) polls, data processing
Marttila, Payne, Kiley & Thorne, Boston, (D) generalist, print media
The Millenium Group Inc., Philadelphia, campaign counseling, graphics
Joseph Napolitan Associates Inc., Springfield Mass., (D) generalist
Fred A. Niles Communications Inc., Chicago, (R) generalist
Nordlinger Associates Inc., Washington, (D) generalist
Opinion Research Corp., Princeton, N.J., polls
Political Intelligence, Harpswell, Maine, (D) research, press relations
Polls Inc., Lawrenceville, N.J., (R) polls
Matt Reese & Associates, Washington, (D) generalist
Rothstein Buckley, Washington, (D) generalist, electronic media
Tony Schwartz, New York City, (D) campaign strategy, electronic media
Audrey Sheppard Political & Communications Consulting, Washington, (D) women candidates, fund raising
Small Town Poli Consultants, Texarkana, Texas, (D) Southwest, management
Smith & Harroff Inc., Washington and Denver, (R) generalist
Spencer-Roberts & Associates Inc., Newport Beach, Calif., (R) generalist
V. Lance Tarrance & Associates Inc., Houston, (R) polls
Walker & Associates Inc., Memphis, South, generalist
Sanford Weiner & Associates, San Francisco, advertising, public relations
F. Clifton White & Associates, Greenwich, Conn., (R) generalist
Winner Wagner & Associates, Los Angeles and Sacramento, referenda
Woodward & McDowell Inc., San Francisco, management

statewide races," Rothstein said. "We've considered expanding, adding people to serve more clients, but the strength of what we do is the personal attention we can give to a campaign." Rothstein Buckley is working for Democratic Sen. Floyd K. Haskell's reelection in Colorado, against Roger Ailes's work for his challenger, Rep. William L. Armstrong.

Rothstein Buckley and Ailes are fighting a tough media battle. Haskell went on the attack and Armstrong replied. "Normally we work for challengers, not incumbents," Rothstein said, "but Jill [Buckley] and I both worked in Haskell's first race and wanted to do it again. It's curious how we have the Haskell plan unfold. We're running this race as we would a challenger's."

Ailes was surprised. "Haskell began attacking, and viciously," he said. "We weren't running anything negative until he did, then we had to meet fire with fire."

Said Rothstein, "Everything they've had on the air is material that responds to our attacks or left-over stuff thrown in from the primary. . . . I always feel that if we are in charge and they're responding to us, we can much better predict the outcome."

There are subtler ways of waging political war, and many of them have become common practice for consultants. "When we look at a race," said J. Brian Smith of Smith & Harroff Inc., "implicit in our analysis is a guess about what the other guy has to do to win." In managing Rep. William S. Cohen's challenge to Sen. William D. Hathaway, D-Maine, Smith said, "We feel they've fallen into our hands because there's no sign that they've analyzed our style of operation. They don't seem to know what to expect."

According to several consultants, campaign managers commonly make the mistake of raising some money and then rushing out to buy buttons and bumper stickers and billboards. And they frequently fail to use polls fully to put the data to work in scheduling and issue selection. "Media and candidate polling are very different," said Scott Wolf, director of political research at the Democratic National Committee. "Media polls entertain; they tell you who's ahead. Candidate polls should be designed to help you make decisions. But often they're not."

Media advertising is another specialty that can decide close campaigns. "I'd go so far as to say that if Ruth Jones of New York had been buying time for Hubert Humphrey instead of Richard Nixon in 1968, Humphrey would have been elected President, or at least the race would have gone into the House of Representatives."

wrote veteran consultant Joseph Napolitan (*The Election Game and How to Win It*, Doubleday, 1972), who managed Humphrey's campaign. "Judicious injection of fifty or a hundred thousand dollars in certain states might well have made the difference."

Lawyers are finding work as consultants in many campaigns. "There are more and more legal aspects in the last five years," said Spencer. "You need good legal counsel now. Everybody's suing everybody as a campaign technique and tool to tie you up in Federal Election Commission procedures, or to gain press attention."

In fact, use of the press Schwartz calls them "the nonpaid media" can sometimes give a candidate an advantage. "You can structure and frame nonpaid media and force them to work for you," he said. "In ads I did this year for [Alex R.] Seith in Illinois, we raised questions about [his opponent, Republican Sen. Charles H.] Percy's voting record. When some stations wouldn't play them because they weren't documented the press was kept busy asking Seith about the charges. So Seith got to make the charges all over again, on the news, with documentary evidence."

The press is itself an important asset in a campaign, many consultants believe, if provided proper care and feeding. "You shouldn't be afraid to spend some money on press facilities," said Johnny Allem, a consultant since 1967. "Maintain a decent press room. Put the accent on keeping the candidate available, on servicing their needs, instead of just cranking out mimeographed releases," Allem said in an interview.

John Cookfair III of First Tuesday Communications Inc. of Buffalo is also keenly aware of how nonpaid media can help or hurt a race. One client, Gerald Solomon, got an unexpected boost when *Playboy* named his opponent, Rep. Edward W. Pattison, D-N.Y., among House Members who admitted smoking marijuana. But one piece Cookfair didn't find amusing, in *New Times* magazine, accused another client, Mayor Vincent A. Cianci of Providence, of raping a young woman 16 years ago.

Matt Reese, who does consulting work for Democratic candidates: "We are an important part of the campaign, but in the final analysis, it is not we who win campaigns and not we who lose them."

## EVOLUTION

If the media are an important element of any political campaign, television is the most vital component of the media. It has added enormously to the cost of political campaigns and seems likely to raise it still further.

"The sad part of it is that to do a good job against an incumbent now, you need a first-class media consultant," said Paul Weyrich, director of the Committee for the Survival of a Free Congress. "Yet nine out of ten campaigns will opt for the cheaper, local media person. They may have the reputation of doing a wonderful job for the local Pontiac dealer, but they just don't understand politics and it's usually a disaster."

As television and the other technologies used to reach voters directly polls, computers, direct-mail equipment proliferate in campaigns, they tend to siphon off money that in the past would have been spent on party or local organization. This accelerates the rush from traditional to technical elections. "What we are seeing," political writer James Perry warned 10 years ago in *The New Politics*, Clarkson N. Potter Inc., "is the steady development of two essentially anti-party phenomena: the personal organization and the political management firm. And, I submit, we are only at the threshold of a sweeping political trend."

Some veteran consultants now find that there is little break between one campaign and the next, in part because each campaign must pass off at the polls. "There is a 100 per cent correlation between what we were hired and how we did," he said. "That's why my fee is the same for three weeks or three years." In fact, he has been working for three years for the campaign of Robert Graham, the Democratic gubernatorial candidate in Florida.

Federal election laws, by forbidding huge donations, make an early start essential. Begun early, small campaigns

Stuart Spencer, who does consulting for Republican candidates: "I wouldn't mind running. But I'd hate like hell to serve. I'd be bored to death." When reminded that House Members have to run every other year, Spencer still demurred. "Not often enough," he said.

are necessary to raise the number of small donations that will build up a war chest. To succeed, direct mail must be keyed to polls and analyses of demographic patterns.

"Consultants are becoming more important in primaries than ever before, because the parties can't take an active role," added Robert Agranoff, a political science professor who has surveyed professional campaign management in *The New Style in Election Campaigns* (Holbrook Press, 1976).

Campaign consultants also have made single-issue ballot campaigns easy to conduct for coalitions of like-minded voters who want to rally around a cause. Winner/Wagner & Associates Inc. has given up candidate races and handles only ballot measures.

"The primary reason," said Charles Winner, "is that we moved into lobbying and corporate communications. Some of that work could create obvious conflicts with candidates. . . . But, also, we find that candidate campaigns are more time-consuming than ballot measure campaigns."

The firm lost its campaign to defeat Proposition 13 in the California primary and is now working against Proposition 5, which would prohibit smoking in some public places. Winner/Wagner has made a specialty of opposing anti-nuclear votes, beginning with Proposition 15 in California in 1976.

The firm has also worked for efforts to keep particular issues off the ballot by opposing the signature drives needed to qualify for a vote. Opponents of ballot initiatives have succeeded more often than not when they have hired professionals, Winner said.

## PROBLEMS

While the increased activities of professional consultants have destroyed many traditional campaign techniques, they have created others that have presented new problems.

Voters are becoming disillusioned with politics, some say, because it has become too slick, mechanical and impersonal. They are constantly assaulted by political commercials, and some resent having to choose among candidates for public office in the same way they are urged to pick laxatives or used cars – by skillful persuasion in television and radio spots.

Defenders of the new political technologies say that since television is the dominant medium, and the one most familiar and accessible, it should be used to bring the campaign to the greatest number of people. "Voting is emotional rather than intellectual," said Robert Goodman, "so we use issues in a campaign as tools or devices with which to express a candidate's personality, integrity."

Goodman also said that today's electoral process can actually help a candidate to think and mature. "This is living theater, an exciting thing," Goodman said. "Very few candidates, especially challengers, are the same people at the end of a campaign as they were at the beginning. They've changed a lot, usually for the better. Maybe they've developed a philosophy. Maybe those who were rigid and unbending [in their thinking] become more flexible."

But some candidates are also finding troubles. They may become complacent, in the belief that the consultants can win their elections for them. They often have difficulty in deciding which consultants to hire, or how much to pay them or how to evaluate their work.

"The dozen or so first-rate firms are always turning away business," one national party official said, "so it's the second-level firms – and below – that sell their wares the hardest."

Prices for campaign consultants vary tremendously, depending on their experience, success rate and availability and the type of plan to be followed. Consultants charge from $100 to $1,000 a day. Campaign advice can run from $15,000 to $75,000 or more, plus expenses for advertising, polls, mail and telephone banks. There is no standard procedure for setting or collecting fees. Daily, weekly, and monthly rates are common.

Some consultants believe that their work, while once exalted unrealistically, is now becoming too commonplace. "We became fashionable back a while ago, a little chic," Reese said. "Then it was like a supermarket for a while, with the candidate picking our services off the shelves."

Consultants also find themselves competing within a campaign for the candidate's time or the treasurer's money. They can be victimized by poor fund raising, poor management or contrary advice from the candidate's personal advisers.

When candidates win, everyone connected with the race typically claims a major role in the victory. Understandably, few consultants are willing to take the blame for defeats.

"There are three things in this business that are important," Reese said. "Winning, or the reputation of winning; you need a pretty good record; working for people whose names are known; and winning when you're not supposed to."

## ETHICS

In 1971, two years after the American Association of Political Consultants was founded, its members began to debate a code of ethics. The group divided among those who thought a code necessary, those who thought it would be either too vague or too rigid and those who didn't particularly care.

The disagreement eased temporarily that year when a committee appointed to draft a code reported that it could not agree on a set of guidelines. The code was finally completed in 1973, and, according to association president Phyllis Brotman, was revised recently. However, Brotman said she is unable to find a copy of either document.

## The New Jet-Setters

American campaign consultants have found a lucrative business overseas and, in increasing numbers, are racing around the world to ply their trade. Politicians in England, Belgium, France and Sweden have recently discovered the advantages of paid political advice, and some consultants have received queries from Spain, Guam, Australia, Israel, Puerto Rico and Costa Rica have also attracted some American consultants.

But the current favorite is Venezuela, where a 10-way race for President is now under way. The election is on Dec. 5, and Robert Squier, Joseph Napolitan, F. Clifton White, John Deardourff and pollster Patrick H. Caddell are flying in and out of Caracas almost weekly, frequently running into one another at the Tamanaco Hotel. "It's a fraternity, and we're generally friendly when we're not working against each other," Squier said. "Foreign work challenges all your political perceptions. It's exciting. And it can be fun, because all the alliances and ideologies are different."

Squier said the only dirty trick he played on an opponent was in Venezuela. "Matt Reese, a good friend of mine, was working for the incumbent candidate. I was working for one of the challengers. I found out that my hotel room telephone was bugged by the government, so I decided to have a little fun. I called Matt, who was also staying in the hotel, and asked him to join me for dinner. 'Then you can slip me the polls you've got,' I said. When I told him at dinner that my phone was bugged by his client, he nearly fell on the floor. But, as it turned out the conversation was never transcribed or translated in time to affect the campaign."

In the original code, which former association president Matt Reese supplies with his contracts, members pledge to "observe the letter and the spirit of the law," "not indulge in irrational appeals" and "refrain from personal or scurrilous attacks on a candidate or members of his family." The association's president and board of directors are empowered to investigate code violations and can expel members found guilty. This has never been done.

The easy-going approach to the ethics code does not mean that most members behave unethically. Far from it. Some observers and many consultants say that professional competition and the usual publicity that surrounds a campaign serve to keep things honest. As Napolitan put it, "If word gets around that you're not ethical, you can get wiped out of this business very quickly."

"Sure, there are some whores in our business. I could name one or two, but no more, and probably many fewer than in any other semiprofessional service industry," Napolitan said.

To be sure, scandals, lawsuits and public disagreements over consultants' work have cropped up. But they are rare.

In one recent example, the campaign committee for Sen. H. John Heinz III, R-Pa., has sued George Young & Associates Inc. for breach of contract in the 1976 election. The complaint alleged, among other things, that the consulting firm leased stores that were never opened as campaign headquarters, rented billboard space but never prepared ads for it, overstaffed the campaign committee, paid excessive salaries, ordered too much printing and rented a useless telephone line to the Republican National Committee. Settlement discussions are now under way.

In a court action in October, Lee Watkins, a candidate in the Republican primary this year for a State Assembly seat in California, sued Butcher and Forde, a campaign consulting firm, for more than $1 million in damages. The suit alleged that the firm took secret rebates from people they hired and sent out an "attack letter" that was not well researched. Consultant William Butcher has been quoted as saying the charges are "ridiculous," but he did agree to meet with Watkins's lawyers.

It may be unclear whether the idea for a "low-road" campaign comes from the candidate or the consultant, but when unsavory techniques are employed, publicity is often the best remedy. "Two things keep this profession fairly honest," the head of a consulting firm said. "An aggressive opponent and an aggressive press."

Scott Wolf of the Democratic National Committee believes that candidates must become more aware of the latest campaign techniques themselves in order to judge the past performance and competence of the consultants they hire. "Because there is so little understanding of the applications of technology, and of its limitations," Wolf said, "it is possible for charlatans and incompetents to continuously exist in the political world."

*Audrey Sheppard founded a consulting firm this spring to specialize in advising women candidates.*

Another concern to some observers is the possible conflict of interest that arises in a few states where pollsters work simultaneously for candidates and the media. But, as one veteran consultant said, "At least now they actually conduct a poll. Years ago they'd sometimes write a report, full of percentages and conclusions, but based on nothing more than the pollsters' imagination."

## THE FUTURE

The campaign consulting business is not likely to grow as fast in the next decade as it has in the past, most professionals agree. But it will continue to change and to change elective politics along the way.

Many in the trade see the trend toward specialization continuing. It is already widespread, with many more specialists than generalists in the political consulting business. Some consultants produce integrated graphic designs. Some are specialists in salvaging campaigns that are in trouble. Still others, such as Cogman & Associates Inc., concentrate on Election Day activities.

Audrey Sheppard, who conducted a study of women candidates when working at Rothstein/Buckley, founded a consulting firm of her own this spring to pursue that specialty. In her study, Sheppard found that women have a "great deal of catch-up work to do" by learning common campaign procedures. "Fewer than half the women we surveyed used the research techniques that are the staple of most campaigns," she said.

Sanford Weiner, who worked to pass New Jersey's referendum that approved casino gambling, is managing a similar campaign in Florida. "If Sandy wins in Florida," a consultant who knows him said, "every state in the union will be calling him. If he loses, he'll be a bum."

"If media costs keep soaring," Stuart Spencer said, "you may see a resurgence of parties and a renewed attention to local organizing. More generalists may appear. But that assumes one guy, or one outfit, is willing to take the rap for the whole campaign. Not many people have the guts to do that today."

Spencer thinks that in the future, politicians will hire more people with campaign skills for their own staffs, giving themselves in-house expertise in polling or media strategy and giving specialists who can't take the seasonal uncertainties of consulting some well-paid work.

There may also be a shift back to parties, said David Rosenbloom, author of *The Election Men* (Quadrangle Books, 1973). "Things have gotten so bad we may turn back to real political organizations. Some of the smarter candidates are already doing that — working hard on the hustings, putting together precinct teams."

Consultant Johnny Allem also notes that today's reliance on media campaigns may be inefficient. "The campaigning season is longer than ever," he said, "so you're commissioning polls and running ads sooner than ever before. But a lot of voters are getting fed up, and they're not paying attention until the last few days of the campaign. I think a lot of candidates will decide after this election is over that they've relied too much on media."

They may also decide, as some veteran consultants have, that the work of professionals, while helpful, is rarely decisive.

"In very few elections could I say it would have gone the other way if I were not involved," Joseph Napolitan said. "The campaigns that come after you are usually better organized to begin with, and most of the time I suspect they would have won anyway."

Or, as Matt Reese concluded, "We are an important part of the campaign, but in the final analysis, it is not we who win campaigns and not we who lose them." □

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# RONALD REAGAN

The former California governor began his candidacy for the 1980 Republican presidential nomination with a familiar face, a seasoned staff and a lot of confidence. Then came a series of staff feuds and a stunning defeat in the first round. The story of Ronald Reagan's campaign victory is the story of two battles: his fight to eliminate a large field of challengers and his struggle to unite those in his own camp.

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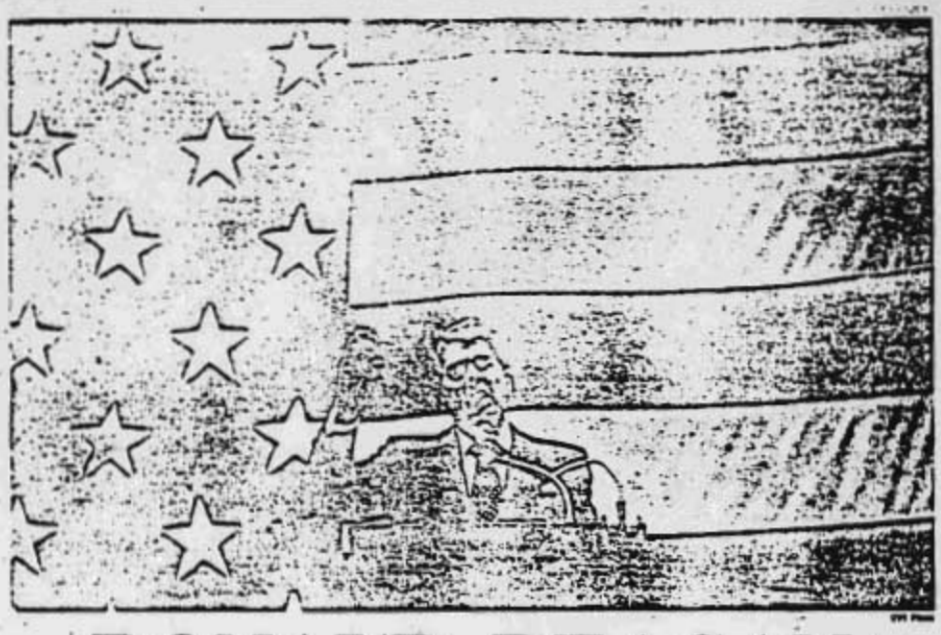

# RONALD REAGAN

## *A Campaign Troubled by Divisions*

By Susan Page
and Myron S. Waldman
Newsday Washington Bureau

*First in a series*

On Jan. 21, Ronald and Nancy Reagan were in the movies.

First they watched "Kramer vs. Kramer" at the Hollywood home of their friends Kal Wells, the producer, and his wife, actress Marsha Hunt. Then they returned to their own home at Pacific Palisades and, according to Reagan, heard from reporters waiting in the driveway what no front-runner for the Republican presidential nomination would want to hear. In the opening contest for that nomination, in the state being touted by some politicians as the new New Hampshire, Ronald Reagan had been down to George Bush.

Reagan himself would not describe what he felt that night, other than disappointed. But Nancy Reagan would say that she and her husband had set up late that night and talked about the one in the Iowa caucuses, particularly about his decision to avoid debating the issues. "We knew we had made a mistake," she said. "Ronald should have debated."

The decision not to debate had been made early, in advance, and with considerable forethought. It had been made as a matter of strategy. It was rooted in the assumption that Reagan not only was a frontrunner but was so far in front of the pack that the nomination was his unless he somehow managed to lose it. So the trick was to conserve, not stake, a lead—and, to some extent, keep from—the risk, remarks and a lack larger for risks, and try not to fumble.

But this strategy, conceived in the autumn of 1979 by the Reagan campaign's top tactician, John Sears, had failed in Iowa and now to a far greater degree than that failure's risk, the Reagan campaign faced a crisis. In terms trouble its candidate was vulnerable, its internal structure in grave disarray.

The campaign staff was riddled with ideological and personal feuds as internal battle for power that sometimes seemed to be every bit as intense as the external battle for convention delegates. While Reagan was publicly preaching the "11th Commandment"—Thou shalt not speak ill of other Republicans—his staff was so divided that aides officials were rarely speaking to other aides officials and were exchanging harsh words when they did.

Already, money was a problem. By the day of the Iowa caucuses, more than $6 million had been spent—about half the total allowed by federal law for the entire campaign—and there were 34 primaries and 17 caucuses to come. Fundraising efforts to that point had been almost a disaster, and there was concern that the one in Iowa would further slow the process.

The television commercials were another problem. They were mistrusted by Reagan's advisers to be substantive at best and embarrassing at worst—a particularly galling state for a man who had stolen much of his popular appeal right house and seen in the show. Yet a single issue paper had been distributed to show in detail how the candidate felt about any of the country's major problems. And now a rival he had dismissed as a lightweight had emerged as a serious challenger.

The one was particularly unnerving because Iowa, at the start, had seemed a certain win and had been a pivotal part of Sears' plan.

Sears had joined as the campaigning crescendo had joined at the campaigning crescendo set in. He had joined at the very the media covered presidential campaigns, and had come to a central conclusion: Momentum is a key to success. The candidate who wins early gets the momentum. He is propelled by the heavy attention of television and the press. He wins a chance of favorable publicity for the next state and, if he wins there, the next. The campaign thus derives weight with supporters (media important to donors but aside their private misgivings and become public backers. "There is no second-place money in politics," Sears liked to say. "You don't get a second one of that." Win the first state, and the others will fall like dominoes.

But now the first state had been lost, and the dominoes that had to be a presidential nomination were beginning to slide toward George Bush.

### On the Rebound

In 1976, after he had lost the nomination at the Kansas City convention to President Gerald R. Ford, Ronald Reagan's aides did not know whether to take the centre to run again. "I remember having breakfast with both the Reagans after we lost the nomination," recalled Sen. Paul Laxalt (R-Nev.), the chairman of the 1976 and 1980 campaigns. "And I think they were both thinking that that was their last shot. I remember telling them that politics are very changeable."

The Reagans went back to California, back to the house at Pacific Palisades. The rift between Reagan's aides and Ford's had grown deep. Reagan put in a minimum amount of work for Ford in the weeks before the November election, and then returned to writing a newspaper column, doing radio commentaries and taking to what he calls the "speaking-fee circuit," earning for high fees.

There was money left over from his campaign, more than $1 million that had been contributed for use in 1980. Under the law, he could have taken it, put it in his pocket, paid income tax on it, and lived happily ever after," an aide recalled. Instead, he put it into a political action committee, called Citizens for the Republic, which in the next two years would donate more money to political candidates—more in excess of $600,000—than any such PAC in history. The goal, according to the aide, was twofold: to help elect conservatives to the Congress and to "make sure that a lot of

people in the country represented Ronald Reagan, as one he wanted to run for President again."

Reagan himself, by most accounts, was not sure whether he did. But he kept himself highly visible. After he left the governor's office in 1975, he had made a business arrangement with two former aides, Peter Hannaford and Michael Deaver, who had set up a public relations firm. They handled his bookings, traveled with him and helped keep him both active and rich.

By 1978, Lyn Nofziger, a long-time retainer who had worked in the Reagan statehouse and who became executive director of Citizens for the Republic, had begun steering Reagan's bookings toward groups that would do him the most political good. For example, during a week in July, 1978, Reagan spoke at a dinner for Rep. Dan Marriott (R-Utah) in Salt Lake City, at the Clark County Republican dinner in Las Vegas, at an Indiana state GOP dinner, and at the Republican Leadership Institute in Scranton, Pa.

In Washington, Sears, who had run Reagan's 1976 campaign, had returned to his law firm. Sears worked part-time as a consultant to Senate Minority Leader Howard Baker (R-Tenn.), who had an eye on the presidency himself, but kept in touch with Reagan.

In mid-1978, Sears met with friends and Reagan aides of 1976: Charles Black, David Keene and others. They went down the list of possible Republican candidates for 1980, one of them recalled. Finally, Sears called the process to an end. "Face it," he said. "We're all going to be out in Pacific Palisades on our knees begging Ron to run, because there isn't going to be anybody else."

So late that fall, they were in Reagan's large, contemporary home in the West: Sears, Deaver, Hannaford, Nofziger, longtime Reagan pollster Richard Wirthlin, and Edwin Meese, who was Reagan's chief-of-staff when he was governor. And, of course, Ronald and Nancy Reagan.

"We really didn't see anybody with the exception of Ford who could hurt us," one participant said.

John Connally, they figured, would take money that otherwise might flow Reagan's way, but Wirthlin's polls showed Connally had a negative image as a wheeler-dealer that he wouldn't be able to shed.

Rep. Phil Crane of Illinois, a handsome conservative who had announced his candidacy, might actually help because he was so far to the right that Reagan would seem moderate by comparison.

Baker could be the most formidable challenge, according to Wirthlin's survey. But the new nomination process made it difficult to campaign from the floor of the Senate, and Sears felt that Baker might not decide until it was too late whether he wanted to be active in the Senate or campaigning outside.

Then there was Bush, the former United Nations ambassador, former head of the CIA, former Republican national chairman, former envoy to China, former member of the House and twice the unsuccessful candidate for the Senate from Texas. "George Bush?" the participant said. "I guess we just never really took him seriously."

## 'The Real Article'

There was good reason for the view from Pacific Palisades to be so rosy.

Two years before, Reagan had come within 117 delegates of taking his party's nomination away from an incumbent president. He had a fairly broad base of support, a base that, when he had been governor, had included not only the hard core of Orange County right-wingers as discussed in the East, but also traditionally Democratic blue-collar workers. When he had been re-elected, according to his polls, he had gotten the votes of 40 per cent of California's union members—and the votes of 30 per cent of their wives.

It was, moreover, a personal constituency that had been his since the conservative wing of the party, looking for a new leader after Barry Goldwater's defeat, had gathered around him in 1966, making him not only governor of the largest state but also the de facto leader of a national movement. They were his, and they were intensely loyal. "I used to say, if you're looking for a younger Ronald Reagan, here I am," Sen. Robert Dole (R-Kan.) recalled. "But they weren't looking for a younger Reagan. They wanted the real article."

The real article had not only personal appeal but also a campaign structure. The 1976 race had seasoned the Reagan operatives in each state, and Sears and the others knew which could produce

*"We knew we had made a mistake . . . Ronnie should have debated"*

**—Nancy Reagan after Iowa defeat**

and which couldn't. During 1977 and 1978, at least eight officials who had been with the Reagan campaign became state party chairmen, which gave the California a major lever into these state organizations. "They were all pretty much in place," Lenart recalled.

The troops were out there and waiting, and they were kept together by the Citizens for the Republic, which held campaign training sessions, sent out newsletters and gave the leaders an excuse to meet on a fairly regular basis, sharing information of the Panama Canal treaties and sharing plans for 1980.

In addition, the new nomination rules and the proliferation of primaries gave a decided advantage to a candidate with widespread name recognition, a solid core of support and the time for full-time campaigning. It was, to Sears, a "horrible" method for choosing a candidate, one that put a premium on endurance and momentum rather than on judgment and experience and ability. But it was a method that, in 1980, would work to Reagan's advantage.

But there were disadvantages, too. Reagan, at the time, was 67 (he is now 68), a retired movie actor who played in 55 mostly forgettable films. He was a former governor—several years out of office—whose conservative outlook might logically confine his appeal to about 30 per cent of the voting public. His age could become a problem—or a campaign issue itself—particularly if he became ill during the campaign. Only one president, William Henry Harrison, was first elected beyond the age of 65. A month after taking the oath, Harrison died of pneumonia.

Also, Reagan lacked a broad base in the Northeast. He had a reputation for making controversial—in the view of some, downright nutty—statements. Many saw him as quick to shoot from the hip. He had virtually no experience in foreign affairs, and Jimmy Carter's own performance as president had, according to most polls, done little to inspire confidence in the ability of former governors to handle national affairs.

Reagan was, in fact, the opponent most of Carter's political operatives were hoping for. They would paint him as too old, too conservative, and too simplistic in his solutions. It would be 1964 all over again, a replay of Lyndon Johnson's trounsing of Goldwater. But some of the more respected political analysts were not as confident of that as were Carter's aides.

Alan Baron, author of the political newsletter The Baron Report, noted early last year that Reagan was not Goldwater. His record as governor was not as conservative as his rhetoric, and the Republican Party, and the nation, had moved so much to the right that he was much more in the mainstream than Goldwater had been.

Moreover, Carter was no Johnson. Johnson was not the most beloved of Presidents, but, particularly before the escalation of the Vietnam War, he had been seen as efficient and competent, which Carter, according to polls, was not.

And 1980 was not 1964. In 1964, the nation had been prosperous and optimistic. In 1980, the economic outlook probably would be grim, and greater numbers of people were sharing Reagan's skepticism of government's ability to solve the nation's problems or improve their lives.

Reagan, too, was seen by many as a kind, gentle man whose instincts were decent and whose integrity had never been challenged—a major advantage at a time when a growing number of voters had come to place greater emphasis on personality than on issues or party loyalty.

"Underscoring all that was the demonstrable fact that, in his eight years as governor, disorder had not erupted, the government had not collapsed and California had not fallen into the ocean.

"Mr. Reagan has gotten along in politics for a period of 14 years . . . because of two strange phenomena," Sears said. "The first is that observers set standards for him that are too low, and he goes out and exceeds them . . . The other thing is that the governor has very good general instincts on issues. He has a built-in alarm system that keeps him from making irreversible mistakes."

## Sears, the Technician

The problems within the campaign centered largely on Sears. He is, basically, a pragmatist, a political technician of great talent and skill. He is not trusted by the conservatives who had adopted Reagan as their Great Right Hope.

A chart of the Reagan campaign organization in early 1979 would show two power bases. One surrounded Sears, the political moderates from the outside, and the other clustered around a core of friends and political aides from Reagan's days in Sacramento: Nofziger, Deaver, Meese. It was further complicated by the existence of factions within factions: Deaver and Nofziger, for example, feuded constantly.

The men around Sears included campaign politics director Charles Black, 32, and press secretary James Lake, 42. Unlike Sears, who is quiet and intense, both were extroverts. Partly because of that, both had warmer relationships with Reagan than Sears had.

Lake had been a partner in a small grocery chain in California, had worked for Reagan for a time when Reagan was governor, and then had moved east to Washington, eventually becoming a deputy assistant secretary of agriculture in the Nixon administration. Like many who leave government service, Lake turned his experience to good use: He became an influential and highly paid lobbyist for agricultural interests. He had also developed a reputation as a survivor, a man

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who protected his flank at all times and managed to come out of internecine disputes unscathed.

Black, a lean, soft-spoken North Carolinian, had worked as an aide to his home-state senator, the very conservative Jesse Helms, before joining the 1976 Reagan campaign. Later, he took charge of the political division of the Republican National Committee. In 1978, he was called back into service by Sears.

Sears, 39, is considered by many reporters to be a political genius. Some of that may be because he is quick to return calls from the press.

He is a prematurely gray-haired man who dresses conservatively and always looks well-scrubbed. He and Reagan had a professional relationship but, by most accounts, were never friends. Their needs meshed. Their personalities did not.

Sears had worked for Richard Nixon in 1968, setting up speaking engagements throughout the country in preparation for a 1968 presidential bid. He is credited with spotting a weak point in Nelson Rockefeller's strategy for stopping Nixon—the New York governor wanted to block a first-ballot nomination by orchestrating "favorite-son" candidacies in many states—and with having maneuvered enough New Jersey delegates away from their favorite-son candidate to cause the Rockefeller story to collapse.

After the convention, however, he found himself on Spiro Agnew's campaign plane, not Nixon's, bumped aside by West Coast aides John Ehrlichman and H.R. Haldeman. Six months after victory, he found himself bumped out of the administration altogether.

Sears is a professional, one of the growing band of full-time political consultants that has emerged along with the increased use of computers and other technological elements in modern campaigns and the gradual demise of old-style machine bosses.

Political consulting has become a major growth industry, with millions being spent for direct-mail fundraising, television advertising, and polling. Leading pollsters, such as Patrick Caddell, and direct-mail specialists, such as Richard Viguerie, have become millionaires.

Strategists such as Sears are at the center of that large and costly apparatus.

Sears is a Republican, an easterner born in Syracuse, a Calvinist. He refused to consider working for John Anderson because of the Illinois congressman's stand in favor of abortion.

He is not, however, as ideological as Nofziger, who is said by friends to be totally dedicated to Reagan and to conservative principles.

"Sears devoted himself to Reagan," a veteran of the 1976 campaign recalled. "He wanted Reagan to be president. He was a believer. He was not in it for strategic reasons. He was not in it for his own reasons. In 1976 when it became clear that Ford would defeat Reagan, I've got personally sick."

Nofziger and Sears had disagreed in 1976, and Nofziger had told friends later that he would never work with Sears again. Some of it was a matter of political differences, but some, according to persons who were there, was a result of what Nofziger felt was personal abuse.

Nofziger, 56, is a round, somewhat unassuming man who likes to display a tough exterior. In private, say his friends, he is very sensitive and easily bruised. And Sears bruised Nofziger often in 1976.

"His devotion to Reagan was the trump card Sears always played," said a member of Reagan's 1976 team. "Lyn was a good soldier. He would do whatever the call he was told to do. So he got kicked around a lot . . . .

"John will spend a lot of time with you if he thinks you've got something new for him, if he thinks your judgment is good or you can help him some way. But he tends to reach the conclusion quickly. 'Well, I know what this guy's going to say. Life is short. I'm going to talk to someone else.'

"And then he shuts you out. And in Lyn's case, he shut him out. And he mistreated him. And he abused him through mistreatment. And the result was that Lyn came to hate him."

There were others who had little regard for Sears. Lazalt among them. The Nevada senator, aside from being more conservative than Sears, felt that Sears was a brilliant strategist but had neither the ability nor the enthusiasm for day-to-day management of a campaign.

Photo of Roger Stone

*'John [Sears] will spend a lot of time with you if he thinks you've got something new for him . . . . But he tends to reach the conclusion quickly, 'Well, I know what this guy's going to say. Life is short. I'm going to talk to someone else.' And then he shuts you out.'*

**—A campaign aide**

Yet there were important people close to Reagan who felt that Sears genius as a strategist was needed for 1980. He had, after all, brought Reagan close to success in 1976. It was his idea to bring moderate Sen. Richard Schweiker R-Pa. into the ticket as a running mate—a surprise move that ultimately failed to attract many Northeastern votes from the Northeast but bought Reagan time and kept his campaign alive for six additional weeks.

Almost every campaign for the world's most powerful office is rife with personal rivalry. Of the 12 serious contenders for the 1980 nomination, each experienced some degree of staff turmoil. But in no instance was the rivalry or the jealousy as significant or as severe as in the Reagan camp.

## The Division Within

Many plans were devised to get Sears (now—without his management)

The day after the 1976 Ford Denver flew to Washington and had a drink with Sears friend Gerry Keene in the Madison Hotel. He told Keene that there was a plan: He, Denver, would be the campaign manager, Nofziger would be the national political director. And Sears would be head of a steering committee.

Keene laughed at the idea. "You don't think you're going to be able to sell that to anybody, do you?" he said.

Keene was weary of the fights in the Reagan organization. A few days later, he signed on as the political director for Bush.

Sears, meanwhile, was furious at the Denver proposal. Laxalt and Black declared that they would not sign on unless Sears was in charge.

Finally, a few days before Christmas, "West Coast (Meese and Deaver) and East Coast (Sears and Laxalt) met at a St. Louis hotel and drew up a plan for a management team. All would be equals on the team, except that Sears would be executive vice chairman for the campaign. That, they figured, would appease the right wing and at the same time put Sears in charge. "It said," a participant said. "But therein lay the seeds of a terrible management situation."

## Primary Preparations

Through early 1979, the strategy of a frontrunner was being crafted by Sears. It was designed for the primaries, but aimed at the general election as well. It was not a time to be devoted exclusively to the conservatives. Reagan would reach out to the moderates of the party, not by changing his views but by broadening his concepts, finding areas of common ground.

Some doubted that Sears' reach to the moderates would succeed. "The animosity between the two wings of the party is not primarily issue-based," Keene said this spring. "They're cultural. They're demographic. Reagan could change his position on all the issues and the northeastern Ivy League WASPs would still think he was some sort of lunatic from California."

Sears, however, says he didn't intend for Reagan to change his positions on issues. For one thing, he says, many of these positions "are quite popular in the country . . . more popular today than when he first took them." For another, it's hard to change positions without losing credibility.

What Sears planned, he said recently, was to have Reagan attract voters he hadn't particularly sought out in the past and, above all, project an image of sincerity and competence. "The vast majority of voters are not philosophers of any kind," Sears said. The vast majority look at the man, rather than his position.

At the same time, Sears and others would try to neutralize prominent Republicans, keeping them from endorsing others and keeping open the lines of communication.

Sears began making regular visits to GOP governors and other party officials. Laxalt did the same on Capitol Hill. Fred Seibel, a moderate and a former supporter of President Ford, quit his job as Connecticut GOP state chairman to convince other party officials that Reagan was acceptable, that, in Laxalt's phrase, "he didn't have horns." And Reagan made a tour of the Capitol, talking to moderate and conservative senators.

"Sears purpose was not to compromise his candidate 'by changing Reagan's positions,'" Iowa Gov. Bob Ray said. "It was to make people realize that you can be a conservative and still be understanding and progressive."

It was also, in large part, to ensure that Reagan would emerge from the primaries not only as the common foe—unlike Goldwater in 1964—as the leader of a united party.

That would be easier for Reagan than it had been for Goldwater. Rockefeller, the great enemy of the conservatives, was gone. The party's base had shifted from the Northeast to the Sun Belt and the West. The GOP was smaller but more homogeneous, without the polarization represented by Rockefeller and Goldwater. Indeed, all four of the major GOP candidates—Baker, Bush, Connally and Reagan—were, on paper, conservatives. Even the most liberal of the group, Baker, had consistently voted with the most conservative third of the Senate.

Sears also wanted to go straight to the Northeast, which in the past had not been considered Reagan country. The Northeast would be valuable in the election fight against Carter, the expected Democratic nominee, and it was the only region where any of the other Republicans could cut into Reagan's vote. So attempts would be made to draw northeastern GOP leaders into the camp, to speak out on issues of particular interest there—energy, the economy, the need to generate jobs.

*Four men instrumental in the Reagan campaign team were James Lake, top, Ed Meese, above left, Michael Deaver, above right, and, at right, Lyn Nofziger. Lake, former press secretary, resigned, with John Sears, the day Reagan won the New Hampshire primary. Deaver, one of Reagan's closest aides, and Nofziger, who worked with Reagan in California, resigned earlier because of friction with Sears. Meese, Reagan's issue adviser, was the last survivor from the California team.*

Meanwhile, the overall Sears strategy was to moderate the rhetoric, keep a low profile, avoid any serious gaffes, and yet run an active enough campaign to show Reagan to be vigorous and alert, defusing the age issue. "We were so far ahead that we didn't have any viable competition," said Charlie Black, the political director. "On paper, the guy who could give us the toughest race was Baker, and he wasn't getting his act together. There was no point in getting down and groveling around with these older guys. It just gave them credibility, and a chance to get at you."

## Nofziger's Complaint

Not everyone agreed. Lakalt would say later that the reason to the moderates was a "schism" that had divided the Reagan camp from the start. And Nofziger was angry not only about that, but also about the plan to delay Reagan's entry as long as possible on the assumption that, as the acknowledged front-runner, the race wouldn't begin without him anyway. He denied that Dole and Crane were threatening to erode Reagan's base.

He complained bitterly, if privately, that Sears was going outside with the "moderation" plan, making it look to the world as though he was the true brains of the campaign, relegating the associate around his finger.

He wanted others John thinks he can screw the right wing . . . John thinks the right wing is stuck with us and won't go away . . . John doesn't understand that the right wing might not select but it will sit on its hands.

Nofziger also blamed Sears for a major problem on his own hands: that the money just wasn't coming in. Sears plan called for Reagan to delay his announcement until Nov. 13, and Nofziger saw that as the reason the contributions were scarce. No one, he argued, was willing to finance an unannounced candidacy.

Nofziger had been put in charge of fundraising, a job he had not done before. Some persons close to the campaign think it was a plot by Sears, a plan to maneuver Nofziger into a job he was not suited for and incapable of handling, and thereby give Sears a chance to be rid of him.

The money was going out for an office in Washington, for more aides in Los Angeles, for more professionals to staff offices in just about every primary state. But the money was not coming in.

At the point, a person close to the Reagan camp recalled, they ran into a serious cash-flow problem. There was a crucial meeting at which Reagan and Sears and all the top officials reviewed the situation and commiserated about it.

Sears, by the account, turned to Nofziger and said, "Lyn, I thought you were supposed to be handling this."

"He was just blindsided," the source said of Nofziger. "Sears maneuvered him into a zone that he couldn't travel out of."

In August, the management team decided that the campaign needed a new finance director. Deaver was delegated to tell Nofziger and to urge him to run the Texas and California campaign operations instead.

Nofziger quit.

He moved back to the Citizens for the Republic, and Deaver moved into the finance job.

Now one of the Sears opponents was gone, and another, Deaver, now 42, had, like Nofziger before him, been moved into an unfamiliar job.

## Financial Troubles

Deaver is very close to the Reagans. Campaign insiders say he is more than just an adviser, he is a personal friend who sometimes takes vacations with the Reagans, who sees to their personal comfort. Through the years, he also has profited handsomely from his ties to Reagan, since his firm handles arrangements for Reagan's speeches, radio commentaries and newspaper columns.

Deaver's ties to Reagan gave him a freedom to do things that others could not have done. He is said—and he doesn't deny—he has repeatedly hired people Sears didn't know were on the payroll, to save authorized expenditures that Sears didn't want. "Meese and Deaver and Lyn had been working with Reagan for years," Black said. "They could go and take actions, ideas for Ronald Reagan, commit funds for Ronald Reagan or anything else without having to consult with anybody. Well, John was supposed to be running the campaign and he never had that control authority.

"We never had budget control."

It wasn't just the money, but the way it was spent, that upset Sears. He didn't like the setup Deaver and Meese had created in Los Angeles, a state with only two young aides that was supposed to turn out issues papers for the campaign. He responded by setting up a large operation of his own, in Washington. That added to the friction, for Meese was in charge of issues but Sears was creating another power center. According to insiders, the Los Angeles office began to block the issues proposals from the Washington office. The result: no issues papers were produced.

Nor were adequate numbers of commercials being prepared.

Peter Hannaford, Deaver's business partner, sought a good advertising agency. He came up with a firm and Black interviewed the executives of the firm he had chosen. He settled on C.T. Clyne, a prestigious, award-winning New York firm. Everybody in the business was said to have admired their commercial for Black Flag, the insecticide.

The firm was hired in late November. By Jan. 1, the agency produced three 60-second Reagan commercials and three 30-second commercials.

One of the 60-second spots was judged effective by Reagan's advisers. It showed Reagan in a gym talking issues with inner-city children.

Another had Reagan talking issues in a helicopter. There was a lot of helicopter noise. Television lights, that's true, to Reagan's face, were positively sacrilegious in this commercial. Reagan's face looked so wrinkled that some quipped he might have been chosen with Black Flag. Hannaford and Black called that commercial, and one of the 30-second spots.

So the campaign had paid $150,000 to C.T. Clyne and had five commercials—180 seconds' airtime—to show for it.

Meanwhile, Deaver, in his new job, was en-

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countering some of the same problems Nofziger had.

One of his ideas for getting money had been a series of concerts, to star some of Reagan's show business friends. He had recruited Frank Sinatra, Dean Martin and Wayne Newton. Sinatra and Martin put on a concert in Boston, and Newton gave two in Texas. The Boston concert did well, but at the Newton concerts they had to paper the house—handing out free tickets to swell the crowds.

Deaver figured the concerts made money—about $75,000 in all—but also cost money to produce. And the campaign could spend only $2.9 million on fundraising before the expenditures began to count against the $14.7-million campaign spending limit. Sears was furious. On Nov. 2, 11 days before Reagan was to announce his candidacy, there was a meeting about the concerts at the Madison Hotel in Washington. There, in front of the Reagans and Lazalt, Sears took out his anger at Deaver.

According to an insider, he shouted at Reagan a good friend: "You spent $350,000. I'm going to be held responsible." The anger was not caused by the concerts alone. Sears did not enjoy sitting down with Reagan to discuss strategy and hearing Deaver, sitting with him, say, "John, I think you're wrong"—right in front of the candidate. "The concerts weren't the issue," Deaver said afterwards. "The issue was power. Sears became increasingly frustrated with the fact that I had the governor's ear—of course, I'd been there for 15 years—and that I would disagree with John."

## The Announcement

By Nov. 13, the evening of the big announcement dinner in New York City, Deaver and Sears were not on speaking terms. With contributions, the dinner was expected to raise $2 million. To get such contributions and maximum publicity, Charlie Black had spent $300,000 for radio and television time, so that the rest of the United States could hear Reagan announce. Deaver was selling $500-a-plate tickets to 1,000 of the 1,500 guests. But the dinner lost money.

It was, nevertheless, a premiere worthy of Hollywood, with artful spotlights and an 8-minute campaign film that tried to address the age issue by showing Reagan riding horseback and sawing wood. The announcement speech was crafted for the moderate outreach program. The site itself, the heartland of the progressive Republicanism of Teddy Roosevelt and the late Nelson Rockefeller, was chosen as a symbol of Reagan's plan to win the Northeast.

Deaver stood alone, looking down from a balcony as the politicians he had long served spoke of forging a new North American accord among Canada, Mexico and the United States, or of statehood for Puerto Rico—issues that rarely would be discussed again, particularly since Reagan did not enter Puerto Rico's February primary, the first in the nation.

Later, some of Reagan's California group would complain that Reagan's heart hadn't been in the speech. He had been uncomfortable with the Puerto Rico statehood idea. The moderate tones were a contrast from his standard speech.

But the Sears group insisted it had served their ends. "Whether he ever got comfortable with it or not, I'll tell you something—the same thing put him up 14 points in the polls," Black said. "And he was up there pretty good when we did it, so 14 points was no easy task."

## Sears vs. Deaver

The estrangement between Deaver and Sears was worrying Reagan. He called Sears after the dinner and told him to mend his fences with Deaver, at least to start talking to him again. "I'll talk," Sears is said to have answered. "But he won't talk to me."

Reagan decided to set up a meeting at his home during Thanksgiving weekend. When Black heard of it, he called Reagan and told him Sears might quit. "And if he goes, I go," Black is said to have warned.

Sears, Black and Lake flew out to Los Angeles together. They rented a car and, with Lake at the wheel, drove to Pacific Palisades. Black and Lake had agreed that if Sears left the campaign, they would, too. Several participants recounted, with no major discrepancies, what happened next.

In the living room of their home, Ronald and Nancy Reagan met them. And there, Reagan laid down the law. Mike Deaver, Reagan said, had served him too long to be dismissed. Reagan said Sears and Deaver were being childish. "Like spoiling kids." He said they should let bygones be bygones.

Sears was adamant. "One of us will have to go," he said. "It's either me or him."

Deaver arrived at the house, walked into the living room and saw Black and Lake. Nancy asked Sears' two allies to wait in an adjoining guest room. After some time, she asked them to return.

For an hour or more the group wrangled, trading accusations and recriminations about faults in the campaign. "This is all redundant," Black exclaimed at last. "You are going to have to make a decision."

"Yes, Ronnie," Mrs. Reagan agreed. "You are going to have to make a decision."

Reagan did not speak. And he did not decide. For Deaver swiftly broke in.

"Look, Governor," he recalls saying. "I've always wanted you to be president. I've worked hard for that. And I have always done what I think is in your best interests. And what I think is in your best interest at this point is for me to go back to my firm. And perhaps that will stop the friction."

Reagan protested. He insisted that he did not want Deaver to quit. "Well," Deaver said. "I've made my decision. So that's that."

He walked to the door—but could not leave immediately. His wife had dropped him off at the Reagan house and had driven on. He had to ask Reagan for the loan of a car. Reagan handed him the keys and returned to the living room.

Reagan is a gentle man who does not lose his temper often. But when he came back after Deaver's exit, he was furious. "You were not big enough to give in," he stormed at Sears and the others. "Mike was the only guy big enough to walk away. You are small, petty men."

Later, Reagan told his wife that he feared the loss of Meese next. "They'll be in here and they'll be after Ed," he is said to have murmured. "I won't do it."

Ed Meese was just about the last of the old Reagan retainers left in the campaign. Sears wanted him to travel with the candidate because Reagan was comfortable with him. But friction murky developed between Meese, the issues adviser, and Lake, the traveling press secretary. Sometimes, when Lake would want a response from Meese on a particular issue of interest to a reporter and Meese, for whatever reason, would delay an answer, Lake would go around him and try to get the answer elsewhere.

And Sears was becoming irritated with Meese, angry that position papers were not getting done, complaining that Meese was failing in other duties—and worry that Meese, with his intimate access to Reagan, was a man who could make Reagan change his mind.

## Campaigning Above It All

Fighting and factionalized from within, its candidate doing his best to remain above the internal battles, the Reagan organization moved forward. The polls were not reflecting the inner turmoil.

In November, there were rumors—consistently denied—of running moves by Reagan supporters in Maine to cut down Howard Baker, the man they perceived to be the most formidable. The Tennessee lawmaker had taken a phalanx of national reporters to witness a convention and straw poll of Maine Republicans that his agents had assured Baker he would win. Bush won instead. The story, greeted with protestations of innocence from the Reagan camp, was that the Reagan delegates had been told to vote for Bush to prevent a Baker victory.

Later that month in Florida, Reagan participated at another state convention and straw poll—an event at which he had been outmanpaigned and outspent by John Connally. The delegates there also could vote for a second choice for president. Instead of voting for Connally, they voted, unexpectedly, for Crane. Souness and Reagan delegates were told to vote for Crane as their second favorite, for the Reagan camp then thought that the most formidable opponent in the Florida primary would be Connally.

And in New Hampshire, early fears that Crane was cutting into Reagan's lead on the right wing were set to rest by William Loeb's Manchester Union Leader, which published a series of stories making a rash of allegations about the congressman's morals and home life. The Reagan camp was not blamed for the articles, but Loeb was the former California governor's most ardent supporter in New Hampshire.

Iowa was the first targeted state. Its Jan. 21 Republican caucuses were not binding on delegate selections, but would be seized on by the media as the beginning of the nomination process. A May, 1979, survey by the Des Moines Register and Tribune had found Reagan leading Bush in the state, 42 per cent to 3 per cent.

By many measures, Reagan was a formidable figure in Iowa. In 1932, straight from Eureka College with an economics degree, he had crossed the Illinois border to become an Iowa sportscaster and disc jockey. Ever since he had left the state in 1937 with a Hollywood contract in his hand, even though he was born in Illinois, he had the aura of a local boy who made good. Iowans still call him by his boyhood nickname, "Dutch," and some claim to remember him from his days on a radio announcer.

Repeatedly, he had returned to Iowa to campaign for Republican office seekers. But he would not return for a 1979 Iowa GOP fundraising dinner that featured all the other presidential aspirants.

Meanwhile, Bush was making his move in the state. "He came in here and at least part of his family took up residence in Iowa before the first of the year," recalled Reagan's Iowa chairman, Ray Hupe. "They were everywhere—an attractive family, young kids who could get around. They were everywhere."

Reagan was nowhere. His Iowa campaign suffered through three changes of organization. The Bush organization was centering Iowa Republicans by the thousands and taking out newspaper and television ads. The Reagan organization was doing little of that.

When Reagan rejected the idea of participating in the Register's Jan. 5 GOP candidates' debate, Sen. Robert Dole, himself eager to emerge as the one Republican alternative to Reagan, decided to intervene.

"I remember calling John Sears," Dole said. "Because I knew I wasn't going anywhere in Iowa, and telling him that Reagan ought to get out for the debate. I said my fortunes in Iowa weren't high, and unless Reagan shows, he could lose there, which would make it difficult for him. He thanked me, but didn't seem very interested."

Outside the campaign but emotionally very involved, Lyn Nofziger also pressed hotterly to friends about the decision to keep a low profile. "One thing you've got to do in this business is eat," he insisted. "Whether you want votes or money, you eat. And John had forgotten that very basic rule."

Reagan's absence from the debate was, for Iowans, the last straw.

"Ronald Reagan has thumbed his nose at us much too often," was the way Sheryl Rendent, secretary of the Marshall County Republican Committee, summed it up. "We're sick and tired of hearing him say, 'I won't come to your state.'"

On Jan. 21, George Bush edged Ronald Reagan in the Iowa caucuses by two percentage points.

Looking back, Charlie Black recalled the concern that swept through the Reagan camp. Sears' strategy had called for early wins in the first eight primaries, a strategy designed to run well in the Northeast, the South and then the Midwest, driving all the challengers out of the race soon after the March 18 Illinois primary.

"We figured . . . They were well organized and had the right kind of structure, the right kind of people on the ground, and the ability and the money . . . we figured we'd lose one somewhere but then we'd be flexible enough to win most of them."

Black paused briefly and then said: "But we didn't have a chance doing the first one."

NEXT: A Victory and a Purge

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Newsday
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MONDAY, JUNE 16, 1980

## 4 for Nicklaus

Jack Nicklaus waves to crowd after winning his fourth U.S. Open with a record 8-under-par 272.

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## Reagan's Great N.H. Debate

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# RONALD REAGAN

## The Great N.H. Debate: A Scenario Tailor-Made For a Political Thriller

By Susan Page and Myron S. Waldman
Newsday Washington Bureau

*Second in a Series*

Iowa was over, an opportunity snatched from Ronald Reagan's grasp by George Bush. Not only would Reagan now be forced into debates, but the decision not to campaign in New Hampshire as extensively as in 1976 had been quickly abandoned. Every effort would now be made to duplicate the extensive and personal campaigning that had brought Reagan to within a few hundred primary votes of beating an incumbent president in that state four years before.

Everyone on Reagan's staff recognized the need for victory. It was one of the rare moments of unity in the Reagan campaign, which was increasingly marked by feuding between chief strategist John Sears and issues adviser Ed Meese.

Reagan himself had given Meese the word shortly after the defeat in Iowa. "It was on a plane coming out to Chicago," Meese recalled. "He said, 'We've got to change this schedule and we've got to change the style of campaigning . . . We've got to participate in the debates.'"

The campaign schedule in Iowa had limited Reagan to a series of set speeches, in which he flew in, surrounded by a Secret Service detail and various aides, made a quick speech and left the same day. Voters seldom got the chance to see him in person or to shake his hand.

The "above the battle" posture was being ridiculed and criticized as the "Imperial candidacy." Questions were being raised about Reagan's stamina—he turned 69 on Feb. 6—as weekends the rigors of the campaign, as about the presidency.

The plan in New Hampshire—in the words of Gerald Carmen, Reagan's state campaign chairman—was to "get him out of the limousine and onto the bus."

### The Selling of Reagan

Reagan has one very strong selling point, people around him say, that makes him effective at personal campaigning. He is, they say, a very nice person.

"He's a very gentle man, almost to a fault," said Mike Deaver, a personal counselor of Reagan and Nancy Reagan for more than a dozen years. "He trusts and believes in people. But he's a very, very smart enough to have someone around who watches out for him."

Admitting both of Deaver's points, a former aide recalled Reagan's reaction to the revelation "gave manical" of his first term as California governor, when several aides were accused of betrayal and eventually forced to resign. "His first reaction was, 'Well, they've never done anything to me—nobody asked me for a raise,'" the aide recalled. But in the end, Reagan agreed with assistant Lyn Nofziger that the men had to go. "This wasn't 1980, it was 1967," the aide said. "People weren't nearly as interest then."

Reagan seldom bothers with the nuts-and-bolts decisions of campaigning. He delegates responsibilities easily. He is a self-confident man, not threatened by aides who make decisions themselves. That is, in the view of many, one of his strengths as a candidate. He radiates a sense of ease that makes voters trust him. As governor, he saw himself as a sort of chairman of the board, setting policy and only stepping into day-to-day operating decisions when necessary. He usually went home promptly at 5 PM.

So the plan was to present this sincere, friendly man directly to the voters.

He and Nancy would travel together, as they normally do. Mrs. Reagan doesn't like to campaign alone and says she and Ronnie miss each other when they're apart.

Mrs. Reagan, 58, is, by most accounts, an active political adviser as well as a wife. Without meaning it unkindly, a Reagan worker said, "She's more interested in being first lady than he is in being president."

She also is sometimes less willing to forgive political slights and betrayals. Tommy Thomas, the head of Reagan's Florida campaign in 1976, recalled an incident at the end of the Kansas convention that year after Clark Reed, the GOP boss in Mississippi, had switched the state's delegates from Reagan to Ford. By Thomas' account, Reed caught up with the Reagans after the convention and said, "I made the biggest mistake of my life." Nancy Reagan, Thomas says, turned her back. But her husband put his hand on Reed's shoulder and said, "That's all right, Clark. We all make mistakes." Thomas says: "That was one of the most touching scenes I've ever seen. Nancy would have kicked him in the rear, and I would have held him."

The Reagans travel as a couple, but not as a family. Reagan is not close to his children, friends say. He and his first wife, actress Jane Wyman, had two children, Michael and Maureen. Maureen, 38, sometimes campaigns for him. Her advocacy of the Equal Rights Amendment and other causes sometimes puts her at odds with her father and some of his more conservative backers. Mike, 33, is in the glamour business in California and made occasional campaign appearances.

Reagan and Nancy, his second wife, also have two children, Ronald Jr., 32, called "Ron" by the family, is a Yale University graduate now studying ballet in New York. Patricia, 27, an aspiring actress, is said to be estranged from her mother, who reportedly was embarrassed when Patti chose to live with her boyfriend, former Eagles rock singer Bernie Leadon. The two younger children do not campaign for their father.

The assumptions of Reagan's staff, however, were that Ronald and Nancy would be sufficient and that Reagan would be well-received by New Hampshire Republicans, who tend to vote more conservatively than their brethren elsewhere in the Northeast.

### After Iowa: Momentum

Forty-eight hours after the Jan. 21 loss in Iowa, Reagan's Pennsylvania gathered in John Sears' room at the Hyatt Hotel in Chicago. They had in their hands the damage report from campaign pollster Richard Wirthlin. On Jan. 22, Reagan had been leading Bush by 18 percentage points in New Hampshire. Two days after Bush's narrow win in Iowa, Reagan was six points behind.

"We knew the press would be quick to turn on Reagan," said one of those present in Sears' room. "We anticipated a great media ride for George Bush." Sure enough, Bush mesmerized the covers of the leading news magazines—as Newsweek he was jogging—and proclaimed himself in nationally televised interviews as the proud possessor of "big 'do'"—momentum.

Later, in May, after Bush had thrown in the towel—saying he was beaten and broke and knew how to count, knew that Reagan had more than the 998 delegates needed for the nomination—Sears recalled how thankful he had been in January that the New Hampshire primary was still five weeks away.

"If New Hampshire had occurred the week after the Iowa caucuses, Reagan would have lost it," he said. "If George had won in New Hampshire, and a week later won in Massachusetts, then he'd have been off to the races and he'd have won in the South, and he'd have been nominated."

But just as Sears knew from experience the value of momentum to a campaign, he knew that momentum needed constant reinforcement. The challenge was that, absent another boost, the momentum from the Iowa win would last Bush only three weeks. "But we had five weeks to do it in New Hampshire," said one of Sears' colleagues. "We could put up with the bad stuff. We had plenty of time."

They all agreed with Reagan's own immediate assessment that he needed to campaign personally and to debate. But Sears wanted to go one step further. "What we really need is to put a little excitement into this," he reportedly told the group in Chicago. "We need to show these two guys in a one-on-one debate."

### 'This Is War'

On Jan. 24, Jim Lake, now back in Washington, telephoned Reagan's New Hampshire state

*In the New Hampshire primary contest, Bush, at right, cogged for photographers to reinforce his image as what some called the preppie candidate. Reagan, meanwhile, gained points with his street campaigning, right, and his apology with feeling for making an off-color joke. Above, the two debaters 'plowing their head-on 'dash-off' in Nashua.*

chairman, Jerry Carmen, to talk about setting up a one-on-one debate with Bush.

Lake recalls that others were skeptical that it could be arranged, because Bush would have little to gain and much to lose in such an encounter. He praises fellow Reagan aide Charles Black as saying, "Lee, you're starting poll. They will never fall for that. Why would they want to debate Reagan Reagan one-on-one?"

But Carmen, also had been thinking about such a debate, and believed it could be arranged. Carmen is a small, intense man, with roles of someday becoming head of the Republican National Committee. To him, election-year politics is not a game. "This is war," he says.

Carmen began telling every reporter he spoke to that the race was down to Reagan and Bush and that what the state's voters needed was a one-on-one debate. He insisted he was speaking personally, not as a member of the campaign staff. His orders from the Sears group were to plant the seeds of the idea but not let it be known. Reagan's people were behind it and were anxious to see it happen.

## Overheard: Word of a Purge

Sears, Black and Lake were still betting Meese for control. The lack of issues papers showed the three controlling the campaign. Finances seemed to be a serious problem.

It was at a fund-raising dinner in East Orange, N.J., that Sears first got the word that the finances were about to be received more and far.

As Reagan began his talk, Lake eased out of the banquet hall to a small room across the hall. He called Hugh Gregg, a former New Hampshire governor and friend from the 1976 campaign, who now was heading the Bush effort in the state. He wanted to see if Gregg had been alerted by Carmen that something like a one-on-one debate.

At that moment, Sears was also in, searching "Get off the goddam phone," he hissed at Lake.

The press secretary stared at Sears. His friend had never spoken to him like that before. Lake paused, his hand over the receiver and whispered, "It's Gregg."

"We got more important problems," Sears is said to have replied. "Get off the goddam phone."

Lake told Gregg he had to leave and would get back to him. He hung up.

Then Sears reportedly told him that during Reagan's speech, he had gone to the men's room. While he was in a stall, Meese was said to have another aide, David Fisher, Fisher wanting to be campaign scheduler, a post Sears had been proposing. Sears overheard Meese tell Fisher to relax because things were going to change. After the New Hampshire primary, Meese was said to have told the aide, "All three of them" were going to be fired.

To Sears, "All three of them" meant himself, Lake and Black.

Meese denies the conversation never took place. But Sears was alarmed enough to tell Lake.

They knew about all the calls coming into the Anderson headquarters from conservatives across the country, calls that had mounted since the Iowa defeat, demanding the ouster of Sears.

Now, Sears was telling Lake they had a choice: fire Meese, or quit before they were fired.

They decided Meese would have to go, but it had to be in a way that both he and Reagan could save face. Should they try to persuade Meese to act as the campaign's scapegoat? Meese could be not simply, after the administration, it would be a way of getting Meese off the campaign trade and to be away from the candidate.

Sears, Black and Lake figured they had a good position for the administration job—California Supreme Court Justice Bill Clark, whom Reagan had appointed to the bench. Clark had been Joe Reagan's administrative assistant, and young Ed Meese had been an assistant to him.

It was decided to put the plan current to Nancy Reagan while her husband was off campaigning in New Hampshire. When Sears drove to her in a Massachusetts town, Mrs. Reagan listened, he recalls, somewhat to be startled by the plan's most controversial be proposed. She is said to have assured Sears that he had her full support.



hand above anything of any plan to dismiss the three men. She called Clark, who said he was interested, and then her husband.

Clark and Reagan spent a couple of days talking about it at Reagan's ranch in the Santa Ynez mountains. But finally, Clark rejected the idea.

## Bush's 'Young Man' Image

In New Hampshire, Carmen was trying to turn the campaign into class warfare. He was going to great lengths to portray Bush as a "preppie," a wealthy son of inherited parents, a man who had been handed as much as he had worked for in life.

Allied with Carmen was the state's largest newspaper, the Manchester Union Leader. One day, the Union Leader's expression of Reagan resulted in the ultimate endorsement, a headline that read, "Bush Has Chosen Reagan To Lead Us."

But Hugh Gregg was trying to make much of the age issue. He was starting Bush into labor campaign days and getting him to jog for miles while photographers snapped pictures. Gregg and some others in the Bush camp had come to want the one-on-one debate as much as the Reagan camp did, feeling that their best chance for victory was in making the primary and the GOP race, into a two-man race.

The day after Lake had to hang up on Gregg because of Sears' impatience, the Nashua Telegraph, Gregg's hometown paper, issued a challenge for a Bush-Reagan debate. Bush immediately accepted. The other candidates demanded that Reagan himself participate, insisted that a three-man debate would be dishonest, which put him with opponents whose sup-

—Continued on Page 28

# RONALD REAGAN

—Continued from Page 7

part he would need in the fall. It took the combined efforts of Sears, Lake and Black to exercise him to take part.

## A New Chief of Staff

By now, Reagan was getting alarming reports about money. John Clark had rejected the idea of becoming campaign administrator. Ronald and Nancy Reagan began to consider other supporters who had impressed them. Among those was William J. Casey, of Roslyn Harbor, who had been Nixon's issues adviser in the 1968 campaign, then an under secretary of state for economic affairs, and later head of the Securities and Exchange Commission.

There was much to recommend Casey to Reagan. He had considerable experience in national campaigns. He had a reputation as a manager, a man who could bring order to the chaos that was evident in the Reagan campaign. And he was a New Yorker with strong ties to the eastern establishment that Reagan was trying to win, for both the primaries and the general election.

Casey and Reagan had met over breakfast at Colonial Hill in Hauppauge earlier in the year, and then Casey has begun to call and offer advice. Reagan was impressed. He and his wife decided to give Casey a call.

Soon after Clark had rejected the administrator's job, Lake had spoken with Reagan, telling him something had to be done to end "this terrible up-and-down atmosphere." Reagan agreed and is said to have told Lake that he had already talked to a new person about taking over the administrative duties of the campaign. Lake told Reagan that it would be a good idea if Sears was brought in on the arrangement.

A few days later—with Sears, Black and Lake in New Hampshire—Reagan went to a hotel in Worcester, Mass., to give a speech. A woman on the staff who was one of Sears' aides got in an elevator. There she saw Reagan's longtime adviser, Richard Allen, with a tall, balding man who looked vaguely familiar.

Answering to a campaign insider, the woman greeted Allen and then introduced herself to the companion and asked his name.

"I'm Jones," the tall man said.

"You look familiar, Mr. Jones," the woman observed. "Have we met before?"

"No, I don't think so."

"Where are you from, Mr. Jones?"

"My name's Casey," the tall man finally said. "I'm Bill Casey."

And that is how Sears, Black and Lake would discover that Casey was the new person to whom Reagan had offered the title "chief of staff."

That night, Reagan told Lake that Casey had agreed to join the campaign. The press secretary responded that Sears was now the last person in the campaign to know about it officially, and it was as good a way as any to get Sears to resign. Reagan said he wanted no such thing.

Lake went back to Black and Sears, and the three went to meet with the Reagans in their hotel room, just over the New Hampshire state line in Andover, Mass. The three sides sat talking to the Reagans until early in the morning. The participants give this account:

Sears was bitter about Meese and the three-way conversation. Reagan said Meese had arranged him to such conversation that night. But Sears was not mollified, saying "I don't want to be there."

Reagan all but expressed. He recalled the famous adventure of his old friend, Max Cleaver. "You're not going to do this to me again," he shouted.

"He was very angry," recalled a person who was there. "He couldn't understand why we couldn't work this thing out. He almost arrived at the point of bellowing at the top of his voice in his anger." Finally, Nancy Reagan, Black and Lake managed to talk him down. They decided to talk again when everyone was not so angry.

Nancy said a person close to all the participants analyzing the situation with an outsider's knowledge but an outsider's detachment. Sears' first major error, Nofziger had been a little worried that would be discussed with. Sears' next error, Deaver had been well-liked by the Reagans but his political abilities were not seen to be necessary. "But when he came up against Ed Meese, he came up against a guy that the governor liked and respected," he said of Sears. "And once he lost the confidence of Nancy after Iowa, the writing was on the wall. He wasn't going to win."

Reagan grins after New Hampshire primary win

## Two Costly Remarks

It was the next day, riding in a campaign bus in New Hampshire, that Reagan told a joke to Dennis Flanagan, the conservative wife of a former active duty and one of the state's two senators. The joke, which was overheard by several reporters, went like this:

"How do you tell who the Polish fellow is at a meeting?" Pause. "He's the one with the duck."

"How do you tell who the Italian is at the meeting?" Pause. "He's the one who feed on the duck."

"How do you know the Mafia was there?" Pause. "The duck vote."

In a world troubled by Soviet troops in Afghanistan and American hostages in Iran, by soaring interest rates and increasing energy costs, the remark probably should have received no attention at all. But jokes are tricky, their tone and context lost in by-lines events and news jargon. And the Reagan staff thought "there goes Connecticut," remarked a Reagan worker, in a half-serious reference to the large Italian-American voting bloc there.

It was that night, on her own in Chicago, that Mrs. Reagan lamented that she was happy to be there and only wished her husband could be with her to "see all these beautiful white people." Quickly, she changed that to "beautiful black and white people." Later, she told a reporter: "I'm so sorry. I didn't mean it."

It was the next day, with stories about the two gaffes in the newspapers and on television, that Sears and Casey met for a talk. They talked for the better part of two days.

By this time, complaints about Sears were being voiced by many in the campaign. "I felt he wasn't competent to run a campaign," Lenzit, an old enemy, later said. "He's a good strategist. But he has no sense of being an administrator. None. He doesn't have any sense of follow-up . . . I saw the thing gradually deteriorate, no communication, no field control."

## The Sincere Apology

It was three days after Sears' meeting with Casey, that Reagan participated in his first presidential debate, in an aging high school in downtown Manchester. It was not a one-on-one affair, but a debate that included all seven major candidates, sponsored by the League of Women Voters. To reporters and to candidates' aides, the debate was a dull session indeed. Reagan, it was agreed, seemed uneasy and hesitant.

But then came the last question from the audience. Vincent Smith of Durham asked Reagan about his "sincere apology" for his ethnic joke.

Reagan's voice rose, strong and confident, with not a hint of outrage. He felt he had been betrayed by the reporters who had passed on the joke. He felt that it should not have become an issue. And he said, "My apology was not sincere, it was sincere." Then he went on to say that he had not told the joke as a joke, but only to illustrate the ethnic humor now current.

The next day, Wirthlin's polling showed Reagan had closed to within two points of Bush, in part because his response to the question about the ethnic joke has been well-received. Whatever the reason, he had been perceived as the "winner" of the debate.

## A Question of Debate

Sometimes victory can bring problems. If Reagan was coming in on Bush, why run a one-on-one debate?

Sears, Black and Lake calculated that in a field of seven, Reagan had won while doing one-seventh of the talking. On Saturday night against Bush, if Reagan was issue, he had a 50-50 chance of losing two. If the other candidates were in, the odds were a lot better.

"Now," said a Reagan worker, "we've got a one-on-one debate on our hands that we don't need."

But the excluded candidates were furious. Robert Dole and Howard Baker had filed a complaint with the Federal Elections Commission, which has ruled that the Nashua Telegraph could not sponsor the debate. Carmen—at a time when he still was eager for a one-on-one—had put up the $2,500 to cover expenses. The Bush camp refused to put up any money. Now the excluded candidates could lay the blame on Reagan for their exclusion.

Early Saturday morning, the day of the debate, Sears, Black, Lake and Carmen invited the other candidates to the debate.

The executives of the Nashua Telegraph were angry. Executive Editor Joe Brown maintained that the paper was still sponsoring the debate, held the room in the gym at Nashua High School and wanted the debate to be one-on-one. After all, the paper's executives argued, Bush and Reagan were the frontrunners. The others would detract from what promised to be a unique event.

Black warned that all the money was Reagan's and that if the paper staged a debate without the others, Reagan would win.

As for the room, it was a lawyer, he said, and would write a new lease on the back of a napkin.

## The Turning Point

What took place that evening in Nashua proved, in the view of many, to be a turning point in the 1980 presidential campaign. It was the first

major mistake by Bush. It was the point at which Reagan became the frontrunner—for good, it would turn out.

A kindergarten had been set aside as Reagan's holding room. The Reagan people went into a teacher's small office next door. One by one, the other candidates showed up—all of the Republicans seeking the presidency save John Connally, who was campaigning in the South and couldn't return.

Howard Baker arrived, and Bob Dole. John Anderson and Phil Crane. All were taken first to the kindergarten and then into the pseudo teacher's office adjacent.

Jim Baker, campaign manager for Bush, entered the kindergarten and cornered Sears. The two ex-factors sat on the tiny chairs and argued. Bush wanted to debate Reagan alone.

In the office, Reagan was telling the candidates and their wives that he had caused up the debate because it had seemed to be the only fair thing to do. Then Howard Baker spoke up. He suggested that Bush join the group and talk things over.

Lake and Black were sent to get Bush. They found Jim Baker, who said he would not let Bush meet with the group: "It would be five against one."

Lake and Black reported back. Reagan told the others that they should march together to the podium set up in the gym. There, Reagan said, he would explain matters to the crowd. "If they refuse to permission to debate," Reagan told his rivals, "we'll all walk out and I won't debate."

The other candidates thought this was terrific. But Lake and Carmen were horrified, fearing that it would look as though Reagan had run away, had been afraid to take on the younger challenger.

"No, no, Governor," Carmen blurted out. "You can't do that." But the other candidates urged him on, saying that if they were excluded they would immediately hold a news conference and blame Bush.

"If we're going to do that," Howard Baker said, "we really ought to give him one more chance. Let's go try him again."

This time, it was decided that Gordon Humphrey should be the emissary. Bush was at the threshold of the gym when the senator reached him and tried to tell him that a multi-candidate debate would be good for the GOP.

"Don't you lecture me about the GOP," retorted Bush, the former Republican national chairman. "I've worked a lot harder than you have to build the Republican Party."

Reagan was still hesitant about facing Bush alone. Lake and Carmen urged Humphrey to tell Reagan he had to debate. "Governor, if you don't debate you will lose this primary," Humphrey told Reagan in an urgent whisper. "You've got to debate, no matter what happens."

"We'll all be in this together," Howard Baker said.

"Yeah," Dole said. "Let's go on. Hell, I've been shot out of better places than this."

It was 7:58 PM, a half hour after the debate had been scheduled to start.

Bush had strode into the gym five minutes earlier, taking his seat on the podium. The crowd that greeted the arrival of Bush were a one-man football team. "Bush! Bush! Bush!" half the audience of 2,500-plus chanted. "Reagan! Reagan! Reagan!" the other half shouted back.

Reagan, his face grim, as he rivals to the podium—which was arranged for a two-man debate. Reagan took the remaining seat and the four others piled in back like a Greek chorus.

Telegraph publisher J. Herman Poulos, standing over a microphone in front of the podium, tried to introduce the speakers through the catcalls and cheers. The four standees, he said, had not been invited to participate, but since they had showed up he would allow them to make a brief statement at the end of the debate.

Both the crowd and Reagan erupted.

Reagan, demanding time to speak, was interrupted by moderator Breen, who was seated between him and Bush.

"No, he would then please turn Mr. Reagan's mike off," Breen said angrily.

At that, red spots appeared on Reagan's cheekbones. "I am paying for this microphone, Mr. Breen," he retorted.

In front of him, the crowd roared in approval. Behind him, the four standees shouted their support. "Nazi Germany! Nazi Germany!" Dole screamed at Breen.

The crowd had refused to follow Breen's orders. Reagan explained that because he was now paying for the debate he felt he could give the others a speak.

"Give them chairs, give them chairs," the crowd shouted. Anderson, Baker, and Dole whispered to Reagan. They told him not to walk out. Frantically fearful that he would, Lake scribbled a note and passed it up to Reagan. "Governor," Lake wrote, "everyone here is with you. Give them hell."

Reagan glanced at the words, then at Lake. Then he winked.

Breen declared that the Telegraph would not seat the four standing candidates. The quartet turned and marched out. Dole paused and whispered into the ear of Bush, whose mouth had turned from a smile to a frown. "George," the Kansas senator murmured, "there will be another day."

For Breen, he had another message. "I think I said 'choice,'" Dole said later.

Outside the gym, the four ousted candidates held a news conference, and in front of television cameras attacked Bush with much more vigor than they did the Telegraph.

Anderson declared that Bush showed "a kind of arrogance." Dole called Bush "an elitist." The usually cautious Howard Baker said the episode had seemed "an effort to manage closed-door politics."

It was exactly the sort of reaction that the Reagan camp wanted. After all, Carmen had been harping on the prep school origins of Bush all along.

Inside the gym, the debate was progressing. Anger had removed any concern about Reagan's performance. He often is very good when angry, roused but in control. His one-liners struck like darts at the rattled Bush, putting him on the defensive throughout.

But the substance of the debate did not matter. The world little noted nor long remembered much of what was said—too late even to be reported in many newspapers' Sunday editions. It was the spectacle that preceded the debate that mattered. Bush, confronted by an unexpected development, had—in the view of allies and opponents alike—flubbed it.

The former diplomat had been at a loss for words. The former chief intelligence officer for the government had not carefully planned his moves in advance. The former first teamman had choked in the clutch.

After the debate, Bush met with reporters and tried to deny any blame. He had been invited by the Iowa paper, he said, and simply had decided to "play by their rules."

Everyone knew it wouldn't sell. In the high school, a friend spotted David Keene, the 1976 Reagan aide who was now the No. 2 adviser in the Bush campaign.

"Dave," the friend exclaimed, "what have you done?"

Keene smiled slightly and shrugged, and said, "Lary come, Lary go."

## Good News and Bad News

Tuesday, Feb. 26, was a Bright New Hampshire day. The sun was shining but the wind blew in gusts. Reagan, the primary day headquarters moved into the Holiday Inn at Manchester, was driven in a bus from polling place to polling place. With him were Black and Lake.

On the radio, last-minute Bush commercials were telling voters that Bush had been sandbagged on Saturday night. By now, someone in the Bush campaign had realized the error of returning voters about the events of Saturday night, and the commercials were replaced by the sonorous voice of Lowell Thomas, avowing sure his support for Bush.

Reagan, his tour of the voting places ended, returned to the Holiday Inn. It was late afternoon. Reagan turned to Black and Lake and asked: "Fellows, would you and Jean come up to my suite at 2:30? I'd like to talk to you."

Sears was at lunch in the dining with a reporter. Lake and Black also ate. then found Sears. The three walked upstairs to the suite's executive suite. Casey and the Reagans were there, sitting on a sofa and in a circle of chairs that surrounded a glass coffee table. Mrs. Reagan moved to a chair outside the circle, in a corner of the room. It was in the men, the first sure sign that something unusual was about to happen.

According to some of the participants, this is what occurred.

Reagan stood and said: "Fellows, you know this has been a difficult period. We've had a lot of problems. And we all know they need to be resolved. I want you to know that I finally made a decision about what we're going to do. And I've asked Bill Casey to be executive vice chairman."

Executive vice chairman. That was the title held by Sears. Immediately, press secretary Lake spoke up. "Governor," Lake asked, "who's going to be your new press secretary?"

Reagan answered the challenge coolly. "I don't know," he said. "We haven't decided that yet." He showed the three aides a piece of paper. "We've written this press release that I'd like to have you read," Reagan said. Then he added: "I hope we can all remain friends."

He sat down and handed the paper to Sears. Sears read it. "Well," he said. "I'm not surprised." He passed the paper to Lake. Lake read it, and silently passed it to Black. Black took the paper and turned it face down on the glass table without reading it. "Governor," Black said, "before I read this I want you to know I resign."

Then he picked up the paper and read it. There was no need for his words. It said right there in the press release that he had resigned. He and Sears and Lake.

"Well," Sears said. "I think you've said it all here. There's nothing I can add. We're not surprised at all, having heard Ed Meese describe this to Dave Fisher two weeks ago."

"John," Reagan stuttered, "I just don't know where that stuff comes from. I don't know how he would have been saying that."

"Governor," Lake broke in, "you've been manipulated and you don't realize it."

Casey jumped to his feet, angry. In no uncertain terms he said that he hadn't been part of any such plot. "You misunderstand," Lake said Casey. "I'm not accusing you, Bill. I know you'll do a good job. I'm accusing others. Governor, you don't realize what has been done to you, but I do with you the best of luck. I know you'll be nominated. You'll be nominated today by the results in New Hampshire. But I think you've made the wrong choice."

Casey said he hoped they would help with the transition, and they agreed to do so.

Mrs. Reagan walked over to join the group. She took Sears into the next room for a private talk. She came back out with him after a few minutes and hugged him still then Lake and then Black. "I hope we can all be friends," she said.

At least one of the group later said he translated this as meaning: "I hope you bastards don't go downstairs and blow us out of the water with your press buddies."

But in the room, good manners prevailed.

"I'll always have the greatest affection for you," Black said.

Then he turned to Reagan and said: "You know, we've been running around here for a year. In John and Jim's case, they sacrificed a lot of income to do this for you. And while I probably haven't sacrificed income, I don't have any money, so I have to go get a job. We do, yeah, you know."

The three met then left the suite. Lake went into the ballroom where his 22-year-old twin sons, Jim and Michael, acting as junior campaign aides, were busy setting up microphones, which they thought would be used for primary night announcements.

The microphones would be used also to announce their father's dismissal.

## The Frontrunner In Front

The decision to dismiss the group had been reached at a meeting Sunday attended by the Reagans, Casey, Denver associate Peter Hannaford and Meese.

The whole thing had been a disagreement about what I thought was necessary regarding the tightening of the campaign," Reagan said afterwards. "I had met with an intimation of resignations every time.

"I chose the election day really because I felt I didn't know whether I was going to win. And I felt if I do it after New Hampshire and I'd lost New Hampshire, it would reflect unkindly on them and would look as if I'm blaming them for the defeat. So I said I would do it before the polls close on this day."

That night, Ronald Reagan learned he had received 72,840 votes to 33,471 for Bush. In a newspaper field, he had captured 50 per cent of the vote, Bush 23 per cent.

"It was, they all knew, going to be very hard for anyone to stop Reagan now." I had hoped for a win, but I hadn't anticipated anything like what turned out," Reagan said. "It was a great day."

NEXT: The Field Shrinks

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Newsday
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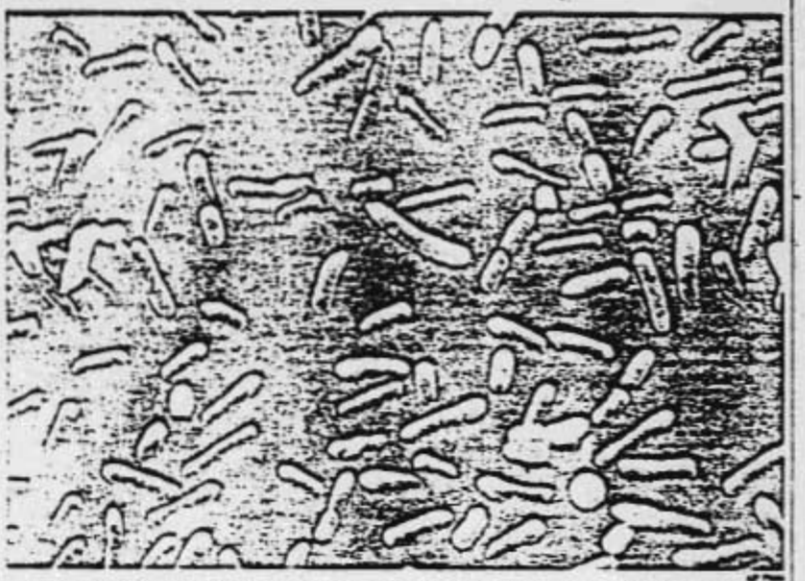
# New Life Forms Eligible For Patents, Court Rules



These bacteria, shown in a microscope photograph magnified 28,000 times, were developed to digest oil slicks and now are covered by federal patent laws. Page 5

## Man Acquitted Of Felony In Wife Beating

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## As Rivals Quit, Reagan Paced Primary Pack

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## Bill to Require Car Seats For Children Dies

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Reagan with his wife, Nancy, after the New Hampshire primary, a victory that made him the front-runner in the race for the GOP Presidential nomination

# RONALD REAGAN

## *Staying Ahead of the Field*

By Susan Page and Myron S. Waldman
Newsday Washington Bureau

Third in a series

A few days after the New Hampshire primary—a few days after Ronald Reagan handily defeated every challenger—Bob Dole telephoned Gerald Ford.

"Jump in, Jerry," the Kansas senator urged the former President.

Dole was impassioned, at times angry. He had made a hard-nosed political assessment of his own campaign, and he didn't like his conclusions. Receiving only 607 votes in the straw poll at Iowa's Jan. 21 caucuses, and 938 votes in New Hampshire's Feb. 28 primary, he knew that his presidential bid had failed miserably. Howard Baker and John Connally were likely to drop out soon, he figured. George Bush had faltered after a fast start.

That left only Ford to oppose Ronald Reagan—the man who, as an incumbent president, Ford had barely defeated for the GOP nomination in 1976.

Dole had been Ford's running mate that year, and the two had kept in touch since then. Earlier this year, Ford had addressed the Salina, Kan., Chamber of Commerce, and Dole had flown out to introduce him. Afterward, the two men had talked privately about the Iowa caucuses, yet to come, and about the presidential campaign in general.

"I think he wanted to run," Dole said later. "He had a capacity crowd in Salina that night. I'm certain he would have won a poll there two-to-one over Reagan . . . I just told him, frankly, you've got a lot of friends out there. But I think I hinted that time was a factor."

Ford was waiting to see if any of the other self-described moderates in the party would mount an effective challenge to the conservative Reagan. He had high regard for Dole and Baker, and had taken a particular shine to Bush, who had signed up Ford's 1976 campaign manager, finance director and pollster for his 1980 campaign.

Ford did not want Reagan to win the nomination. They had political differences, of course. But there also were personal reasons. Ford had confided to friends with some bitterness that he thought he could have beaten Jimmy Carter in 1976 if Reagan had not waged a down-to-the-wire challenge at the GOP national convention, and then pretty much sat out the fall campaign.

When would-be Republican candidates began to pay courtesy calls on the former President at his California home in 1978 and 1979, Ford indicated to each in turn that he did not plan to enter the primaries but would not rule himself out as a candidate.

He would like to be nominated to run against Carter again. He made that clear time after time. But he was reluctant to serve a pleasant retirement—a life of celebrity golf and statesman's status—to go through the grueling primary campaigns that might have him as just another failed challenger. Also, by several accounts, his wife, Betty, was happy in their retirement and was quick to speak up in opposition whenever her husband hinted of running again.

At 8:15 on the morning after Reagan's stunning defeat in the Iowa caucuses, Ford arranged a conference telephone call with three political advisers who were not already aligned with someone else's campaign. Should he enter? The consensus was that he should watch and wait.

But now Dole was on the phone saying that he had waited long enough, and that if he did not enter the race—and quickly—Reagan would have the nomination in hand. Ford should do it for himself, and for the party, Dole urged. In national polls, Ford still beat Reagan. In those same polls, Carter beat Reagan, but Ford beat Carter.

After the conversation ended, Ford asked an aide to prepare a list of filing deadlines for the late Republican primaries and to determine if there was time to get on the ballot in enough states to have a mathematical chance of success.

The following Saturday, March 1, Ford told New York Times reporter Adam Clymer that Reagan was too conservative to win a general election. He invited the Republican Party to ask him to run again for the presidency. "If there was an honest-to-goodness, bona fide urging by a broad-based group in my party, I would respond," Ford said.

Everyone knew it was a trial balloon of the first order. Ford made that clear in the interview.

And then he withdrew to await the response.

### The Money Question

Reagan flew back to Washington the next Monday to meet with his new campaign manager, William Casey, but they didn't talk long about a potential Ford challenge. They had a more immediate problem: money.

While a single vote had been cast in New Hampshire, more than two-thirds of the money Reagan was allowed to spend in the primaries was gone: gone to build organizations around the country but also gone to pay handsome campaign salaries, gone to meet a bloated payroll, gone to fundraising schemes that hadn't delivered, gone for mailings and doubtful to bad that they couldn't be used, gone in bits and pieces that were scarcely accounted for, much less controlled.

The faction of Reagan's staff that was headed by John Sears, which had just been ousted from control of the campaign, would later blame much of that on Reagan's own excess from the West. That faction included Ed Meese, Mike Deaver—who earlier had reluctantly followed Lyn Nofziger in leaving Reagan after an association of more than a decade—and others. They told stories of Deaver's putting friends and business associates on the payroll without getting approval from Sears. They told of one worker, short on experience, who was put on the payroll by Deaver at $40,000 a year even though he had never earned more than $30,000 annually in his life.

But most of the survivors of the recent shake-up pointed their fingers at Sears and his faction. "This is not for attribution to me, but you can ask anybody: There was nobody managing the financial side, the business side," said one of Sears' rivals in the campaign. "There was very little planning or management of the campaign as a whole."

The feud between Sears, in the East, and Meese, in the West, had resulted in two separate headquarters, one in Los Angeles and the other in Washington, and two separate and hostile staffs.

"Their ultimate financial problems were a result of internal struggles, where each side went out and set up their own campaign," said an insider with friends in both camps. But he, too, placed the major blame on Sears. "I think John overreacted to the various threats around him," he said.

The books showed that the East Coast vs. West Coast feud had been as costly as it had been divisive. But another, and arguably correct, reason for the early expenditures was Sears' strategy ...

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NEWSDAY, TUESDAY, JUNE 17, 1980

# RONALD REAGAN

—Continued from Page 4

Federal election laws set two different but related limits on spending in primary campaigns. The laws place an overall limit on the amount any candidate can spend in the entire campaign, and—for candidates who, like Reagan, accept federal matching money—specific limits on the amount that can be spent in each state. The catch is that the combined maximums permitted in each of the states far exceed the overall limit for the campaign. A candidate who spends the maximum in each state will reach the overall limit before the process has ended. Thus, campaign planners have to pick and choose their targets and decide whether to make their moves early, or late, or across the board.

The reasons for making a move early were powerful. In 1976, Jimmy Carter had won early and demonstrated that even a virtual unknown could, with victories in Iowa and New Hampshire, gain ardence with the media, with contributors, with voters. In 1980, Sears and Bush were using the same word: momentum.

Sears wanted to have the nomination virtually wrapped up by the time of the Illinois primary on March 18, or shortly thereafter. Early wins would demonstrate Reagan's strength nationwide.

If Sears' strategy worked and Reagan drove the others out of the race early, no money would be needed late in the campaign.

But if Bush had success, or if Connally's campaign picked up strength in South Carolina and elsewhere in the South, Reagan might be in trouble, jumping into the late primaries with no money for campaigning.

A single primary was behind the Reagan team. There were 23 ahead, including contests in big states like Illinois, Pennsylvania and New York, where expensive television advertising was considered requisite.

And that was the situation when Bill Casey took charge.

At 56, Casey presented an image of order. He wore tailored suits. He lived in an unassuming house with broad, cultured lawns. He had been chief of intelligence operations in Europe for the Office of Strategic Services (the predecessor of the CIA) in World War II. He had been head of the Securities and Exchange Commission and president of the Export-Import Bank.

He was, he said sometime, appalled by the haphazard way he felt funds had been handled. About $12 million of the total $17.5 million allowed by law already had been spent. Casey and Reagan that changes had to be made quickly.

Mr. Paul Laxalt of Nevada, Reagan's national campaign chairman both in 1976 and in 1980, agreed. He had driven from his Capitol Hill office to the airport to meet Casey and Reagan, who arrived by plane on Monday, March 3. Never fond of Sears, Laxalt blamed him for allowing the campaign's funds to be squandered. The congressional advisory group he formed and dismissed the situation and a few weeks before had sent Rep. Thomas Evans (R-Del.) to see Reagan and Sears in person and relay their concern.

Now, finally, changes would be made.

After the airport meeting, which involved more than 50 campaign aides, Casey began slashing the staff of more than 300 that he found when he arrived, getting the number down to about 200. All salaries of more than $15,000 a year were cut sharply. The large campaign offices in Washington, rented at $7,000 a month, were closed, and 30 per cent of the Washington staff was released. The four remaining workers in Washington were moved into $300-a-month offices in Alexandria, Va., just across the Potomac—into a building rented, oddly enough, from Bush's political director, David Keene. Accounting procedures were tightened.

Reagan flew to South Carolina for a final campaign swing, but a planned triumphant rally there was replaced by a one-early tour of rural areas in a rented bus. The next morning, reporters and television camera crews traveling with Reagan found that Casey had abruptly canceled the three chartered press planes, [illegible] Reagan flew on to Atlanta in a small plane and the media people were left in Florence, S.C., to fend for themselves.

Ford, left, and Reagan chat after Ford withdrew from the race and said he would help Reagan

## Anderson's Big Day

The third big day of the Republican primary season belonged to John Anderson.

The first, in Iowa, launched Bush. The second, in New Hampshire, revived Reagan. And in Massachusetts and Vermont, it was Anderson who became a contender, even though he finished second in both states.

The March 4 contests weren't considered particularly important for Reagan. His campaign was still trying to get reorganized, and the territory was considered comparatively unfriendly.

But for Bush, who was struggling to extend his startling upset in New Hampshire, a strong showing in Massachusetts was important. He was born in the state—it was one of four that he claimed some sort of "home" ties to—and he had organized there early with the aid of key party leaders.

And for Anderson, the two primaries were his opportunity to finally be taken seriously. With support from their sizable college communities, and with good-natured identification as the popular cartoon strip "Doonesbury," Anderson hoped to surprise the pundits by doing well.

He did.

The Massachusetts results—Bush, 31 per cent; Anderson, 31 per cent; Reagan, 29 per cent; Baker, 1 per cent.

The Vermont results—Reagan, 31 per cent; Anderson, 30 per cent; Bush, 22 per cent; Baker, 13 per cent.

In his Capitol Hill office the next day, Baker was stunned. The Senate minority leader was discouraged by his poor showings, and he decided to withdraw. He had won a total of eight delegates. His failure surprised him. He was the top-ranking elected Republican in the United States, a national figure, an accomplished leader. His problems, he said that day, were due to a late start, a weak organization, and "mainly because the country hasn't made up its mind what it wants" in a President. He said the national mood was "so volatile, so changeable now that I haven't the faintest idea how this election will turn out."

## The Draft That Failed

When Ford finally sounded the call, his troops did not muster.

Almost two years earlier Reagan had decided to run, and from the beginning he and his aides had moved to undercut a Ford challenge. Laxalt has worked to cultivate on Reagan's behalf the Republican congressmen whom the former President would need, in Iowa that regularly with moderate Republican governors whose first impulse might be to Ford, if they couldn't be wooed to support Reagan. Sears reasoned, at least they could be "neutralized" to remain publicly uncommitted.

After Ford declared himself available for a draft in the newsmaker interview, the end of the [illegible] conference calls that followed would have been, in the words of Gov. Pierre duPont of Delaware, enough to "say of a good part of the nation, as [illegible] John G. Marks Jr., a Washington lawyer and former Ford aide, was at Ford's home that weekend. Thomas Reed, who was Air Force secretary in Ford's administration, arrived Sunday afternoon in the wealthy Palm Springs community called Rancho Mirage.

Four days later, back in Washington, Reed announced the formation of a Draft Ford committee. The next day, the united Reagan campaign team—John Sears, Charles Black and James Lake—flew to California to meet with Ford. Finally, Ford went to Washington himself, to test the political waters.

Only then, apparently, did he realize how sad they were.

It was Wednesday, March 12. In the morning, Ford met with a half-dozen advisers. They reported that more than 700 of the 1,187 state delegates since Ford supporters had won in 1976 already were filled and committed to other candidates. They warned that public backing by a large number of Republican office-holders—meaning those had not materialized as of then—would be unwise. The meeting adjourned with no consensus reached.

For the afternoon, Gov. Richard Snelling of Vermont, who earlier had backed Howard Baker, tried to arrange a meeting for Ford with 18 Republican governors in town for the annual GOP House-Senate fundraising dinner that night. The meeting had to be canceled at the last minute. Only four governors had agreed to attend.

Ford was surprised and disappointed. It was embarrassing. He was a former president, a party leader who had been on the speaking and fundraising circuit for years. Members of Congress—his colleagues for a quarter-century—were unwilling to support him. Governors were unwilling even to meet with him.

In private conversations, many people had been encouraging, even insistent. At the Jackie Gleason benefit golf tournament in Ft. Lauderdale only a week before, Gov. William Clements Jr. of Texas had privately urged Ford to run.

But since then, John Connally had talked to Clements and to Gov. James Rhodes of Ohio, and they had agreed that Ford was too late.

Now, Clements said he was uncommitted, and so did Rhodes. Dr. Ford said he was uncommitted. Gov. Richard Thornburgh of Pennsylvania: uncommitted. Gov. Bob Ray of Iowa. Gov. James Thompson of Illinois. Gov. Otis Bowen of Indiana. Gov. Lamar Alexander of Tennessee. Gov. John Dalton of Virginia: all uncommitted. Gov. Albert Quie of Minnesota was uncommitted, and Kissinger then told "Dear Jerry" he better not expect anything of me."

At the dinner that night, after the formal president delivered a blistering attack on the incumbent, the message from Republican senators and representatives was the same. They cheered, but they did not endorse.

The next morning, Ford met with a group of reporters over breakfast. He looked tanned, fit and eager. He looked like a candidate who had gotten all dressed up to run, only to find that no one really wanted him in the race.

"There have been some surprises, some disappointments," he admitted. "Some who urged me to come and campaign most ardently in their districts and states now have not really gotten into the fray." [illegible] Like a lot of politicians, they hedge

their bets." He paused. "It's all right," he added. "I understand."

Ford called his chances of winning the nomination "feasible" but "very marginal," and said he would defer a final decision.

Then he talked about the opposition. "Reagan has the strongest base of support I've seen in politics," he said.

In the afternoon, he flew to New York for more meetings. That night, he went home to Rancho Mirage.

## Reagan Relaxed

Reagan had his own problems. He had lost his campaign manager, Sears, who was widely regarded as a political genius. He was nearly out of money. Connally—backed by the popular Sen. Strom Thurmond, a Reagan backer in 1968 and 1976—was making a stand against him in South Carolina. Bush was preparing to take him on in Florida.

Yet, finally, Reagan felt at ease.

Reporters traveling with him remarked on it. Even though his campaign schedule had become more frenetic, he seemed more relaxed. He looked younger. He had resented of the friction between Sears and Nofziger, between Sears and Deaver, between Sears and Meese.

And there was something else. "He feels like his own man," said Deaver, after the purge. Deaver left the campaign during an emotional confrontation with Sears at Reagan's Pacific Palisades home but, after Sears was ousted, kept in close touch with Casey. "He was beginning to feel as if—I mean, he read day after day that this person [Sears] was managing things, was going to get him a second President of the United States. It got to his pride."

## Campaign Management

In a way, however, Sears was still the Reagan strategist. The Sears strategy remained in place, serving as a sort of automatic pilot. The "outreach" to moderate Republicans continued, only now it was Casey who was calling governors such as Rhodes and Thompson on a regular basis. Important primary states already had organizations in place, some of them run by Sears partisans.

And Reagan was back on the road: Giving "The Speech," dazzling his crowds, winning votes.

"The Speech"—it was always referred to that way—was a collection of 4-inch-by-6-inch index cards that contained much of the political philosophy of Ronald Reagan. He had begun putting together the cards years before, when he was traveling the nation for General Electric.

"The Speech," having varied little over the years, was familiar to most Reagan partisans. So, during the campaign, it was about all anyone could get of his philosophy of government and life. So Reagan moved through the early primaries without producing a single issue paper for public consumption.

There was no pressing need for one.

The Republican campaign was not producing a sea of discussion, or even of ideas. With the exception of Anderson—who eventually drummed himself out of the GOP race—Reagan's challengers all posed themselves in his conservative image, though some true believers suspected they were moderate bodies underneath.

Baker, Bush, Connally, Dole, Reagan: On the money, they called for less federal spending and a tax cut. On defense, they supported higher spending and new weapons systems like the B-1 bomber. On dealings with the Soviet Union, they had warnings. On the need for domestic restraint, they expressed caution about the ability of government to promote social improvements, by an some social issues such as the Equal Rights Amendment and abortion were there significant differences, but none of these became crucial in the campaign.

Reagan didn't see much need to elaborate on his views. They were well-known and simple. He did not consider that a drawback. "There are simple answers to our problems," he would say time and again, "just not easy ones."

If anything, Reagan seemed to be promising much at little sacrifice or risk. He would see, with energy problems mainly by freeing the oil companies to explore more and produce more—not by asking conservation in Americans. He would expand America's military strength without a return to a draft. He would balance the budget and cut taxes, too.

*Sen. Paul Laxalt of Nevada, Reagan's national campaign chairman in 1976 and 1980, was concerned that John Sears was squandering the Reagan staff's campaign funds.*

Meanwhile, the Soviet Union had invaded Afghanistan and U.S. government employees had been seized as hostages in Iran.

Reagan would react to such developments when asked, but they did not prompt new positions or thoughtful restatements of old positions.

The voters didn't seem to mind. "Bush has had a lot of four-page position papers," Reagan's chief of staff, Ed Meese—who as issues adviser had fought Sears' demands for issues papers—noted. "And it really hasn't had all that much effect."

## Sweeping the South

Reagan was born and reared in the Midwest, but his political home ground always has been the South and the West.

In Florida, California, Texas, voters seem taken with Reagan's relaxed manner and conservative message. Like him, they are suspicious of big government, big unions, big wealth. They even like the way he talks. Tanned, Fit, Comfortable.

For three decades, the base of the Republican Party gradually had been shifting to the Sun Belt, becoming more conservative as the process took place. In some ways, George Bush was representative of that: son of an old New England family, educated at Yale, Bush had gone to Texas to make his fortune in the oil fields. When he moved into politics, it was as a representative of Texas, not of Connecticut, as his father had been.

But for the moment, at least, the Sun Belt belonged to Reagan, and it was becoming increasingly important in national campaigns. In 1980, for the first time in the nation's history, eligible voters in the Southwest would outnumber those in the Northeast. And there was a conservative mood throughout the country, in New Jersey as well as New Mexico.

The next round was in the South: Alabama, Florida, Georgia, South Carolina.

He swept the South like Scarlett O'Hara.

On March 3, he won 54 per cent of the vote in South Carolina. On March 11, Reagan won 57 per cent of the vote in Florida and more than 70 per cent in Alabama and Georgia.

The win in South Carolina knocked Connally out of the race.

## The Elimination Round

A pot of coffee and a plate of cookies gave the hotel room, at the posh Continental Plaza in Chicago, a festive look that did not match the mood. Philip Crane already was there when Reagan arrived. Bush and Anderson came, too. They were waiting until it was time to go to the ballroom for the fifth Republican debate of the primary season, this one sponsored by the League of Women Voters. With a few aides in tow, each candidate stayed out of sight of the press, as his own.

Don Totten, head of Reagan's Illinois campaign, brought in his candidate. Totten is a handsome, fast-talking man, a Cook County Republican committeeman, and a state representative. Four years before, he and Crane together had run the Reagan campaign in Illinois. Crane represented Totten's home district in suburban Chicago, and the two men were friends. So when Reagan was comfortable, Totten strolled over to Crane to chat.

It was March 13, five days before the Illinois primary, which was expected to be a crucial test of the primary season, a sort of elimination round that would end the weaker campaigns.

A week earlier, Crane had begun to receive telephone calls from Totten as well as from colleagues in Congress. Steven Symms of Idaho and Edward Derwinski of Illinois had called. So had his brother, Daniel Crane, who represented a rural district downstate.

They all had the same message. He had yet to win a single delegate, and he should drop out of the race, throwing his support to fellow conservative Reagan as he made his exit. He could make the announcement at one of the periodic meetings that Reagan's congressional supporters held in Washington. If he did, some insiders said later, there were contributors who would be willing to pay off his campaign debt.

But he should do it before the Illinois primary, because Anderson seemed to be rising fast in his home state, and Crane—who had his own reservoir of home-state support—would most likely draw votes away from Reagan, in local newspaper polls, Bush was sinking out of sight. But a strong showing by Anderson could throw the whole GOP race into disarray.

Crane didn't want to withdraw, at least not until his own state had voted. But in the debate, he told Totten that night, he intended to go on the attack against Anderson on Reagan's behalf.

Totten was pleased. When a decent interval of time had passed, he strolled away from Crane and back to Reagan to relay the news. Reagan smiled.

On stage, Crane opened the assault by saying Anderson had failed to vote for measures to reduce the federal deficit, a charge Anderson denied. Then Crane brought up a fund-raising letter Anderson had signed for the National Abortion Rights Action League on behalf of a dozen House members, 10 of them Democrats. "I'm not talking about the issue, John," Crane said. "The Republican Party has faithfully supported you for 20 years. John, you have forfeited that support."

Anderson was forced to defend himself against Crane and against Bush, who joined the attack on his own behalf. Bush sneered at Anderson's proposal for a 50-cent-a-gallon gasoline tax and charged that the congressman was trying to cut Social Security benefits. The two were reading Anderson out of the Republican Party.

Meanwhile, Reagan stayed above the battle, sniping not against liberal Democrats and for tax cuts, which was nothing he hadn't done in the past. At one point, he asked Anderson with mock wonder: "Just—can, did you really say that Kennedy is preferable to me?"

In the primary five days later, Reagan beat Anderson 2-1 among Republican voters. Anderson had success on Democratic and independent crossover votes to offset Reagan's advantage among enrolled Republicans. But Reagan attracted about one-third of the crossovers himself. He won traditionally Democratic blue-collar communities in Chicago, and he overwhelmed Anderson in the GOP bastions in the suburbs. He won four of the seven counties in Anderson's own congressional district—a district that included Dixon, the town where Reagan had grown up 60 years before.

## 'The Toughest Decision'

It was extraordinary: Three weeks after the first state primary, Reagan had effectively eliminated the competition.

Crane and Dole had never really been in it.

Bush received wounds in New Hampshire from which he would never recover.

Baker faded after poor showings in Massachusetts and Vermont.

Connally pulled out after he lost South Carolina.

Anderson was counted out of the Republican race after Illinois.

And on March 18, in a recognition of political reality that he called "the toughest decision of my life," Gerald Ford had announced outside his home in Rancho Mirage that he would not enter the campaign. His wife, Betty, stood beside him. "I have reached a final and certain decision . . . ," the former President said. "I am not a candidate. I will not become a candidate. I will support the nominee of my party with all the energy I have."

NEXT: Mopping Up . . . . . .

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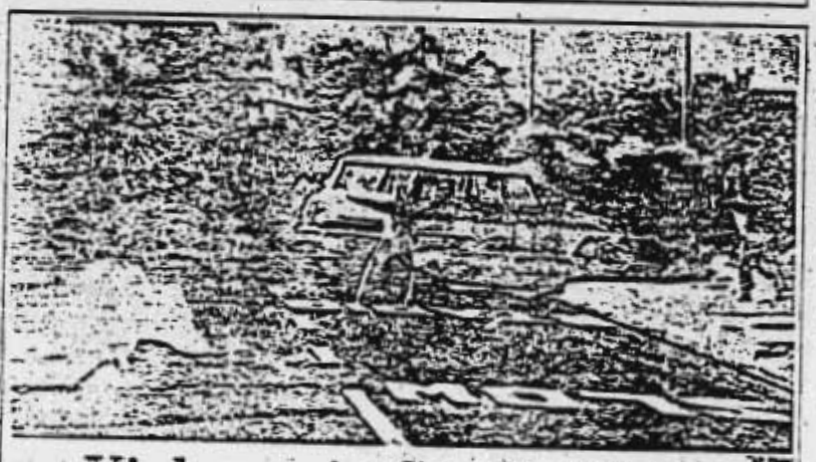
WEDNESDAY, JUNE 18, 1980

# MTA Staff Urges Increase Of 7 to 40% in LIRR Fare

Plan includes 10-cent increase for city subways and buses and restores off-peak round-trip discount on railroad. *Page 3*



## *Violence in South Africa*

A car halts at a burning roadblock during rioting in the mixed-race areas of Cape Town. At least 15 persons were reported killed and 50 injured amid looting, fires and clashes with police. *Page 5*

## Korvettes to Lay Off 2,000 More Employees

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## Ambulances Rerouted By Hospital Policies

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# RONALD REAGAN

## *November: The Final Objective*

By Susan Page and Myron S. Waldman
Newsday Washington Bureau

Lost in a series

James Rhodes was first elected to public office in Ohio when Ronald Reagan was a sportscaster for radio station WHO in Des Moines and Jimmy Carter was 10-years old.

Since then, Rhodes has been a professional politician. He has been governor longer than anyone in Ohio history. Four years ago, he helped President Gerald Ford narrowly defeat Reagan in the Republican primary. He turned with Ford again this time, and worked behind the scenes for John Connally.

But on a breezy Sunday in April, as the broad green lawn in front of the state mansion he has called home off-and-on during the last two decades, Gov. Rhodes invited 500 neighbors. Friends and neighbors to hear him announce that Reagan was his candidate.

"This is the Sabbath," Rhodes proclaimed. Reagan by his side, "I am like the Lord. I love everyone. I love George Bush. I love Gerald Ford. I love Ronald Reagan. Sometimes in life you have to make your choice. My choice is Ronald Reagan."

The public celebration begun, Rhodes "love Reagan" behind closed doors into the governor's mansion—to a week roughly resembling shuttle diplomacy—to meet with the state's county Republican leaders.

Reagan assured he was to win them a bit. "Let's establish some strategies," the former California governor said on cue.

"Well with that," the Ohio governor replied, according to one person present. "They know what they're supposed to do."

### Mopping Up

What they were supposed to do, of course, was vote for Reagan in the Ohio primary June 3. But Rhodes endorsement meant more than that to Reagan. The Ohio governor has ten times polished marriages freely. Only when it was clear that Reagan had the votes did Rhodes produce the ring. But that, too, was part of the Reagan strategy for 1980, a strategy designed to ensure a united party when the primary season was over and to have moderate, establishment Republicans in the Reagan camp. Rhodes public endorsement meant that Reagan's campaign had achieved what aide Richard Wirthlin calls Phase III: mopping up.

In Phase I of a primary campaign—this year, in the Iowa caucuses in January and the New Hampshire primary five weeks later—the candidates try to get the media's attention, explained Wirthlin. He is a short, cheerful man who was promoted from pollster to chief political strategist after Lyn Nofziger left the campaign.

In Phase II, they build a base by winning large blocks of delegates and eliminating most of the competition. Reagan accomplished that in the March primaries in the South and in Illinois.

Phase III involves reaching the nomination by taking on the last delegates, gathering support of the party leaders such as Rhodes, and beginning to focus on the November election. By April, the smart Republican money was rolling in the behind Reagan.

The Northeast was a key target of the strategy Reagan had lacked in the previous two years. In 1964, the GOP had been the minority party in the region, controlling more than half of its congressional seats. By 1968, Richard Nixon managed to carry only Vermont, New Hampshire and Delaware, a total of just 13 electoral votes.

But Jimmy Carter ran poorly throughout the Northeast in 1976, with Ford winning Connecticut and New Jersey. Sears figures Carter would be vulnerable there again in 1980, and he was eager for Reagan to make inroads early. Sears persuaded Fred Secor to resign as Connecticut state GOP chairman, sign up with the Reagan campaign and spread the word to other moderate Republicans that Reagan wanted to work more closely with them.

"If you don't get support, the best best thing is have a communication," Sears said his strategy. The choice were to not not the were that while Reagan wasn't going to change his positions, he wanted his back on his part and to the conservative base. He understood wanted to work with the moderates.

> *Sometimes in love, you have to make your choice. My choice is Ronald Reagan.*
>
> —Ohio Gov. James Rhodes

When Reagan had one-third of the delegates he needed and the other candidates had fallen by the wayside, the sail got harder. His campaign officials began insisting that his nomination was inevitable. They were trying to make it seem inevitable, unquestionable—or at least politically unwise—to continue to oppose him.

New York's Republican leaders provide a case study.

One of the key players was Roger Stone, 27, a seven-year young man who has managed William Carney's successful 1978 campaign for Congress, Carney is a registered Conservative from Suffolk County, and Stone, who knows conservatives and the state of New York, was sent into the state to begin organizing for the March 25 primary. He also was assigned to organize Connecticut, which would hold its primary the same day, and New Jersey, which would hold its primary on June 3.

In New York's Republican primary, delegates slates would be selected, with no direct presidential preference vote. That made local political organizations important, and Stone set out to meet with the county GOP chairmen.

Some of them, including Brooklyn's George Clark and Bronx John Calandra, already were Reagan backers. Some of them, including Queens' Jack Marsten and Nassau's Joseph Margiotta, were not.

When Stone met with the Queens leader, Marsten said he had agreed with Bernard Kilbourn, the state party chairman, to run an uncommitted delegate slate. In a close race, the argument went, that would give the state delegation increased clout and bargaining power at the national convention.

Stone was not impressed. "Look, we feel we are strong in your county," he told Marsten, referring to the results of their conversation. Stone recalled that in 1976 New York had elected an uncommitted delegate slate that had ended up voting for Ford. He did not want problems like that again.

"But I promised Kilbourn," Marsten protested.

"Look," Stone replied, "you can watch the convention from the stands or from the floor, or from your television set." If Marsten persisted in running an uncommitted slate, Stone warned, Reagan would run his own slate and win.

Marsten endorsed Reagan.

There were, by contrast, no threats for Joe Margiotta.

The Nassau Republican chairman runs one of

—Continued on Page 22

Campaigning in Ohio last month, Reagan shares "arms with well-wishers"

# RONALD REAGAN

—Continued from Page 4

the last of the old-style political machines in the country and presumably could deliver any candidate's slate. So Sisco was respectful and Margiotta was frank: When Reagan—or Bush, for that matter, or Connally—demonstrated he had the votes, Margiotta's officially uncommitted Nassau slate would come as heard.

Like Sisco, Margiotta does not often confuse ideology with policies. He is gregarious and shrewd. He has run the county organization, which in turn has run the county government, for a dozen years. Reagan had gone to Long Island the previous spring to address Margiotta's 1979 fund-raising dinner. Sears has kept in touch with Margiotta ever since. When William Casey took over after Sears' ouster in February, the new campaign manager, a Roslyn Harbor resident, began calling the Nassau leader about once a week.

Bill Casey, 66, and Joe Margiotta, 53, were not particularly good friends, but both describe their relationship as cordial. They run in different political and social circles. Casey spent more time in Washington than he did in Minoola. But Casey has once been a member of Margiotta's "chairman's club," and each year Casey bought tickets to Nassau GOP fundraising events.

And both were practical politicians. As the New York primary approached, Casey's calls to Margiotta came more frequently. Casey wanted Margiotta to endorse Reagan before the vote. Casey knew it would make him look good within Reagan's organization, and he is said to have told Margiotta that it was in Margiotta's interest as well.

"He's need his dues to you," Casey said, noting that Reagan spoke to the Nassau dinner last year and had promised to speak there again this year. "Now it's time to make your move."

The victory in Illinois convinced Margiotta that the nomination would go to Reagan.

Three days later—and four days before the New York primary—Margiotta called Casey. It was about 2 PM on a Friday. He had made his decision, Margiotta said. The Nassau Republican committee would vote unanimously to endorse Reagan at its meeting at 4 PM.

At 3 PM, a press release announcing the endorsement was distributed at the press room at the Mineola county center. Then the committee met and voted unanimously to endorse Reagan. Afterwards, Margiotta was almost happy.

"His striking strong of victories in New England, the South and now the Midwest demonstrates conclusively that he has the ability to win all sections of the country," Margiotta said. And his selection of Casey, a Nassau resident, as his new campaign manager "indicates Gov. Reagan's sensitivity and concern for the State of New York and Nassau County," Margiotta added.

In New York on March 25, the Republican primary was an afterthought. Reagan had already racked up a clear majority of the state's 123 delegates.

In Connecticut on March 25, Reagan lost to Bush. In two ties to 29 per cent, with John Anderson getting 22 per cent of the vote. But hardly paid much attention to Bush's win in Connecticut, or to Reagan's defeat. Bush had grown up in Connecticut. He had gone to college there. His father had served the state as U.S. Senator for a decade.

Besides, it was said, wasn't Reagan's nomination already inevitable?

## The Trouble With Winning

The trouble with being the nominee apparent, Reagan quickly found out, was that the questions got tougher and the scrutiny closer. There were, suddenly, all these annoying questions about his judgment.

It started in Wichita.

Radio station KFDI was sponsoring its annual "Agriculture Day" on March 23, and 2,500 folks had driven to the Cotillion Ballroom out outside town to hear Reagan speak. It was his only campaign appearance in Kansas, which was holding its first presidential primary on April 1. In the question-and-answer period after his speech, Don Barnhart, a farmer from Pratt, asked Reagan if he would support 100 per cent parity as President.

Reagan chats with Nassau GOP Chairman Joseph Margiotta at a fund-raising dinner

The candidate paused. "I wish I could answer the question for you," Reagan replied. He paused again. "That, I know, is a technical question." He shook his head. "One hundred per cent parity," he repeated softly. Finally, with a wry smile, he said: "I have to confess to you that I am not as familiar with some things as that."

Parity is a barometer of farmers' purchasing power, measured against the level they had had before World War I. Parity determines federal price supports to farmers, and it is always a key political issue in the Midwest.

Many voters are not interested in understanding parity. Governors of California might not have a parity position prepared. But would-be presidents, particularly those campaigning in Kansas, are expected to know about it.

The next day, when reporters pursued the question, Reagan said: "I know more about it than I indicated there." The problem, he said, was that he opposes 100 per cent parity in favor of "the free market." In Kansas, he added, "I didn't want to say a flat no. I certainly wasn't going to say a flat yes."

If the initial answer had called into question his political instinct, the explanation that followed called into question his candor.

The incident, coupled with Reagan's tendency to use questionable statistics, started a series of critical stories as the campaign moved along. A week after the incident in Kansas, Time magazine's headline was, "Where Did He Get Those Figures? GOP Front-runner Seems To Pluck Facts From Thin Air."

In fact, staff members say, Reagan plucks facts from almost everywhere but the air: government reports, newspaper stories, conversations. The problem, they argue, isn't in Reagan's intellect. The problem, they say, is that he has been an after-dinner speaker for so many years that his speaking style is geared as much toward entertainment as toward policy statements, and he never has much help with his research.

In his standard stump speech, Reagan would say: "The U.S. Geological Survey says that the potential oil reserves in Alaska alone are greater than the proven reserves of Saudi Arabia." In fact, as several news accounts eventually noted, the survey estimates that Alaska's potential and proven reserves combined would at most equal one-third of Saudi Arabia's proven reserves. And the misinformation had come not from federal scientists, but from an Alaska congressman. Jones about federal plans to buy huge tracts of Alaskan land and thus preserve it from industrial development.

Reagan would say: "I won election as governor of California in 1966 by 1 million votes, and I was re-elected by nearly as many in 1970." In fact, his margin in 1970 was 501,287 votes.

"It's been pointed out to him again and again," the aide said. "In 1976, I even went and checked the secretary of state's office myself that he was by half a million the second time . . . And yet he can't get it out of his head. He likes to think he won by almost as big a margin the second time."

On the road, Reagan makes the sort of flubs that most politicians make. At a dinner honoring Long Island's Perry Duryea, he kept referring to "my good friend, Dan Duryea."

The staff worries about other errors they say could cost the general election campaign. They try to explain away some by blaming John Sears, who for last year's campaign, Reagan was given before the primaries moved into the South. "We were in the bad position of being a 'front-runner' with virtually no money for media," one aide said. Unable to finance advertising, Reagan was forced to stage frequent media events instead, taking questions from reporters and running a higher risk of making a major mistake.

Another reason for the inconsistency was that the issues staff had been an early victim of the warfare between factions within the Reagan campaign. Each factions had hired its own staff, and neither staff had produced much. Most of the researchers had been fired during Casey's financial housecleaning. When James Brady, who had been John Connally's campaign press secretary, came on staff in April as a senior aide for policy, he was amazed to learn that Reagan was not even receiving the daily briefings that are standard for presidential candidates.

The briefings tell a candidate what the newspapers and networks said about him and his rivals that day, what questions reporters are likely to ask, what local issues might come up at a specific stop.

Brady arranged for a half-hour briefing each morning before the campaign group left their motel, with staff members in Washington monitoring morning network news shows and major newspapers, to keep him up to date.

The Reagan style was fine for the "mashed potato circuit," one aide complained, but for too many—and, at times, amusingly sloppy—for a presidential campaign. "There shouldn't be any question about facts and figures," he said.

## Closing In

It was Wednesday, April 16, in Newark. Reagan's shortness made an unscheduled stop so that 17 of New Jersey's 21 Republican county chairmen could endorse him in person. "The selection when we have a candidate who can win," state chairman David Norcross said, in a statement directed at Reagan's remaining rivals, "and I don't want to minimize life with unnecessary confusion."

It was Thursday, April 17, in Washington. Philip Crane announced he was withdrawing from the race—actually, fairly serious but the conservative Illinois congressman's creditors had paid

y attention to his candidacy for a month—and a encouraging his delegates to vote for Reagan. ere was "an overwhelming consensus within a Republican ranks," he said, and "I want to be part of that consensus." Crane was joined by 33 ther House members endorsing Reagan, including Richard Cheney (R-Wyo.), who had been chief f staff to President Ford.

It was Sunday, April 20, in Springfield, Pa. he nation's top-ranking Republican office-holder, enate Minority Leader Howard Baker, gave a residential candidate himself, left a sickbed a "summer to endorse Reagan in Pennsylvania two ays before its primary. "I think the time has come for our party to rally around our nominee," Baker said, "and it's obvious that Ronald Reagan s our party's nominee."

## Anderson the Independent

John Anderson knew the Republican race was over.

Ever since he failed to beat Reagan in two key primaries—Illinois on March 18 and Wisconsin on April 1, states considered most favorable to Anderson—he knew that he was out of contention for the Republican nomination.

But the general election, he thought, might be a different matter. National polls indicated that half the nation's voters were unhappy with the choice between Reagan and Carter. About 20 per cent said they preferred Anderson. Four days after Baker's endorsement of Reagan, Anderson announced he was withdrawing from the GOP race but would pursue an independent presidential candidacy.

## The End for Bush

George Bush just couldn't believe it.

He was smarter than Reagan, his aides kept telling reporters. He was younger. He had a better campaign organization, with none of the public bickering that Reagan had faced. His resume made it look as though he had been standing his life as president-in-training: a war hero whose rescue at sea had been recorded in film, a self-made businessman, a congressman, a stint as Republican national chairman, a lot of foreign-affairs experience, a clean record as director of the Central Intelligence Agency. His campaign slogan was "A President We Won't Have To Train." He had raised money and gotten endorsements and was the first contender of the year, in fact.

That had been only three months before, but it seemed so far away. A string of losses was spread in Pennsylvania, where Reagan got most of the delegates but Bush, after campaigning hard and spending heavily, won the popular vote. Few places much more in the west, however, and the Reagan warrior most that Ronald Reagan would have was Pennsylvania if he had spent as much money as Bush had.

A close race in Texas, another of his home states, left Bush going into Michigan, where the moderate Republican governor, William Milliken, had pulled out all the stops. And a stunning win—by 37 per cent to 32 per cent—in Michigan on May 20 excited Bush.

Briefly.

When Bush watched the early television coverage that night, he realized that while he had won another battle, the war already was over—and lost. He had beaten Reagan in Michigan by a wider margin than Jerry Ford—an incumbent president and a native son—had beaten Reagan four years before. But the networks were more concerned about whether Reagan had gone over the 998-delegate count needed to win nomination. CBS and ABC said he had.

Michigan was a victory for Bush, but there was no chance to savor it. The next Monday, confessing that his campaign was broke and that time and the numbers had run out, he quit.

## The Clinch

Nobody in the Reagan campaign had said much attention to the Maryland primary of May 13. Reagan didn't make an appearance in the state or spend any money on mailing or advertising. Bush did both. It was an eastern state with a history of moderate politics. In the 1976 primary, Ford had won 62 per cent of the vote, and all the delegates. It was not Reagan's sort of state.

For more than a month, Reagan's new first team—Casey, Wirthlin, Meese and a few others—

Roger Stone, who ran William Carney's campaign, was Reagan's New York organizer

had been holding serious sessions on convention strategy and working on plans for the general election. But the candidate, it was said, would hear none of it. Reagan is a superstitious man, an Aquarius who likes to read his horoscope each morning. He had refused to declare the candidates was for fear of jinxing himself. It was, he would explain, a carryover from his days as a movie actor, where he would never mention that a pitcher had a no-hit game working for fear that mentioning it would somehow cause it to fail.

With the Maryland results—48 per cent to 41 per cent victory over Bush—he finally was ready.

It was then, he recalled in an interview with Newsweek, that he switched his focus from the primary campaign to the general election. He told his staff to begin serious planning for November and to work on the selection of a running mate. Actually, Sears had started planning for a national campaign and for the general election more than a year before. He had been thinking about it when he had gone to the 1979 GOP governors' conference to reassure moderate governors about Reagan. He had been planning for it when he selected Reagan's November campaign headquarters in New York City.

Sears was gone. Casey, his replacement, had settled into the job, suffering through irritants that he lacked Sears' political brilliance but remaining hard-nosed enough that he had worked in every Republican presidential campaign since Wendell Wilkie's.

With the exception of Long Islander Casey, those running Reagan's campaign were veterans of his days as California governor.

Lyn Nofziger, who quit as finance director, was back, and at the job he always wanted: Press secretary. Mike Deaver, who had quit as finance director, was set to make a further return, this time as the campaign's trip manager. Dick Wirthlin and Ed Meese had never left, but with the departure of John Sears and Jim Lake and Charlie Black, their influence was enhanced and their positions were secured.

That does not mean that all was at peace within the Reagan camp. Casey headed the fight to prevent the hard-line conservatives—notably Sen. Paul Laxalt of Nevada, the campaign chairman—from making a quick purge of the GOP National Committee and its middle-of-the-road chairman, Bill Brock.

That fight ended Friday—hours before a "unity dinner" in Los Angeles to pay off delayed campaign expenses—with a compromise typical of Reagan's personal decisions, which aim at conciliation and compromise. Brock would keep his job through the election, but Reagan's Pennsylvania campaign chairman, Drew Lewis, would be his deputy. With the "purge" question settled, the July convention promised to be smooth for Reagan, smoother than the convention that nominated Ford in 1976, and smoother than the convention that was expected to renominate Carter.

In addition, a half-dozen independent committees were being formed to help change Reagan's election. As long as there is no contact with the candidate's organization, such committees can raise money and spend it without running afoul of campaign finance laws that limit Carter's to $29.4 million, all of it in federal funds. Stuart Spencer, director of Ford's 1976 campaign, reportedly recruited overtures to join the Reagan campaign but formed "Americans For an Effective Presidency." There also were Americans For Change, Americans For Reagan, Christians For Reagan, Right-To-Life For Reagan.

Similar arrangements had not been formed to back President Carter. Democratic National Chairman John White—denounced the committees as "a distortion of the fundraising process." And independent candidate John Anderson, who would not count on any public financing, was concerned as well.

Moreover, the legality of the loophole had been confirmed by the Supreme Court in a 1978 ruling, and there apparently was nothing the others would do about it but worry.

## The Ticket

Wirthlin already was preparing a survey on attributes voters want in a vice president and on the strength of various possibilities when matched with Reagan against the Carter-Mondale ticket. The most-mentioned candidates came to be known within the campaign as the "gang of four." They were Baker, Rep. Jack Kemp (R-Buffalo, N.Y.), Richard Lugar (R-Ind.), and former Treasury Secretary William Simon.

There were others, some with their own constituencies. Bush had demonstrated strength in the Northeast. Answering to his aides, he wouldn't say no to a vice presidential offer. Crane supporters formed a committee and raised $12,000 to promote him for the job. He said he wouldn't say no. A member of Sen. Robert Dole's staff had a campaign button printed for a Reagan-Dole ticket with the slogan, "Faith, Hope, and Perry." Dole, the 1976 candidate, also said he'd take the job.

Reagan didn't offer many clues. He said the vice presidential candidate would have to be philosophically compatible with him, but he generally declined to name the cutting issues on which a running mate would have to agree. "Anyone can repeat," he said when asked if Howard Baker's vote in favor of the Panama Canal treaties—a vote sure point with many conservatives—would eliminate him. "After all, I used to be a Democrat."

It might be the most critical decision of the campaign, he aides agree. In any administration, the vice president is comfortably suited for promotion. Foley Peter Dunne's fictitious "Mister Dooley" had said it best long ago: The chief duty of the vice president is to sit at the White House each morning "an' inquire after th' president's health." With a President in his seventies, as Reagan would be two weeks after his inauguration, the job one would take on a serious meaning.

Reagan's choice also might be a signal—after a GOP primary campaign that modest addressed any national issues—of his plans for his administration, of the balance between ideology and pragmatic politics. Would he choose a conservative running mate, or reach out to the moderates? Would he choose someone with strength in the Northeast, or would he seek a counterpoise to counter Carter on his home ground?

The geography of the general election already had been the subject of considerable speculation. From the start, Sears had argued for putting major resources into the Northeast, but also making enough of a run at the South to force Carter to remember his time and energy and money on what should be his base. The assumption was that Reagan would do very well in the West.

Casey breakfast this at a breakfast in Washington last month with reporters. To win against a southern incumbent, he said, the Republicans would have to concentrate on the big states of the Midwest. "Other" southern states such as Florida and Texas and the Carolinas, and the Northeast. In states like New York, with support from blue-collar workers, from middle-income and low-income families who generally had voted Democratic, Reagan believes he can win.

The day after the breakfast, Reagan flew to Long Island to appear at a fund-raising dinner for the Nassau County GOP. He would thank Marcellus for his backing, of course, but he also would be sending a signal, that the campaign for the Northeast, and for the White House, had begun in earnest.

"Nassau County Republicans Committee Salutes Ronald Reagan," the red-white-and-blue banner that stretched across the front of the Coliseum Hill ballroom proclaimed. "Our next President."

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# PERISCOPE

## C ter Won't Debate John Anderson

White House sources say that Jimmy Carter is willing to engage in campaign debates this fall, but only with his Republican opponent—presumably Ronald Reagan. Carter has told aides he won't debate independent candidate John Anderson, who naturally wants to be included in the televised forums. Carter has an excuse: a whole roster of obscure Presidential candidates could clamor for equal opportunities if he debates Anderson. But Anderson also worries the Carter camp, and the President doesn't want to enhance the Illinois congressman's candidacy by sharing a platform with him. "He's decided he's not gonna do it," says one Carter aide, "and he's not."

## 'Alternative Games' After All

Although the U.S. Olympic Committee officially vetoed "alternative games" when it supported Jimmy Carter's Moscow boycott, the committee and the Carter Administration are quietly working out a compromise that will enable some U.S. Olympic teams to compete with world-class opponents this year. Individual athletic federations that make up the Olympic committees in the United States and other pro-boycott countries are arranging sport-by-sport post-Olympic contests. As now planned, there will be boxing in Kenya, equestrian competition in West Germany and gymnastics in the United States. Basketball probably won't be included because too many U.S. stars will have turned pro by late summer, but events are being scheduled in swimming, yachting, weightlifting and several other sports. In addition, the U.S. track-and-field team will honor previous commitments to compete in August m--s in West Berlin and Zurich.

## Protesting Pro-Nuclear Ads

Anti-nuclear activists may get free air time to rebut television commercials that are costing the nuclear-energy industry $600,000. The Committee on Energy Awareness, an industry coalition, has placed the ads in Ohio, northern California and Washington, D.C., all areas of intensive anti-nuclear lobbying. Well-organized anti-nuke groups, led by Ralph Nader's Critical Mass, are monitoring the spots and will demand equivalent time without charge. Stations that refuse could face months of FCC hearings and perhaps lawsuits. A top FCC official says that most stations "give up" in such cases and grant the requested time.

## The Soviets Raise Their Sights

Western observers report that the Soviet invaders in Afghanistan are being forced to adapt to local techniques of guerrilla warfare. The Soviets have cut slits into the sides of their helicopters so that airborne gunners can take aim at the Afghan rebels who fire down at the choppers from mountain tops.

## Jimmy's Olive Branch to Ted

Jimmy Carter now calculates that next week's final round of Presidential primaries and caucuses will provide him with a cushion of 900 to 1,000 delegates to guarantee the Democratic nomination on the first ballot. So after the June 3 results, Carter plans to invite Sen. Edward M. Kennedy to the White House for a peacemaking session. The President has serious doubts that Kennedy will accept; Kennedy's Presidential challenge may have grown too bitter for an early olive-branch meeting. But Carter still counts on Kennedy to join him on the platform at the celebratory conclusion of the New York convention. And Carter expects his rival to help persuade United Auto Workers leader Douglas Fraser and other key liberals to campaign in the general election.

## Arab Bankers in the U.S. Market

Wealthy Arab investors with powerful connections are about to take over Financial General Bankshares, a small chain of U.S. banks, which they hope to transform into a rival of the world's biggest banking institutions. The businessmen from Saudi Arabia, Kuwait and Abu Dhabi plan to channel their own funds into Financial General and will also use their influence in Persian Gulf countries to woo petrodollar accounts, including some now invested in big New York banks. Former Defense Secretary Clark Clifford and former Sen. Stuart Symington helped the Arabs win a bitter take-over battle from former Navy Secretary J. William Middendorf and other Financial General officials.

## The 'Independent' GOP Ploy

Several high-level Republicans, led by former Air Force Secretary Thomas Reed, will meet this week to plan an "independent" campaign that could raise extra millions of dollars for the GOP through a loophole in campaign laws. By disclaiming any connection with the Republican candidate, Reed and his group could raise and spend huge amounts of money beyond what the candidate would receive from the Federal government, which will fund most of his general-election campaign. The group could spend the money as it pleases. One source says it will be spent mostly in attacking Jimmy Carter on the issues, leaving Ronald Reagan to take the high road with a more positive campaign.

## Carter on the French-Soviet Summit

In Jimmy Carter's opinion, Secretary of State Edmund Muskie was too hard in his criticism of the French last week. Muskie, fresh from a lecture by French Foreign Minister Jean Francois-Poncet on the virtues of allied consultation, complained that the French should have consulted the United States about President Valéry Giscard d'Estaing's planned meeting with Soviet President Leonid Brezhnev in Warsaw a few days later. White House insiders say that Carter privately shrugged off the lapse: "That's just the French." He regards any Western contact with Brezhnev as "healthy," and rates Giscard as a better friend of the United States than any French President since World War II.

## Saving the Killer Whales

The United States and the Soviet Union may be headed for another confrontation—this time over whales. At a July meeting of the International Whaling Commission in England, U.S. officials will press for a moratorium on hunting killer whales, which the Soviets have started catching in the antarctic. IWC statistics show that Soviet factory ships took 906 killer whales last fall and winter. Under IWC rules, factory ships can take only the larger minke whales. The problem is that no quota has ever been set on killer whales because they weren't considered valuable game. The killer whale, smaller than most other whales, has been captured in the past mainly to perform stunts in marine shows.

BILL RODER with Bureau reports

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NEW YORK TIMES
4/17/69
Page 16 Column 3

# New Assistant to the President Named

Special to The New York Times

WASHINGTON, April 16—The White House disclosed today that Peter M. Flanigan, a New York investment banker who has served the Nixon Administration as a volunteer talent scout, would go on the payroll as an assistant to the President.

Mr. Flanigan, one of six aides who hold that title, will take up many of the tasks previously handled by Robert Ellsworth, who recently was named Ambassador to the North Atlantic Treaty Organization.

At the White House news conference disclosing his appointment, Mr. Flanigan said he would work on regulatory agency affairs, airline route cases, studies of oil imports and the effects of smoking, and other matters.

Mr. Flanigan, who is 45 years old, joined the investment banking firm of Dillon, Read & Co. in 1947 and became a vice president in 1954. In 1968, he took a leave of absence to work as deputy campaign manager for Mr. Nixon.

Associated Press

Peter M. Flanigan at the White House news session.

After the election, Mr. Flanigan worked to find people for "high level" Government positions, and today he defended the Administration's record in filling key Federal posts promptly.

By March 17, he said, the Administration had filled more major jobs than had the Kennedy Administration by the same date. The pace has increased since then, he went on, but he did not site any figures.

Ronald L. Ziegler, the White House press secretary, also announced that Stanley D. Metzger, chairman of the United States Tariff Commission, would resign July 11 to return to the Georgetown University Law Center. His replacement was not named.

Also, in a message to the Senate, the President asked for approval of an agreement on North Atlantic fishing operations signed by 16 other Governments. It involves a code of conduct designed to relieve congestion.

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NEW YORK TIMES
12/2/69
Page 20 Column 3

# Draft Law Tactician

## Peter Magnus Flanigan

By ROBERT B. SEMPLE Jr.

Special to The New York Times

WASHINGTON, Dec. 1 — Peter Magnus Flanigan is possibly the least known of President Nixon's dozen or so top aides, but, according to sources here, he played a bigger role than any of his colleagues in what may go down as Mr. Nixon's best known legislative achievement of 1969: the new draft reform law, under which draftees will be chosen by lot for the first time in a generation. Characteristically, Mr. Flanigan refuses to give himself much of the credit for the new law—the principal architect, he says, was Secretary of Defense Melvin R. Laird.

**Man in the News**

But around the White House it is generally acknowledged that Mr. Flanigan "quarterbacked" the complex interagency maneuvering that led to the draft reform proposal; and, specifically, that he was instrumental in persuading the President to push for a simple modification in existing law when Congress balked at Mr. Nixon's original and somewhat bulky plan.

The simple modification to which Congress gave its assent last month removed from the old draft law a one-sentence provision forbidding the President to institute, by executive order, a Selective Service system based on the principle of random selection.

### Utility Infielder

One of the reasons that Mr. Flanigan got the assignment to coordinate the drafting of changes in the Selective Service system is that nobody else in the White House was handling it — which is also the reason why a great many seemingly unrelated tasks come his way these days. Mr. Flanigan, the President's odd-job man, is a utility infielder who handles a wide range of matters that do not fall within areas assigned to the other players on Mr. Nixon's carefully structured White House team.

Since he joined the staff on April 16, he has served as the President's top level talent scout; kept an eye on the activities of quasi-independent agencies such as the Small Business Administration; organized the interagency efforts that produced the President's new maritime recommendations and his proposals to begin turning over some of the Atomic Energy Commission's facilities to private enterprise, and served as liaison between the White House and the regulatory agencies.

### Loyal and Tough

"He is quick and incisive and, like most of the people around here, he is loyal," says an associate. "He has the businesslike toughness Nixon admires. If he has any faults it is probably a tendency to bore too hard into a problem and worry it to death."

Among Mr. Flanigan's other distinctions, he is probably the wealthiest member of the Nixon staff, and moves easily on a financial plateau that the salaried professors and advertising executives who now occupy the White House have never known.

The 46-year-old Mr. Flanigan, a 1947 graduate of Princeton, is the son of Horace Flanigan, a hard-driving New Yorker who for years was chairman of the Manufacturers Trust Company, now Manufacturers-Hanover Trust. Following suit, Peter Flanigan joined the New York investment banking firm of Dillon Read & Co. in 1947 and rose, in time, to vice president and partner.

Despite the excitement of Wall Street, Mr. Flanigan was vaguely restless and sought other satisfactions. Some of his friends say that, like the sons of other powerful men, he had always yearned to escape: to become Peter Flanigan, not just Horace Flanigan's son, in a field uncharted by his father.

### Not in Father's Steps

Horace Flanigan was a Democrat, but Peter has been a Republican since 1944.

He met Mr. Nixon in the 1950's. In 1959, he organized a New Yorkers for Nixon group. Later he went to Washington to set up the nationwide citizens operation known as Volunteers for Nixon-Lodge.

Mr. Flanigan served Mr. Nixon as deputy campaign manager in 1968 under John N. Mitchell. He came to Washington as a paid consultant to the President on high-level appointments, a post in which he served until his formal appointment to the staff last spring.

The New York Times

*"Friendly as a puppy or abrasive as hell."*

Philosophically, his instincts lie on the conservative side, a fact that worries some Administration opponents. He has considerable leverage over Administration policy as the President's top talent scout and chief go-between with the regulatory agencies. He makes no bones about his belief that Government should insure competition but otherwise interfere as little as possible with business.

Mr. Flanigan has invited members of the regulatory agencies into the White House for coffee and chats about budgetary problems, but he vows to maintain the historic independence of the agencies from the White House.

Physically, he is something out of Scott Fitzgerald. Tall, trim, boyishly handsome, he looks like the Navy carrier pilot he once was (for three years, in World War II). His hair is brown and wavy, his gaze steady, his smile capricious: now charming, now faintly supercilious.

"He can be as friendly as a puppy or as abrasive as hell," remarks one friend. "He does not suffer the infirmities of either mind or the flesh gladly."

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NEW YORK TIMES
12/11/69
Page 60

# White House Aides See G.O.P. Senators On Ending Friction

Special to The New York Times

WASHINGTON, Dec. 10 — A delegation of 10 White House aides met today with 13 moderate Senate Republicans on Capitol Hill in an effort to smooth relations that have been reported strained by recent issues causing sharp divisions across party lines.

A luncheon, at which Senator Clifford P. Case of New Jersey was the host, was attended by the White House group, which included Bryce N. Harlow and D. Arthur F. Burns, counselors to the President, as well as H. R. Haldeman and John D. Ehrlichman, Presidential assistants, and Herbert G. Klein, the executive branch's director of communications.

Senators attending included the minority leader, Hugh Scott of Pennsylvania, and Robert P. Griffin of Michigan, the minority whip, as well as Richard S. Schweiker of Pennsylvania, who was designated as spokesman for the Senators.

"This was basically a session to exchange ideas on how we can get along more constructively," Senator Schweiker said.

The occasion was the regular weekly meeting of the Wednesday Group, an informal organization of a dozen moderate to liberal Senators. The meeting followed a [illegible] by the group in the form of a letter to President Nixon urging his [illegible] the [illegible] and chemical warfare.

Senators Scott and Griffin are not regular members of the group but were invited in their role as leaders. Another Senator, not a member, Thomas Boggs of Delaware, asked to attend.

Others from the White House staff at the luncheon were Harry S. Dent, Kenneth L. Belieu, Peter Flanigan, Lyn Nofziger and Eugene Cowan.

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# White House Talk Has Finch Moving

# In as a High-Level Adviser to President

NEW YORK TIMES
5/26/70
Page 20

By ROBERT B. SEMPLE Jr.

WASHINGTON, May [illegible] — When a report was circulated [illegible] that Secretary of Health, Education and Welfare Robert H. Finch had left the White House [illegible] the Presidential press [illegible] Ron Ziegler denied [illegible] for Mr. Finch and [illegible] coming from a Washington [illegible] Financial Notes [illegible] H. R. Haldeman, the President's chief of staff, a fellow Californian and one of Mr. Finch's closest friends, [illegible] vacations together last year in the Caribbean, Mr. Haldeman senses that Mr. Finch is not at all happy at HEW and would like to keep him on the Nixon team.

Mr. Haldeman has no intention of relinquishing his own administrative post to his old friend, rather, his thought—and at the moment it is only a thought—is to bring Mr. Finch into the White House in a high-level advisory capacity, comparable to posts occupied by the Presidential Counsellors, Bryce N. Harlow and Daniel Patrick Moynihan.

"Finch is trapped in a bureaucratic nightmare down there," says one White House staff member. "But he really has no place to go, except here. It might be good for all of us."

Should Mr. Finch leave, his successor could well be Franklin D. Murphy, former chancellor of the University of California at Los Angeles and now president of The Times-Mirror of Los Angeles. Mr. Murphy's contacts in the Administration are extensive (he knows the President and Mr. Haldeman, a graduate of U.C.L.A., very well). Beyond that, he is highly admired by John W. Gardner, the former HEW chief and now head of the Urban Coalition.

Ronald L. Ziegler, the White House press secretary, insisted again today that nobody had asked for the resignation of Mr. Finch's Commissioner of Education, Dr. James E. Allen. But it can be said on authority that Dr. Allen has no real friends left in the White House. Even Leonard Garment, the President's civil rights adviser, who shares many of Mr. Allen's views on education, was visibly upset when he read the outspoken educator's criticism of the Cambodian [illegible]

White House aides do not [illegible] the President's assertion that he welcomes criticism and intends to conduct an "open" administration. But Mr. Nixon is privately furious, and Mr. Ziegler, an accurate barometer of Presidential moods, replied with thinly veiled sarcasm when asked to judge Mr. Allen's statement. He noted on Friday that he would no more comment on Mr. Allen's view on foreign [illegible] than he would [illegible] State Department [illegible] secondary education.

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[illegible] at the White House [illegible] who meet secretly [illegible] afternoons at the White House. The group includes Mr. Ziegler, Herbert G. Klein, director of communications, Murray Chotiner, [illegible] Harry Dent, political [illegible] Ken Rietz, [illegible] press secretary [illegible] Ronald Reagan of California, Dwight Chapin, the President's youthful aide de camp, Patrick J. Buchanan, a speech writer, Mr. Haldeman [illegible] of his subordinates, and several others.

Their main concern in recent weeks, one member says privately, has been to "sell" the President's Cambodian decision. Mr. Nixon popped in not long ago and gave the group a pep talk, the essence of which was that the operation was designed in large part to put pressure on Hanoi to undertake serious peace talks.

One tactic devised by the group was to inundate the press with statistics designed to demonstrate the success of the operation. A second stratagem gave increasing recog

The New York Times

H. R. Haldeman

nition to what one member of the group calls "the hard hats"—construction workers and others who have demonstrated openly for the Cambodian operation.

As a result, Mr. Nixon will meet tomorrow with two dozen members of the Building Trades Council of Greater New York, whose workers were involved in a Wall Street clash two weeks ago with antiwar protesters.

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Meanwhile, on the liberal side, Mr. Garment has signed up Anthony Downs, widely known Chicago urbanist and consultant to the Kerner commission on violence, to join Dr. James S. Coleman of Johns Hopkins University and Wilmer Cody, liberal superintendent of schools in Chapel Hill, N. C., to determine which projects are deserving of the $1.5-billion for school desegregation announced last week.

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Two events have occurred here in the last 48 hours that recall some of the hijinks of the Kennedy Administration: about 35 high officials have been taking speed-reading courses (President Kennedy ordered his Cabinet officials to take them); and one high Administration official was pushed into a swimming pool (it used to happen all the time at Hickory Hill, Robert F. Kennedy's Virginia estate).

The unhappy victim of the dunking was Mr. Ziegler, the press secretary, who was shoved from behind by an aide to Senator Philip A. Hart, Michigan Democrat, at a bipartisan party in the Cleveland Park section of the capital Saturday night. Mr. Ziegler, who has kept his temper during two solid months of tough questioning from the press, surveyed his ruined suit (he had just attended an evening wedding), managed a brave smile, and retired to don dry clothes provided by his hosts. Meanwhile, several Nixonites found Mr. Hart's aide and tossed him in.

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As consolation, Mr. Ziegler tonight received a "[illegible] rate of recognition" [illegible] Evelyn Wood Reading Dynamics Company. [illegible] teaches speed reading techniques and has been holding Monday and Tuesday night sessions for White House staff members. Others who "graduated" from the eight-week course were Mr. Chapin, Mr. Garment, Kenneth Cole jr., deputy assistant for domestic affairs, and Mrs. Constance Stuart, Mrs. Nixon's press secretary.

Most started at a reading level above the national average of 240 words a minute, must finished with a speed of over 1,000 words a minute, according to a spokesman for the company. Mrs. Wood, the company's president, also taught the Kennedy staff.

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THE NEW YORK TIMES, S

# Political Pros Reject G.O.P. Claim of Election Gain

They [illegible]

● Republicans were [illegible] agers, [illegible] Congress [illegible] Congress.

But the [illegible] day seminar that ended Sunday at the [illegible] Theater in [illegible] agreed on a surprisingly large range of subjects.

Nearly everyone, for example, dismissed out of hand the White House contention that the Republicans had done well in the midterm elections.

The only likely debate centered on the question of whether President Nixon and his key aides really thought they had done well or were just putting out propaganda.

"If they believe that stuff," said one Republican, "they are more out of touch with reality than I had thought."

However, a substantial number said they expected the President to be reelected in 1972.

Participants in the seminar, sponsored by the American Association of Political Consultants, offered these other private [illegible]

[illegible] about the [illegible] campaign.

● [illegible] were [illegible] important than was generally [illegible] The victories of Governor-elect John J. Gilligan of Ohio, Senator-elect Lawton [illegible] of Florida and Senator-elect Lowell P. Weicker Jr. of Connecticut, among others, were attributed largely to local circumstances.

● Television campaigns failed in areas where they had been expected to carry the whole burden and in areas where Republican candidates tried to persuade voters that their moderate opponents were radicals. The Senate campaigns in Illinois, Utah and North Dakota were cited as cases of "overkill."

● Candidates perceived by the electorate as nonpolitical—such as Senator-elect James L. Buckley of New York, Mr. Giles and Governor-elect Dale Bumpers of Arkansas—did well in most races.

In the public sessions, campaign managers described the races in which they had been involved, and technical specialists discussed innovations in their fields of concentration.

David Krogseng, manager of Representative Clark MacGregor's futile campaign against Democratic Senator-elect Hubert H. Humphrey, told of his frustrations in attempting to overcome the former Vice President's hold on Minnesotans.

In mid-October, for example, a poll showed that 58 per cent of the electorate held former President Lyndon B. Johnson and Mr. Humphrey responsible for inflation and other economic problems. But it also showed that more than 60 per cent of the voters thought Mr. Humphrey more likely than Mr. MacGregor to end inflation.

Mr. Krogseng said that the parade of Republican "stars" into the state—including the President, his wife, his daughter Tricia and five Cabinet members—had done little good. The main effect, he said, was to "tie up" key staff members.

Discussing the California governership campaign, in which Jess Unruh came much closer to Republican Gov. Ronald Reagan than expected, Thomas Reed, campaign manager for Mr. Reagan, said he had detected the slippage with three weeks to go.

"An erroneous decision" was made in October, Mr. Reed said, on the basis of polls that showed Mr. Reagan holding a consistent 13-point lead. The Governor was sent into Bakersfield, Ventura and other areas, far from Los Angeles television coverage, to campaign for candidates for the State Legislature.

At the same time, unemployment was mounting and property tax bills were delivered. The result was a Reagan victory by 500,000 votes instead of the one-million-plus that was foreseen earlier.

Phillip Schott, Mr. Unruh's manager, mentioned another element: a massive Democratic registration drive, financed principally by the Unruh campaign, which was especially successful in low-income areas.

Mr. Schott credited Mr. Unruh's surprising showing with providing the momentum that enabled the Democrats to win both houses of the Legislature—a crucial victory because of the Congressional reapportionment scheduled to begin next year.

The political consultants association passed a resolution, the first in its history, urging Congress to override the President's veto of a bill limiting spending for television advertising.

Although conceding that the bill "represents only a part of election reform," the resolution described it as "an important first step toward reducing the sort of campaigns" and as a measure that "guarantees equal access to the air waves."

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# Peter Flanigan, the White House Jack-of-All Trades:

## A 'Problem Solver' to Admirers, a 'Fixer' to Critics

By RICHARD HALLORAN

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WASHINGTON, March 19—To his admirers, Peter M. Flanigan is a skilled "problem solver." To his critics, the White House aide is a manipulating "fixer."

Mr. Flanigan is assistant to President Nixon for international economic affairs, the President's chief utility player on a team of specialists and the senior White House aide who has perhaps been least in the public eye.

But Mr. Flanigan's name has come to public attention with allegations that he was involved in the settlement of an antitrust action against the International Telephone and Telegraph Corporation, a settlement that some critics say was favorable to I.T.T.

Senator Thomas F. Eagleton, Democrat of Missouri, charged last week that Mr. Flanigan had a hand in four earlier controversial decisions in which, Mr. Eagleton said, the interests of big businesses rather than the public were served.

So far, Mr. Flanigan's position as one of the President's half-dozen most trusted aides has "absolutely not" been damaged by the accusations, according to a White House official. Mr. Flanigan has been publicly defended by Senator Norris Cotton, Republican of New Hampshire, and Ronald L. Ziegler, the White House press secretary.

But whether Mr. Flanigan will appear before Congressional committees to answer the charges, as Senator Eagleton challenged him to do, could not be determined. The White House staff has traditionally been shielded from such interrogations by executive privilege.

Mr. Flanigan himself was not available to comment on the allegations or to discuss his role in the Administration. White House officials said they doubted that he would be until the I.T.T. issue had been resolved.

Even so, a picture of Mr. Flanigan, his power and the way he exercises it was pieced together from conversations with Administration officials, bureaucrats, businessmen and Congressional sources, both friends and adversaries.

### Decisive and Driving

There was much agreement that Mr. Flanigan, who is 48 years old, is an intelligent, confident, articulate, decisive, driving and sometimes impatient and brusque executive.

"You don't get sleepy in his meetings," said a former associate. "If you're on Page 8 of a report and someone says 'let's go back to Page 3,' you're likely to have to scrape Pete off the chandelier."

There was also general agreement that Mr. Flanigan's work meets with the full approval of the President. "His star hasn't been rising," said an administration insider. "His star was there from the beginning."

Mr. Flanigan's influence throughout the Administration also stems from his having recruited more than 300 senior officials. "If he got you your job," said one, "you'd listen to him, wouldn't you?"

Bureaucrats recognize that Mr. Flanigan has "clout." One veteran of several Administrations said, "His telephone call is one of the few meaningful calls around here. A lot of guys in the White House are not taken seriously. But you never ignore Flanigan."

There was further agreement that Mr. Flanigan was the most influential official in the Administration on critical issues that affect businessmen.

"He's the guy who people in our industry turn to," said a steel executive. "And we wouldn't turn to him unless he came through."

One bureaucrat said, "When there's something that affects an entire industry, the word is always 'check it with Flanigan.' He has access to the powerful interests and he wants to know where it's going to pinch."

An official of the Department of Commerce said, [illegible] the top. The business community [illegible]

said with a sigh, "is to the Department of Commerce what Henry Kissinger is to the Department of State."

On the question of whether Mr. Flanigan exercises his power within the limits of propriety, there was wide disagreement. Some argued that he used his influence merely to execute the President's policies. Others contended that he used it often for the political gain of the Administration or himself.

A businessman close to the Administration dismissed criticism of Mr. Flanigan as "political character assassination." He said, "Pete is not serving anyone except his judgment."

"He's a quick study in how to get things done," the executive said. "He would disapprove a businessman's request just as readily as he would approve it. I've met plenty of businessmen who are disgruntled about Peter Flanigan."

### 'Master of Compromise'

Democratic critics on Capitol Hill gave the opposite assessment. "Flanigan is a manipulator of the first order," said one. "He's a master of the compromise that works out best for vested interests."

A bureaucrat who had watched Mr. Flanigan in action took a third view. He doubted that Mr. Flanigan had done anything for personal gain. "It was much more for political gain," he asserted.

"You have to understand how the bureaucracy works and how business is done here," he continued. "It's very subtle, very discreet. You create an atmosphere, a relationship, a series of debts, a series of understandings."

"There are political payoffs all the time," the bureaucrat said. "But nothing is written down. Things don't have to be said. Most things are left unsaid and there are just 'understandings.' Anyone who looks for specific deals is just naive."

Before coming to Washington, Mr. Flanigan was a highly successful investment banker with the Wall Street firm of Dillon, Read & Co. He was in the top level of Mr. Nixon's 1968 campaign staff and was the chief personnel talent scout at the beginning of the Administration.

According to an Administration insider, however, Mr. Flanigan was reluctant to come to Washington. "He wanted to stay in business," he said. "Pete didn't have any romantic notions about working in Washington."

But, the source said, "he was put under a great deal of pressure by the President and by Haldeman." H. R. Haldeman is one of Mr. Nixon's top assistants. Thus, Mr. Flanigan joined the Administration in April, 1969.

In an Administration of systematically delineated responsibilities, Mr. Flanigan became the White House generalist with a roving mandate. He continued to recruit political appointees, supervised the White House's relations with the Federal regulatory agencies that affect much of American economic life, looked after the President's consumer affairs program, and got his hands on the valve of the Administration's oil policy.

### Special Assignments

In addition, Mr. Flanigan has taken on numerous "one-time" assignments. He headed the staff work on the President's governmental reorganization plan, persuaded steel companies to roll back prices after they had announced an increase and worked on draft reform and the all-volunteer army.

Mr. Flanigan also brought securities executives into a meeting with the President for a pep talk when the stock market was depressed, drew up a plan to revitalize the nation's merchant marine, persuaded the Civil Aeronautics Board to permit an air fare increase that it initially opposed, got the Italian shoe industry to adopt import restrictions to limit competition with American shoe makers, and tried to negotiate a textile import limitation with the [illegible]

After Mr. Flanigan was named assistant to the President for international economic affairs last month, he retained most of his earlier responsibilities. Recruiting has been assigned to a lower-ranking White House aide, Fred Malek, but Mr. Flanigan still has considerable say on who is brought into the Administration.

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Column 4

THE NEW YORK TIMES, THURSDAY, APRIL 20, 1972

# FLANIGAN AGREES TO TESTIFY TODAY

## Accepts Wider Scope for I.T.T. Case Questioning

By FRED P. GRAHAM

WASHINGTON, April [illegible] — Peter M. Flanigan [illegible] President Nixon's senior aides agreed today to broaden the scope of his proposed testimony before the Senate Judiciary Committee. He also agreed to testify [illegible] the hearings [illegible] Richard G. Kleindienst's nomination to become Attorney General.

Mr. Flanigan's appearance [illegible] the final school [illegible] the hearings, was set after he agreed to go beyond the terms [illegible] laid down yesterday.

In a letter to the committee [illegible] Mr. Flanigan agreed [illegible] what, if anything, he knew about four separate [illegible] that have been mentioned during the Senators' [illegible] the Justice Department's settlement of three antitrust suits against the International Telephone and Telegraph Corporation.

### Eastland Sees Approval

Senator James O. Eastland of Mississippi, chairman of the committee, said that Mr. Flanigan's appearance would [illegible] away a controversy over executive privilege and that "I think Kleindienst will be confirmed."

However, later in a tumultuous day of hearings, new questions were raised about two other White House aides, William E. Timmons and Harry S. Dent.

Jack Gleason, a former White House aide in the Nixon Administration, who is a Washington public relations man, said, "I just [illegible] he had received word from Mr. Timmons to "start forgetting things" about his contacts with the White House on behalf of I.T.T.

[illegible]

### Documents Thrown Out

[illegible] that he had thrown away a large number of documents [illegible] hope that I.T.T. was shredding documents in its Washington office.

[illegible] executives feared that [illegible] would [illegible] and that they [illegible] with Mr. Mitchell [illegible] fornia Republicans, Lieut. Gov. Ed Reinecke and the Director of Commerce, Edgar Gillenwaters, gave testimony that contradicted sworn statements by former Attorney General John N. Mitchell [illegible] Richard G. Kleindienst [illegible] Mr. Gleason [illegible] hopes for getting the [illegible]

Senator [illegible] Democrat of California [illegible] said the same [illegible] Reinecke and Mr. G[illegible] aides explained [illegible]

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Page 1 Column 6

# KISSINGER TO STAY AS NIXON'S ADVISER ON FOREIGN POLICY

## Ehrlichman and Haldeman Will Retain Key Positions on White House Staff

## BASIC SYSTEM UPHELD

## President and Security Aide Meet 4 Hours in Florida on Peace Talk Strategy

By LINDA CHARLTON

Special to The New York Times

KEY BISCAYNE, Fla., Dec. 2 —President Nixon announced today that Henry A. Kissinger would continue to serve as his adviser on national security affairs in the second Nixon Administration and that a number of other top-level White House staff members would also remain in their present jobs.

The announcement ended speculation about Mr. Kissinger's possible return to Harvard University, although Ronald L. Ziegler, the White House press secretary, who announced the decisions for the President, gave no indication of whether Mr. Kissinger or any of the others would stay on for the full four years.

John D. Ehrlichman, the assistant to the President for domestic affairs, and H. R. Haldeman, Mr. Nixon's chief of staff, were also listed among those "who will continue in the second term as assistants to the President in the same positions that they currently hold," Mr. Ziegler said.

### Satisfaction Indicated

This seemed to confirm Mr. Nixon's satisfaction with the basic structure of the present White House staff and with the performances of both men. The announcement was taken as a particular affirmation of satisfaction with Mr. Haldeman, who had been linked in newspaper reports, vigorously denied by the White House, with the Watergate spying

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Mr. Kissinger met with the President in Mr. Nixon's house overlooking the water here today for more than four hours of "extensive consultations," Mr. Ziegler said.

### Gets Paris Instructions

Mr. Kissinger received "final instructions" from the President for the resumption of the peace talks in Paris Monday.

Mr. Ziegler said: "The President is certain that the negotiations will be carried out with the same distinction that has marked the entire series of negotiations in which Dr. Kissinger has represented the United States."

Mr. Ehrlichman and Mr. Haldeman are regarded as two of the most powerful members of Mr. Nixon's staff.

Mr. Ehrlichman's role as

Continued on Page 16, Column 5

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# Kissinger to Stay as Adviser on Foreign Policy; Ehrlichman and Haldeman Remain at White House

Continued From Page 1, Col. 8

head of the President's Domestic Council had been envisioned as similar to that of Mr. Kissinger in the foreign policy field, but this, it is felt, proved difficult in practice because Mr. Ehrlichman had to battle simultaneously all the Government departments concerned with domestic policies, and because of the constraints of time and budget. Thus, he has not become the creative policy maker that had been intended.

### Watched Policy Closely

Instead, his role has been described as basically that of a political filter, the man who measured domestic policy against Mr. Nixon's 1972 reelection ambitions. As one example, Mr. Ehrlichman and his staff were responsible for making sure that the Departments of Justice, and Health, Education and Welfare did not go beyond the President's guidelines in school desegregation.

Mr. Haldeman, as Mr. Nixon's chief of staff, decides who may see the President personally. He is also the transmitter of Mr. Nixon's orders and the man who sees to it that they are carried out.

Mr. Ziegler also confirmed the speculation that Donald Rumsfeld, the director of the Cost of Living Council, would be leaving that post and "taking on a major new assignment in the next term."

He said that Mr. Rumsfeld's new job would be announced soon, but he denied in reply to a question that Mr. Rumsfeld would be named to direct the Central Intelligence Agency, one of the many posts for which he has been rumored to be in line.

It is generally believed that Richard Helms, director of the C.I.A., will resign soon. Mr. Nixon reportedly plans to name James R. Schlesinger, the chairman of the Atomic Energy Commission, to Mr. Helm's post.

Mr. Ziegler's announcement said that William E. Timmons would continue as assistant to the President for Congressional relations.

In addition to the list of White House staff members who will be staying on, Mr. Ziegler announced a shorter list of those who plan to leave. This included Robert J. Brown, a special assistant to the President, the highest-ranking black on the White House staff, and Harry S. Dent, a special counsel to the President.

### Colson Delays Departure

Mr. Nixon "reluctantly accepted" Mr. Dent's resignation, Mr. Ziegler said, and accepted Mr. Brown's resignation "with special regret." He said that both men had long expressed a desire to return to their private careers, Mr. Dent to law practice in South Carolina and Mr. Brown to business in North Carolina.

Charles W. Colson, special counsel to the President, one of his closest advisers, "had long planned to return to private life" as well, Mr. Ziegler said, but "deferred his departure" at the urging of Mr. Nixon. Mr. Colson "will remain in the White House staff during the transition period—he will be staying on for a period of 60 days or more", and will be "available for consultation" after he leaves, Mr. Ziegler said.

The press secretary also confirmed what he conceded had been "a matter of public record for some time," the resignation of Robert H. Finch, counselor to the President. Mr. Finch has said that he wishes to return to California, perhaps to reenter politics there.

Other "key White House staff members" whose retentions were announced today included Herbert G. Klein, the director of communications, and three special assistants to the President whose "roles will be changing somewhat" in the second term, according to Mr. Ziegler.

They are Raymond K. Price Jr., Patrick J. Buchanan Jr. and and William Safire, all of whom have served as Presidential speech writers.

Leonard Garment, a special consultant to the President with emphasis on the area of civil rights, and John Wesley Dean 3d, counsel to the President, will continue in their present posts. So will Miss Rose Mary Woods, the President's personal secretary who has been with Mr. Nixon since 1951.

Mr. Ziegler was asked if he would be staying on as press secretary, and with a broad grin, he replied, "I thought you'd never ask. I will be remaining as press secretary in the second term."

An additional title and responsibilities were also announced for Roy L. Ash, whose appointment as the new director of the Office of Management and Budget was made public on Tuesday. Mr. Ash will also have the title of assistant to the President, Mr. Ziegler said.

The President said earlier this week that his second-term reorganization plans would involve "cuts in personnel across the Government" but that "the biggest cuts will be made in the White House staff itself."

Mr. Ziegler cautioned that the omission of any name from the list announced today should not be taken as an indication of anyone's status.

Mr. Ziegler would not give a precise percentage by which the White House staff might be cut but he said the President was likely to be "reducing it substantially."

Among the more visible names not mentioned today were those of Dwight L. Chapin the President's appointments secretary, and of Ken Clawson, deputy director of White House communications. But Mr. Ziegler was asked specifically whether a decision had been made in the cases of Mr. Clawson and Gerald L. Warren, the deputy White House press secretary.

He replied, "You should not draw any conclusions about any name that I have not mentioned." Mr. Warren, however, is believed likely to be remaining.

Mr. Nixon, who spent much of the day conferring with White House staff members in his Key Biscayne house, took time off this afternoon to go to Key Largo in the houseboat of his friend Charles G. Rebozo called the Coco Lobo II. He stayed for dinner with Mr. Rebozo and Robert Abplanalp, another close personal friend.

The three men then returned to Key Biscayne by helicopter.

Three "recess" ambassadorial appointments — that is, appointments made while Congress, whose approval is required, is not in session—were announced in press release form here today. They are those of Melvin L. Manfull as Ambassador to Liberia; Richard T. Davies as Ambassador to Poland, and Cleo A. Noel Jr. as Ambassador to the Democratic Republic of the Sudan.

All three men are career foreign-service officers.

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# KALMBACH PLEADS GUILTY TO 2 CAMPAIGN CHARGES; MAY BE JAWORSKI WITNESS

## LAWYER TO NIXON

### Faces Jail Term Over Illegal Panel in '70 and Envoy Post Pledge

By ANTHONY RIPLEY
Special to The New York Times

WASHINGTON, Feb. 25 — Herbert W. Kalmbach, President Nixon's personal lawyer and one of his chief fund-raisers, pleaded guilty today to allegations that he helped run an illegal Congressional campaign committee in 1970 and that he promised an Ambassador a better assignment in Europe for a $100,000 campaign contribution.

In pleading guilty to a two-count information filed with Chief Judge John J. Sirica in United States District Court, Mr. Kalmbach became the closest associate of President Nixon yet to incur criminal penalties in the Watergate-related investigations of Leon Jaworski, the special prosecutor.

The two charges, the first a felony and the second a misdemeanor, are punishable by a maximum of 3 years in prison and $11,000 in fines.

**Letter by Jaworski**

In a letter filed with the court today, Mr. Jaworski said Mr. Kalmbach might be required as a Government witness or might be an unindicted co-conspirator in other Watergate-connected cases. In exchange for his cooperation and full disclosure of "all relevant information and documents," the letter said, other possible Watergate charges against Mr. Kalmbach have been dropped.

Mr. Nixon, in his news conference tonight, said ambassadorships were based on the qualifications of the men involved. Such appointments, he said, were not for sale. [Question 17, page 22.]

Mr. Kalmbach, 52 years old, of Newport Beach, Calif., has handled a number of controversial and sensitive matters for Mr. Nixon over the last five years. Among these are the

Continued on Page 24, Column 1

Associated Press

Herbert W. Kalmbach entering court yesterday.

# Kalmbach Pleads Guilty to 2 Charges

Continued From Page 1, Col. 1

purchase of the San Clemente, Calif., estate and Mr. Nixon's income taxes.

He has also raised millions of dollars for Mr. Nixon's campaigns, handled the controversial dairy producer contributions, took part in the payment of money to the original seven Watergate defendants and their lawyers as part of the cover-up and handled payments to a confessed political saboteur, Donald H. Segretti.

Mr. Kalmbach stood next to his lawyer, James H. Ottaway, of Phoenix, and told Judge Sirica that he understood the charges and the consequences of his plea.

The deputy clerk, James P. Capitanio, asked him, "How do you plead?"

"I plead guilty," Mr. Kalmbach said, standing quietly, his hands crossed in front of him.

The felony charge grew from the old Federal Corrupt Practices Act, which was in force in 1970 when the committee was set up. Because it had no chairman, no treasurer and filed no reports of its activity, the Republican committee was in violation of that act, the special prosecutor alleged.

The assistant special prosecutor, Charles F. C. Ruff, told Judge Sirica that beginning in March, 1970, "three members of the staff of the executive office of the President" formed the committee to support candidates for the House and Senate.

He said a fourth individual, also unnamed, was put in charge of day-to-day operations.

Mr. Kalmbach raised pledges of $2.8-million to support the committee's work, Mr. Ruff said, and an additional $1.15-million was contributed by a single unidentified individual.

[In addition to these funds, The Washington Post reported in its Tuesday editions that Mr. Kalmbach had collected $2-million for a secret fund used in Mr. Nixon's 1972 re-election campaign.

[Among what The Post said were previously unreported contributions is $125,000 in secret cash gifts made in 1970.

This $125,000 in cash, The Post said, was composed of $50,000 contributed by Fred J. Russell, then the Under Secretary of the Interior and later Ambassador to Denmark; $50,000 from Vincent de Roulet, then Ambassador to Jamaica, and $25,000 from Dudley Swim, the late chairman of the board of National Airlines.

Mr. Ruff said that on orders from a fifth individual, also unnamed, moneys pledged to the committee would be sent directly from the donors to individual candidates in 19 states.

Though Mr. Ruff did not identify it as such, the description fits that of Operation Townhouse, or "The Public Institute." This was a group that several sources have identified as having been set up by the late Murray Chotiner, Haldeman and Charles W. Colson, who all were on the White House staff at the time.

Jack A. Gleason, another former White House aide, was in charge of the day-to-day operations and instructions on how to spend the funds were said to come from H. R. Haldeman, the President's former chief of staff.

More than three years ago, The Associated Press identified seven American Ambassadors who were listed on public records as having sent money through Mr. Gleason's operation to Senator J. Glenn Beall, Republican of Maryland, who was seeking election in 1970.

The Ambassadors were Walter H. Annenberg, Britain; Kenneth Franzheim 2d, New Zealand; Shelby C. Davis, Switzerland; John O. Humes, Austria; John D. J. Moore, Ireland; J. William Middendorf 2d, then Ambassador to the Netherlands and now Under Secretary of the Navy, and Kingdom Gould Jr., the Netherlands.

## Nature of Misdemeanor

The second criminal information against Mr. Kalmbach was a misdemeanor. It was explained to Judge Sirica by the associate special prosecutor, Thomas H. McBride.

Mr. McBride said that on Sept. 16, 1970, J. Fife Symington Jr., Ambassador to Trinidad and Tobago, offered Mr. Kalmbach $100,000 "on the condition" that he be appointed Ambassador to one of five European nations instead of Trinidad and Tobago.

Mr. McBride said that Mr. Kalmbach had placed a call to an unidentified member of the White House staff [illegible]

[illegible]

Subsequently, Mr. Symington's wife sent a check for $[illegible] to the 1970 committee to support congressional candidates, Mr. McBride said, and the remainder to the Finance Committee to Re-elect the President "for one of its subcommittees" of 1972.

Mr. McBride said the Justice Department did not prosecute because Mr. Symington was not prosecutable.

"Kalmbach offered the money back, which was refused," Mr. McBride said.

Mr. Symington, a first cousin of Senator Stuart Symington, Democrat of Missouri, was not available for comment. A call to his home in the Baltimore suburb of Lutherville brought a response from a housekeeper who said he was out of town.

Under Federal criminal law, it is illegal to "directly" promise employment as a favor or reward for [illegible] political party in an election.

Although it is a misdemeanor to violate the law, it has been common in politics for [illegible] years to offer ambassadorships, Cabinet posts and other Federal jobs to people who have been [illegible] contributors to campaigns.

Judge Sirica deferred sentencing of Mr. Kalmbach [illegible] awaiting a presentence report. Mr. Kalmbach was released on personal recognizance.

Mr. Jaworski, as he has done in other cases, [illegible] Kalmbach could still be called upon during future trials or grand jury hearings.

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# Ex-Aide Says Haldeman Controlled 3d Cash Fund

By ANTHONY RIPLEY
Special to The New York Times

WASHINGTON, April 26—A third cash fund controlled by H. R. Haldeman when he was White House Chief of Staff—consisting of a two-inch-thick stack of $20 and $100 bills—has come to light in testimony released today in a Watergate civil suit.

Mr. Haldeman's former assistant, Lawrence M. Higby, said the money had been kept in a safe in Mr. Haldeman's office and used to pay moving expenses for White House staff members. He did not say whether the money was used for other purposes.

Mr. Higby's testimony was in pretrial depositions taken Dec. 11 and 17 as evidence in the Democratic party's damage suit filed after the burglary of its headquarters at the Watergate office complex on June 17, 1972.

Mr. Higby did not specify the size of the cash fund other than to indicate its bulk.

**Kalmbach Said to Be Conduit**

A separate cash fund of $350,000 was set up on April 6, 1972, and kept in Alexandria, Va., according to testimony by Mr. Haldeman and another of his aides, Gordon C. Strachan, before the Senate Watergate committee. This money, they said, came from Herbert W. Kalmbach, a former counsel for Mr. Nixon, and was said to have been left over from the 1968 Presidential campaign.

Some of that $350,000 fund was said to have been used to buy the silence of defendants at the first Watergate burglary trial.

Another fund—$100,000 in cash—was kept in a safe-deposit box at the Security Pacific National Bank in Newport Beach, Calif.

This money came from the Associated Milk Producers Inc. in August, 1969, and there were withdrawals from the box and later additions to the box," Mr. Kalmbach has testified.

Mr. Kalmbach said the fund had been expressly controlled by Mr. Haldeman "or others who stood clearly in his shoes." His statement was made in a deposition last Dec. 13 as part of Ralph Nader's civil suit over the Nixon Administration's increase in milk price support, which was allegedly tied to campaign pledges from dairy cooperatives.

Mr. Higby's deposition was unsealed today by Judge Charles R. Richey, of the United States District Court here. Mr. Higby was questioned at the time of the deposition by Maurice R. Dunne, a lawyer for the Democrats, and Charles A. McNelis, representing the former Democratic national chairman, Lawrence F. O'Brien.

Mr. Higby said he knew personally of only two times when the third cash fund was used. This was to pay "I would guess $1,000 or $1,500" in moving expenses for Harry Dent and William Gavin, two former White House aides, he said.

"It wasn't a fund that was replenished," Mr. Higby asserted. "I think it was something that was given to him [Mr. Haldeman] in late '68 after the election and he put it there and drew upon it upon occasion."

He continued, "It wasn't a large amount. I mean it was an envelope like that," and he pointed to a two-inch-thick envelope.

"In thousand-dollar bills or one-dollar bills?" Mr. Dunne asked.

"The times I saw it, I think it was hundreds and twenties," Mr. Higby said.

He said he and others at the White House had received similar moving expense "gifts."

"Do you know when Mr. Haldeman received this money?" Mr. McNelis asked.

"I believe he received it while they were still in New York," Mr. Higby said.

"That would have been in 1968?"

"Yes sir," Mr. Higby said.

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NEW YORK TIMES
7/27/74
Page 12, Column 2

# Kalmbach Told Panel of a Talk With Dr. Farkas

## Said She Viewed $250,000 as Too Much to Pay for a Latin Ambassador Post

WASHINGTON, July 26 (UPI) — The woman who became United States Ambassador to Luxembourg was quoted as suggesting in evidence released today by the House Judiciary Committee that a $250,000 campaign contribution was too much to pay for appointment as Ambassador to Costa Rica.

That glimpse of ambassadorships and campaign contributions came from testimony by President Nixon's former personal lawyer, Herbert W. Kalmbach, to the committee July 17.

Mr. Kalmbach said that he was told by a Presidential assistant, Peter Flanigan, in 1971 to get in touch with Dr. Ruth Farkas in New York.

"She is interested in giving $250,000 for Costa Rica," Mr. Kalmbach quoted Mr. Flanigan as saying.

"What do you mean, for Costa Rica?" the committee's minority counsel then, Albert E. Jenner Jr., asked Mr. Kalmbach. "Well, it was clear in my understanding of that conversation that she was interested in that she would contribute $250,000 to the President's campaign and in turn 'for that $250,000, she would be appointed Ambassador to Costa Rica,'" Mr. Kalmbach said.

He said that in early August, 1971, he met with Dr. Farkas in the Regency Hotel in New York. He described their conversation like this:

"She said, 'You know, with I am interested in Europe, I think, and isn't $250,000 an awful lot of money for Costa Rica?' I at that point thought I would just have a general conversation with her, because it was evident to me that she wasn't all that interested in Costa Rica and was more interested in Europe."

Later, Dr. Farkas was made Ambassador to Luxembourg.

On cross-examination by Mr. Nixon's chief impeachment lawyer, James D. St. Clair, Mr. Kalmbach said that he had made no commitment to Dr. Farkas about an ambassadorship to Europe and had no authority to make such a promise.

He also testified about contributions of $100,000 each from Vincent de Roulet and J. Fife Symington, former Ambassadors to Jamaica and Trinidad-Tobago, respectively.

Both, Mr. Kalmbach said, expected better ambassadorships. He said that they had been offered their contributions back when they failed to get the more prestigious posts, but neither accepted.

Mr. Kalmbach pleaded to a misdemeanor in the relaying of a commitment to Mr. Symington "of an eventual European ambassadorship."

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# Flanigan Nomination Likely to Die Procedural Death

By JOHN M. CREWDSON

WASHINGTON, Oct. 8—The Senate Foreign Relations Committee is expected to withhold final action on the confirmation of Peter M. Flanigan, President Ford's nominee as Ambassador to Spain, when it meets tomorrow in a closed session, Senate sources said the nomination would probably die a procedural death during next month's Congressional recess.

At least 10 of the committee's 17 members are reported to be either opposed to Mr. Flanigan's confirmation or disinclined to vote without more extensive hearings into accusations he was involved in the selling of ambassadorships and other controversial matters while an official of the Nixon White House.

Further hearings, the sources said, could not possibly be completed before Thursday, when Congress is scheduled to begin a 34-day campaign recess. Under Senate rules, nominations not acted on must be returned to the White House after the Senate has been in recess for 30 days, the fate that is being predicted in Mr. Flanigan's case.

### Byrd Is Opposed

The Senate often agrees by unanimous consent to hold over nominations during a recess as a courtesy to the Administration, which must otherwise resubmit them individually after Congress reconvenes.

But Senator Robert C. Byrd of West Virginia, the Democratic whip, has gone on record in opposition to the Flanigan nomination and has said that he would fight any attempt to waive the 30-day rule, a course that several Democrats on the committee and elsewhere in the Senate are said to agree with.

Despite criticism of the nomination, including a protest by the American Foreign Service Association, the White House said last week that President Ford was "standing by" his choice of Mr. Flanigan.

But Senate aides said today that if the nomination expired under the 30-day rule, they would be surprised, given the charges raised against the former White House business and economics adviser, to see it resubmitted by the President.

The Foreign Relations Committee began its consideration of the controversial nomination last week, with charges by Senator Thomas F. Eagleton of impropriety and wrongdoing on Mr. Flanigan's part during the five and a half years he served as an assistant to Richard M. Nixon when he was President.

In urging the panel to "reject the Flanigan nomination forthwith," Mr. Eagleton, a Missouri Democrat, recited sworn allegations by Herbert W. Kalmbach that Mr. Flanigan, while in the White House, had helped to secure an ambassadorship for Ruth L. Farkas in return for a sizable contribution to Mr. Nixon's 1972 election campaign.

Mr. Kalmbach, Mr. Nixon's former personal lawyer and one of his principal campaign fund-raisers, told the House Judiciary Committee this summer that Mr. Flanigan had represented Dr. Farkas to him as someone who was "interested in giving $250,000 for Costa Rica."

Mr. Flanigan, who followed Senator Eagleton as a committee witness, denied in its entirety Mr. Kalmbach's version of the events surrounding the appointment of Dr. Farkas, who eventually contributed $300,000 to Mr. Nixon and received a nomination as Ambassador to Luxembourg.

Some members of the Foreign Relations Committee who were said to be troubled by Mr. Flanigan's alleged involvement in the Farkas matter were understood to be prepared to insist on hearing Mr. Kalmbach, if not the Ambassador herself, before deciding whether to vote for confirmation.

Others, however, were reportedly most concerned about Mr. Flanigan's role in the International Telephone and Telegraph case and in the "Sansinena matter."

The Sansinena, a tanker of Liberian registry owned by a shipping company in which Mr. Flanigan had retained an interest while in the White House, was granted an unprecedented waiver in 1970 by the Treasury Department that would have allowed it to engage in domestic shipping.

The waiver was canceled, however, after Joseph D. Tydings, then a Democratic Senator from Maryland, disclosed that Mr. Flanigan had made inquiries to the Maritime Administration about the Sansinena's status while the matter was under consideration at the Treasury.

Senate aides said that a number of committee members, including some Republicans, felt strongly that Mr. Tydings ought to testify about the Sansinena before any vote was taken within the committee on sending the nomination to the floor.

Mr. Flanigan pointed out last week that the waiver, even had it remained in force, would not have benefited him financially since the ship was leased to an oil company for a flat fee. However, Mr. Eagleton testified that on Feb. 25, 1970, a week before the exemption was issued, Mr. Flanigan's stock in the shipping company had been sold by his father, Horace Flanigan, "to avoid an appearance of conflict of interest."

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10-9-74
Page 4 Column 1

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NEW YORK TIMES
11/17/74
Page 13 Column 1

# FLANIGAN DROPPED FOR POST OF ENVOY

## Ford Decides to Withdraw Nomination of Nixon Aide for Job in Madrid

By SEYMOUR M. HERSH
Special to The New York Times

WASHINGTON, Nov. 16—Peter M. Flanigan withdrew today as President Ford's nominee to be ambassador to Spain, thus eliminating a threatened second confrontation over the controversial nomination of the former White House aide.

Mr. Flanigan, in a letter made public by the White House, said he had decided that he could best serve the President "by asking that you not resubmit my nomination." Mr. Ford replied that he accepted the request.

The initial nomination, made by Mr. Ford in September, died a procedural death earlier this month after a bitter hearing before the Senate Foreign Relations Committee.

At least 10 of the committee's 17 members were reported then either to be opposed or undecided to vote on Mr. Flanigan's confirmation without more extensive hearings into allegations that he was involved in the selling of ambassadorships while serving in the White House under Richard M. Nixon.

In his letter to President Ford, Mr. Flanigan accused his critics of distorting the record and again cited what he said was a favorable report given to the White House by Leon Jaworski, the former special prosecutor. The critics, notably Senator Thomas F. Eagleton, Democrat of Missouri, had focused on charges that Mr. Flanigan had helped to obtain an ambassadorship for Ruth L. Farkas, a contributor to Mr. Nixon's 1972 campaign.

In his Senate testimony, Mr. Flanigan said the allegations were the product of a misunderstanding he once had with Herbert W. Kalmbach, the former Republican campaign-fund raiser, who is now serving a prison term for his involvement in the Watergate cover-up.

Mr. Kalmbach told the House Judiciary Committee last summer that Mr. Flanigan had telephoned him in 1971 and described Mrs. Farkas as interested in giving $250,000 to the Nixon campaign in return for an ambassadorship to Costa Rica.

A spokesman for Mr. Jaworski said last month that while no charges were pending against Mr. Flanigan, he had not been given "a clean bill of health or a dirty bill of health."

During his five years as a White House aide and director of the Council of International Economic Policy, Mr. Flanigan became known in some financial and industrial circles as "Mr. Fixit" of the White House.

After the White House had announced his nomination, Mr. Eagleton circulated a lengthy letter attacking Mr. Flanigan's involvement in a number of controversial White House dealings. These included efforts to block anti-pollution legislation for the alleged benefit of manufacturers and the oil industry and involvement in the International Telephone and Telegraph anti-trust case.

Mr. Flanigan's nomination also was criticized by the American Foreign Service Association, the professional organization of diplomats, largely because of his alleged role in the sale of ambassadorships.

Under Senate Rules, Mr. Flanigan's nomination died after the Senate completed 30 days of its recess for the Congressional election. President Ford would have had to resubmit the nomination.

White House officials said the decision not to resubmit the nomination was made by Mr. Flanigan last night and communicated to the President.

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NEW YORK TIMES
3/12/76
Page 16 Column 15

# INTELLIGENCE PANEL EXPANDED BY FORD

WASHINGTON, [illegible] —President [illegible] nounced today that [illegible] panding his Foreign [illegible] Advisory Board from [illegible] members and that two [illegible] Cabinet members, John [illegible] nally and Melvin [illegible] would serve on the [illegible]

In a statement, Mr. [illegible] he was expanding [illegible] part of his overhaul [illegible] tral Intelligence Ag[illegible] other intelligence [illegible] [illegible] Mr. Ford [illegible] [illegible] a Sta[illegible] [illegible] would give [illegible] a final [illegible]

Mr. [illegible] [illegible] Treasury Secretary [illegible] had formerly [illegible] Defense Secretary [illegible]

Mr. Ford announced [illegible] appointing a [illegible] panel [illegible]

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NEW YORK TIMES
7/17/76
Page 9 Column 1

# Reagan Sees an Advantage In Carter's Focus on Nixon

Special to The New York Times

SALT LAKE CITY, July 16—Ronald Reagan returned to friendly Western territory this evening, empty-handed in his two-day search for delegates in New Jersey and Pennsylvania but still outwardly sanguine in his race against President Ford.

The only good news the California conservative tried to claim in the East this week developed at the Democratic convention. He pointed specifically to Jimmy Carter's choice of Senator Walter F. Mondale, a prominent liberal, as his running mate and, more important, to the focus of Democratic rhetoric on the Nixon scandal that gave birth to the Ford Administration.

Mr. Reagan does not need to mention Mr. Ford's Watergate legacy, he said today, because the Democrats are making the points for him:

"I think they've made it pretty plain throughout the entire convention that they've set their campaign plan with that." The difference, Mr. Reagan said, if he is the Republican nominee, "would lie in the fact that I wasn't there" when Vice President Agnew resigned in disgrace and President Nixon gave way to the pressures of impeachment.

Mr. Reagan visited the Civil War battlefield at Gettysburg, Pa., this morning, more as a tourist and history buff than as a campaigner, before flying west in his chartered jet from Harrisburg.

### Unruffled by Carter

At an airport news conference he brushed off Mr. Carter's references to him yesterday as an "actor" and a right-wing fringe candidate. "I just don't think his charges can stand up in the face of my record," said Mr. Reagan, who was a governor for twice as long as Mr. Carter was, and of a much larger state.

Mr. Reagan made no visible dents in President Ford's delegate majorities in New Jersey Wednesday or in Pennsylvania yesterday, but the situation is not quite what it seems, the candidate said.

The scores of Pennsylvania [illegible] nerability to Watergate taunts from the Democrats, he said. "I don't know an actual delegate count, but I'm satisfied with the trip. I think we made a good deal of headway."

At Utah's Republican state [illegible] winning all 20 national delegates being chosen, they said. The only question here, they said, is whether Senator Jake Garn, a popular partisan who is backing Mr. Ford, can talk his way onto the delegation.

At the same time, Mr. Reagan will be losing ground overall if, as his staff expected, Mr. Ford sweeps up all 35 of Connecticut's delegates tomorrow when the selection of 2,259 Republican National Convention delegates comes to an end.

Not counting those final 55 delegates yet to be chosen, The New York Times's tabulation of the Republican race now counts 1,067 delegates for Mr. Ford and 1,043 for Mr. Reagan, and 94 delegates who are not firmly pledged. In the month remaining before the showdown at Kansas City, Mr. Reagan must capture at least two-thirds of the unaligned delegates.

That seems a formidable challenge, but no one in the Reagan entourage concedes the conventional wisdom of the press and party professionals that the odds have turned against the California challenger.

"Headlines don't get delegates," commented James Lake, the Reagan press secretary, acknowledging the downbeat notices on Mr. Reagan's Eastern foray. Delegates will be converted rather by the intense individual solicitation by the Reagan staff that remained behind, Mr. Lake said. He promised that important conversions to the Reagan column would be announced next week.

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NEW YORK TIMES
7/20/76
Page 20

## Reagan Camp Denials

By CHRISTOPER LYDON

Special to The New York Times

LOS ANGELES, July 19—Everyone in the Reagan campaign but Ronald Reagan himself stepped forward today to deny reports that they are losing hope in the cliff-hanging struggle with President Ford.

Mr. Reagan, who is said to be reading, resting and telephoning Republican convention delegates from his Santa Barbara ranch, kept his public silence.

The denials were in response to a report in today's issue of The Washington Post that his aides were privately giving up and that even Mr. Reagan now consoles himself with the thought that at least his race for the Presidential nomination stirred up interest in the Republican Party.

Senator Paul Laxalt of Nevada, chairman of the Citizens for Reagan, declared in a statement this morning: "I have talked to Governor Reagan and he is outraged that any such connotation be given to any statement by him or any of his aides. He remains confident that he will win on the first ballot in Kansas City. So do I.

"The fact is most Republicans are convinced that only Ronald Reagan can beat Jimmy Carter. They are not about to be fooled into forfeiting that chance by liberals in the media who are as fearful that Reagan will win as I am confident he will."

Other Reagan spokesmen reiterated arguments of recent weeks that there are more delegates in reserve for Mr. Reagan, underground for fear of pressure from the White House; that Mr. Reagan would be a stronger November candidate against Mr. Carter because he is not from Washington, is strong in the South, is an exciting campaigner, and is a master of television; that Mr. Ford's [illegible] Reagan in the latest Gallup Poll of Republicans does not make sense, and is contradicted by Mr. Reagan's overall primary vote, which was larger than the President's, and by the obvious closeness of the delegate race.

James Lake, Mr. Reagan's press secretary, commented that what their own campaign [illegible] personal popularity at the moment far exceeds the support for some positions of Mr. Carter and the Democratic Party platform adopted.

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# NEW ASSET OF REAGAN: CONTROL OF $1 MILLION

## Through Citizens for the Republic, Ex-Governor Has Power Over Leftover Campaign Funds

By ADAM CLYMER
Special to The New York Times

LOS ANGELES, Aug. 24—Ronald Reagan has a campaign asset today that he missed sorely in his drive for the Republican Presidential nomination last year—a million dollars.

Through a largely paper organization called Citizens for the Republic, he controls leftover 1976 Presidential campaign funds, contributions and Federal matching grants that arrived too late to be spent in the late primaries—Ohio's, for example.

Rather than take the money and keep it, after taxes, or just give it away, Mr. Reagan and some of his former aides established the new political action committee early this year.

It doles out money to conservative Republican candidates, holds seminars, puts out a bimonthly newsletter and generally serves to help keep the Reagan faithful together. It is not really a membership group, though the 5,600 supporters who pay $25 a year for the newsletter make up an identifiable core.

### Presidential Plan Dismissed

In an interview this week, Mr. Reagan dismissed the idea that the group had been set up to help his chances of running for President again. If he had kept the money, he said, he could then have spent it all, after taxes, on his own campaign if he has another one. Under Federal election laws, the new group can give a future Reagan campaign only $5,000.

Lyn Nofziger, who has been associated with past Reagan campaigns, is the executive director of Citizens for the Republic. He said that the first purpose of the new group was to maintain a base of supporters for the former Governor of California. "Even if he doesn't run, we want to have a voice in who does run," Mr. Nofziger said.

One of the obvious ways such a group could spend money, on so-called "independent" expressions of political opinion, like the pro-Reagan ads taken out by the American Conservative Union during the 1976 Republican Presidential nomination battle, could not be used by this group to help Mr. Reagan's chances, Mr. Nofziger said. Even if it was legal, he said, "we're too close."

"It would hurt more than it helps politically," he said.

To the inevitable question about whether he would run again, in 1980, the 66-year-old Mr. Reagan said: "Nobody in the world could know this far in advance whether they even have a decision to make. It may be that there will be a whole new cast of characters on stage by 1980. I haven't closed any doors, but I haven't opened any either."

### Speeches and Broadcasts

For the moment, he concentrates on his own speech-making, syndicated radio broadcasts and other activities. His traveling expenses are not paid by the citizens group, although Mr. Nofziger said the coordination would be closer during next year's Congressional elections, as the political action committee helps Mr. Reagan pick out races where his presence can help.

The organization will not just give money, Mr. Nofziger said, but it will also take polls and make them available to friendly politicians or provide technical help to a campaign. "The type of thing that organized labor has done without technically violating the election laws" was how Mr. Reagan described it.

The beneficiaries of the group's largesse so far have been chiefly Republican Congressional candidates in special elections, along with a couple of California candidates for legislative posts.

Mr. Reagan described those to be helped as "Republican Party candidates who believe in the principles expressed in the Kansas City platform." At the Republican National Convention in Kansas City last year the Reagan forces played a prominent role in shaping the platform, although President Ford won the nomination.

### No Moderates or Democrats

As Mr. Nofziger put it, candidates who agreed with Mr. Reagan on issues but preferred Mr. Ford because of his incumbency would be acceptable beneficiaries. No moderates need apply. And only Republicans, not conservative Democrats, are eligible.

Citizens for the Republic has a payroll of a dozen, which Mr. Nofziger said costs between $30,000 and $40,000 a month.

So far, contributions and subscription income have paid that cost, and he has not had to dip into capital. The nest egg actually is about $1.5 million now, but the Federal Election Commission will eventually ask for about a third of it back. "But as long as we can maintain that million dollars as a base, we think we are a pretty viable outfit," Mr. Nofziger said.

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# Reagan Calls For Repeal of Limits On Campaign Funds and Spending

By HEDRICK SMITH

Special to The New York Times

COLUMBIA, S.C., Dec. 13 — Ronald Reagan, who accepted Federal matching funds for his 1976 Presidential campaign, said today that he was opposed to Federal financing of elections and called for repeal of election laws that placed limits on contributions or campaign spending.

Flying here from a rally earlier in the day in St. Petersburg, Fla., the former California Governor said in an interview that if he was elected President he would seek to dismantle the new Department of Education, the Department of Energy and the Department of Health, Education and Welfare, and would turn over some, but not all, of their functions to state and local governments.

He also described President Carter's proposal of a 4.5 percent annual real growth in military spending as "a kind of bare-faced hypocracy," given the President's past cutbacks and delays in such programs as the B-1 bomber, naval shipbuilding and development of the MX mobile missile.

"He's been taking the opposite course — telling us that what he was doing for defense was adequate when he was cutting back," Mr. Reagan said of Mr. Carter's call yesterday for a five-year increase in the military budget. "I'm delighted — if he means it."

### Comments on Connally Decision

His comments on the election laws came in response to questions about John B. Connally's decision to forgo Federal matching funds. Mr. Reagan said he had not yet decided what to do about matching funds next year, and added that it would depend in part on whether his own contributions made it possible for him "to afford" to forgo Federal funds.

So far, the Reagan campaign has raised and spent about $6 million, far short of the overall Federal spending limit of $16.8 million.

After addressing a rally of elderly people in downtown St. Petersburg this noon, Mr. Reagan told a local television interviewer that the election laws were "interfering with democracy."

When reporters pursued the issue at his airport arrival here, Mr. Reagan said: "I don't believe in Government funding. I'd like to see us return to the candidates' raising their own funds and not have Government money in it."

Asked whether he was advocating the abolition of all election laws, he said he would not abolish laws on reporting campaign contributions, but was opposed to laws that limit campaign spending on the ground that they infringed on the "right of the individual to do what he wants to do on behalf of his political views."

Campaigning at a rather leisurely pace, with only two major speeches here and in St. Petersburg and smaller fund-raising meetings among close supporters, Mr. Reagan stressed some familiar themes, including his proposal to turn Federal programs and tax revenues back to state and local governments.

Pressed in the interview for further specifics, Mr. Reagan declined to put a price tag on his proposal.

But, in response to other questions, he said that "I'd sure want to" dismantle the Departments of Education and Energy, although he added that some of their functions, including safety regulations, antitrust activities and the education of children of military personnel, were properly handled at the Federal level. He said much the same about the Department of Health, Education and Welfare.

Although he was less specific in his public speeches, the same themes were warmly applauded by 1,500 people who attended the rally in St. Petersburg.

### 'We Want to Be Respected'

About 2,000 other supporters, including South Carolina's two Republican Representatives, Floyd D. Spence and Carroll A. Campbell Jr., gave Mr. Reagan two standing ovations during his speech here when he said it was about time America let the world know that "we don't care if they like us, we want to be respected — so respected that never again will a dictator dare to invade an American embassy."

Although he did not deal more specifically with the Iranian question in his speeches, he said in the interview that he thought public patience would eventually wear out if the hostages were not freed, and the President would come under public pressure to take stronger action.

Mr. Reagan also contended that, despite Mr. Carter's sharp rise in public opinion polls, the President had not successfully put to rest public doubts about his leadership. "He's not going to solve inflation and the energy crisis between now and November," Mr. Reagan said. "So I think he's vulnerable."

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Page 14 Column 6

# REAGAN TO PREPARE FOR 2 KEY DEBATES

## Aides Hope to Sharpen Responses to Questions He May Face in New Hampshire Forums

By WAYNE King

Special to The New York Times

MANCHESTER, N.H., Feb. 16 — Ronald Reagan and his campaign aides will spend two and a half days sharpening his responses to likely questions at upcoming forums for Republican candidates in an effort to avoid the kind of verbal missteps that have sent him stumbling into a thicket of clarifications to reporters several times since he declared his candidacy three months ago.

James Lake, Mr. Reagan's press secretary, said the former California Governor would attempt to project an image of "leadership, integrity, trustworthiness and the ability to deliver on the things he proposes."

"We hope to convey that impression," Mr. Lake added, "and even though you might not get a clear difference on issues we will be able to establish the differences on those other factors."

Mr. Reagan will take part in a candidates' forum with six other Republican candidates, including his chief rival for the Republican Presidential nomination, George Bush, next Wednesday in Manchester. Three days later, in Nashua, Mr. Reagan is scheduled to debate only with Mr. Bush; but details of that forum are still being worked out.

### Expected to Regain Lead

Reagan campaign aides believe the two debates will re-establish Mr. Reagan as the clear front-runner, a position shattered by Mr. Bush's narrow victory in the Iowa precinct caucuses last month.

"George Bush, after his unexpected victory in Iowa, got a hell of a ride in the media," Mr. Lake said, "but there was little substance."

"Nobody's examined George Bush," the press secretary continued. "He's not very particular, not specific. He has not presented a cohesive foreign policy."

The candidate forums, particularly the two-candidate debate next Saturday, will provide an opportunity "to pin down" Mr. Bush on issues, Mr. Lake said. At both appearances, the candidate will be questioned by reporters and voters, but will not engage in a formal debate.

Because of his skill as a speaker and experience in Presidential campaigns, Mr. Reagan is accorded an edge in the forums, but his tendency toward miscues in off-the-cuff remarks or under sharp questioning is regarded as a potential threat to his candidacy.

Last month, for example, he had to retreat from a statement favoring the "unleashing" of arms to Afghanistan. "Maybe 'unleashed' was a bad choice of words," he said at the time. "If I used the wrong words and gave the wrong impression, I'm sorry."

Earlier this month, Mr. Reagan was at pains to clarify an informal remark in New Hampshire that seemed to suggest the state adopt an income tax for a sales tax, both of which are regarded as political anathema here.

Mr. Lake said [illegible] problems stemmed from his efforts to be responsive to reporters.

[illegible] reporters rather than to [illegible] said. "Rather than [illegible] of a question to [illegible] to be responsive. [illegible] Some of these [illegible] Mr. Lake added [illegible]

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NEW YORK TIMES
3/22/80
Page 10 Column 3

# Power in Two Primaries Rests in Hands of a Few

By FRANK LYNN

Despite the stakes involved — the likelihood that some candidacies could founder here — the March 25 Republican and Democratic Presidential primary campaigns in New York and Connecticut are being run by only a handful of politicians compared with most statewide campaigns.

Indeed, some of the key figures are not even New York or Connecticut Democrats but rather imports from the home states of the candidates or other states. The rationale for such appointments is that the out of staters do not have internal axes to grind or careers to advance so they would serve only the interests of the Presidential candidate concerned.

Senator Edward M. Kennedy's campaign has been most notable for outsiders and also for a continually shifting cast of characters as the campaign has faltered. Non New Yorkers have also been major figures in the campaigns of President Carter and Ronald Reagan, but they have been less controversial — and, in the view of many New York politicians, more effective — than the Kennedy imports.

One outsider, Roger Stone of Washington, a 29-year old political professional whose infiltration of opposing candidates' organizations was disclosed during the Watergate investigation, has been the principal lieutenant of Mr. Reagan in both New York and Connecticut. Neither state was considered friendly territory when Mr. Stone began organizing nine months ago.

### Behind the Reagan Effort

Equally adept at cajoling or threatening, the intense Mr. Stone has put together a surprisingly strong Reagan organization in New York State that is based on four of New York City's Republican county chairmen.

The key figures in the Reagan effort in New York are George L. Clark Jr., the Brooklyn Republican chairman; Assemblyman Dominick L. DiCarlo of Brooklyn, Dr. James F. X. O'Rourke, the former Westchester County Republican leader, Elizabeth Dovie, who was New York staff director for former Senator James L. Buckley, and Charles Peckham, a veteran of many state and national campaigns.

Two other New Yorkers, Representative Jack F. Kemp of Buffalo and William J. Casey, former Securities and Exchange Commission chairman, are major figures in the national Reagan campaign.

In Connecticut, the key Reagan aides are George C. Guidera of Weston, who ran unsuccessfully for the United States House from the Fifth Congressional District, Anthony J. Nania, a political itinerant who has worked in many campaigns, and State Senators Nancy L. Johnson of New Britain and Alfred Santaniello Jr. of Norwalk. Some 300 Republican office holders have been lined up for Mr. Reagan in his opponent George Bush's native state.

### Not as Many 'Chiefs'

Mr. Bush, a former Representative from Texas and the son of the late Senator Prescott Bush of Connecticut, has designated Malcolm Baldridge, a Wood Dury businessman as the head of his campaign organization. Mr. Baldridge made a point of his contention that the Bush organization is not top heavy with "chiefs."

In New York, the Bush organization is also lean. Heading it is Michael Roth, the unsuccessful Republican candidate for state Attorney General in 1978. The candidate's brother, John, a Connecticut resident, is also active in New York. The day-to-day operational head of the Bush campaign in New York is John Steele, who said he is on leave from his position as a legislative aide of State Senator Roy M. Goodman of Manhattan.

Representative John B. Anderson of Illinois has no organization in New York since he is not fielding delegate candidates in the Republican primary. His limited success in some early primaries has moved his supporters to open a campaign office in New Haven. However, his campaign coordinator, Sidney Gardner, a Hartford City Councilman, acknowledged that the campaign has little money.

Other Republican candidates whose names will be listed on the Connecticut ballot have already withdrawn from the race or are not waging active campaigns.

Out-of-staters have been even more prominent on the Democratic side. The Carter campaign manager in New York is Joel McCleary, a former White House aide who overcame initial skepticism among New York Democrats about his knowledge of the state to put together a Carter campaign that includes most of the state's Democratic establishment. His chief allies have been Lieut. Gov. Mario M. Cuomo, a former Cuomo aide, Jerry Weiss, Mayor Koch, and Borough President Donald R. Manes of Queens, who is also the Queens Democratic chairman.

In Connecticut, the Carter campaign is also being run by an outsider, Paul Goodrich, a Boston lawyer who was active in the 1976 Carter campaign.

Boston lawyers and the president of a Massachusetts community college have shuttled in and out of the New York Kennedy campaign leadership. President John F. Kennedy's patronage dispenser, Richard K. Donahue, a Boston lawyer, now heads the campaign. Another key figure has been Richard Brevoort, who is normally chief of staff for Manfred Ohrenstein, the State Senate minority leader. Involved in the final weeks of the campaign have been, John F. English and Harold Ickes, veterans of many New York campaigns, and Carl Wagner from Senator Kennedy's Washington staff.

Massachusetts Democrats initially ran the Kennedy campaign in Connecticut but they were eventually dispatched to other primary states, leaving the campaign in the hands of Nora Engel, a Fairfield County lawyer and former Norwalk City Council member.

Roger Stone, head of Mr. Reagan's New York and Connecticut election effort, yesterday in Manhattan

Richard K. Donahue, a Boston lawyer, at Kennedy campaign headquarters in Manhattan

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# Helms Fund-Raising Arm Supports Reagan Amid Criticism at Home

RALEIGH, N.C., April 2 (AP) — Senator Jesse Helms's highly successful fund-raising apparatus, which lived on after his re-election campaign, is coming under attack from some Republicans who say that it is drying up money for other party candidates and has taken over the state party.

The Congressional Club is heavily involved in a number of campaigns in North Carolina and around the country, including a series of television commercials for Ronald Reagan, the Republican Presidential candidate.

The North Carolina Republican's 1978 campaign raised and spent a record $7.5 million nearly a year and a half ago for his bid for re-election to the Senate. When it was over, the campaign [illegible] financial appeals to conservatives around the country, leaving Mr. Helms's stop a multimillion-dollar, bipartisan political operation.

In 1979, not an election year for Federal officeholders, the Helms organization raised more than $1.8 million, mainly through direct-mail solicitations.

"I hope it has the makings of a permanent organization," Mr. Helms said. "We've got a number of goals. I guess they all come under the tent of conservative government, prudent government, cutting down Federal controls. Everything we've done, including my running for the Senate, has been to do that."

But at home in North Carolina, the organization has some vociferous opponents.

"I think it is a political machine," said Bill Hiatt, the 1976 Republican candidate for lieutenant governor.

Most of the money is being raised by the Congressional Club, whose honorary chairman is Mr. Helms and which shares officers with his Senate campaign committee.

Senator Helms is the only statewide [illegible] na. Spending for his 1978 re-election campaign exceeded that of any other Senate campaign. The spending was defended because of the need to appeal to Democrats, a heavy majority in the state.

But with that race over, the organization is raising and spending in a number of directions.

A Jesse for Vice President Committee was formed, and the Senator's name was the only one appearing on the Feb. 26 New Hampshire Republican primary ballot for Vice President.

In an interview last week, Mr. Helms said that the committee's top priority was getting a conservative on the No. 2 spot on the Republican ticket, even if that person was not the Senator. He said the aim was to make sure "the Republicans offer a clear-cut choice" to the voters.

The Congressional Club has begun a national money-raising effort to finance Reagan television advertisements. Because it is independent of the Reagan campaign, the organization may spend as much as it wishes without that money being counted against the former California Governor's Federal campaign spend[illegible]

[illegible] committee, the [illegible] President, was formed by Senator Helms's organizers to run television commercials nationally supporting conservative issues. But the group's work has been delayed since ratification of the strategic arms limitation treaty, the major target of the coalition's offensive, has been stalled.

The Congressional Club has donated [illegible] money and [illegible] around the country.

The success of the Helms effort [illegible] a conservative, direct mail [illegible] lists, computers and other equipment so sophisticated that typographical errors are sometimes programmed into fund-raising letters to lend a personal touch.

Carter Wrenn, treasurer of the Helms organization, boasts a list of the most proven financial contributors in the country from all 50 states.

"Every political machine I ever heard of was based on patronage, distributing government jobs and contracts," he said. [illegible] that the [illegible] offer [illegible] candidate.

[illegible] tion.

"I'm surprised, first of all, that so many people contributed an average modest amount," he said. "I think it's great. I think it is essential to have a mechanism with the capability of getting the people the story of government, as we see it."

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# Reagan Aims at Northeast and Midwest in Fall Race

By HEDRICK SMITH
Special to The New York Times

LOS ANGELES, May 11 — In spite of public disclaimers, Ronald Reagan now is confident enough of winning the Republican Presidential nomination to begin mapping out a general election strategy that targets big states in the Northeast and Middle West as the key to victory against President Carter next fall, according to Mr. Reagan's campaign aides.

The former California Governor's political high command says it has now concluded that it will be impossible to win the Presidency by relying solely on traditional Reagan strongholds in the West and South against an incumbent President who comes from the South and commands his strongest support from the states of the old Confederacy.

They see the principal battlegrounds as the big industrial states of the North, where Mr. Carter has been so vulnerable in the primary campaign, and what they describe as "the outer Southern states," like Texas, Florida, Virginia, Kentucky and Tennessee.

One early signal of the importance that the Reagan camp attaches to the Northeast, especially New York State, will come Thursday night when Joseph M. Margiotta, the Nassau County Republican chairman, is expected to turn out 4,000 Republicans to hear the former Governor address a dinner in Hauppauge, L.I.

### Need for Urban Policy

Privately, too, some of the Governor's top campaign aides consider it vital, perhaps decisively important, for him to develop an effective urban policy to appeal to blue-collar workers and others in the strategically important Northern states, where unemployment has been rising and economic conditions have been deteriorating more rapidly than elsewhere in the country.

With a national rather than a Sun Belt campaign in mind, the Reagan team, now headed by William J. Casey, has decided to move the campaign headquarters from Los Angeles to Washington for the fall campaign, top aides said.

Moreover, Mr. Casey is leaning toward retaining Bill Brock as the Republican Party national chairman and has been reaching out to Republican campaign specialists around the country to fill important gaps in the existing Reagan operation and to build unity with the rest of the party. Among the first contacted was Stuart K. Spencer, who ran the field operations for President Ford's re-election campaign in 1976 as well as Mr. Reagan's own campaign for Governor of California in 1966 and 1970.

But the Reagan camp remains widely split over the best choice for a Vice Presidential running mate. Those who have been with Mr. Reagan longest, both his aides from his two terms as Governor of California and other conservatives in Washington and elsewhere, prefer someone with strong conservative credentials like Senators Jesse Helms of North Carolina, Richard G. Lugar of Indiana or Representative Jack Kemp of Buffalo, among a long list of conservatives.

### Choice for Vice Presidency

Others in the Reagan camp reason that because of the 69-year-old Governor's age, the Vice Presidential nominee must be a politician with a national reputation, Presidential stature and an appeal to the pivotal states in the Middle West and Northeast. They have only what they call a short list: George Bush, Senator Howard H. Baker Jr. of Tennessee, Mr. Kemp and former President Ford, although almost no one believes that Mr. Ford would accept the No. 2 spot.

Mr. Reagan insists that he has not focused on that issue and his aides agree that pragmatically not much can be decided until after the last round of Presidential primaries on June 3.

At present, The New York Times count gives Mr. Reagan 878 of the 998 delegates needed for nomination. Reagan strategists see little difficulty in amassing more than they need for nomination, just as they expect President Carter to emerge as the Democratic nominee, in spite of recent campaign victories by Senator Edward M. Kennedy of Massachusetts.

Therefore, Reagan strategists are moving rapidly now to fill out their campaign organization, to develop issues for the fall, and to work out a realistic overall national strategy.

### Carter's Strength in South

"A Sun Belt-Western strategy is a myth," said Richard Wirthlin, long Mr. Reagan's poll-taker and now his strategist. "You can do it, but not with Carter. He will take a good portion of the South. The seven largest states have 39 percent of the electoral votes and five of them are in the Northwest and Midwest."

"We've got to carry at least four of the big nine states to win," another top Reagan aide said, "and that means at least two in the Northeast-Midwest, if not more."

Among the top targets are New York and Pennsylvania, where Mr. Carter won in the 1976 general election but lost in the 1980 primary, and New Jersey, which voted Republican in 1976 and where the President may lose to Mr. Kennedy in the June 3 Democratic primary.

Among the other "big nine" states, the Reagan camp reckons that it has a strong chance to carry California and Texas. The other battlegrounds, Ohio, Michigan and Illinois, are uncertain although the Reagan camp figures that with Representative John B. Anderson of Illinois running as an independent, Mr. Reagan's chances will be improved in all the major Northern states and in California.

### Two Crucial Factors

But the choice of a running mate and the completion of his campaign organization are now vital to his success.

Since the dismissal of John P. Sears 3d as campaign director and other top political aides on Feb. 28, the Reagan organization has lacked a top strategist with experience running a national campaign. Mr. Sears ran the Reagan campaign in 1976.

Mr. Casey, the one Easterner prominent in the Reagan campaign, has been moving lately to bolster the Reagan team for the general election and to broaden the circle of former California associates around Mr. Reagan by recruiting at least one top political executive, a top media coordinator, a research director, someone to manage the Reagan volunteer effort and possibly a new press secretary, informed Reagan sources said. But there are continuing differences in the Reagan high command over which outsiders to recruit and how much authority to give them.

Mr. Spencer, sounded out about a top job, reportedly asked for broad authority to run the campaign and to report to a single superior. But some Reagan aides objected to those terms.

Mr. Casey is also reported to be interested in recruiting some of those now working for Mr. Bush, including his pollsaker, Robert M. Teeter; his top media consultant, Robert Goodman of Baltimore, and possibly even his campaign manager, James A. Baker 3d.

No major changes are expected for the rest of the primary campaign. As it coasts through the remaining primaries, the Reagan camp is using some states, like Michigan and Oregon, to test out techniques for the fall.

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### Rhodes Sees Need for Reagan

WASHINGTON, May 11 (UPI) — Ronald Reagan will bring a "can-do" attitude to Washington to replace the "can't-do" Carter Administration, Representative John J. Rhodes, the House Republican leader, said today on the NBC-News program "Meet the Press."

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## Citizen Fund Established to Aid F.B.I. Agents Indicted by the U.S.

Former Senator James L. B[illegible] Boothe L[illegible] former Ambassador [illegible] William E. Simon, former Secretary of the Treasury, announced yesterday the formation of a "Citizens Legal Defense Fund for the F.B.I." The Associated Press reported.

"The funds raised by the organization will be used to help defend present and former F.B.I. agents involved in [illegible] criminal litigation arising out of the performance of their duties," the [illegible] said.

The initial focus of the fund [illegible] will be the defense of John [illegible] Kearney, retired after 25 years with the [illegible] Bureau of Investigation. He [illegible] indictment involving [illegible] of wiretapping and bugging [illegible] Weatherman [illegible].

The statement cited the [illegible] prosecution.

A fund raising letter sent out [illegible] over the signatures of Mr. Buckley, [illegible] [illegible] said.

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# Doubts About Reagan Staff

## Rumors Pile Up Like Delegates as G.O.P. Chiefs Wonder Who'll Be in Charge for Fall Campaign

LOS ANGELES, May 27 — A year ago many Republicans had some doubts about Ronald Reagan as a candidate, but they acknowledged that he had the best political staff around. Today it is Mr. Reagan who they feel is the proved quantity and it is the campaign apparatus they wonder about.

News Analysis

Most of all, party professionals want to know who is going to be making political strategy for the fall, filling the role that Hamilton Jordan does for President Carter — or, more to the point, that John P. Sears filled for Mr. Reagan until he was dismissed on Feb. 26.

Without meaning to, the Reagan camp fuels that uncertainty. "We've just got to make some decisions as soon as possible," said Senator Paul Laxalt of Nevada, the campaign's chairman.

"Not soon," answered William J. Casey, the campaign's executive vice chairman and day-to-day manager, when asked when a political director would be named. "I'm against making decisions before they're necessary, before you have to make them," he said explaining that thorough consultations with Republicans inside and outside the Reagan campaign would precede any decisions.

### Timmons? Nofziger? Or Another?

So rumors pile up, almost as quickly as delegates. One week the gossip is that William E. Timmons, President Ford's convention manager, has been approached. Not so, he said, adding that he was building a business and could not afford a full-time political job. The next week the speculation focuses on Lyn Nofziger, a longtime, tough Reagan aide ousted by Mr. Sears nine months ago. But he says no one has discussed a role for him, at least with him.

There is also skepticism about how serious Mr. Casey and Edwin Meese, the campaign's chief of staff, really are about sharing power and reaching out to the rest of the party for assistance.

Another fear frequently expressed among top-level Republicans was that an experienced campaign manager would want more authority than those now closest to Mr. Reagan would be willing to give.

### Meeting With States' Leaders

Mr. Casey's rationale for deliberation, described in an interview here, is that he first wants to consult with the campaign's state operatives, who will meet here late next week after the last of the primaries.

"You've got to fit everything together carefully," he said. "We have an organization chart to fill out." He said that a national political director was only one of a number of important jobs to fill. The others he identified were communications director, a director of volunteers and a "director of candidate activities," in charge of scheduling.

But the special need for an authoritative political voice is shown, Republicans outside the campaign say, by recent conflicting statements about whether to keep Bill Brock as chairman of the Republican National Committee through the election.

Mr. Reagan gave Mr. Brock, and others in the room, the clear impression that he wanted him to stay when the chairman came west to meet him a month ago. But Mr. Laxalt said last week that no decision had been made.

### Affirmative Decision, Almost

Then Mr. Reagan almost, but not quite, nailed down an affirmative position Monday, when he said, "I certainly see no reason for changing before the election," but then rambled and muddled it up a bit.

On Tuesday Mr. Casey sharply complained that the issue had been "blown out of all proportion." He said Mr. Brock had done a good job and "can make a very effective contribution to the campaign." But, as to Mr. Reagan's near commitment, he said "that is a statement of present intentions" but a position "not conclusively decided until the new national committee meets" the day after the convention.

However the decisions on either the national committee or on internal staffing within the campaign come out, outsiders acknowledge that Mr. Casey has an unusual problem. Most Presidential campaigns can sail out of the primaries growing but not really changing.

But this one not only got rid of Mr. Sears and his associates Charles Black Jr. and James Lake in February. It has also effectively laid off some others who remain friendly because it was running short of money. So the problem is bigger than winning campaigns usually face.

### Quiet Criticism of Casey

Republicans who may want jobs for themselves or just want unity to help defeat President Carter are reluctant to be quoted by name on their criticisms. But some who have worked with him insist that Mr. Casey, despite participation in most Presidential campaigns back to 1940, does not have a wide and current acquaintance with the party's political talent.

They say that his designation of Morton Blackwell, editor of The New Right Report, as a temporary youth coordinator is an example of a decision made without wide consultation and one that angers some regular state chairmen. And they question whether it was wise to hire Peter H. Dailey, who managed President Nixon's television in 1972 and Mr. Ford's in the 1976 primaries, without at least talking to others who might become available since George Bush finally dropped out of the race.

Mr. Casey said that fast action was necessary to reach students before summer vacation and to get started on a film for the convention.

Eventually it may all work out smoothly, or at least as smoothly as Presidential campaigns can ever be worked out. But because Mr. Casey and Mr. Meese, unlike the departed Mr. Sears and Mr. Black, are unknown quantities to many Republicans, their moves and their delays will be watched closely for a sign of whether the campaign is turning left or right, facing out or in.

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NEW YORK TIMES
6/15/80
Editorial

# Return of the Fat Cats

The cork has been popped off the campaign bottle by some prominent Republicans who call themselves "Americans for Reagan." They're out to raise $30 million in so-called "independent" political contributions and they don't care if it shatters the law's restraints on private election money. The electorate can brace itself for the return of the big spenders whose money talks and whose gifts are not forgotten. We're in for a noisy campaign, just when it seemed that election reform laws might let us lower our voices.

To give these highly organized individualists their due, they are probably within their constitutional rights. Congress tried to limit this kind of funding to $1,000 per person as part of a comprehensive Campaign Reform Act in 1974. It appropriated public funds for campaigning by the major party candidates provided they forgo private fund-raising and limit their spending to the ceilings set by Congress. The intention was to enforce the limit by charging candidates for every penny spent by anyone to advance their cause, except for $1,000 that individual citizens might choose to invest in electioneering by their own lights.

The Supreme Court, however, said in 1976 that the $1,000 limit on people not involved in a candidate's campaign was a violation of their First Amendment rights of free speech. The justices brushed aside the warnings that large-scale "independent" giving could ruin the rest of the law and subvert the ban on huge private funds for Presidential campaigns. The Court held that "truly independent" expenditures, not coordinated with official campaign organizations, should not be forbidden without concrete evidence of abuse.

Will the 1976 conjecture of abuse become this year's reality? We fear so. These so-called independent givers want to price the 1980 Republican campaign at double the limits envisioned by Congress, more than matching the $29-million subsidy that their candidate will receive from public funds.

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We worry about "Americans for Reagan" not from solicitude for President Carter. He enjoys an incumbency that is literally priceless, and displays no tenderness toward opponents. We worry for ourselves because of the deluge of television commercials that will leave the voter reeling but be effective enough to require a matching effort by other candidates. Thus will die the effort to spare our politics from the deals that are needed to raise such huge sums.

For the moment we are reduced to wondering how independent these independents really are — folks like Melvin Laird, Clare Booth Luce, Senator Harrison Schmidt of New Mexico, Senator Dave Durenberger of Minnesota, former Senator Carl Curtis of Nebraska, and John Harmer, Ronald Reagan's former lieutenant governor. They say they can prove to the Federal Election Commission, if necessary, that they have nothing to do with the formal Reagan campaign. If they can, they'll earn their constitutional protection but hardly the country's gratitude. Not every constitutional right is attractive or wise in its exercise.

The tension is basic to American society: a conflict between free political expression and equality of political opportunity. An imaginative reform law has tried to equalize the lung-power of the rich and not-so-rich by giving money to both sides in a Presidential race. Now one side wants to spend more, even at the risk of being labeled the party of the fat cats. Congress and the courts should monitor this sorry development. They will surely have to deal with the problem anew.

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THE NEW YORK TIMES, MONDAY, JUNE 30, 1980

# Small Donors Aided Reagan; Larger Givers Helped Carter

By E. J. DIONNE Jr.

Ronald Reagan fashioned a financial base for his successful primary campaign with funds collected from thousands of small contributors and, according to a report by the Federal Election Commission, did much better with small donors than either President Carter or Senator Edward M. Kennedy did.

At the same time, the Reagan drive was aided by the independent efforts of the Fund for a Conservative Majority, a group that raised and spent more than $350,000 in the former California Governor's behalf, using many of the same fund-raising lists that proved fruitful for the Reagan campaign itself.

The ability of the two organizations to draw on the generosity of small contributors underlined the growing power that conservative groups have built in recent years through their mastery of direct mail techniques. And many conservatives believe that they will be able to use similar techniques to further Mr. Reagan's cause through the November election.

According to the report by the election commission, the agency charged with regulating fund raising and spending by candidates for Federal office, half of Mr. Reagan's campaign chest was filled by contributions of $200 or less. By contrast, only one-fifth of Mr. Carter's funds and one-third of Mr. Kennedy's were raised through such small contributions.

Mr. Carter was especially successful with larger contributors, as incumbent Presidents usually are. According to the report, more than half of his treasury was provided by gifts of $750 or more, as against one-third for Mr. Kennedy and 28 percent for Mr. Reagan.

The report, which covered contributions through late April, showed that the unsuccessful Republican primary campaigns of Representative John B. Anderson, who is now running as an independent, and Representative Philip M. Crane also drew substantial support from small donors.

### 1976 Campaign List Used

Bay Buchanan, national treasurer for the Reagan campaign, said that 45 percent to 50 percent of Mr. Reagan's money had come from direct-mail drives in which the average contribution was $18 to $33.

The fountainhead of Mr. Reagan's mail drive was a list of 180,000 names left over from his unsuccessful 1976 Presidential campaign. The list became the property of Citizens for the Republic, an organization started by Mr. Reagan and his aides as a fund-raising vehicle for conservative causes. The Citizens for the Republic's list, in turn, has been rented in a growing mailing-list market to a wide array of conservative groups, including the Fund for a Conservative Majority.

"I feel sorry for these poor people out there who are actually inundated with mail," said Miss Buchanan.

The Fund for a Conservative Majority's campaign was conducted independently from the Reagan drive. Federal regulations provide that individuals and groups can spend as much as they want for a candidate as long as they do not consult with the campaign they are trying to help. If they do, they become subject to the strict spending and fund-raising limits set by Federal statutes.

But there is apparently nothing in the campaign law preventing groups from using the same mailing lists, as long as they acquire them independently.

Kenneth F. Boehm, the treasurer of the Fund for a Conservative Majority, said that members of his group were scrupulous about not discussing their plans with Reagan campaign aides "to the point that we avoid them at cocktail parties." But he added that contact was unnecessary since "we pretty much know what the Reagan campaign strategy is from the newspapers."

Thus, in the closing weeks of the New Hampshire primary, when Mr. Reagan was approaching the limit of what he was allowed to spend under Federal law, the Fund for a Conservative Majority spent $60,000 to $65,000 on a variety of activities, including radio advertising and busing volunteers to the campaign front. Even when they got to New Hampshire, Mr. Boehm said, the volunteers acted entirely on their own, carrying literature provided not by the Reagan campaign, but by the Fund for a Conservative Majority.

### Firm Base in Home State

Mr. Reagan's success at raising money from small donors was complemented by a firm base of financial support in his home state of California and contributions from actors, businessmen, politically active lawyers and a large group of small businessmen and professionals, particularly physicians and dentists, around the country.

The Federal Election Commission's study found that more than one-third of the funds Mr. Reagan raised in contributions of $200 or more had come from California. Only Gov. Edmund G. Brown Jr. was more dependent on his state; more than 80 percent of the larger contributions to his unsuccessful Democratic campaign came from California.

GIVE TO THE FRESH AIR FUND

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WALL STREET JOURNAL
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Page 3

# Bill to Revive Election Commission Clears Conferees; Ford's Position Still in Doubt

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON Congress will try early next week to pass a much-delayed bill that would restore the flow of public funds to presidential candidates

House and Senate conferees reached final agreement on a bill re-establishing the Federal Election Commission, which dispenses the money The old law that set up the commission was ruled unconstitutional by the Supreme Court, which stopped the flow March 22

President Ford has been threatening to veto the bill if it contains provisions he doesn't like However, the final compromise won approval of the Republican conferees

Asked if Mr Ford would sign Rep Charles Wiggins (R., Calif.) left the meeting room saying "Yeah I think he will, but he hasn't told me he will" Rep Wiggins opposed earlier versions of the bill claiming they were slanted to help Democratic candidates and their union contributors

GOP Senate Leader Hugh Scott of Pennsylvania another conferee also said he doesn't know what Mr Ford will do but he faintly praised the final compromise "I'm inclined to think that there are more arguments for the bill than against it" he said

The compromise next must be ratified by the full House and Senate and sponsors hope to complete action by next Monday or Tuesday

**Presidential Appointment**

By itself Mr Ford's signature wouldn't automatically start pumping out tax money to replenish the strapped campaign funds of the Presidential candidates The old law was found unconstitutional because Congress appointed a majority of the commission's six members The new bill authorizes the President to appoint them all

Mr Ford must formally appoint the members if he signs the bill and he is expected to save time and controversy by picking the same individuals who currently serve They then must be confirmed by the Senate and Senate leaders want this done quickly So if everything moves very fast some federal money could become available to candidates around the time of the May 11 primaries in Nebraska and West Virginia

There could still be hitches, however, the biggest being a presidential veto that would make Congress start all over again Also, there's the threat of a filibuster when the compromise bill comes up in the Senate next week Sen Lowell Weicker (R., Conn.) warned he will try to delay the bill until the Senate leadership promises early action on other matters including formation of a committee to oversee the government's intelligence agencies

And the bill faces opposition from the Republican right wing Ronald Reagan in his challenge to Mr Ford probably needs the federal money worse than anyone and last week he joined six Democratic candidates in a futile attempt to get a Supreme Court ruling freeing the funds But he is said by a close supporter to be opposed to the pending election commission bill

**Reagan's Position**

Sen Jesse Helms the conservative Republican who helped manage Mr Reagan's Tuesday primary victory in North Carolina told the Senate Monday that his candidate doesn't want the bill to pass

"I talked with Ronald Reagan today" Sen Helms said and he informed me in no uncertain terms that he is full out opposed to this bill as it now stands He would much rather have the President veto this bill even though obviously there would be practical disadvantage to the financial structure of the Reagan campaign"

The congressional attempt to patch up the commission started right after the Supreme Court's decision Jan 30 but it quickly got bogged down in partisan politics Everyone agreed that the President should be authorized to appoint the commission's members and Mr Ford and the Republicans wanted a bill limited to that However most House and Senate Democrats backed by organized labor saw a chance to write extra provisions limiting the commission's power to govern political financing and inhibiting the ability of corporations to form political warchests

A central issue was the eligibility of corporate fund-raising committees to solicit money from a company's entire list of employes including unionized factory workers Early Democratic versions of the bill limited corporate fund-raisers to asking for money from a company's executives and stockholders other than its office or factory workers

**Republican Filibuster**

A Republican filibuster in the Senate forced the Democrats to back down and accept a tortured compromise This would allow a corporate political fund to solicit money directly from executives administrators and stockholders only but twice a year

the solicitors could send fund-raising letters to the homes of all employes. Union political committees similarly could dun executives and stockholders by mail.

House-Senate conferees agreed to the main elements of this plan before the start of the Easter recess April 14, but they didn't work out final details until the session resumed this week. Business groups were worried that unions could cite the law to ask companies for the names and addresses of all employes, ostensibly for the twice-a-year fund-raising letters but actually to help in union organizing drives.

The conferees yesterday tried to ease business fears by allowing corporations that don't want to submit employe names and addresses to unions to give them instead to an independent mailing service that would handle a union's mail solicitation.

However, the conferees retained in the bill a provision that drew objections from Sears, Roebuck & Co. Sears currently conducts nonpartisan registration and get-out-the-vote campaigns among all its employes. Under the pending bill, corporate money could finance these efforts only for executives and stockholders, and not for store workers. The conferees decided against softening this rule.

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## *Fund Flap*

# Reagan's Backers Plan To Spend Big for Him, And His Foes Cry Foul

## Critics Say Outlays Violate Spirit of Rule Restricting Candidates to U.S. Money

## No Such Support for Carter

By JAMES M. PERRY
*Staff Reporter of* THE WALL STREET JOURNAL

WASHINGTON—Under federal law, Ronald Reagan will be allowed to spend $29.4 million in his presidential campaign after he wins the Republican nomination at the GOP convention in Detroit next month.

But several groups of his friends and admirers think they might chip in a little extra—say, $35 million to $55 million.

What they are planning are called "independent expenditures," and they're perfectly legal. The law says a presidential candidate who accepts federal funds for his campaign can't accept or spend any other money. But the Supreme Court ruled in 1976 that individuals or committees can't be restrained from spending money independently—and independence is the key to it—to support or oppose any candidate for the presidency, the Senate or the House.

Democrats fume that the pro-Reagan groups are using a loophole in the law to get around the spending limit on a federally financed presidential campaign. "They're asking for a lot of trouble," says John White, chairman of the Democratic National Committee.

Common Cause, the organization that worked so hard to pass the 1974 legislation providing for federal financing of presidential elections, may sue to try to stop the groups. "These people are talking about running a parallel campaign to Reagan's, and we think we will go to court and say that's illegal," says Fred Wertheimer, Common Cause vice president. Supporters of independent spending reply that it is the only way the law is able to withstand the glare of the Constitution's Bill of Rights.

### Could Reagan Be Hurt?

The pro-Reagan groups could give a huge financial boost to the GOP candidate's presidential bid, although just how much money they can raise remains in question. And Reagan strategists fear that some of the outside groups might mount such strident anti-Carter campaigns as to do the Republican more harm than good. They point to the highly negative campaigns several conservative groups already are conducting independently against some liberal Democratic Senators.

Independent-expenditure groups are being formed so fast to help Mr. Reagan and harm Mr. Carter that it's hard to keep up. (No groups are being formed to help Mr. Carter and hurt Mr. Reagan, as far as anyone seems to know, but groups might be formed to help independent John Anderson.) These are the principal pro-Reagan groups:

—Americans for Change, headed by Republican Sen. Harrison Schmitt of New Mexico, which hopes to raise between $20 million and $30 million. The steering committee includes GOP Sen. David Durenberger of Minnesota, former Defense Secretary Melvin Laird and former Michigan Gov. George Romney.

—A group without a name being formed by Thomas Reed, a longtime California supporter of Mr. Reagan, and by Peter Flanigan, a former Nixon administration official and now a broker in New York. They talk of spending $12 million to $15 million and of hiring some of the most experienced campaign managers in the country.

—Citizens for Reagan in '80, a project of the Fund for a Conservative Majority, which wants to raise between $3 million and $10 million. The chairman is Robert C. Heckman, who is also director of Young Americans for Freedom.

—Americans for Reagan, a project of the Congressional Club, an organization founded by North Carolina Republican Sen. Jesse Helms to promote his interests. This group hopes to spend at least $500,000.

—The Ronald Reagan Victory Fund, a project of the National Conservative Political Action Committee, which hopes to raise at least $500,000. The same committee already has spent $600,000 for tough commercials in independent-expenditure campaigns against six liberal Democratic Senators.

Mr. Reagan and his advisers say they

# Fund Flap: Reagan's Backers Plan Big Spending, Angering His Foes

*Continued From First Page*

know nothing about any of these groups and don't want to know anything. Mr. Reagan says he would "run like a deer" if anybody from any of them approached him. If Mr. Reagan did anything else, he might be violating the law, which is very specific: The presidential campaigns and these independent groups can't work together—at all.

Most of the groups are just getting started. But the Citizens for Reagan in '80 is off and running with a staff of about 30 and some accomplishments to savor.

"We think we were decisive in electing Mr. Reagan over George Bush in the New Hampshire primary," Mr. Heckman, the group's chairman, says. Citizens for Reagan in '80 spent about $65,000 in New Hampshire for radio ads and for direct mail. The ads contrasted Mr. Reagan's stands on issues such as abortion and the economy with what Mr. Heckman believes are Mr. Bush's more liberal positions.

Citizens for Reagan in '80 already is preparing TV ads attacking President Carter. They are being written by Bruce Herschensohn, a former speech writer in the Nixon White House and one of the few who urged Mr. Nixon to fight to the end during Watergate.

One of the ads is already on paper. It calls for the narrator to hold up photographs of people who have been on President Carter's team. "The first one will be Dr. Peter Bourne," says Mr. Heckman. Dr. Bourne resigned as the President's adviser on health issues and drug abuse after writing a prescription to a fictitious name for a much-abused substance.

"The next," says Mr. Heckman, "will be Bert Lance." Mr. Lance resigned as the President's budget director after publicity about his freewheeling banking practices before entering government. "Then we'll show the Reagan team—Nobel laureates, that kind of people," Mr. Heckman says.

The various groups insist they are self-starting and wholly independent of one another—although nothing in the law says that they can't work together. Mr. Reed, the Californian, says it is purely coincidence that his East Coast office is Room 319 at 218 N. Lee Street in Alexandria, Va., and that Sen. Schmitt's outfit, Americans for Change, occupies Room 321 next door. They share a switchboard and a Xerox machine.

People who ought to know insist it really is a coincidence. The Reed group, these people say, was surprised when the Schmitt group opened shop. The Reed group is reassessing what to do in light of the Schmitt group's formation. Mr. Reed says that doesn't mean he won't go ahead with some kind of independent operation.

There are advantages in having a proliferation of these committees. While there is no restriction on what the committees can spend, they are bound by limits on what individuals can give them. Most experts believe the campaign-finance law limits individual donations to $5,000 per committee (a minority read the law to mean $1,000), up to a total of $25,000 for the entire election-year cycle. Thus, someone interested in electing Mr. Reagan—but blocked by the campaign-finance law from giving anything to him directly in a federally financed presidential campaign—could give $5,000 to each of five independent-expenditure committees.

Independent expenditures might help John Anderson, too. The independent candidate can't qualify for federal money. Instead, he will have to finance his campaign from individual contributions. Individuals can give $1,000 to his campaign, but they also could give $5,000 to any independent-expenditure committee working in Mr. Anderson's behalf.

Mr. Wertheimer at Common Cause can hardly believe what's happening. "We don't think the Supreme Court had anything like this in mind," he says. "The court, we think, was thinking of something like a single individual or a group of individuals taking an ad in the New York Times to make sure a point of view was considered." But the pro-Reagan groups, he says, are talking about spending millions on a full-blown campaign "using veteran party professionals on their staff."

Mr. Wertheimer directs most of his fire at the group being formed by Mr. Reed and Mr. Flanigan. They hope to employ such professionals as Stuart Spencer, who was political director of Gerald Ford's campaign four years ago, John Deardourff, the veteran craftsman of campaign media, and Robert Teeter, the respected Republican poll taker.

"The law says Stu Spencer can't talk to anybody in the Reagan campaign," Mr. Wertheimer says. "But of course he doesn't have to; he knows what needs to be done and how to get it done."

And so Common Cause is preparing a lawsuit—if its lawyers can only find a legal peg to hang it on. Lawyers at the Democratic National Committee are thinking along the same lines.

The problem, Mr. Wertheimer concedes, is that "there is no track record for independent expenditures. It hasn't been done this way before, so there is nothing to point to now and say, 'This is corrupting.'" The "track record," Mr. Wertheimer fears, "may grow out of this campaign, but it will be too late to do us any good in 1980."

The Common Cause official suspects that some of the people behind independent expenditures are trying to undermine the campaign-finance law. He is right.

"I believe the federal election laws interfere with my basic First Amendment rights," Mr. Reed says. "So I'm proceeding with the formation of this committee. We want to spotlight some issues—energy, for example, and national security. This is freedom of speech, and we will exercise it."

Just how much money the independent-expenditure groups can really raise is uncertain. Mr. Heckman of Citizens for Reagan in '80 doubts anybody can raise as much as $30 million. "If one of our groups could raise that much money," he says, "then Reagan could raise $60 million. And if he thought he could raise that much money, he wouldn't be going along with taking the federal money."

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2/6/73
Page A2 Column 1



# Harry Dent Named GOP Chief Counsel

By Lou Cannon
Washington Post Staff Writer

Republican Chairman George Bush completed a thorough overhaul of the Republican National Committee yesterday by naming Harry S. Dent of South Carolina as the committee counsel and Rogers C. B. Morton of Maryland as special [illegible] to the President. Morton is one of the leading architects of the administration's conservation [illegible]

Dent, who has been committee counsel for 14 years, [illegible] Bob Haldeman, Bob Dole was already in the party [illegible]

[illegible] patented system of flashing pale [illegible] lights.

Bush has emphasized youth in his appointments to key posts on the Republican National Committee. One of his first appointments was Jack William A. Steiger, 34, as head of the committee's youth [illegible] to broaden the base of the party among women, youth and minority groups.

Steiger [illegible] under attack from Human Events, a conservative publication for being too much a part of the defeated liberal Republican movement at Miami.

The Dent appointment was described by some Republicans as the [illegible] of a conscious attempt at [illegible] balanced appointments by Bush.

"We have a [illegible] 863 [illegible] Republicans [illegible] years of background in the RNC," Bush said in making the announcement.

[illegible]

A number of other changes are also taking place at the Republican National Committee where staff members have been [illegible] since [illegible] departure from the committee of John Cotton [illegible] publication Monday.

Cotton is scheduled to be [illegible] under Harold [illegible] charged with [illegible] the agency by June 15.

Bush said that the [illegible] find the [illegible] become chairman [illegible] head the Republican National Committee for the next four years. [illegible] of the executive [illegible] with [illegible] the White House.

The appointments [illegible] appeared to indicate that the [illegible] Dent are [illegible]

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Page A1 Column 2

# Harry Dent Resigns As Republican Counsel

HARRY S. DENT
willing to go

See GOP, A6, Col. 6

# Harry Dent Resigns Position As General Counsel of GOP

GOP, From A1

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WASHINGTON POST
4/10/75
Page 19 Column 1

*Rowland Evans and Robert Novak*

# Rockefeller, Reagan and the GOP Right

Vice President Nelson Rockefeller's choice as his new police adviser of an outspoken liberal Republican from California who makes Ronald Reagan see red reflects both polarization and increasing confusion in the upper reaches of the Republican Party.

John G. Veneman, widely esteemed as under secretary of Health, Education and Welfare (HEW) throughout Richard M. Nixon's first term, will be announced soon as the new "roommate" to the Vice President. "That's a slap in the face to the governor," a cheerful Reagan insider informed us. It's hope the unpleasant news, reaching Reagan in London this week, will be another nudge toward challenging Mr. Ford for the presidential nomination.

At a minimum, picking Veneman confirmed that Rockefeller has abandoned conciliation of the Republican right and is returning to his home in the party's liberal wing. That is polarization. The confusion arises from the contrast with the President's efforts at warmer relations with Reagan, to the point of inviting the Reagans for an intimate family meal last week.

Moreover, that "slap in the face" comes while Reagan seems moving, though with infinite caution, toward the presidential challenge. While the White House had yet to take the first preparatory step toward the 1976 campaign, Reagan's political operatives assembled in Washington last week for hours of political talk.

Actually, Veneman's selection is described by Rockefeller insiders as devoid of political significance. The Vice President needed somebody who knows his way around both Capitol Hill and the bureaucracy and understands the issues. He could fill that bill better than Jack Veneman. "This was not a political appointment," a Rockefeller spokesman told us in all seriousness.

But Veneman as a politician to his fingertips who, of course, will be seen among Rockefeller on posters as well as health care legislation. According to his political background takes on significance.

As a young state assemblyman, Veneman vigorously supported Gov. Rockefeller against Sen. Barry Goldwater in the bloody California presidential primary of 1964. After serving as Gov. Reagan's liberal Republican hatchet in the legislature, Veneman came to HEW in Washington—much to Reagan's public displeasure. That prompted transcontinental feuding about welfare costs.

Returning to California in 1973, Veneman was the only prominent Republican to oppose Reagan's unsuccessful referendum to limit state spending and publicly nailed the governor for exaggerating how much he had saved on welfare. Reagan, in turn, did not disguise hostility to Veneman's unsuccessful 1974 bid for lieutenant governor. By then, the Reagan-Veneman enmity had transcended ideology and reached a highly personal level.

Contentions by the Vice President's aides that those political facts were not considered in of a piece with Rockefeller's own claims that his rulings in the Senate filibuster debate on Rule 22, which so infuriated conservative senators, were procedural in origin without political relevance. In truth, both Rule 22 and Veneman illustrate the end of Rockefeller's most recent courtship of the right (eliminated by his 1973 pilgrimage to South Carolina to discuss foreign policy with Sen. Strom Thurmond).

Nor does Rockefeller's new course seem coordinated with the President, who would have ruled differently on Rule 22 and prefers not to offend Ronald Reagan. The latter drunk explains Mr. and Mrs. Ford inviting the Reagans to dinner for four at a rented Palm Springs Mansion April 2.

The dinner accomplished little. The President asked Reagan's support for his forthcoming vetoes of spending bills—support he obviously could count on anyway. According to Reagan sources, the evening did not increase Reagan's modest regard for the President's ability.

Nor did it affect the secret gathering in Washington a day earlier of Reagan political operatives. Present were four senior members of Reagan's last staff as governor—Ed Meese, Robert Walker and Mike Deaver from California and Jim Lake from Washington—plus Washington lawyer John Sears, a manager of Nixon's brilliant 1968 delegate hunt. The quintet dined long and well at two expensive restaurants, the Sans Souci for lunch and the Palm for dinner, discussing Reagan's presidential prospects in detail.

That is something less than a real campaign operation which would require Reagan's consent, but it may be something more than Mr. Ford has. The President talks of setting up an election committee at summer's end (later than his political aides prefer), but nothing has yet been planned—"unless," says one aide, "it's in somebody's mind." In that atmosphere, no wonder that Mr. Ford's political aides were unaware of Rockefeller taking aboard a hard-nosed politician who makes Ronald Reagan climb the wall.

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WASHINGTON POST
7/9/75
Page A6 Column 1



# Reagan '76 Panel Forming

By Jules Witcover
Washington Post Staff Writer

A national committee is being formed here to launch a challenge by former Gov. Ronald Reagan of California against President Ford for the 1976 Republican presidential nomination.

Lyn Nofziger, a longtime Reagan aide in California and political adviser in the Nixon White House, confirmed yesterday he and two other Republican political figures, John P. Sears and James Lake, both of Washington, are establishing the committee to raise money and other support for a Reagan candidacy.

Nofziger said Reagan is aware of the effort, and while he has not authorized it, "He didn't try to stop me."

In California, Peter Hannaford, a Reagan aide, said Nofziger and Sears, a key political strategist and delegate-seeker in Nixon's 1968 campaign, had advised Reagan of their plans to create the committee "in the last few days."

"The governor said that if and when they formed it, he would have an appropriate response," Hannaford said, "but it would not include an announcement about a decision." Reagan himself said yesterday he has not decided finally whether to run.

But other Republican sources said the creation of the committee effectively puts Reagan into the race against the President. To clear the way for fund-raising, a filing must be made with the Federal Election Commission, and this will be done by the end of this month, these sources said.

At that time, they said, Reagan likely will come to Washington to say that he is permitting the effort to go forward, but is reserving a final decision on candidacy until sometime later this year.

Those advancing Reagan's cause are said to be especially interested in avoiding any early confrontations on issues with the President, but rather want to allow time for the key issues for 1976 to manifest themselves.

In the meantime, the plan is for Reagan to continue speaking around the country, doing his regular syndicated radio show, and otherwise discussing the need for a revitalization of the Republican Party and long-range national goals.

It is the hope of the Reagan strategists that the circumstances of Mr. Ford's elevation to the Presidency will diminish the usual problem of opposing an incumbent, because Mr. Ford has never been elected by a national constituency. "The party hasn't passed on him and the country hasn't passed on him," a Reagan supporter said.

Nofziger said the Reagan strategy would require him to run in "a goodly number" of the 30-odd presidential primaries scheduled in 1976—a massive organizational challenge in itself, requiring an early start.

He said limitations in campaign fund-raising and spending also dictated an early start, but he said he foresaw no problem raising the money needed. Reagan always has been a prodigious fund-raiser nationally among Republicans.

As open challenge to an incumbent President is rare, but not unprecedented. Sen. Estes Kefauver of Tennessee challenged President Truman in 1952, before Truman bowed out, and Sens. Eugene J. McCarthy of Minnesota and Robert F. Kennedy of New York challenged President Johnson in 1968, before Johnson announced he would not seek reelection.

The move to form a Reagan committee is a sense marks an early setback for President Ford and his political lieutenants, who had been hoping to head off a Reagan challenge.

The appointment of former Secretary of the Army Howard H. (Bo) Callaway of Georgia to head Mr. Ford's campaign was viewed among Reaganites as an attempt to undercut their man in the South.

But, one of them said yesterday, Callaway's presence raises the stakes for the President in Southern primaries—and increases Reagan's opportunity to administer a political blow to Mr. Ford in them.

LYN NOFZIGER
. . . no effort "to stop me"

Nofziger, a former Washington correspondent for the Copley Newspapers, is a [illegible] GOP political technician with a reputation for tough tactics.

Sears, a young Washington lawyer, is known as a [illegible] tactician identified with [illegible] die-road Republicans. [illegible] He played a major role in [illegible]on's first ballot nomination in 1968 and was Nixon's chief political adviser at the White House in 1969 until turned out by then Attorney General John N. Mitchell. His involvement with Reagan is regarded as a surprise.

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3/2/77
Page A19 Col. 1

*Rowland Evans and Robert Novak*

# Another Round for Reagan?

LOS ANGELES—Ronald Reagan, more active nationally than any other Republican politician, is laying plans for another possible presidential run in 1980, when he will be 69, made possible by the Reagan money machine, his combat-conditioned political staff and his availability to go anywhere, anytime.

That availability helps explain why Reagan barely edged out of the presidential nomination by President Ford last summer. He will address the annual Republican Party fund-raising dinner May 19 in an unlikely state: liberal, ethnic, heavily Democratic Rhode Island. "We wanted a little extra impetus," Republican state chairman Americo Campanella told us.

In looking around for that "extra impetus," Republican state headquarters also sent invitations to Sen. Howard Baker of Tennessee, the party's newest light as Senate Minority Leader, and to Texas John B. Connally. Baker asked for time to consider his schedule; Connally replied that he could not be certain. Reagan's handlers here shot back an acceptance that nailed down the spot for the party's conservative warhorse.

Rhode Island is just one blip on Reagan's sustaining political travels, accompanied by a newspaper column (100 clients) and a daily radio commentary (250 clients). Reagan is being quietly advertised by his aides not as a politician still yearning for the presidency but as one keeping himself available for a summons if the "cause" is right, and the summons should come.

Beneath that surface, the man who was reluctant to enter the 1976 race, but who warmed up to long days and nights on the stump in the campaign heated, can scarcely be called reluctant today. Although even staunch Reagan-ites believe he is too old for anything other than a kingmaker's role in 1980, he has by no means ruled out a last hurrah.

Whether 1980 turns out to be kingmaking or last hurrah, what he is doing now lays the groundwork. His longtime aides, Michael Deaver and Peter Hannaford, spend much of the time in their public relations firm here handling Reagan's speaking, writing and commentary contracts. They claim his speech invitations run up to 300 a month, of which about 30 are accepted. The gross of all his endeavors, somewhere around $800,000 a year.

Across town in Santa Monica, carefully separated from the Deaver-Hannaford office, the political end of Reagan's operation is handled by Lyn Nofziger, his oldest political aide who helped persuade him to run for President in 1976. Nofziger operates the Reagan political front, a political action committee called "Citizens for the Republic" whose mission, CFR, happens to be the same as the principal campaign vehicle set up for him in 1975—Citizens for Reagan.

Nofziger, paid $60,000 by the CFR (slightly higher than the Republican National Chairman's regular salary), is blessed with an estimated $1 million left over from unspent 1976 contributions to the Reagan campaign. That enables Nofziger to entertain presidential-sized plans and budget.

In February, he mailed the first bi-weekly CFR newsletter, each issue of which will feature a column and picture of Ronald Reagan on page one. Consistent with Nofziger's versatility and sense of irreverence, he plans to plough new ground—as yet unexplored in political action.

The main problem for both Deaver-Hannaford and Nofziger-CFR is how to hold Reagan and how to keep him in bounds. That represents a singular change from 1975 when Reagan grumbly resisted becoming a candidate for many months.

For example, in last week's congressional election for Secretary of Agriculture Bob Bergland's old seat in the 7th District of Minnesota, Reagan wanted to campaign for Republican Arlen Stangeland, the eventual winner. All his advisers said no: a Reagan appearance could polarize the voters and cost Stangeland votes; so, Reagan contented himself with a $1,000 contribution from the CFR.

Similarly, Reagan was leaning toward saying yes when right-wing conservatives asked his help in establishing an opposition "shadow cabinet." Once again, his aides said no. For Reagan to join super-conservatives such as beer baron Joseph Coors and fund-raiser Richard Viguerie would damage him with the Republican moderate-right.

Such Reagan inclinations point the direction of this thinking. Despite the conventional wisdom against him, he is not shy about 1980. The liabilities are profound. At 69, he would be the oldest man ever nominated for President; William Henry Harrison was 68 when sworn in, and he soon died of pneumonia. Moreover, the Reagan camp is aware of some sharp criticism, particularly in the South, which Jerry Ford would have won had Reagan campaigned harder for him.

Such critics indicate Reagan. Anger at his critics, indeed, is just one more sign that Reagan—well-heeled, well-staffed and highly available these days—is nourishing a presidential ambition greater than any he had leading up to 1976.

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WASHINGTON POST
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Page A3 Column 1

# Ronald Reagan—A Sense of Timing, Some Backscratching

*Everywhere he goes, the crowds pack the halls—950 at a $50-a-head fundraiser at noon here Friday, for example. They stand in lines 50 deep to get his autograph. The old women and the young girls grasp at his hand and say things like, "I pray for the day you become president."*

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# Political Action Committees Mushroom Into a Major Force

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President [illegible] Sen. Bob Dole (R-Kan.) [illegible] around the country [illegible] trips to New Hampshire [illegible] dential primary [illegible]

President [illegible] Ronald Reagan used a similar [illegible] Republic, to build [illegible] list of more than [illegible] maintain [illegible] tives for much of the [illegible]

Presidential hopeful George Bush used another [illegible] Limited Government [illegible] 203 in [illegible] tester [illegible]

There's apparently nothing illegal about [illegible] political action committees has become the latest wrinkle in presidential politics.

With hardly anyone policing and no real criticism, the committees mushroomed into a major force in American politics last fall with some of their number controlling budgets that rival traditional special interest lobbies.

Reagan CFTR budget of $1.5 million, for instance, was larger than that of the political arm of the AFL-CIO; the American Medical Association [illegible]

[illegible] claim to [illegible]

[illegible] Bush or [illegible] Reagan [illegible] political action committees [illegible] Congressional candidate committees [illegible] Congressional candidates [illegible] the political committees [illegible] General Motors [illegible] General [illegible]

[illegible] 1977 using $1 million [illegible] Reagan's [illegible] to move [illegible] the country, [illegible] Bondier, vice [illegible] fall was considered [illegible] not be [illegible] But [illegible] any of the other groups, CFTR functioned as a [illegible] committee for [illegible] balance machine [illegible] politics, [illegible] and accountants [illegible] mailing list [illegible] proven Reagan contributors and provided lucrative [illegible]

[illegible] Bob Dole [illegible] Reagan's 1976 campaign [illegible] CFTR's Washington payroll [illegible] $3,000 a month. John [illegible] political strategist [illegible] CFTR legal [illegible]

[illegible] interesting to see how long [illegible] continues to warehouse these people on the CFTR payroll," [illegible] of a rival group who asked not to be identified. "The Federal Election Commission ought [illegible] this and look at it closely."

CFTR apparently alone among the groups [illegible] continues in operation [illegible] the 1980 election. Bush's Fund for Limited Government has [illegible] and Connally's forum [illegible]

[illegible] election is over. We've done [illegible] what we set out to do," says Baker, [illegible] of the fund group. "Unlike many of the other groups, we didn't want a big fancy organization or staff something with the Republican National Committee [illegible]

[illegible] Democrat [illegible] Republican [illegible] country [illegible]

Yet less than [illegible] of the $20,000,000 [illegible] directly to candidates [illegible] the [illegible] went to [illegible]

The rest [illegible] head. The [illegible] Of [illegible] public [illegible] went to [illegible] of the [illegible] Connally [illegible] grating [illegible]

The many leaders of [illegible] California [illegible] cities in [illegible] and former Texas [illegible] Connally [illegible] cities [illegible]

[illegible] political [illegible]

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Page 2 Column 2

# Reagan-for-President Committee Is Formed, But He Hasn't Announced Candidacy—Yet

By Bill Peterson
Washington Post Staff Writer

Supporters of Ronald Reagan yesterday formed a Reagan for President Committee claiming the former California governor now represents the mainstream of American political thought.

In announcing the committee, Sen. Paul Laxalt (R-Nev.) said Reagan, long the darling of the conservative wing of the Republican Party, will run not as a "fringe" candidate for president in 1980, but as a middle-of-the-roader.

Reagan hasn't changed, according to Laxalt and other Reagan advisers, but the country has. "Not since Gen. Eisenhower's first election almost 30 years ago has there been such a perfect 'fit' between the man and the public mood as there is today with Gov. Reagan and the American people," Laxalt said.

The makeup of the committee was designed to show Reagan's early muscle in the presidential sweepstakes. Its 365 members are drawn from every region of the country. They include the nucleus of the 1976 campaign organization, five U.S. senators, 22 House members and a host of prominent supporters of his former rival, then-President Ford.

Among the former Ford backers endorsing Reagan were former treasury secretary William Simon, former agriculture secretary Earl Butz, former health, education and welfare secretary Caspar Weinberger, former interior secretary Stanley Hathaway, and former West Virginia governor Arch Moore.

The leadership of the committee, however, will be in the hands of time-tested Reagan loyalists. Laxalt, chairman of the Reagan committee, held a similar position four years ago. John P. Sears, committee executive vice chairman, is a longtime Reagan strategist. Deputy Chairman Michael K. [illegible] will [illegible] operations, and Franklyn Nofziger, the fund-raising head, have worked with Reagan since his days as governor.

The committee has Reagan's official approval, but its formation does not represent a declaration of candidacy, Laxalt said. But when asked if there was any doubt in his mind that Reagan will be a candidate, Laxalt said, "No."

The committee will enable supporters of Reagan, who isn't expected to formally announce until next fall, to raise and spend campaign money and form state campaign organizations.

The committee, a spokesmen said, will also allow Reagan to continue to market his lucrative radio commentary show and newspaper columns without violating Federal Communications Commission equal time rules. Reagan, he said, will also continue to accept fees for appearing before business groups, although the number of invitations for such appearances is expected to taper off.

Since Ford defeated him for the 1976 Republican nomination, Reagan, 68, has kept his political hopes alive by traveling around the country under the auspices of the Citizens for the Republic, a political action committee he formed with surplus 1976 campaign funds. Spokesmen said the campaign committee aides who have been on the CFTR will not disassociate themselves from it.

The packed room and crowd of dignitaries who sat behind Laxalt at the Capitol Hill Club yesterday provided a marked contrast to the group pres[illegible] 1975 [illegible] Laxalt announced the formation of a similar committee for Reagan. At that time only three Republican leaders endorsed Reagan—Laxalt, former Iowa congressman H. R. Gross, and former Kentucky governor Louie B. Nunn.

"I was almost by myself," Laxalt said yesterday. "It was a lonely scene."

Although it was portrayed as a broad-based group, the majority of the people on the Reagan committee represent the conservative wing of the party. Senators, for example, are Jake Garn (R-Utah), James A. McClure (R-Idaho), Orrin G. Hatch (R-Utah), and Richard Schweiker (R-Pa.), a one-time moderate whose voting record has become increasingly conservative since Reagan said he'd name him vice president if he won the 1976 nomination. Former Virginia senator William Scott is also a member of the committee. The only current governor on it is Charles Thone of Nebraska.

Reagan, a onetime movie idol, also was endorsed by a number of former Hollywood associates, including Pat and Debby Boone, James Cagney, Frank Sinatra, James Stewart, Loretta Young, Irene Dunne and Efrem Zimbalist Jr.

Other top Reagan aides announced include Charles Black, national political director; Martin Anderson, director of research; Ed Meese and James H. L[illegible] senior consultants; Loren A. Smith, general counsel, and Billy Buchanan, treasurer.

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# Reagan Campaign Pays Rent to a Bush Adviser

By Martin Schram
Washington Post Staff Writer

It would be wrong to say that Ronald Reagan's presidential campaign owes everything it is today to the political director of George Bush's campaign.

Just its rent.

In part because of the grand old fraternity within the Grand Old Party, and in part because so often in Washington politics the unforseen becomes probable and the unplanned becomes policy, it has turned out that Bush's campaign adviser, David Keene, is now Ronald Reagan's campaign landlord.

Every month, the Reagan campaign pays $1,200 rent to a partnership headed by Keene.

"We didn't plan it this way," says Keene. "It just sort of happened."

Back in the days when Keene was a major figure in the Reagan political command, he put together a partnership with a number of his friends on the right — including several other Reagan aides—and bought a three-story Victorian, tan brick building at 809 Cameron St. in Alexandria.

Keene became the managing partner, and took an office in the building. Then Keene and his Reagan friends came to a political parting. Reagan did not have a major role in mind for Keene in his 1980 campaign (just political liaison with Congress), and, meanwhile, George Bush was asking Keene to be the political director of his presidential campaign. So Keene switched his political alliance, but he kept his business alliance.

At about the time Keene moved out of the office building on Cameron Street, the Reagan people moved in. "I joined Bush and moved out and the Reagan people needed space and moved in," Keene says, sitting in his new office in the Bush headquarters 12 blocks away from the building he owns.

"The Bush camps and the Reagan camps found themselves to have common real estate interests. Both have headquarters in their candidate's home state (Bush in Texas and Reagan in California). And both were looking for a cheaper alternative to the high-priced downtown Washington real estate.

Now Reagan shares his Alexandria headquarters building with two other tenants: one is a psychiatrist and the other is a branch of the enterprise of Richard A. Viguerie, specialist in conservative political fund-raising and mailing.

And Keene shares his monthly rental payment with his partners. His share is 20 percent, he says, and the rest is divided among eight or nine others, including Reagan's finance chairman, Lyn Nofziger; Reagan's Northeast coordinator, Roger Stone; Thomas Winter, editor of the conservative Human Events magazine; Terry Dolan of the National Conservative Political Action Committee, and Paul Russo, who took the job that Keene did not want as Reagan's liaison for Capitol Hill.

Over at the Federal Election Commission, an official found the business ties between the Bush adviser and the Reagan camp interesting and even amusing, but no violation of any regulation.

And, meanwhile, out in California, at Reagan's main headquarters, Lyn Nofziger said the Reagan campaign couldn't be happier than to be paying its monthly rent to Bush's adviser, Keene.

"We figure we're getting fair value received," Nofziger said, laughing. "We think we owed it to him after all the nice things he has said about us since he went to work for George Bush."

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# Reagan's Aides 'Didn't See Eye to Eye'

By David S. Broder
Washington Post Staff Writer

[illegible] Nofziger, who quit Ronald Reagan's presidential campaign Monday, said yesterday he had "reached the point where I didn't think I was [illegible] and I didn't see eye to eye [illegible] in charge."

[illegible] an aide who [illegible] Reagan supporters [illegible] interview [illegible] point his finger [illegible]

[illegible] cited campaign [illegible] for the Republican presidential nomination and Michael J. Deaver, Reagan's top public relations adviser.

"When you reach the point where you feel your abilities are not being used in the proper way, you just go away," Nofziger said.

The former journalist, who had been a senior adviser to Reagan in every race since his first election as governor of California in 1966, was put in charge of fund raising and the Texas primary this time around. Friends said he was not comfortable with [illegible]

Nofziger declined to specify what had triggered his decision to quit [illegible] "There's always a straw that breaks your back," he said. "But I didn't want to get into any finger-pointing."

He minimized his differences with Sears and Deaver over campaign strategy, saying some basic decisions were made some time ago that I [illegible] but we [illegible] past the point of arguing them."

[illegible] Sears and Deaver [illegible] efforts to present Reagan in 1980 as a middle-road Republican rather than as a conservative, Nofziger said. "You can talk all you want to about repeating [illegible] Ronald Reagan, but when he starts the campaign, it will be Reagan saying the things Reagan wants to say."

Nofziger said he would not work for any other Republican contender and planned to pick up his political consulting business.

In 1976, Nofziger ran the Reagan effort in the California primary against President Ford, and after the Republican nominating convention, set up and ran Citizens for the Republic, a political action committee used to keep Reagan's national campaign organization intact.

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# Reagan Argues Against Limiting Money a Candidate Can Raise

By Lou Cannon
Washington Post Staff Writer

COLUMBIA, S.C., Dec. 13—Republican presidential candidate Ronald Reagan said today there should be no federal restrictions on the amount of money a presidential candidate is allowed to raise. He declined, however, to say whether he would follow John B. Connally's example and turn down federal funds for his 1980 presidential race.

"I don't believe in government funding," Reagan said at a planeside news conference here.

It was the first time that Reagan, who accepted federal matching funds for his 1976 race against then-president Gerald R. Ford, had acknowledged that he was acting against his own principles in taking government money. He would be eligible for up to $7 million in government matching funds for the 1980 primaries if his campaign raises a similar amount.

The working premise of the Reagan campaign this time, at least until Connally rejected matching funds Wednesday, has been that the former California governor would take the matching money. This is still the premise, as Reagan press secretary Jim Lake made clear today.

"We've been going on the assumption that matching funds would be accepted, but we don't have to make that decision now, and we're not going to until we have to," Lake said.

There is concern in the Reagan camp that Connally might, in words that Lake used Wednesday, try to "buy the election" by spending massive amounts of money in early primary states. If Reagan chooses to accept the federal funds, he will be bound by rigid spending limitations in each state as well as an overall spending limit.

The Reagan strategists realize that there are potential problems in declining federal funds as well as in accepting them. They pointed to an editorial in this morning's edition of The St. Petersburg Times, accusing Connally, in words similar to those used by Reagan staffers, of trying to purchase the election by unlimited spending.

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# Reagan Campaign Looks to Running Mate

By Lou Cannon
Washington Post Staff Writer

LOS ANGELES, May 12—While Ronald Reagan contests for a presidential nomination that seems firmly in his grasp, the central focus of his campaign has shifted to the selection of a running mate.

As Reagan returns to the road for his last cross-country campaign tour of the primaries, his pollster Richard B. Wirthlin is preparing to survey voters nationwide to find out who they think the running mate should be.

Other Reagan aides are interviewing prominent Republicans, an effort they hope will take some of the steam out of the lobbying now developing for and against the two presumed top vice presidential candidates—Sen. Howard H. Baker Jr. of Tennessee, and Rep. Jack Kemp of New York.

Reagan's choice is considered so highly critical that some of his aides acknowledge it could spell the difference between victory and defeat in November. It is a view widely shared in the Republican Party, where the vice presidential selection is likely to be viewed as a barometer of the way Reagan would behave in the White House.

Wirthlin's survey will contain a list of 15 to 18 names, most of them of well-known Republicans. It will try to measure the attributes voters desire in a vice president, particularly one who would succeed a president who would be 70 years old a month after inauguration. It will provide clues about the acceptability of prospective nominees on the basis of age, ideology, religion, region and sex.

"This is going to be Gov. Reagan's decision, not his staff's," said Wirthlin, Reagan's chief strategist. "But he's going to have the widest possible information base he needs to make it. The decision won't come to be based on whim or rumor amidst the adverse circumstances of the morning-after nomination."

While the surveying is going on, Reagan chief of staff Edwin Meese and campaign director William J. Casey will interview a number of prominent Republicans and others recommended by the candidate for their views. Meese said that the process, rather than the pitching, should be complicated by mistakes.

RONALD REAGAN
. . . choice considered highly critical

The very nature of the process could lead to a relatively moderate vice presidential nominee. GOP leaders from various sections of the country who were interviewed during last week's meeting of the Republican National Committee generally expressed the view that Reagan should try to balance the ticket by selecting a running mate who appeals to different constituents than he does.

"I don't like to use the word 'balance' because balance means different things to different people, but I would like to see a ticket that has appeal to every American in every walk of life," said Republican National Chairman Bill Brock, himself considered in some quarters as a longshot possibility for vice president.

A Reagan aide who respects both Brock and Baker agreed, though he pointed out that Reagan may be constrained by past commitments to nominate someone who shares his philosophical views.

"Nevertheless, this is a campaign that smells victory and wants to win," said the aide. "By making the choice objectively, with polling data and lots of opinions, Gov. Reagan will be able to say that he picked the person most acceptable to the party, or the nation."

While there is no formal list, the same names arise frequently in any discussion of the vice presidency within the Reagan camp. Heading the group are four Republicans, facetiously referred to by one aide as "the gang of four."

These four are Baker, Kemp, Sen. Richard G. Lugar of Indiana and former treasury secretary William E. Simon. Others whose names are believed to be on the survey list include Brock, Illinois Gov. James R. Thompson, Texas Gov. Bill Clements, former treasury secretary John B. Connally, Sen. Paul Laxalt of Nevada and former United Nations ambassador George Bush, Reagan's sole surviving GOP opponent.

No one in the Reagan camp can be found who expects Bush to be Reagan's running mate. Reagan and his aides are concerned about how a running mate would fare in debates with Vice President Mondale, a respected adversary. Baker and Kemp are considered good debaters, while Bush has proven ineffective in a series of debates with Reagan.

Here is the early handicapping on the four supposedly to contenders:

- Baker, the 55-year-old Senate minority leader, is the favorite of GOP moderates and reportedly has support from key Reagan financial backers. He would be viewed as "presidential" and his knowledge of foreign policy is a plus. He also is considered helpful in the South, where Reagan hopes to contest favorite son President Carter. But Baker has two strikes against him—his support of the Panama Canal treaties, anathema to conservatives, and his opposition to a constitutional amendment restricting abortion to cases necessary to save a woman's life. Reagan favors the amendment and has said he wants someone on the ticket who agrees with him on this issue.

• Kemp, a 44-year-old fifth-term congressman from Buffalo, has important support from the "New Right" and from advocates of the tax-cutting policy which bears his name in the Kemp-Roth bill, a cornerstone of Reagan's campaign. Kemp also agrees with Reagan on the abortion issue and comes from a state which Reagan aides believe will be a crucial battleground in November. But some Republicans consider Kemp too strident and he has the opposition of traditionalist conservatives who stress budget-balancing over tax-cutting.

• Lugar, a 8-year-old first-term senator from Indiana and former mayor of Indianapolis, is thought by many to be the perfectly positioned dark horse if Baker and Kemp cancel each other out. Because he was against the Panama Canal treaties and supports the anti-abortion amendment, he is far more acceptable than Baker to the conservatives. And he is less controversial than Kemp, although also less well known.

• Simon, 52, now a senior consultant for a New York brokerage firm, is the only Catholic on the list of four. This is considered an asset because of Reagan's expected appeal (in a race against Carter) to Catholic voters. But Simon, a father of seven who personally opposes abortion, does not support the antiabortion amendment, saying, "I don't like tinkering with the Constitution and neither did the founding fathers, who made it difficult to amend." Simon has support from traditionalist economists, and he is highly thought of personally by Reagan. However, he lacks a base of support within the party comparable to that of Baker, Lugar or Kemp.

Reagan's aides are aware that the candidate will be under heavy pressure until he makes his vice presidential selection. Meese said he hopes this pressure can be diffused by giving everyone who has an opinion an opportunity to be heard and by convincing them that the choice will be made in a serious fashion

"Gov. Reagan views this as a very critical [illegible] and he isn't going to take it lightly," Meese said.

*Washington Post staff writer David S. Broder and researcher Marcia Schwartz contributed to this report.*

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# Funds Loophole Exploited

By Bill Peterson
Washington Post Staff Writer

A group of influential Republicans yesterday launched a drive to raise from $20 million to $30 million to promote Ronald Reagan's presidential candidacy by taking advantage of a loophole in federal election law.

If successful, the group, headed by Sen. Harrison Schmitt (R-N.M.), would be in position to make "independent expenditures" almost equal to the $29.4 million in federal campaign funds major party nominees receive and are limited to spending under law.

The group, called Americans for Change, could do so by exploiting a provision in federal election law allowing unlimited spending by committees as long as they have no contact with the campaign.

If this method of financing proliferates, it could undermine election law reforms designed to place limits and controls on federal election spending dating back to the Watergate scandals.

Americans for Change is the second independent group to announce plans to boost Reagan's candidacy through independent expenditures. The Fund for a Conservative Majority, a conservative political action committee, made more than $500,000 in such expenditures in Reagan's behalf during the primaries. A third group, made up of former officials of the Nixon and Ford administrations, is considering making a similar effort. It reportedly is talking about raising from $12 million to $15 million for pro-Reagan advertising.

The number of groups, however, raises questions about their ability to meet their multimillion-dollar goals. "They're coming out of the woodwork," said Ralph J. Galliano, executive director of the FCM, which has been making independent expenditures for various candidates since 1976. "Right now everyone is jumping on this."

No such groups have yet been formed to offer similar help to President Carter, the likely Democratic nominee.

"This is a legal committee," Schmitt said in an interview. "We are not trying to get around the law. The independent expenditure provisions were put into the law to provide a way that First Amendment rights can be exercised.

"Without them, there would be a serious limit on the rights of individuals to free speech," he added.

Americans for Change includes a broad cross-section of Republicans on its steering committee. Among them are former defense secretary Melvin R. Laird; Clare Boothe Luce, a former ambassador and congresswoman; Minnesota Sen. Dave Durenberger; former Michigan governor George Romney, a supporter of George Bush's unsuccessful candidacy; former South Carolina governor James Edwards, an early Connally-for-president supporter; former senators George Murphy of California and Marlow Cook of Kentucky; Washington businesswoman Anna Chennault, and William Miller, Sen. Barry Goldwater's vice presidential running mate in 1964.

The officers of the group, which claims to have already raised $150,000, include John Harmer, Reagan's lieutenant governor in California; Brad O'Leary, former executive director of the Texas Republican Party; former senator Carl T. Curtis of Nebraska; and Stan Huckaby, former Baker for president treasurer.

The group plans to raise money by contacting wealthy donors who have already given to Republican presidential candidates and through direct-mail appeals. The funds will be used, Schmitt said, for "communications"—including television ads, surrogate speaking tours and direct-mail promotional campaigns.

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# Age Is One Issue That Will Shadow Reagan in the Campaign

By Jack W. Germond
and Jules Witcover
Washington Star Political Editors

Germond and Witcover

CONCORD, N.H. — Bruce Rounds is a Republican state representative from Bristol, N.H., who served as Ronald Reagan's campaign chairman there in the 1976 presidential primary. He likes Reagan and, more to the point, agrees with him on the issues.

But when James Lake, Reagan's principal operative in New Hampshire in 1976, called Rounds recently and asked him to be chairman in Bristol again, Rounds turned him down. The reason: He thinks Reagan is too old to run for president.

One Bruce Rounds doesn't make a political disaster, of course. And no one knows how many Reagan sympathizers there may be who are getting off the train this time because of his age. But what is clear, here and elsewhere, is that age has become a preoccupation in political conversation whenever Reagan is mentioned.

The conservative leader from California will be 69 years old before the first primary here 13 months from now, and he would be nearly 70 at the time of his inauguration if he were elected. And those numbers already have several important effects on the shape of the campaign for the Republican presidential nomination.

FOR ONE THING, Reagan's age obviously is a factor in the number of candidates in the field, particularly on the conservative side. Reagan is so far ahead of the pack at this stage that if he were 60 he would seem invulnerable. But politics is the ultimately pragmatic trade, and what the other candidates recognize is that if Reagan were to develop any illness that appeared serious he would be very vulnerable indeed.

These other candidates draw obvious comfort from remarks, epidemic in the party these days, of Republicans such as one here who said of George Bush: "I don't see where he's a damned bit different from Ronald Reagan, but he *is* 15 years younger."

Secondly, in the cold realism of politics, Reagan's age inevitably will give the question of the Republican nominee for vice president far more importance than it normally would be accorded. All presidents are mortal, but the actuarial tables tell us those over 70 are more so. The sudden death of Nelson Rockefeller, robust and apparently healthy at 70, makes that point with stark clarity.

WHAT IS MOST important, however, is the impact the age issue is likely to have on Reagan's own campaign. Inevitably, he is going to be under pressures, real and imagined, to demonstrate his vigor and, by implication, that he is a good risk for the four-year haul. Indeed, Reagan already is spreading the word about his high marks from a physical examination, and his advisers are pointing out how many world leaders have flourished after 70.

The strategy is to "prove" through breakneck campaigning that Reagan is not handicapped by his years. John Sears, the astute professional who managed his 1976 campaign, compares the effort to the one in which he also was involved a decade ago to demonstrate that Richard Nixon was not a "loser" by winning a few early primaries.

There are, however, obvious limits to this analogy. A "loser" can become a "winner" simply by winning. But a 70-year-old man cannot become 60 no matter how many primaries he wins.

Curiously enough, Reagan himself seemed to have a more obvious age-related problem when he entered politics 13 years ago at 56 than he does today. In his first campaign for governor of California he had an obvious stamina problem — to the point that, after several testy confrontations with the press, a rest period was built into the middle of his daily campaign schedule.

More recently that has not been the case. On the contrary, three years ago he impressed reporters covering him in New Hampshire with his obvious stamina and ability to campaign long hours without flagging. That suggests that Reagan (1) learned to pace himself better, (2) found ways to conceal his nap time more skillfully or (3) both.

WHATEVER the facts, Reagan can be expected to be watched closely now by the press, the voters and the other candidates. And there will be a natural tendency to charge off any slip of the tongue, any display of testiness, any illness, to his age.

The voters see the presidency as a brutally demanding job. They are always talking about how a president has seemed to age in office. So Ronald Reagan's age will be inescapably an element in the judgments that are made about him as a candidate. The opinion polls already make it clear that Bruce Rounds is not an isolated example.

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# Reagan Moving To Strengthen Campaign Staff

Political Notebook

Although Ronald Reagan is rapidly bearing down on the Republican presidential nomination, his political operation has not been considered an artistic success by party professionals since John P. Sears was fired as campaign manager last February. But Reagan and his advisers apparently recognize some weaknesses and are making moves to strengthen the staff.

Sources in a position to know say that Reagan's agents have sounded out — unsuccessfully so far — at least two leading figures from the Gerald Ford campaign of 1976. They are Stuart Spencer, Ford's chief strategist, and William Timmons, who ran the Ford convention operation. Other professionals being sought for significant campaign posts reportedy include Drew Lewis, the former Republican chairman in Pennsylvania and Reagan's state chairman there this year, and Dick Richards, the party chairman in Utah.

Reagan operatives also sent out a feeler to Charles Black, who was campaign political director before being fired in the purge of Sears on the day of the New Hampshire primary. Black, however, is understood to be unwilling to return to the campaign as long as Ed Meese, a Los Angeles lawyer and longtime intimate of Reagan, remains as chief of staff. So that possibility remains slim.

There are also plans under way to bring another longtime ally of Reagan, Franklyn Nofziger, back into the campaign. Nofziger was squeezed out by Sears last year but is now running Citizens for the Republic, a political action group formed by Reagan, and giving the candidate some informal advice as well.

Two of the top young strategists on the Reagan staff, Roger Stone and Paul Manford, are now in business as consultants with Black but continuing to work for Reagan in that capacity.

One likely victim of the changes is Anderson Carter, who replaced Black as political director last winter. Campaign sources say that Carter ran afoul of the campaign hierarchy when he tried to minimize the Reagan effort in the Texas primary, which Reagan won unimpressively last week.

What is puzzling the professionals about the Reagan campaign is that he seems to misplace his priorities. For example, he spent several days campaigning in Indiana although Bush wasn't even computing with him there. But Reagan failed to pay a politically obligatory call on Gerald Ford after the former president decided against running in mid-March. Ford reportedly has not been amused at being ignored.

## The 'Canal Joke'

Before Senate Minority Leader Howard Baker endorsed Reagan recently, his political aides got agreement from Reagan on one thing — that anytime Baker appeared with him Reagan would not tell the "Panama Canal joke." Baker, as any redblooded Republican knows and isn't forgetting, supported the canal treaties, thereby rendering him unacceptable to the right wing as Reagan's running mate.

The joke goes something like this: A politician passes to his reward and on his arrival in heaven encounters Harry Truman. Truman asks to be brought up to date. "Well," the man says, "the Russians have combat troops in Cuba and have invaded Afghanistan, and the American Embassy in Tehran has been seized and all the Americans held hostage." Truman shakes his head in disbelief and then sighs. "For a while there," he says, "I was afraid you were going to tell me we gave away the Panama Canal."

Reagan, in a recent interview with the Wall Street Journal, said his running-mate's past views would be less important than his present ones. But that is little consolation for Baker because he is in disagreement with Reagan on a currently more important litmus issue — abortion. In the same interview, Reagan said "it would be hard for me to accept someone who disagrees with me on that issue." Reagan favors the proposed constitutional amendment to forbid abortions and Baker is against it.

## Anderson Gets Break

Rep. John Anderson has received an unexpected helping hand from the state courts in Texas in his effort to get on the ballot there for the fall election. And Texas Democrats for Jimmy Carter don't like it.

Anderson needs 46,000 signatures of independent voters by July 11 to get on the Texas ballot. The boost is a new state court ruling that individuals who voted in the May 3 Texas primary, which was only a "beauty contest" having nothing to do with delegate selection, may sign Anderson's petition.

The Carter Democrats obviously feel Anderson's presence on the ballot will seriously hurt the president's chance to beat Ronald Reagan, and that's why they're squawking.

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# 2 GOP Groups Using Loophole To Aid Reagan

By Jack W. Germond
Washington Star Political Editor

LOS ANGELES — Two disparate groups of Republicans are planning to exploit a loophole in the federal election law to spend as much as $18 million in behalf of Ronald Reagan in the general election campaign this fall.

These so-called "independent expenditures" would represent additional outlays of more than half the $29.4 million in federal funds to which each presidential candidate — presumably Reagan and President Carter — would be entitled this fall.

The operation with the greatest potential would appear to be one being put together by former officials of the Nixon and Ford administrations led by Peter Flanigan, a New York broker, and Thomas Reed, a prominent California Republican. The central group also is reported to include former Postmaster General Winton Blount and Gov. William Clements of Texas.

This committee is to be run by Stuart Spencer, the political consultant who directed Gerald Ford's campaign four years ago. John Deardourff, another leading Republican consultant who worked for Ford, also is understood to have agreed to work on the campaign.

And Robert Teeter, a premier Republican pollster who did Ford's surveys in 1976 and those for George Bush this year, has been sounded out about joining the operation but has not agreed to do so at this point.

According to sources in a position to know, the group is talking in terms of raising $12-15 million and spending it primarily for television advertising that would be both pro-Reagan and anti-Carter.

The second group, which is already in action, is the Fund for a Conservative Majority, whose chairman is Robert C. Heckman, executive director of the conservative Young Americans for Freedom.

The FCM campaign — known as "Citizens for Reagan in '80" — already has spent $550,000 for Reagan in the primary elections, largely through newspaper advertising and direct mail. It had set aside $100,000 to use for Reagan in California, but that is being held now for the general campaign.

Heckman says FCM is thinking in terms of raising at least $3 million and perhaps as much as $10 million and spending it almost exclusively on television and radio advertising.

Republican professionals familiar with advertising and these new committees say they have little doubt they can raise the ambitious amounts they are discussing. They point out that presidential candidates are not allowed to receive private contributions in the fall because they are financed with public money. This means, these professionals say, that there are legions of Republican contributors anxious to find an alternative way to help.

"Hell, I could raise $5 million right now," said one Republican strategist.

The operations are possible under a provision of the election law that allows unlimited spending in behalf of a candidate so long as it is truly "independent" of his own campaign — meaning, so long as there is no collusion between the independent spenders and the official campaign.

Toward that end the Spencer group is going to extreme lengths to keep its distance from the Reagan campaign. Recently, for example, Spencer told Richard Worthlin, a longtime friend and business associate, that they couldn't have another conversation until Nov. 4, the day after the election. Worthlin is Reagan's pollster and one of his leading strategists.

As a practical matter, however, there is no way to prevent the independent efforts from being what one Republican pol called "legal but de facto collusion." Spencer could decide, for example, to buy $2 million worth of advertising in New York and then simply announce that fact at a press conference. Reagan managers could then adjust their plans accordingly after they had read what Spencer intended to do.

Thus, the Reagan campaign would be able to conserve its own resources for the critical states. In addition to the $29.4 million in public money, the presidential candidates also can receive about $5 million each in help from their national party committees.

There is nothing new in independent expenditures by individuals. During the 1976 campaign, for instance, Joseph Coors, the wealthy and extremely conservative brewer, ran advertising in behalf of Reagan independent of the Reagan campaign. Earlier this year, several Texans supporting John B. Connally Jr. paid for advertising in his behalf.

What is different about the Spencer operation is that it amounts to a full-scale campaign — lacking nothing but a candidate — on a parallel track. It will include not only massive fund-raising but survey research to determine where and how the money can be most effectively used and the efforts of Deardourff and others to plan the strategy and prepare the media.

The planners of these enterprises depict them as an attempt to offset in Reagan's behalf the help any Democratic nominee can expect to receive from organized labor and the benefit Carter can enjoy as an incumbent. But the amounts that unions have been able to raise and spend effectively have never reached those envisioned by the Republicans. Nor have their operations been as thoroughly parallel to the main campaign.

Contributors to the separate committees are limited to gifts of $1,000 for committees supporting a single candidate and $5,000 for multi-candidate committees such as the Fund for a Conservative majority.

The Spencer operation also is serving as something a hiding place for prominent Republicans and party professionals — particularly backers of former President Ford — who are unwilling to join the Reagan campaign apparatus but are willing to make some contribution toward their goal of defeating Jimmy Carter. Spencer himself is a prime example because the Reagan managers have sounded him out several times about joining their staff.

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JACK W. GERMOND & JULES WITCOVER

# GOP Heavies Plan to Work Around Reagan

Republican heavyweights forming an "independent" committee to raise as much as $15 million to elect Ronald Reagan are acting in large part out of concern that the people running the campaign aren't up to the task, and out of a distinct desire by 1976 supporters of former President Gerald Ford to keep a discreet distance from Reagan.

It is for the first reason that they are planning to operate not merely to supplement the regular Reagan campaign but to be as much of a full-scale parallel campaign as possible without control, even or direct contact with the candidate. And proof of the second is that the group includes some of the heaviest donors in Ford's 1976 campaign, many of whom earlier reported hoping to work directly for the Reagan campaign.

The latest Ford associate to be approached by the independent committee and likely to sign on is Harry Dent, the former president's Southern coordinator last year and a former Nixon White House political chief. The group calls itself "Americans for Effective Presidency" and is to be run by Stuart Spencer, the highly regarded director of Ford's 1976 campaign, who himself was being aggressively recruited by the Reagan campaign when he decided to take the post with the independent committee.

Other old Ford associates already declared as involved or tentatively declared include former Nixon and Ford administration aides Peter Flanigan and Thomas Reed, the former President's [illegible] in Washington political consulting firm of Bailey and Deardourff, which did Ford's general election media campaign, and Robert Teeter of the firm who was Ford's 1976 pollster. Also attracted has been [illegible] Reagan's press secretary [illegible] and early this year until he was fired in the purge that led to campaign manager John P. Sears.

The group is one of at least four new committees being formed in the Reagan's presidential campaign. The independent is not the only campaign. The Supreme Court ruled in 1976 that qualified independent expenditures may be made in behalf of a candidate [illegible]

tion or consultation with the main campaign effort.

Of the four groups, only this one, to be run by Spencer, is said to have the unqualified or unofficial enthusiasm of the Reagan campaign. One ranking official expresses concern that some of the others — including one led by ultraconservative Sen. Jesse Helms of North Carolina and another by Sen. Harrison Schmitt of New Mexico — may prove to be "loose cannons" causing Reagan more trouble than help.

Ironically, the Spencer group is said to be acting in part out of concern that the main Reagan campaign itself has its share of "loose cannons" — interventionist ideologues who in their zeal for a rightwing tapestry of the White House might damage Reagan's chances in November.

It has been suggested that such independent committees can achieve a kind cooperation with the regular campaign simply by filling some functions left undone or by preempting some essential functions, like television advertising. But one Republican involved with the Spencer group's thinking says it will seek rather to superimpose its own comprehensive effort on top of the regular Reagan campaign.

That is, the group will produce media advertising, place it and pay for it and also run a complete press office that will seek free radio and television time and newspaper space by making prominent Republicans available for interviews.

To be sure the Spencer group [illegible] independent under Federal Election Commission regulations. [illegible] a Washington lawyer [illegible] who worked in the Ford administration, has been retained to [illegible] with the FEC [illegible] with the Reagan [illegible].

Spencer, who runs a political consulting firm in California, is expected to move to Washington after Labor Day to devote full time to the independent effort. He is to be joined by John F. Cook, a Ford campaign veteran and a Reaganite in 1976.

The Democrats are naturally worried about the appearance of such independent groups for the assurance they threaten to introduce into campaigning in behalf of Reagan and against Carter. Each major party candidate will get about $29.4 million in federal money under the election law and will be barred from raising any more to be spent in the public. But the independent groups can make a mockery of that provision. Money raised independently for Carter could be a potent counter, but without it is not enough to restore the balance.

[illegible] the independent committees are looking forward to [illegible] campaign laws are [illegible] being able to [illegible] without having to [illegible]

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**ALEXANDER, HERBERT E.**, polit. scientist; b. Waterbury, Conn., Dec. 21, 1927; s. Nathan and Pearl (Shub) A.; B.A., U. N.C., 1949; M.A., U. Conn., 1951; Ph.D., Yale, 1958; m. Nancy Frances Greenfield, Dec. 5, 1953; children—Michael David, Andrew Steven, Kenneth Bruce. Asso. dir. adminstrn. officer money in politics research project U. N.C. at Chapel Hill, 1954-55; instr. Princeton, 1956-58; dir. Citizens Research Found., Princeton, 1958—. Exec. dir. Pres.'s Com. on Campaign Costs, Washington, 1961-62; cons. Pres., 1962-64. House Adminstrn. Com., 1966-67. Comptroller Gen. U.S. and Office Fed. Elections at GAO, 1972-73. Senate Select Com. on Presidl. Campaign Activities, 1973—, vis. lectr. Princeton U., 1965, U. Pa., Phila., 1967-68, Yale, 1977; cons. N.J. Election Law Enforcement Comm., 1973—, N.Y. State, Ill. bds. elections, 1974—, others. Served with A.U.S., 1946-47. Mem. Am. Polit. Sci. Assn., Nat. Municipal League, Pi Sigma Alpha. Author: Studies in Money in Politics, vol. 1, 1965, vol. 2, 1970, vol. 3, 1974 (also editor); Money in Politics, 1972; Financing the 1972 Election, 1976; Financing Politics, 1976; [illegible] Campaign Money, 1976. Home: 152 Clover La. Princeton NJ 08540 Office: 245 Nassau St. Princeton NJ 08540

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**BLOUNT, WINTON MALCOLM**, constrn. and mfg. co. exec.; b. Union Springs, Ala., Feb. 1, 1921; s. Winton Malcolm and Clara B. (Chalker) B.; student U. Ala., 1939-41; L.H.D., Judson Coll., 1967; Dr. Humanities, Huntingdon Coll., 1969; LL.D., Birmingham-So. Coll., 1969; D.C.L., Southwestern U., 1969; D.Sc., U. Ala., 1971; D.Pub. Service, Seattle-Pacific Coll., 1971; m. Mary Katherine Archibald, Sept. 12, 1942; children—Winton Malcolm III, Thomas A., S. Roberta, Katherine Blount Miles. Joseph W. Pres., chmn. bd. Blount Bros. Corp., Montgomery, Ala., 1946-68; postmaster gen. U.S., Washington, 1969-71; chmn. exec. com. Blount, Inc., 197[illegible]—, chmn. bd., pres., 1974—; dir. Union Camp Corp., Munford Inc. Chmn. Ala. Citizens for Eisenhower, 1952; Southeastern dir. Nixon-Lodge, 1959-60. Bd. dirs. United Appeal Montgomery; bd. dirs. Montgomery YMCA, also life mem.; former trustee So. Research Inst.; trustee U. Ala., Southwestern U.; bd. visitors Air U., Maxwell AFB, 1971-73; mem. adv. council U.S. Army Aviation Mus., Ft. Rucker, Ala. Served with USAAF, 1942-45. Named one of 10 Outstanding Young Men Ala., 1956; Man of Year, Montgomery, 1961; recipient citation for distinguished service to City of Montgomery, 1966. Ct. Honor award Montgomery Exchange Club, 1969. Nat. Brotherhood award NCCJ, 1970; Silver Quill award Am. Bus. Press, 1971. Mem. Am. Mgmt. Assns. (trustee), Bus. Council, Conf. Bd., NAM (Golden Knight Mgmt. award Ala. Council 1962), U.S. (nat. pres. 1968), Ala. (pres. 1962-65) chambers commerce, Newcomen Soc. N.Am. Presbyn. (deacon), Rotarian. Home: Route 10 Box 43 Vaughn Rd. Montgomery AL 36116 Office: Blount Inc. Box 949 4520 Executive Park Montgomery AL 36102

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## 1977-1978
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**BOEHM, KENNETH FREDERICK** (R)

b. Philadelphia, Pa. May 24, [illegible] s. Oscar H. Boehm & Martha Bee B. [illegible] Pa. State Univ., BA, [illegible]; Delaware Law Sch., JD, [illegible]. Memb. Phil. & Chest. Bar. State chmn. Young Am. for Freedom, Pa. [illegible] nat dir. [illegible] nat pres. [illegible]; state chmn. Youth for Reagan, [illegible]; dep. Rep. Nat. Com. [illegible]; mem. exec. comm. Pa. Young Rep. [illegible]. Bus. & Prof. Pa. Talk show host, WWDB-FM, Philadelphia, Pa. [illegible]; asst. dist. attorney, Chester Co., [illegible]; Nat. Jur. DC Law Sch., [illegible]. Mil. Serv.: Entered as AA, Navy, [illegible]; released as [illegible]. Honors & Awards: Philadelphia Jr. Chess Champion, 69; Pa. Interstate Chess Champion, [illegible]; Legal Res., [illegible] Willow Ave. Hatboro, PA 19040. Mailing Add.: [illegible] Glengyle Dr. Vienna, VA [illegible]

## WHO'S WHO IN AMERICA
## 1980-1981
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**CLEMENTS, WILLIAM PERRY, JR.**, gov. of Tex.; b. Dallas, Apr. 13, 1917; s. William Perry and Evelyn (Cammack) C.; student So. Meth. U., D.H.L., 1974; m. Rita Crocker, Mar. 8, 1975; children by previous marriage—B. Gill, Nancy Seay. Chmn. bd., chief exec. officer, founder SEDCO, Inc., Dallas, 1947-73, 77; dep. sec. of Def., U.S. Dept. Def., Washington, 1973-77, now gov. State of Tex. Bd. trustees, bd. govs. So. Meth. U.; mem. nat. exec. bd. Boy Scouts Am., pres. South Central region, Boy Scouts Am. Recipient medal for disting. public service Dept. Def. Mem. Tex. Mid Continent Oil and Gas Assn., Am. Assn. Oil Well Drilling Contractors (past pres.), Tex. State Hist. Assn., Ind. Petroleum Assn. Am., Internat. Assn. Drilling Contractors, So. Govs. Assn., Nat. Govs. Assn. Republican. Episcopalian. Clubs: Chaparral, Chevy Chase, Brook Hollow Golf, Koon Kreek, Dallas Petroleum, Houston Petroleum, Garden of the Gods, T-Bar-M Racquet. Office: State Capitol Austin TX 78711

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**COOK, MARLOW WEBSTER** (R)

b July 27, 26; s Floyd T Cook & Mary Lee Webster C; m 1947 to Nancy E Remmers; c Christine, Caroline, Nancy, Mary Louise & Marlow Webster, Jr. Educ: Univ Louisville, Col Arts & Sci, 46-48; Univ Louisville Sch Law, LL.B, 50. Polit & Govt Pos: Ky State Rep, 57-61; co judge, Jefferson Co, Ky, 61-68; alt deleg, Rep Nat Conv, 68; deleg-at-lg, 72; US Sen, Ky, 68-75; co-chmn, 1973 US Senate Youth Prog, US Senate, formerly. Bus & Prof Pos: Attorney-at-law, Hottell & Stephenson, Louisville, 52-61. Mil Serv: Entered Submarine Serv, Atlantic & Pac Theaters, 45-46. Publ: The challenge of urbanization, Am Co Govt Mag, 9/68; New hope for corrections: the creation of a national institute, Ky Law J, 72. Mem: Ky State & Louisville Bar Asns; US Coast Guard Acad (bd overseers); Pikeville Col (bd trustees); Bank of Louisville (bd dirs). Honors & Awards: Ky Broadcasters Ass Man of Year, 70; Ass of Gen Contractors of Ky Man of the Year, 71; Nat Fede of Independent Businessmen Ky Man of the Year, 72; One of two Senators app by Pres of Senate to rep US at 15th Commonwealth Parliamentary Conf, Trinidad, 69; deleg, 11th Mex-US Interparliamentary Conf & 14th Can-US Interparliamentary Conf. Relig: Catholic. Mailing Add: 600 Federal Pl Louisville KY 40202

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**CURTIS, CARL THOMAS**, former U S senator; b Minden, Nebr., Mar 15, 1905; s Frank O and Alberta Mae (Smith) C; ed Neb Wesleyan U; m Lois Wylie-Atwater, June 6, 1931 (dec Sept 1970); children--Clara Mae (Mrs James A Hopkins) (dec), Carl Thomas, m 2d, Mildred Genoir Baker, Dec 1, 1972. Tchr Minden Schs; admitted to Nebr bar, 1930; practiced in Minden, county atty, 1931-34; mem 76th to 83d congresses from 1st Nebr dist; U S senator from Nebr, 1955-79. Mem Am Bar Assn, Nebr Bar Assn, Theta Chi Republican Presbyn Mason, Odd Fellow, Elk, Rotarian Home 5613 31st Pl Washington DC 20015 Office 1101 Connecticut Ave NW Washington DC 20036

WHO'S WHO IN GOVERNMENT
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**DENT, HARRY SHULER** (R)
b St Matthews, SC, Feb 21, 30; s Hampton Nathaniel Dent, Sr (deceased) & Sally Prichard D (deceased), m 1951 to Elizabeth Inez Francis; c Harry S, Jr, Dolly N, Virginia M & John R. Educ: Presby Col, SC, BA, cum laude, 51; George Washington Univ, LLB, 57; Georgetown Univ, LLM, 59; Blue Key; Phi Alpha Delta; Pi Kappa Alpha. Hon Degrees: LLD, Presby Col, SC; DPSc, Baptist Col Charleston. Polit & Govt Pos: Admin asst to US Sen Strom Thurmond, SC, 55-65; chmn, Thurmond Speaks for Goldwater Comt, 64; state chmn, SC Rep Party, 65-68; mgr, SC Rep State-Wide Campaign, 66; mgr, Thurmond Speaks for Nixon-Agnew Comt, 68; deleg, Rep Nat Conv, 68; Dep Counsel to the President of US, 68-69, Spec Counsel, 69-72; Gen Counsel, Rep Nat Comt, 73-74. Bus & Prof Pos: Formerly, Washington correspondent for several SC newspapers & radio sta; partner, Dent & Kennedy, 65-68; partner, Whaley, McCutchen, Blanton & Dent, Columbia, SC, 73-74; sr partner, Dent, Kirkland, Taylor & Wilson, currently. Mil Serv: Entered as 2nd Lt, Army, 51, released as 1st Lt, after serv in 24th Inf Div, Far East Command, 52-53. Maj, Army Res, currently. Mem: Freedoms Found, Valley Forge (bd trustees); SC Bar Assn. Honors & Awards: Outstanding Sr & Founder's Medal, Presby Col, SC & Distinguished Alumnus Award, 70; Distinguished Achievement Award, Pi Kappa Alpha, 70. Relig: Southern Baptist. Legal Res: 2030 Bermuda Hills Rd Columbia SC 29204 Mailing Add: Box 11300 Bankers Trust Tower Columbia SC 29211

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**DURENBERGER, DAVID FERDINAND,** U.S. senator; b. St. Cloud, Minn., Aug. 19, 1934; s. George G. and Isabelle M. (Cebulla) D.; B.A. cum laude in Polit. Sci., St. Johns U., 1955; J.D., U. Minn., 1959; m. Gilda Beth (Penny) Baran, Sept. 4, 1971; children by previous marriage—Charles, David, Michael, Daniel. Admitted to Minn. bar, 1959; mem. firm LeVander, Gillen, Miller & Durenberger, South St. Paul, 1959-66; exec. sec. to Gov. Harold LeVander, 1967-71; counsel for legal and community affairs, corporate sec. H.B. Fuller Co., St. Paul, 1971-78; mem. U.S. Senate from Minn., 1978—; Co-chmn. NAIA Football Bowl Playoff, 1963; div. chmn. United Fund of South St. Paul, 1965; chmn. citizens sect. Minn. Recreation and Park Assn., 1971-72; mem. South St. Paul Parks and Recreation Commn., 1971-72; chmn. Metro Council Open Space Adv. Bd., 1972-74; commr. Murphy-Hanrehan Park Bd., 1973-75; chmn. Save Open Space Now, 1974; Close-Up Found. Minn., 1975-76; Social Investment Task Force, Project Responsibility, 1974-76; Spl. Service div. St. Paul Area United Way, 1973-76; chmn. bd. commrs. Hennepin County Park Res. Dist., vice chmn. Met. Parks and Open Space Bd.; exec. vice chmn. Gov.'s Commn. on Arts; exec. dir. Minn. Consti. Study Commn.; Supreme Ct. Adv. Com. on Jud. Responsibility; pres. Burroughs Sch. PTA, Mpls.; chmn. Dakota County Young Republican League, 1963-64 (dir., legal counsel) Minn. Young Rep. League, 1964-65; co-chmn. State Young Rep. League Conv., 1965; del. State Rep. Conv., 1966, 68, 70, 72; first vice chmn. 13th Ward Mpls. Rep. Party, 1973-74; bd. dirs. Met. Parks Found., Pub. Service Options, Inc., St. Louis Park AAL Swim Club, Minn. Landmarks, 1971-73, Pub. Affairs Leadership and Mgmt. Trng., Inc., 1973-75, U. Minn. YMCA, 1973-75, Community Planning Orgn., Inc., St. Paul, 1973-76, Project Environment Found., 1974-75, Urban Lab., Inc., 1975, Nat. Recreation and Park Assn., Within the System, Inc., 1976—; trustee Children's Health Center and Hosp., Inc., Mpls.; mem. exec. com. Nat. Center for Vol. Action, Minn. Charities Rev. Council. Served as 2d lt. U.S. Army, 1955-56, as capt. Res., 1957-63. Named Outstanding Young Man in South St. Paul, 1964. One of Ten Outstanding Young Men in Minn., 1965. Mem. Am., Minn., 1st Dist. bar assns., Corp. Counsel Assn., St. Johns U. Alumni Assn. (pres. Twin Cities chpt., 1963-65, nat. pres. 1971-73), Mpls., St. Paul Area chambers commerce, Gamma Eta Gamma (chancellor 1958-59, v.p. Alumni Assn. 1965-75), Roman Catholic. Club: K.C. Home: 7732 Canal Ct McLean VA 22101. *I believe that faith in God gives meaning and purpose to human life. Each of us has God-given talents which are best used in service to humanity. We can go beyond those perceived abilities to reach seemingly impossible goals, so long as we believe we can each make a difference.*

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**EDWARDS, JAMES BURROWS,** former gov. S.C.; b. Hawthorne, Fla., June 24, 1927; s. O.M. Edwards; H.H.D., Francis Marion Coll., 1978; B.S., Coll. of Charleston (S.C.), 1950, Litt.D., 1975; D.M.D., U. Louisville, 1955; LL.D., U. S.C., 1975, Bob Jones U., 1976, The Citadel, 1977; m. Ann Norris Darlington, Sept. 1951; children—James Burrows, Catharine Edwards Darlington. Deck officer Alcoa S.S. Co., 1950-51; intern Grad. Med. Sch., U. Pa., 1957-58; oral surgery resident Henry Ford Hosp., Detroit, 1958-60; practice dentistry, specializing in oral surgery; gov. S.C., 1975-78; S.C. Dental Assn. rep. Gov.'s Statewide Com. for Comprehensive Health Care Planning, 1968-72; mem. Fed. Hosp. Council, 1969-73; chmn. subcom. nuclear energy Nat. Govs. Assn., 1978. Mem. Charleston council Navy League of U.S. Chmn., Charleston County Republican Com., 1964-69; del. Nat. Rep. Conv., 1968, 72, 76; chmn. First Congl. Dist. Rep. Com., 1970-71; chmn. Rep. Steering Com. for Charleston County; mem. S.C. Statewide Rep. Steering Com.; mem. S.C. Senate from Charleston-Georgetown Dist., 1972-74; bd. dirs. Coastal Carolina council Boy Scouts Am.; trustee Charleston County Hosp., Greater Charleston YMCA, Coll. Prep. Sch., Charleston, Baker Hosp. Served with U.S. Maritime Service, 1944-47; to lt. Dental Corps, USN, 1955-57, Res., 1957-67. Diplomate Am. Bd. Oral and Surgery. Fellow Am., Internat. colls. dentists; mem. Am. (del. ann. session 1972), S.C. dental assns., Charleston (pres. 1974—), Coastal Dist. (past pres.) dental socs., Chalmers J. Lyons Acad. Oral Surgery, Internat., Am., Southeastern, S.C. (past pres.) socs. oral surgeons, Brit. Assn. Oral Surgeons, Fedn. Dentaire Internationale. Oral Surgery Polit. Action Com. (founder, chmn., dir. 1971-73), Delta Sigma Delta, Pi Kappa Phi, Omicron Delta Kappa, Phi Delta. Club: Masons. Home: 100 Venning St. Mount Pleasant SC 29464 Office: 61 Gadsden St. Charleston SC 29401

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## WHO'S WHO IN POLITICS
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**HARMER, JOHN L**
b 1934, m to Carolyn J, seven. Educ: Univ Utah, grad; George Washington Univ, law degree. Polit & Govt Pos: Spec aide to US Sen Wallace Bennett, Utah, formerly; mem, Calif Rep State Cent Comt, formerly; Calif State Sen, 67-75, chmn, Senate Rep Caucus, 71-75, deleg, Rep Nat Conv, '72 & '76. Publ: We Dare Not Fail, Southwest Publ, 68; auth, Among the Living Are the Dead, Calif Ed Publ Co, 71. Mem: Nat Ass Mfrs (former pub affairs dir); San Fernando Valley Bus & Prof Ass (founder & former dir). Relig: Latter-day Saint. Mailing Add: 7125 J Bar B Dr Roseville CA 95678

## WHO'S WHO IN GOVERNMENT
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**HARMER, JOHN LOBEN**, state senator Cal; b. Salt Lake City, Apr 28, 1934; s Earl W and Mabel (Spencer) H; B.A., U. Utah, 1954; LL.B., George Washington U., 1962; m. Carolyn Jones, June 24, 1960; children—David, Matthew, Micah, Christopher, Elizabeth, Joseph, Jonathan. Spl. aide to Senator Wallace Bennett of Utah, Washington, 1957-59; with Bur. Land Mgmt., Interior Dept., 1960-61; program dir. Western states N.A.M., 1962-64; admitted to Cal. bar, 1963; partner firm Harmer & Crane, Glendale, 1965—; mem. Cal. Senate from 21st Dist., 1966—; chmn. Republican caucus, 1973-74; Lt. gov. Cal., 1974. Founder, 1st exec. dir. San Fernando Valley Bus. and Prof. Assn., 1963. Mem. Rep. Assn., Cal. Rep. Assembly, Rep. State Central Com. of Cal., United Reps. of Cal. Served with AUS, 1957. Mem. Canada-Cinnemia Jr. C. of C. (pres. 1967-71), Lambda Delta Sigma (pres. Alpha chpt. 1958-59). Kiwanian. Author: We Dare Not Fail, 1968; Among the Living Are the Dead, 1971. Home: 7125 J Bar B Dr Roseville CA 95678 Office: 555 Capitol Mall Sacramento CA 95814

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WHO'S WHO IN AMERICA
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**HELMS, JESSE.** U.S. senator; b. Monroe, N.C., Oct. 18, 1921; s. Jesse Alexander and Ethel Mae (Helms) H.; student Wingate (N.C.) Jr. Coll., Wake Forest Coll.; m. Dorothy Jane Coble, Oct. 31, 1942; children—Jane (Mrs. Charles R. Knox), Nancy (Mrs. John C. Stuart), Charles. City editor Raleigh (N.C.) Times 1941-42; news and program dir. WRAL Radio, Raleigh, 1948-51; administrv. asst. to U.S. senators Willis Smith and Alton Lennon, 1951-53; exec. dir. N.C. Bankers Assn., 1953-60; exec. v.p., vice chmn. Capitol Broadcasting Co., Raleigh, 1960-72; U.S. senator from N.C., 1973—, mem. Com. on Agr., Nutrition and Forestry, Com. on Fgn. Relations, Select Com. on Ethics, also asst. minority whip. Chmn. bd. Specialized Agri. Publs., Inc., Raleigh, 1964-72. Mem. Raleigh City Council, 1957-61, chmn. law and finance com. Bd. dirs. N.C. Cerebral Palsy Hosp., Durham, United Cerebral Palsy N.C., Wake County Cerebral Palsy and Rehab. Center, Raleigh, Camp Willow Run, Littleton, N.C.; former trustee Meredith Coll., John F. Campbell Coll., Wingate Coll., former trustee Kennedy Coll. Recipient Freedoms Found. award for best TV editorial, 1962, for newspaper article, 1973, So. Bapt. Nat. award for Service to mankind, 1972, Gold medal VFW, Conservative Congressional award, 1976; Liberty award Am. Econ. Council, 1978; Distinq. Public Service award Public Service Research Council, 1978; Watchdog of Treasury award; Guardian of Small Bus. award; named Man of Yr., Women for Constit. Govt., 1978; Legislator of Yr. award Nat. Rifle Assn., 1978, other awards. Served with USNR, 1942-45. Republican. Baptist (deacon). Clubs: Rotary (past pres. Raleigh), Raleigh Executives (past pres.). Masons (32 deg.). Home: 1313 Caswell St. Raleigh NC 27608 Office: Dirksen Senate Office Bldg Washington DC 20510

WHO'S WHO IN AMERICA
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**LAIRD, MELVIN R.,** former sec. of def.; b. Omaha, Sept. 1, 1922; s. Melvin R. and Helen (Connor) L.; B.A., Carleton Coll., 1942; m. Barbara Masters, children—John, Alison, David. Mem. Wis. Senate, 1946-52, chmn. Wis. Legis. Council; mem. 83d-90th Congresses, chmn. Rep. Conf., mem. Appropriations com., chmn. House Rep. Minority, mem. Rep. Coordinating com.; sec. of def., 1969-72; domestic adviser to Pres. Nixon, 1973-74; sr. counsellor nat. and internat. affairs Reader's Digest Assn., 1974—, dir. Chgo. Pneumatic Tool Co., Met. Life Ins. Co., Northwest Airlines, Communications Satellite Corp., Purolator Inc., Investors Group of Cos., Philips Petroleum Co. Bd. dirs. Thomas Jefferson Found., U. Va., World Rehab. Fund, Boys Clubs Am., Am. Film Inst., George Washington U., Wolf Trap Found. Performing Arts; trustee Kennedy Center; chmn. nat. def. project Am. Enterprise Inst., vice chmn. platform com. Rep. Nat. Conv., 1960, chmn., 1964. Decorated Order of Merit 1st

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**LUCE, CLARE BOOTHE**, playwright, former congresswoman, former ambassador; b. N.Y.C.; d. William F. and Ann (Snyder) Boothe; ed. St. Mary's, Garden City, L.I., N.Y., 1915-17, The Castle, Tarrytown, N.Y., 1917-19; Litt.D., Colby Coll., Fordham U., Mundelein Coll., LL.D., Temple U., Creighton U., Georgetown U., Seton Hall Coll., Mt. Holyoke Coll., Boston U., A.F.D., St. John's U.; m. George Tuttle Brokaw, Aug. 10, 1923 (div. 1929); m. 2d, Henry R. Luce, Nov. 23, 1935 (dec.). Asso. editor Vogue, 1930; asso. editor Vanity Fair, 1931-32, mng. editor, 1933-34; newspaper columnist, 1934; playwright 1935—; mem. 78th-79th Congresses from 4th Cong. Dist., 1943-47; U.S. ambassador to Italy, 1953-57. Mem. sci. adv. Def. Intelligence Agy.; adv. bd. Nat. Intelligence Study Center. Decorated knight Order of Grand Cross, Order of Lafayette, Dame of Malta; recipient Dag Hammarskjold medal, Laetare medal, Am. Statesman medal, Trinity award, Fourth Estate award, Internat. Achievement award, Sylvanus Thayer award. Mem. Acad. Polit. Sci., Am. Inst. Fgn. Trade, Am. Security Council (dir.), Am. Soc. Oceanography (dir.), Honolulu Acad. Arts (dir.), U.N. Assn. U.S.A. (dir.), U.S. Capitol Hist. Soc. (dir.), Am. Friends Captive Nations, Nat. Inst. Social Sci., Hawaii Found. Am. Freedoms, Former Members Congress, Nat. Fedn. Press Women, Internat. Platform Assn., Soc. for Arts, Religion and Contemporary Culture, Pan Am. Med. Assn., Nat. Com. U.S.-China Relations, Nat. Soc. Lit. and Arts. Republican. Roman Catholic. Club: Overseas Press. Author: Stuffed Shirts, 1933; Europe in the Spring, 1940; (plays) Abide with Me, 1937; The Women, 1937; Kiss the Boys Goodbye, 1938; Margin for Error, 1939; Child of The Morning, 1951; Slam the Door Softly, 1970; (movie) Come to the Stable, 1947; editor: Saints for Now, 1952; contbr. articles and fiction to mags. Home: 4559 Kahala Ave Honolulu HI 96816

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**WILLER, William Edward**, ex-congressman, b. [illegible] N.Y., Mar. 22, [illegible], s. Edward and [illegible] (Hoeck) W.; B.A., Notre Dame, 1935; LL.B., Union University, 1939; married to Stephanie Wagner, February 24, [illegible]; children—Elizabeth Ann, Mary, William Edward, Stephanie. Admitted to New York Bar, 1939; [illegible] Lockport, 1939-42; U.S. Commissioner Western Dist. N.Y., [illegible] 1942; appointed asst. dist. atty. Niagara County, N.Y., 1946; appointed dist. atty. by Gov. Dewey, 1948; elected dist. atty. Niagara County, 1949; mem. 82d Congress (1951-53), 42d New York District; member 83d-88th Congresses, 40th N.Y. Dist.; mem. judiciary com.; [illegible] Nat. Rep. Congressional Com., 1960-[illegible]; [illegible] Republican nominee for [illegible] of U.S. [illegible]. Served with A.U.S., M.I., 1942; selected for Officers Candidate Sch. Judge Advocate Gen. Br. Army, Ann Arbor, Mich., 1943; commd. 1st Lt.; assigned War Criminals Br. Judge Advocate Office, Washington; detached as asst. prosecutor Nazi War Criminals, Nuremberg, Germany, 1945-46. Awarded Bronze Cardigan Star for excellence in [illegible] work, 1974. Mem. C. of C. [illegible] Veterans Foreign Wars, Elks, Eagles, [illegible] Home: Lockport [illegible]

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MURPHY, GEORGE LLOYD R
b. New Haven, Conn. 7/4/02; s. Mike Murphy; m. 1926 to Julia Jackson M c. Dennis and Melissa (Mrs. Robert W. Ellis, III). Educ: Yale Univ. Polit. & Govt. Pos: Del. to four Rep. Nat. Conv. in charge of proc. '56 & '60; chmn. Calif. Rep. State Cent. Comt. '[illegible]-54; U.S. Sen. Calif, 64-71, mem. Senate Armed Serv. and Labor and Pub. Welfare Comts; chmn. Nat. Rep. Sen. Comt. 67-69. Mem: Past. pres, AFL-CIO affil. Screen Actors Guild, int. dirs. 15 years. Appeared in four Broadway Shows and 45 Motion Pictures; recognized by Army, Navy, Marine Corps, Air Force and Coast Guard for activities in entertainment during World War II; received awards and honors from U.S. Dept. of State, Am. Red Cross, Friendly Sons of St. Patrick, USO, Boy Scouts, Cancer Prev. Soc. and Univ. South. Calif; recieved first Nat. Award given by Nat. Conf. of Christians and Jews. Mailing Add: 807 N. Rodeo Dr, Beverly Hills, Calif. 90210.

**WHO'S WHO IN AMERICA**
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**REED, THOMAS CARE,** business exec.; b. N.Y.C., Mar. 1, 1934; s. Gordon W. and Naomi (Bradley) R.; B.S. in Mech. Engring., Cornell U., Ithaca, N.Y., 1956; M.S. in Elec. Engrng., U. So. Calif., 1959; m. Louise Jean Papenfus, June 12, 1956; children—Carolyn, Gordon, Andrew. Engaged in weapons physics Law Radiation Lab., U. Calif. at Livermore, 1959-62; cons., 1962-66; founder, mng. partner Supercon, Ltd., Houston, 1962-65; pres. Quaker Hill Devel. Corp., San Rafael, Calif., 1965—; dir. telecommunications and command and control systems Dept. Def., 1974-75; sec. of the air force, 1976-77. Del. Rep. Nat. Conv., 1968, 72; mem. Rep. Nat. Com. for Calif., 1968-72. Served to 1st lt. USAF, 1956-59. Mem. Alpha Delta Phi, Tau Beta Pi. Clubs: St. Francis Yacht, Pacific Union (San Francisco); Ramada (Houston), Metropolitan (Washington). Home: Alexandria VA Office: Quaker Hill Devel Corp 530 D St San Raphael CA 94901

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**ROMNEY, GEORGE,** former govt. ofcl., orga. exec.; b. Chihuahua, Mex., July 8, 1907; s. Gaskell and Anna (Pratt) R.; student Latter Day Saints High Sch. and Jr. Coll., U. Utah, 1929. George Washington U., 1929-30; m. Lenore LaFount, July 2, 1931; children—Lynn (Mrs. Loren G. Keenan), Jane (Mrs. Bruce H. Robinson), Scott, Willard Mitt. Missionary, Scotland and England, 1927-28; tariff specialist for U.S. Senator David I. Walsh, 1929-30; apprentice Aluminum Co. Am., 1930, salesman, Los Angeles, 1931; Washington rep. Aluminum Co. Am., also Aluminum Wares Assn., 1932-38; Detroit mgr. Automobile Mfrs. Assn., 1939-41, gen. mgr. assn., 1942-48; v.p. Nash-Kelvinator Corp., 1950-53, exec. v.p., 1953-54, dir., 1953-54; pres., chmn. bd., gen. mgr. Am. Motors Corp., 1954-62, vice chmn., dir. (on leave), until 1962; gov. Mich., 1963-69; sec. HUD, 1969-72; chmn., chief exec. officer Nat. Center Vol. Action, 1973-79; chmn. Volunteer: Nat. Center Citizen Involvement, 1979—; U.S. employer delegate to Metal Trades Industry Confs., 1946-49; mng. dir. Automotive Council War Prodn., 1942-45; chmn. Citizens for Mich., 1959-62; mgmt. mem. War Manpower Commn., Labor-Mgmt. Commn., Detroit area, also pres. Washington Trade Assn. Execs., 1937-38; pres. Detroit Trade Assn., 1941; dir. Am. Trade Assn. Execs., 1944-47; mng. dir. Nat. Auto. Golden Jubilee Com., 1946. Past mem. bd. dirs. NCCJ, United Found., Cranbrook Sch. Named A.P. Industry Man of Year, 1958-61. Past pres. Detroit Stake Ch. Jesus Christ of Latter-Day Saints, now regional rep. Clubs: Athletic, Detroit (Detroit), Burning Tree (Washington); Bloomfield Hills Country. Home: East Valley Rd Bloomfield Hills MI 48013

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**SCHMITT, HARRISON HAGAN,** U.S. senator; b. Santa Rita, N.Mex., July 3, 1935; s. Harrison A. and Ethel (Hagan) S.; B.A., Calif. Inst. Tech., 1957; postgrad. (Fulbright fellow) U. Oslo, 1957-58; Ph.D. (NSF fellow), Harvard U., 1964. Geologist U.S. Geol. Survey, 1964-65; astronaut NASA from 1965, lunar module pilot Apollo 17, Dec. 1972; spl. asst. to administr., 1974; asst. administr. Office Energy Programs, 1974; mem. U.S. Senate from N.Mex. Recipient MSC Superior Achievement award, 1970. Disting. Service medal NASA, 1973. Office: 248 Russell Senate Office Bldg Washington DC 20510

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# Financing the 1976 Election

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ditures implies a limitation on an individual's or group's right of freedom of expression; on the other hand, such spending can render meaningless any attempt to place limits on campaign contributions and expenditures.

The 1974 Amendments established a $1,000 limit on personal or independent expenditures. In *Buckley v. Valeo*, the Supreme Court decided this ceiling was unconstitutional, but only if the spending was truly independent.[21] The ruling stated that if independent expenditures were not coordinated with the candidate or his campaign organization nor consented to by the candidate or his agent, there could be no upper limit. The 1976 Amendments wrote into law the Court's interpretation. Expenditures that did not meet this strict criterion could be limited to the $1,000 contribution limit.

During and subsequent to the 1976 campaign, the Federal Election Commission issued a series of rulings with respect to independent contributions and expenditures. A number of these rulings were in response to complaints involving specific campaign organizations. As expected, the subject proved very complex.

On February 10, 1976, the commission approved a policy statement concerning application of the Act to the presidential delegate selection process. It required the filing of reports by:[22]

1. An unauthorized delegate spending more than $100 for campaign communications that expressly advocate the election or defeat of a clearly identified candidate, not including costs for travel and subsistence. (An unauthorized delegate whose expenditures do not expressly advocate the election or defeat of a clearly identified candidate is not required to report.)
2. A person who contributes more than $100 in a calendar year to one or more unauthorized delegates.

In April 1976 FEC Counsel John Murphy warned the Wallace campaign that it could not close its field headquarters offices and then reopen them at the local coordinator's expense as an independent expenditure. The Wallace staff had planned to continue to use campaign materials from its national headquarters in these local offices and Murphy said that such actions could involve the inference that the local offices were operating with Wallace's cooperation or his consent.[23]

The following month the FEC issued a policy statement (which also was included in proposed regulations submitted to Congress) stating that groups making independent expenditures could not accept more than $5,000 a year from any individual contributor. Although the statement did not [illegible] which groups the commission had in mind, the

up to $25,000 on behalf of Ronald Reagan's candidacy; $25,000 represented an individual's calendar year limit for contributions to federal candidates.

In June 1976 the FEC defined a candidate's agent as any person with express or implied oral or written authority to make or to authorize the making of expenditures on behalf of a candidate, or any person within the campaign organization who appears to have such authority.[24]

On September 30, 1976, the FEC issued another policy statement. It declared that contributions to political committees making independent expenditures were subject to the same limits as were contributions to candidates and candidate authorized committees. A $5,000-a-year contribution limit applied to contributions to committees making independent expenditures in support of more than one candidate. Contributions to political committees supporting only one candidate were limited to $1,000. Furthermore, the limits of $1,000 (or $5,000) per contribution were to apply to all contributions combined by a donor supporting a given candidate, including contributions to the candidate, to the candidate's authorized committees, and to unauthorized independent expenditure committees. The FEC noted that individuals still could make unlimited independent expenditures on their own in support of a candidate.[25]

This ruling was similar to one issued by the FEC during the spring but differed in one respect. Such donations no longer were considered contributions to the candidate but rather contributions to a political committee not authorized by the presidential candidate.[26] This change prevented the presidential nominees from being judged to have violated the ban on accepting contributions from private donors during the general election. In any case, the commission's ruling eliminated the large sums that independent committees traditionally have relied on for seed money.

Important contributors to previous presidential campaigns reacted in different ways to the limits on direct contributions and to the Supreme Court's ruling allowing unlimited independent expenditures. Lew Wasserman, head of MCA, said he did not know enough about politics to make intelligent decisions about spending funds to aid candidates he favored, and that he therefore was not going to make independent contributions. Others, however, were willing to make independent contributions.

In New Hampshire, Richard A. Viguerie, a prominent Virginia mail order fund-raiser for conservative candidates and causes, used $35,000 of his own money to have a four-page letter included in the Sunday preprimary edition of each of the state's 10 daily newspapers. The letter [illegible] John B. Connally's name in [illegible] Democratic

primary. The effort, as noted elsewhere, had little impact on the outcome of the Granite State's primary.

In general, the campaign managers of the major candidates were wary of such expenditures. John Michels, the New Hampshire manager of Ford's campaign, said he knew of no independent expenditures on behalf of the president and added, "I prefer not to know." Morris Udall's coordinator in the state, David Evans, said he did not want any such expenditures on behalf of his candidate because they "would violate the spirit of the campaign reform that he's been fighting for."[27]

**Reagan in Texas.** Most independent expenditures were made on behalf of Republicans. The American Conservative Union (ACU), the biggest spender during the campaign, paid for radio commercials and newspaper advertisements in at least nine states to help nominate Ronald Reagan. In Texas the ACU spent $33,000, approximately one-fifth of Reagan's ad campaign in that state.

The individual who made the largest independent expenditure was Henry Grover, a former Texas Republican gubernatorial candidate. Grover spent $63,000 to help Reagan. In newspaper ads he paid for, Grover appealed to Wallace Democrats to cross over and vote for Reagan. He pointed out that Wallace was no longer effectively in the Democratic race and that voters could still choose a Democrat in November if they wanted to. Another major contributor to the Reagan cause was Joseph Coors, the brewery owner. Coors spent more than $20,000 for full-page advertisements in eight Florida newspapers and another $11,000 to influence the Texas primary. In the Lone Star state the money was used to broadcast a one-minute commercial that criticized Secretary of State Kissinger and his position on the Panama Canal. Although the Ford camp considered the commercial ineffective and unfair, Reagan won the primary.

The sizable independent effort made on behalf of Reagan in Texas prompted a complaint from the Ford camp. In April the President Ford Committee wrote to the Citizens for Reagan organization challenging the activities of the Texas Citizens for Reagan Committee and the Delegates for Reagan. The Ford campaign charged that, despite the explicit provisions of the FEC's proposed regulations, Delegates for Reagan, a Texas group, was not independent of the official Reagan effort in that state as claimed, but was actually tied to the official Reagan Texas campaign. The letter noted that more than 20 of the allegedly unauthorized delegate candidates pledged to Reagan were members of the official Texas Citizens for Reagan Committee. In addition, the two groups apparently shared offices and facilities in several Texas cities and had engaged in joint fund-raising efforts. The president's supporters argued that the expenditures made by the so-called independent group

should be charged to the Reagan totals, and that individuals who previously had given $1,000 to the Citizens for Reagan would be violating the law if they made additional contributions to such authorized delegates or to the group.[28]

The Reagan camp responded that the Ford committee's complaint was simply a political ploy. The Reagan forces said they had decided not to authorize delegate candidates financially. They noted, however, that the FEC had indicated its acceptance of a degree of political coordination by deleting from the delegate statement of February 10 a provision requiring campaign officials running as delegates to run as authorized delegates.[29]

Independent expenditures on Reagan's behalf were widespread and their "independence" was often questioned. In fact, in March 1977 the FEC began a full-scale investigation into the legality of more than $150,000 in expenditures by the ACU and the Conservative Victory Fund (CVF). Reports filed by these two committees and by Reagan's own committee indicated that several ACU staff members worked for and were paid by the Reagan committee at the same time that the ACU was engaged in a vigorous, supposedly independent public campaign supporting the Reagan candidacy.[30]

Officials from both the ACU and CVF claimed that their expenditures were not coordinated with the Reagan campaign and that those individuals with overlapping memberships were deliberately excluded from any participation in or knowledge of the expenditures. In a letter to the FEC, John R. Bolton, the attorney representing ACU and CVF, stated that as a matter of policy it was decided that all contributions to Citizens for Reagan would be made through CVF and that ACU would engage in an independent campaign effort. Moreover, the contributions made through CVF were to take the form of reimbursed expenses for persons who volunteered to work for Citizens for Reagan. The letter went on to say that no such reimbursements were made to any persons who had any decision-making role in ACU's independent effort.[31]

Apparently, the FEC could not prove otherwise. In December 1977 the commission voted to close its investigation. Neil Staebler, the one dissenter, took strong exception to the decision:[32]

> The record indicates that ACU personnel, by virtue of their active, widespread involvement in the Reagan campaign inevitably acquired from the candidate's agents material information about the campaign's plans, projects and needs, that the information was acquired at a time when the two organizations were working consciously toward the same goals, and that ACU expenditures paralleling and complementing the Reagan campaign's efforts

Staebler also commented on what he thought to be the larger implications of the decision:[33]

> There will always be temptation for an administrative body to avoid battles difficult to win and a general sentiment not to pursue a defeated candidate and his supporters. I fear the impression left [by the 5-1 vote] may be that if a committee is brazen enough and massive enough in its violations and sophisticated enough in its operations, the law will somehow not be applied.

**Aid to Other Candidates.** Ronald Reagan was not the only Republican candidate to receive substantial support from independent contributors. Gerald Ford was praised in advertisements placed in Ohio and Michigan newspapers and on radio commercials in Ohio that were paid for by the Friends of the First Family. The group, composed of Washington lobbyists and home-town associates of the president, spent $33,000 during the primaries.[34] Because both Ford and Reagan were short of funds during the late primaries, these expenditures undoubtedly helped their campaigns.

One effort to undertake independent expenditures in the California primary was aborted when the large network-owned television stations in Los Angeles and San Francisco refused to sell time to a wealthy person who wanted to buy spot announcements on behalf of Jimmy Carter. Since a campaign of independent expenditures would be most effective on television, and would be futile if not on major stations, the possibility was abandoned. Communications lawyers advised that litigation to force stations to sell time might be successful but would be lengthy, expensive, and would not be resolved in time to be effective before the primary date. Under the law and current practice, and with some exceptions, stations are required to sell time to candidates. But neither the law nor the fairness doctrine require selling time for controversial issues, and accordingly, stations can refuse to sell certain political advertising. The California licensees approached in this case did refuse and the individual did not pursue the course of litigation. On constitutional grounds, given the *Buckley* decision regarding independent expenditures, some lawyers believe a case can be made to compel sales of broadcast time if it can be shown that television is the most effective way to speak independently to large audiences.

In contrast to the primaries, relatively few independent expenditures were made during the general election. The reasons for the decline included the contributors' fear of publicity, the lack of a centralized effort, and belief that the election laws would be strictly enforced. Moreover, independent expenditures were not welcomed by the candidates. [illegible]

ing the general election in the belief that they involved political, financial, and legal risks.[6] In theory, if such expenditures were ever declared not independent, someone not connected with the central campaign might have determined how the candidate would spend part of his budget.

*FEC Disclosure No. 3*

On March 23, 1977, the FEC issued a disclosure report covering independent expenditures, unauthorized delegates, and their committees' receipts and expenditures for the period January 1, 1975, through February 28, 1977.[7] The index does not include independent expenditures made by nonparty-related political action committees or unauthorized single-candidate committees.

According to the FEC's data, individuals and groups spent a total of $454,128 in independent expenditures (Table 9-1). The largest individual expenditure, $63,000, was made by a Reagan ally in Texas, as noted above. The 15 largest spenders accounted for approximately two-thirds of all independent expenditures (Table 9-2).

**Table 9-1**
**Summary Statistics of Independent Expenditures and Unauthorized Delegates, 1976 Election**

| | | | |
|---|---|---|---|
| Independent expenditures: (147)[a] | | Delegates: (251) | |
| Total receipts | $ 4,201.00[b] | Total receipts | $ 33,934.00 |
| Total expenditures | 454,128.00 | Total expenditures | 121,[illegible] |
| Average receipt | 28.58 | Average receipt | 135.[illegible] |
| Average expenditure | 3,088.31 | Average expenditure | 129.[illegible] |
| Largest independent expenditure (Henry C. Grover Reagan) | 63,000.00 | | |
| | | Delegate Committees: (38) | |
| | | Total committee receipts | $86,462.00 |
| Contributors: (61) | | Total committee expenditures | 296,613.00 |
| Total amount contributed | $ 33,710.00 | Average committee receipt | 8,[illegible] |
| Average | 552.62 | Average committee expenditure | 7,779.[illegible] |
| Largest contribution (Ellen C. Garwood Reagan Delegate Committee) | 3,136.00 | | |

[a] Includes two groups of individuals that reported as a committee.
[b] Includes funds from outside contributors and some personal funds, however, many persons did report personal funds as a receipt but only as an expenditure.

SOURCE: Federal Election Commission, *FEC Disclosure Series 6, Index of Independent Expenditures, Part 1: Independent and Unauthorized Committees* [illegible]

**Table 9-2**
**The Largest 'Independent Expenditures' Reported by Individuals in 1976**

| Person | Candidate | Amount |
|---|---|---|
| 1. Henry C. Grover | Ronald Reagan | $63,000 |
| 2. Joseph Coors | Ronald Reagan | 33,782 |
| 3. Milton Shapp | Jimmy Carter, Walter Mondale, William Green and "Democratic Congressional Candidates" | 28,001 |
| 4. Edward Downe, Jr. | Jerry Litton | 26,820 |
| 5. Stewart Mott | Unlisted | 20,051 |
| 6. Raymond Donovan | James Buckley | 18,836 |
| 7. Richard Kughn | Gerald Ford | 18,625 |
| 8. Norton Simon | Gerald Ford | 17,307 |
| 9. Howard Pack | Elmo Zumwalt | 15,000 |
| 10. Russell Knott | Gerald Ford | 14,347 |
| 11. Warren Mansbell | Frank Church | 11,998 |
| 12. Edward Downe, Jr. | Frank Church | 11,998 |
| 13. Ted B. Brown | Gerald Ford | 11,428 |
| 14. Fred Hearn | Gerald Ford | 9,349 |
| 15. Walter Knott | Ronald Reagan | 9,250 |

SOURCE: Federal Election Commission, "FEC Releases Index of Independent Expenditures," press release, March 23, 1977, p. 2.

Of the total spent, $373,993 (82 percent) could be identified as expenditures in support of or in opposition to 43 federal candidates in the 1976 election. Of this amount, $364,823 was spent in support of 43 candidates and $9,170 was spent against the two major-party presidential candidates.[37] Of the sums spent in behalf of federal candidates, 123 individuals and groups reported outlays of $267,686 (73 percent) for presidential candidates, $44,385 (13 percent) for senatorial candidates, and $52,752 (14 percent) for House candidates.[38]

In the presidential contest, more than four out of every five independent dollars were spent on the Republican side, with Reagan receiving slightly more assistance than Ford. More independent expenditures were made on behalf of Frank Church than any other Democratic candidate, but his total came to less than one-quarter of the independent expenditures of Reagan or Ford (Table 9-3).

The FEC report also disclosed that $115,968 was spent by unauthorized delegates and delegate committees. Of this amount, two-thirds ($277,16[illegible]) could be identified with specific candidates, with 65 percent spent on [illegible]'s behalf and [illegible] percent for [illegible].[39]

**Table 9-3**
**Independent Expenditures for 1976 Presidential Candidates**

| Candidate | Amount Spent | Percent of Total |
|---|---|---|
| Ronald Reagan | $115,987 | 43 |
| Gerald Ford | 108,214[a] | 40 |
| Frank Church | 21,212 | 9 |
| Jimmy Carter | 17,091[b] | 6 |
| Morris Udall | 675 | 1 |
| Jerry Brown | 630 | 1 |
| Milton Shapp | 448 | |
| George Wallace | 445 | |
| Henry Jackson | 14 | |
| Total | $267,696[c] | |

[a]Figure does not include a $650 expenditure made in opposition to Ford.
[b]Figure does not include a $8,520 expenditure made in opposition to Carter.
[c]Total does not include expenditures made in opposition to a candidate.

SOURCE: Federal Election Commission, "FEC Releases Index of Independent Ex tures," press release, March 23, 1977, p. 1.

### *1977-78 Independent Expenditures*

On November 3, 1978, the FEC released a report on independ expenditures made on behalf of or against U.S. House and Sen candidates during the 1977-78 election cycle.[40] The report covered Senate and 51 House candidates and was complete through October 1978. During this period $104,901 was spent independently to influe federal elections. The top 10 candidates for or against whom the m money was spent along with the top 10 contributing political commit are listed in Table 9-4.

### *Sources of Funds Survey Data*

Since 1952 two of the country's major public opinion resea organizations have asked questions about political contributions of tional samples of voters. In 1976 the Survey Research Center (SR found that 8.6 percent of the adult population had given money to political party or made some other political contribution; the Gall Poll found that 8 percent had done so. Applying th percentages to t adult population of the United States [illegible]

**Table 9-4**
**1977-78 Independent Expenditures***

Ten candidates for or against whom the most money was spent:

| Candidate | Office/State | For | Against | Total |
|---|---|---|---|---|
| Lane Denton (D) | House Texas-11 | $ – | $9,795 | $9,795 |
| Thomas S. Foley (D) | House Wash.-5 | – | 6,675 | 6,675 |
| Ron Faucheux (D) | House La.-1 | 6,076 | | 6,076 |
| Donald M. Fraser (DFL) | Senate Minn. | 183 | 5,765 | 5,948 |
| Sam Nunn (D) | Senate Ga. | 5,470 | – | 5,470 |
| Abner J. Mikva (D) | House Ill.-10 | – | 4,825 | 4,825 |
| Marvin Leath (D) | House Texas-11 | 4,454 | – | 4,454 |
| Walter D. Huddleston (D) | Senate Ky. | | 3,682 | 3,682 |
| Robert E. Short (DFL) | Senate Minn. | 3,156 | – | 3,156 |
| Bill Frenzel (R) | House Minn.-3 | 3,118 | – | 3,118 |

Ten political committees that have reported the greatest dollar amounts in independent expenditures.

| Committee | For | Against | Total |
|---|---|---|---|
| American Medical PAC | $42,359 | $ – | $42,359 |
| National Conservative PAC | 616 | 9,729 | 10,345 |
| 5th District Political Research Committee | – | 6,675 | 6,675 |
| Plaquemines Campaign Fund — Faucheux | 6,076 | – | 6,076 |
| NRA Political Victory Fund | – | 4,825 | 4,825 |
| Brown Committee for Marvin Leath | 4,454 | – | 4,454 |
| Minnesota Gun Owners' Political Victory Fund | – | 4,072 | 4,072 |
| Cook County Concerned Citizens | – | 1,693 | 1,693 |
| Conservative Caucus 2nd CD of South Dakota | 1,505 | – | 1,505 |
| Our United Republic PAC | 1,178 | – | 1,178 |

*Figures are complete through October 10, 1978.

SOURCE: FEC Press Release, November 3, 1978.

individuals who said they made a contribution at some level to some campaign; the Gallup results yielded 11.7 million voters.

Broken down by party, 3.9 percent of the SRC respondents said they had contributed to Republicans, and 3.5 percent to Democrats. Another 0.6 percent gave to both Republicans and Democrats, 0.4 percent to other parties, and 0.3 percent did not know. Of the Gallup respondents, 3 percent said they had given to Republicans, 3 percent to Democrats, 1 percent to another party, and 1 percent responded Do Not Know or No Answer.

Table 9-5 shows the percentages of the adult population solicited for and making political contributions since 1952, as shown by both the

SRC and Gallup polls. These percentages translate into the approximate number of individuals making contributions, as follows:

| | |
|---|---|
| 3 million in 1952 | 12 million in 1944 |
| 8 million in 1956 | 8.7 million in 1968 |
| 10 million in 1960 | 11.7 million in 1972 |
| | 12.2 million in 1976 |

The percentage of adults making political contributions in 1976, as Table 9-5 shows, was lower than in any presidential election year since the polls began with the exception of the first year, 1952. This drop

**Table 9-5**
**Percentage of National Adult Population Solicited and Making Political Contributions, 1952-76.**

| Year | Polling Organization | Solicited by: Rep. | Dem. | Total[a] | Contributed to: Rep. | Dem. | Total[a] |
|---|---|---|---|---|---|---|---|
| 1952 | SRC | | | | 3 | 1 | 4 |
| 1956 | Gallup | 8 | 11 | 19 | 3 | 6 | 9 |
| 1956 | SRC | | | | 5 | 5 | 10 |
| 1960 | Gallup | 9 | 8 | 15 | 4 | 4 | 9 |
| 1960 | Gallup | | | | | | 12 |
| 1960 | SRC | | | | 7 | 4 | 11 |
| 1964 | Gallup | | | | 6 | 4 | 12 |
| 1964 | SRC | 8 | 4 | 15 | 6 | 4 | 11 |
| 1968 | SRC | 9 | 7 | 23[b] | 4 | 4 | 9[c] |
| 1972 | SRC | | | | 4 | 5 | 10[d] |
| 1974 | SRC | | | | 3 | 3 | 8[e] |
| 1976 | Gallup | | | | 3 | 3 | 8[f] |
| 1976 | SRC | | | | 4 | 4 | 9[g] |

[a]The total percentage may add to a total different from the total of Democrats and Republicans because of individuals solicited by or contributing to both major parties, other parties, nonparty groups or combinations of these.
[b]Includes 4 percent who were solicited by both major parties and 1.4 percent who were solicited by Wallace's American Independent Party (AIP).
[c]Includes .7 percent who contributed to Wallace's AIP.
[d]Includes contributors to American Independent Party.
[e]Includes .7 percent who contributed to both parties, and .8 percent who contributed to minor parties.
[f]Includes 1 percent to another party and 1 percent Do Not Know or No Answer.
[g]Republican and Democratic figures are rounded. The total includes .6 percent who gave to both parties, .4 percent to other, and .3 percent Do Not Know.

SOURCE: Survey Research Center (SRC), University of Michigan; data direct from center or from Angus Campbell, Philip E. Converse, Warren E. Miller, Donald E. Stokes, *The American Voter* (New York: John Wiley and Sons, 1960), p. 91. Gallup data direct or from Roper Opinion Research Center, Williams College, and from [illegible] American Institute of [illegible]

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# THE PERMANENT CAMPAIGN

## Inside the World of Elite Political Operatives

SIDNEY BLUMENTHAL

Beacon Press ☆ Boston

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CHAPTER EIGHT

# CALIFORNIA DREAMS

STUART SPENCER

"Who are you voting for, Mother?" asked an inquiring reporter of a little old lady knitting in a rocking chair.

"I'm voting for the Republican, Frank Merriam," she answered, "because this little home may not be much, but it is all I have in this world. I love my home and I want to protect it."

Next, the reporter approached a bedraggled, bearded man in a mangy overcoat. "I am voting for Seen-clair," he replied in a stilted foreign accent. "His system vorked vell in Russia, so vy can't it vork here?"

This political spot, produced in 1934, was part of an elaborate smear campaign against socialist writer Upton Sinclair, who was running for governor of California as a Democrat. It was also part of the most sophisticated multimedia campaign of its day, a landmark in the development of the political consultant.

savvy to the candidate. That's still his forte. Spencer is not the David Garth type, really putting most of his weight into television. Stu is much more of a pure consultant. He works out the political strategy."

Spencer began his career as recreation director for the town of Alhambra, California. He was active in the Young Republicans, and through that connection was drawn into the larger world of politics. He understood, before almost everyone else, the application of computers to political analysis. His firm founded its own computer division, Datamatics, devoted to the analysis of election districts. Once the data was programmed, the results could be forecast more scientifically. Spencer modernized ancient necessities of politics: identifying voters, reaching them with the message, and bringing them to the polls. In California, a state without political machines, Spencer's use of software machines was a signal advance, later copied everywhere, as the old ways disappeared. Spencer calls his method "prioritizing precincts." It is an [illegible] game, by a different name, by a different means.

When Ronald Reagan's wealthy friends, interested in promoting his candidacy for governor, wanted professional advice, Barry Goldwater suggested Spencer and Roberts, confiding that he wouldn't run another California race without them. The firm was sounded out. After the Goldwater debacle, Spencer and Roberts didn't believe that an extreme right-wing candidate could win the governorship. If Reagan wanted them as his managers he would have to agree to moderate his tone and work with liberal Republicans. Reagan agreed: immediately he lowered his decibel level. Roberts noted that he was "a reasonable guy with a sense of humor who didn't take himself too seriously."

Without Spencer and Roberts, Reagan might never have become a serious politician. He understood what he had to do in order to be a contender. His willingness to be cast as a player in a script showed his professionalism. He knew that mass entertainment was a collaboration of technicians. More, Ronald Reagan longed

throughout his career for the image of a leading man. Politics offered what the movies had denied him.

Reagan's first job was to fabricate baseball games. As a sportscaster for WHO radio in Des Moines, Iowa, in the mid-1930's, Reagan had to translate terse, telegraphed descriptions of Chicago Cubs and White Sox games into exciting play-by-play action. Reagan would be wired only that a batter got a hit, with no mention of balls or strikes or bobbled catches. It was his job to fill in these details and to create a sense of live coverage. Reagan perfected his speaking voice. Then, through a series of fortuitous circumstances, he was signed to a movie contract with Warner Brothers.

As an actor he had a certain kind of self-consciousness that manifested itself in external physical control. "It has taken me many years to get used to seeing myself as others see me," he wrote in his autobiography, *Where's the Rest of Me?*, which is titled after his most famous movie line, uttered when he woke up from an operation in which his legs had been amputated by a villainous doctor. "Very few of us ever see ourselves except as we look directly at ourselves in a mirror. Thus we don't know how we look from behind, from the side, walking, standing, moving normally through a room. It is quite a jolt."

Reagan presents the growth of his political views as a process of enlightenment. Originally a "bleeding heart liberal," by his own account, he saw the light and became a conservative. Actually, Reagan had never been much of a liberal, although he had been a Democrat and president of the Screen Actors Guild, in which capacity he testified as a friendly witness before the House Un-American Activities Committee (HUAC) during its 1947 hunt for Communists supposedly subverting Hollywood. When ten screenwriters and directors — the Hollywood 10 — refused to testify before HUAC and were cited for contempt and sentenced to prison terms, Reagan publicly supported their blacklisting by the industry. His position wasn't on the far right, however. There

were others — like dapper Adolph Menjou who proudly declared himself a "red baiter" and "witch hunter" — who claimed that honor. Given the spectrum of opinion, Reagan was just a trifle right of center.

His patriotism, however, didn't compensate for his lackluster image. He was no longer drawing good roles from the studios. He had to move on. While many actors refused to leave the movies for television, which was considered lacking in prestige and demeaning, Reagan had no such compunctions. To him, film was never an art form anyway — it was "the picture business." He gladly signed a $125,000-a-year contract with General Electric to host the weekly "GE Theater" and serve as a company spokesman, visiting factories to improve employee morale and generally enhance the corporation's image. When "GE Theater" was canceled (knocked off in the ratings by a western called "Bonanza"), Reagan found, through his advertising executive brother, a new vehicle to host — "Death Valley Days." He exchanged a business suit for cowboy duds.

His off-camera chores for GE were instrumental in the development of his political outlook. He was engaged in a campaign on behalf of corporate imagery, traveling constantly, visiting 125 plants, giving speeches to hundreds of thousands of workers, and assimilating the world view of the business executives he spent most of his time with. At age forty-five, when he began with GE, he had no defined perspective. "I told him," said Ralph Cordiner, GE president, " 'You'd better get yourself a philosophy, something you can stand for and something you think this country stands for.' I think this is when he really started to change."

Reagan finally became a political activist during the Goldwater campaign. At a televised fundraiser he delivered an electrifying speech similar to his GE banquet talks, but much more portentous. He freely borrowed lines that had worked well before. "You and I," he said, "have a rendezvous with destiny. We will preserve for our children this, the last best hope for man on earth,

or we will sentence them to take the last step into a thousand years of darkness." After the 1964 election, Reagan instantly appeared as a potential candidate for governor of California, a new hero for the crestfallen Republicans. The California Republicans had found their champion.

The Golden State had changed a great deal since the campaign of "The Faceless Man." Southern California, especially, had boomed. In 1953, Anaheim, for example, had a population of 20,000; within a few years it blossomed into a city of 200,000. The suburban spread out of L.A. seemed infinite. Many of the suburbanites in Orange County, next to L.A., were homeowners for the first time, and many were heirs to a Depression legacy of conservative social values, economic insecurity, and a desire to reestablish a golden past they imagined existed before the New Deal. Although much of their new-found stability and affluence was based upon the largesse the federal government dispensed to the aircraft and aerospace companies that employed them, many Orange County residents were suspicious and resentful of the government's role in aiding the poor. They ascribed their comfortable survival to hard work and free will. In the early 1960s, the John Birch Society became firmly entrenched there as a respectable political group.

The representative thinker of Southern California was Walt Disney, as important to that region's history of ideas as Henry David Thoreau or Bronson Alcott were to New England. Disney's paradise was the Walden, the Fruitlands, of Orange County. Disneyland was a totalitarian utopia for Middle Americans, a total environment efficiently organized in every aspect of its operation, offering itself as an idealization of the laissez faire myth. It provided a nostalgic, painless trip back to Main Street and a visit into an immaculately clean, chrome future — a vivid contrast to the littered world of rioting blacks and unkempt youths. Orange County contained the essential constituency longing for Ronald Reagan — the man who would abolish the present and usher in the past.

Astride this base of alienated suburbanites was a new ruling class of oilmen, real estate entrepreneurs, drugstore tycoons, and wildly successful automobile dealers, the nouveaux riches of L.A. They were neither old money, represented by the Chandler family, which owns the *Los Angeles Times*, nor movie money, which is partly Jewish. These newly rich became flush virtually overnight. The suddenness of their elevation gave them no time to adjust their social outlook; their money exaggerated their individualism and conservatism. Ronald Reagan was their man to oppose traditional Democrat Pat Brown, running for a third term. Reagan articulated what they all believed without question to be true, and he was one of them. All he lacked was political experience and knowledge. He was ready for the political consultant.

Stuart Spencer's office is located atop the Security Pacific Bank Building in Newport Beach, where the nouveaux riches dock their yachts. Pictures of his most famous clients — Ronald Reagan and Gerald Ford — adorn his walls. Spencer wears an open-collared shirt and a Lacoste sweater to work, formal wear for this resort town. Despite his creased face and his slicked-back gray hair he has a youthful, jaunty air about him. "I wanted to be a football coach," he said. Instead, he coached the man who played the Gipper.

"Style is so important in these things," Spencer says. "I always felt, I think correctly, that Ronnie Reagan didn't say a damn thing Barry Goldwater didn't say in 1964 — the same things, but he said them softer. It was style that carried the day for Reagan, more than the issues themselves. He was a trained actor. I'm not so sure Ronnie was politically perceptive. But Ronnie knew the medium of television, and what he was saying hit a chord among Republicans. He knew about timing, the physical aspects of looking at cameras, and he had a presence. Most candidates don't understand any of that." Reagan, however, had deficiencies. "He did not have a real feel for the political world. But he was a very good student.

From our point of view he was an excellent candidate to work with. Reagan is the best media candidate I have ever seen."

The media, for their part, handled Reagan gently. "The press was extremely kind to Reagan," says Spencer. "They were almost in awe of him. He was a new breed. They couldn't figure out where he was coming from, so they were cautious."

This passivity by journalists and editors gave Reagan time to paper over his political ignorance. Spencer hired two behavioral psychologists as campaign consultants. The academics prepared facts on and answers to a wide range of state problems, framing responses in ways that would be most compelling to the voters. Reagan studied the file. He carried the index cards with him wherever he went. If asked a question he couldn't answer, all he had to do was consult his file, demonstrating his knowledge of social issues and dispelling the notion that because he had never been elected to any public office he was ill-equipped to be governor. This liability was turned into an asset by billing Reagan as a "citizen politician." His inexperience was projected as positive: Reagan was better than a professional politician.

A theme emerged early in the campaign. In 1966, when Reagan first ran for governor, Lyndon Johnson's Great Society was still riding high. Reagan suggested a Republican alternative — the Creative Society. The idea for the Creative Society was hatched by fundamentalist right-wing radio preacher, the Reverend W. S. Birnie, a pal of Reagan's. (After the election, Birnie arranged for Reagan to be given a gift of a baby elephant by the pretender to the throne of Albania.) "We built everything around the Creative Society," says Spencer. "Whatever Reagan wanted to do, it was creative. Shut down Berkeley? It was creative. Every program he came up with we touted as the Creative Society."

Reagan's campaign, of course, relied heavily on television. Spencer cut out many needless personal appearances at shopping malls and banquets, partly because Reagan tired and got irritable under a stressful schedule. Spencer also recognized that television

(continued from front flap)



could replace shaking voters' hands. Yet there was another problem, a key question of image. Having no political experience could be dealt with by the "citizen politician" gambit, but how could Reagan effectively confront his image as an actor, a trained performer?

Reagan's television spots were deliberately awkward and artless. The candidate was positioned in front of a camera, a talking head lecturing viewers on assorted issues; fancy sets were avoided. This was an improvement on slickness: it seemed to exhibit Reagan as real.

His ads portrayed him as honest, hard-working, nonintellectual, trustworthy, and all-American. Yet, this was precisely the persona Reagan had developed in the movies. Consider some of his archetypal roles: Shirley Temple's adult boy friend, no threat to her virginity, in *That Hagen Girl;* a soldier who refuses to share a room with Eleanor Parker when they're forced to spend a night in her apartment during a storm, in *Voice of the Turtle;* and, memorably, a scientist who raises chimpanzees as a way to convince his girl friend's father that his own father's criminal background is not hereditary, in *Bedtime for Bonzo.* In countering his actor image, Reagan was typecast as the same character.

In 1970, after Reagan's reelection campaign, Spencer and Reagan had a falling out. Spencer was pushed aside by two courtiers, Mike Deaver and Peter Hannaford, public relations men who were more ideological and less critical. Reagan's wife, Nancy, encouraged the coup of the palace guard. "Nancy," says Spencer, "can be tough as hell at times. She hates my guts now, I hear. In some ways she is smarter politically than Ron. He tended to be naive. In politics people always whisper in your ear, saying nice things. He believed they meant it. Nancy didn't. She's a lot tougher than the image America has of her. The image America has of Nancy isn't correct. The image America has of Betty Ford is totally correct. She's no different in public than she is in private, a very open person. Nancy is very ambitious, very ambitious."

to some degree consultants have supplanted the old party bosses as power brokers. Each major GOP presidential campaign has a consultant running it; they have chosen each other because of shared perspectives. The campaigns are like separate parties in themselves, indicating the atrophy of the central party organization and the effect of consultants.

"We are one of the centers of moderate Republicanism," says John Deardourff, partner with Doug Bailey in Campaign Coordinators, Inc., the leading GOP consulting firm, which is handling the 1980 presidential campaign of Senator Howard Baker. "We serve as a clearinghouse and broker among moderate Republican interests. The successful political consultant has become an independent operation. He has a life of his own. He is a separate power center. It's a replacement party for the decline of the parties. The day of the political party boss is over."

Bailey and Deardourff have been responsible for the election of eleven of the eighteen Republican governors; numerous senators, including Percy, Danforth, Chafee, Mathias, and Schweiker; and the 1976 campaign of President Gerald Ford. "They have a talent for translating a campaign strategy onto film," says Robert Teeter, who has worked with the team on many campaigns. "They have a good sense of nuance and tone. But their greatest strength is a broad background in politics."

During the 1964 presidential campaign of Nelson Rockefeller, Bailey and Deardourff had parallel responsibilities. Bailey, who had been Henry Kissinger's assistant at Harvard, was deputy director of foreign policy research in the vast Rockefeller operation; Deardourff was deputy director of domestic policy research. He understood, in the early 1960s, that the Rockefeller effort was somehow a behemoth that was about to become extinct. "Bailey and I talked about how television and sophisticated use of computer technology and the increasing sophistication of survey research were changing the nature of political campaigns. They made it much more difficult for amateurs. And party leaders were



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paign. Who else could the most moderate major candidate turn to? "Baker needed them," says John Topping, president of the Ripon Society, a liberal Republican organization. "One of the roles consultants play is validating the seriousness of a candidacy which, in turn, enables a candidate to raise money for a media campaign. And Bailey and Deardourff are probably more important than the Republican Governor's Conference.

Howard Baker, all things considered, was the logical Bailey and Deardourff man in the 1980 race. More than any other candidate he hails from the historic center of the Republican party. He is not a product of Richard Nixon's "Southern strategy," although he comes from Tennessee. The section of Tennessee he comes from has been Republican since the birth of the party, under very trying circumstances. It was unionist during the Civil War and has returned heavy Republican pluralities all along. Baker's Republicanism is not the blush of Sunbelt conservatism; it has deep roots. In internal Republican battles, Baker, as a border-state Republican, is set apart from the old New York/Ohio and newer East South rivalries. Baker's position is independent of faction and therefore acceptable to all sides. Yet he has inherited the liberal Eastern position within the party because there is no one else to claim it.

The death of Rockefeller affected the Baker campaign perhaps more than it did any other. Rockefeller's political and financial prowess allowed him to control the Eastern wing of the party, which consisted mainly of upper-crust and middle-class Yankees. As a party leader, Rockefeller never allowed anyone else to share his factional power. With Rockefeller's death, Baker attached himself to the Rockefeller replacement, Bailey and Deardourff, in an attempt to gain the moderate wing of the party.

A political consultant, unlike the old party boss, cannot deliver votes. But he can grant access to his other clients. And this is one of the greatest resources that Bailey and Deardourff provide Baker. They have the best client list in the business. "It is quite

possible to grant access," says Deardourff. "In addition to the professional service we perform, we do two other things for Baker. We provide an alternative access to major party figures with whom we've worked. Because we have an independent reputation we provide him with some visibility; we have a reputation for success. That signals something. I don't have any qualms about calling up ten governors and telling them why Baker is the best choice. The relationship that exists between us and our clients is a close, trusting relationship. We have been through some tense times together. Their futures rode on our decisions. There's a bond there. If I came to them to tell them what I think about Howard Baker, that has some influence. That's an influence I enjoy having."

In a party that is becoming more narrowly ideological, discussions about liberal Republicanism may be entirely academic. "There's no one taking over the liberal wing of the party," suggests Robert Teeter. "If you define moderate as being in the middle, there are not great ideological differences between the candidates. They are moderate in the sense of being in the middle. If you take the range from John Anderson to Ronald Reagan neither of the ends are as far out as ten years ago. In 1960 you don't have two candidates who are at polar extremes like Rockefeller and Goldwater. There isn't a great deal of difference between them."

If the moderate wing is disappearing, leaving only a middle, then George Bush is working effectively to hold that ground. His raiment is that of moderation, but his talk is fashionably conservative. Bush is the crossover candidate, embodying more than any other the shift within the party from East to West, from dominance by moderates to dominance by outspoken conservatives. Bush is attempting to recreate the way Eisenhower ran the country in the 1950s: as a New York–Texas alliance; this time, however, Texas will take the lead.

The son of Senator Prescott Bush of Connecticut, graduate of

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# MARATHON

## The Pursuit of the Presidency

## 1972-1976

Jules Witcover

THE VIKING PRESS NEW YORK

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To

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The campaign manager's remarks, said Senator Javits, an old Rockefeller ally, were "a great disservice to the President." Dumping Rockefeller, he said, would "endanger the President's support from the whole centrist bloc in the country." And Senate Minority Leader Hugh Scott of Pennsylvania dispatched a terse note to presidential aide Donald H. Rumsfeld that asked: "Is Callaway managing Reagan's campaign, or Ford's?" Over at Reagan's unofficial campaign headquarters, his managers conceded happily that they could not have done a better job themselves. Reagan himself, in Raleigh, North Carolina, where he was speaking at a fund-raiser for Senator Helms, added his bit by accusing Callaway of subjecting his good friend Nelson to "shoddy treatment." Said Reagan, with crocodile tears flowing, "It's embarrassing, it must be, for a man who has served his country in a number of capacities for many years to now be held up as if he were at auction."

The next morning, Rockefeller was on the phone to Callaway, furious. Rockefeller said he agreed that it was wise for Ford to run on his own, but Callaway had gone too far. "Bo," Rocky told him, "we had an agreement [on downplaying Rockefeller], but it didn't include calling me the number-one problem." Rockefeller also talked to the President and came away saying he was more relaxed than ever about his relations with Ford. That was what he *said*, anyway.

On July 20, Callaway, at a breakfast meeting with reporters, turned away all questions concerning the matter. He denied he had been "muzzled" and would concede only that he had received some "general advice" to cool off the anti-Rockefeller talk. Two days later, with the same group, Rockefeller, while insisting he still had no quarrel with Callaway, blamed the man's inexperience in national politics for the whole flap. In his zest to woo Reagan supporters in Dixie, Rockefeller said, Callaway had gotten carried away and failed to make clear he was reporting Southern sentiment, not his own. Bo had not appreciated the sophistication and "creative imagination" of the veteran reporters with whom he had been speaking, Rocky said wryly.

For the time being, it appeared that Callaway had been told to lay off. But the message to conservatives—that Rockefeller, if necessary, was expendable—had been delivered.

At any rate, what to do with or about Rockefeller was, at this juncture, a secondary concern for Ford's campaign. The first priority was cutting Reagan off at the ankles before he could make real headway.[1] Ford's aides,

[1] A Gallup Poll of Republicans and Independents in late June, after Ford had declared and the Reagan committee was registered, gave Ford 41 per cent, Reagan 20 per cent, in a field of ten prospective candidates. In a two-man match-up, the results were: Ford 61 per cent, Reagan 33 per cent, undecided 6 per cent.

## 5. *Ronald Reagan Begins to Stir*

One afternoon in early spring, 1974, when Ronald Reagan was in his last of eight years as governor of California, a staff aide from Sacramento named Robert Walker, accompanied by James Lake, head of Reagan's office in Washington, paid a call on a young lawyer at the firm of Gadsby & Hannah on Pennsylvania Avenue, just half a block from the White House. The lawyer was John P. Sears III, thirty-four years old, a shrewd political tactician of subdued ideology who had masterminded Richard Nixon's impressive delegate search in 1967 and 1968. Sears had been Nixon's political adviser for a short time in 1969, before being undone by the then Attorney General John Mitchell, who disliked his influence with the new President.

Walker was an old friend of Sears. Together they had helped establish and run the first national Nixon for President office in 1967 just a few doors down from Gadsby & Hannah's present location. Now Walker wanted to try out an idea on Sears: What did he think of Reagan running for President? The Californian had nearly eight years of heavy governmental experience and was immensely popular in the Republican Party; Richard Nixon not only could not succeed himself but was on the Watergate ropes, presumably in no position to dictate the party's choice in 1976; Spiro Agnew was out of the picture and of course his successor, Jerry Ford, was no threat. Sears mulled over the idea in his office and later at the Black Angus across the street, where the three men had retired for a few drinks and more talk. "Yeah," Lake recalls Sears finally saying, "Reagan could do that. He could be the nominee."

More conversation went on between Sears and Lake in Washington and by phone with Walker in Sacramento in subsequent weeks. Reagan himself was saying nothing about his presidential ambitions, but key personal aides like Mike Deaver were assuring Lake and the other plotters that when the time came the decision would be "yes." In May Sears and Lake went to Los Angeles to meet with the California insiders—Walker, Deaver, Ed Meese, Jim Jenkins, Peter Hannaford, Lyn Nofziger. One other non-Californian was present, a man considered then to be of vital importance to the whole endeavor, a man who could be instrumental in bringing not

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Ford's foreign policy and, in an interview at Hickory several days before the primary vote, he insisted that "we have a chance of winning, and North Carolina is the first state where we've thought that." If anyone else in his operation believed it, though, he wasn't saying so.

Lyn Nofziger, who certainly didn't expect his boss to win in North Carolina, learned at firsthand the depth of Reagan's determination when he walked in on him in a motel room one day during that time. "I sat down and started very carefully to say . . . that he ought to stay in at least until Texas," Nofziger recalled. "Well, he misunderstood what I was starting to say. He thought I was beginning to say we ought to look to getting out, and he just interrupted me and said: 'Lyn, I'm not going to get out of this thing. I'm going to win this. I'm in this all the way.' He was feeling something out there."

The Ford camp's continuing pressure on Reagan was a compound error, because for the first time the President's campaign was substituting psychology for hard-hitting campaigning. Hoping that the time had come to permit Reagan to make a strategic withdrawal, the Ford team let up. "We thought we were going to win in North Carolina and sew up the whole thing," Dick Cheney said later. "As I look back on it now, it was our most serious mistake, easing off in North Carolina. You could make the case that if we were successful in forcing him out we would have had a lot more time to get our act together for the fall." Bob Teeter, the President's pollster, agreed: "We just didn't take North Carolina seriously enough. We should have sent the President there once or twice more. But the feeling was Reagan was beaten and there was no sense mauling him."

While the Ford campaign thus concentrated on trying to psych Reagan out, the Californian tore up the remaining vestiges of his Eleventh Commandment and waded into Ford. Discarding his file cards and speaking entirely off the cuff, he hit at Ford with every issue he could think of, from the Panama Canal and détente to the bloated Washington bureaucracy and excessive political use of his incumbency. "If he comes here with the same list of goodies as he did in Florida," Reagan said, "the band won't know whether to play 'Hail to the Chief' or 'Santa Claus Is Coming to Town.'" Yet Reagan was careful to hit above the belt. When the eager forces of Senator Jesse Helms, backing him in a North Carolina party struggle with Holshouser, started distributing a clearly racist flyer, Reagan blew the whistle on it promptly. (The flyer quoted Ford as suggesting that Senator Edward Brooke of Massachusetts, a black, "should be considered" for the vice-presidency, and failed to note that Brooke was only one of a number of prospects listed by the President.) The Helms faction would have injected similar themes into the campaign if the Reagan people had not threatened

to shut off money. Still, in what the Helmsites saw as a holy war, their zealous sunport was critical.

One important function the Helms group fulfilled was that they continued to press for having Reagan on television all around North Carolina. Tom Ellis, Helms's chief political aide and state chairman for Reagan, nagged the Reagan strategists and even threatened to put a tape of an old Reagan speech on the air himself. The national campaign finally agreed, and Nofziger dug out a thirty-minute tape that had been made at no cost to the campaign at a Miami television studio the last week of the Florida primary. It was not of the most professional quality, but it was Reagan at his relaxed best. Nofziger dusted it off, cut out references to Florida, dubbed a "beggar" —a voice-over appeal for funds—on it, and shipped it off to fifteen of the state's seventeen television stations for prime-time viewing. The reaction was enthusiastic.

Use of this Florida tape climaxed an argument that had been going on within Reagan's campaign for months between Nofziger and other old California Reagan hands and Harry Treleaven, Nixon's 1968 television specialist, who had been hired as a media adviser. According to Nofziger, Treleaven had shied away from using Reagan straight-on because he feared it would look too rehearsed and would remind voters of Reagan's movie career. Instead, Treleaven had opted for a *cinema vérité* technique, filming Reagan on the stump in a more documentary style, to the chagrin of the old-timers. "Everybody always wants to do something their own way with Ronald Reagan," Nofziger said later, "and the best way is to just let him talk. Nobody ever figures it out. Each time you gotta go through this whole hassle." The thrust of the early ads, Dick Wirthlin said, was "to neutralize what they perceived to be the negatives of running an actor for President, which was done without reviewing it with us." His polls, Wirthlin said, indicated Reagan's movie connection was a plus with most voters, yet the early ads down-played it, even to the point of feigning poorer quality to avoid Hollywood slickness.

Meanwhile, Ford was having his worst days so far on the stump. In Charlotte, he gave a speech to several thousand teen-agers at a convention of the Future Homemakers of America that was so vapid as to be ludicrous. "I say with emphasis and conviction that homemaking is good for America," the President of the United States found himself proclaiming. "Never be ashamed to say, 'I am an American homemaker and I am proud of it. . . . Remember, it still takes a lot of living to make a home." Peter Kaye, never a mincer of words, proclaimed, "It was in North Carolina that Ford became a crashing bore."

Speechwriting wasn't the only problem. With Bo Callaway on the

The press and television people, herded into a seedy hotel, clamored for a statement, but Reagan declined. Even he seemed to have trouble believing he really had won. "Lyn, I know you want me to go down [stairs]," he told Nofziger, "but I don't want to repeat what happened in New Hampshire." After much discussion, he proceeded directly to his plane, with reporters crowding around trying to get a victory statement—to no avail. Not until the plane was well on its way to Los Angeles, when the pilot reported over the public-address system that Reagan had won, 52 to 46 per cent, did he begin to celebrate. He tossed a football around to his wife and son Ron, Jr., a campaign worker, and aides drank champaigne and marched up and down the aisle singing: "Nothing could be finer than to give Ford a shiner, in the primary."

At Ford's headquarters in Washington, Morton was philosophical. "I don't think we've been dealt a very serious blow," he said. (Morton said not a word then or later about his earlier meeting with Sears.) And at the White House, Ron Nessen was candid: "The President had expected a close race, but he expected to win. So naturally he is disappointed. The point is we lost, and there are no excuses and no alibis." In the delegate race, however, Ford remained safely ahead, winning twenty-six of North Carolina's fifty-four, with Reagan getting the other twenty-eight—a net loss of only two.

Among the factors in the upset was the low turnout, less than 40 per cent, which worked to the advantage of Helms's disciplined and angry conservatives. Subsequent polls showed that 70 per cent of the Republicans who made up their minds in the last ten days decided for Reagan. Also, the Helms-Holshouser feud so badly split the state party that practically no one was neutral. That was one reason Reagan's victory surprised nearly everyone, including his own supporters: there were no detached party professionals not aligned with one faction or the other. The main reason for Reagan's success, however, was that his attack on Ford's foreign policy, which began in Florida, bore fruit in North Carolina.

After Reagan's North Carolina victory, his lieutenants had some second thoughts about bypassing Wisconsin on April 6, but there was really no choice. "We were broke," said Keene. "They were going to take our plane away from us. Our Wisconsin people faulted us, saying they could have won there. We got forty-five per cent, which was damned good, considering. I think we could have won some delegates, because we were close in three or four districts, but we couldn't afford a poll that would have told us which."

Further aggravating the problem was the fact that on March 22, the day before the primary, time had run out on the FEC, obliging it to stop paying federal campaign subsidies. "We were entitled to about a million

House, Dent resisted for a time but finally acceded. He was in the soup politically, anyway, having bucked the efforts of his own governor, James Edwards, to engineer a solid Reagan slate, and getting himself elected as an uncommitted delegate. His efforts for Ford really began one day after the closing down of the Ford field office, when he received a phone call that in a sense was the first, unheard shot in the 1976 battle of Mississippi.

Dent's caller was John Davis, a twenty-nine-year-old Ole Miss graduate who had worked in Carmichael's campaign and had just been laid off with the closing of the Ford Southern field office. Dent had asked that Davis be assigned to him but the Washington office said the campaign couldn't afford him. "Harry," Davis said, "I want to see this campaign through. I can go get a job but I'd rather do this. If you'll just feed me, I'll help you."

Dent, his hands more than full with his law practice and already working every night and weekend for Ford, readily agreed. "I took him into my home," Dent recounted, "and he just lived with me. He went to work with me every day and I set him up in my law office. He went everywhere with my family, just like another son."

And that was how Dent got onto the opportunity in Mississippi. "Harry," young Davis told him, "there's gold to be mined in Mississippi." Davis was aware of the inclinations of Carmichael and Shanks, and of the vulnerability of the delegation as constituted under Reed's misguided plan for party unity. Shanks was beginning to suggest that he for one would not go along with the unit rule, a position that provided the first crack in what had been expected to be unanimity for Reagan among Mississippi's thirty delegates. With the thirty delegates and thirty alternates each having one-half a vote on issues before the delegation, it would take a vote of 31–29 to break the unit rule. Shanks could be the tip of an iceberg that could sink Reagan's campaign.

Dent, who had been through all the civil-rights wars with Reed and had observed that since his own departure from the White House Reed had not gotten quite the same kid-glove treatment, knew how to approach him. He called his old friend and told him, half-joking, that he had wisely "put himself in the catbird seat." "I told him, 'Clarke, you're gonna be the kingmaker of this convention.'" Ford had taken a beating all over the South, except in Florida, and the die was cast for Reagan except among pockets of uncommitted delegates, the largest of which was in Mississippi. It was a golden opportunity for Clarke Reed to come to the rescue of the President, and put the South back into the front ranks of influence in the White House.

Dent was a great needler, and an entertaining storyteller and mimic. At an outing in mid-June held for the Southern state party chairmen by

his wife only in the evening or early morning hours, when their five children were asleep. (They were not told until the night before the announcement, and then were kept at home and forbidden to use the telephone.)

On Monday morning, July 26, before Reagan's press conference in Los Angeles (at noon, Eastern Daylight-Saving Time), while his top assistants started phoning conservatives around the country to break the news, Schweiker called Drew Lewis. Once Schweiker had decided to join Reagan, he suggested that it was possible Lewis, as a very old and good friend, might come over. Lewis had been having some differences with the President Ford Committee, and if he decided to desert the Ford camp, Schweiker estimated he might bring fifteen or twenty uncommitted or Ford-leaning delegates with him. If Lewis was to be gotten, however, it would have to be a quick strike, before the Ford forces could get to him. Some of the Reagan leaders had assumed Schweiker would contact Lewis at once, but Schweiker did not reach him until about two hours before Reagan's announcement.

Lewis was stunned at the news. "I pretty well told him I had crossed the bridge," Schweiker recalled. "I asked him not to hold a press conference until I could talk further with him, and to hold an open mind. I invited him to come down to Washington, or I would go up to Pennsylvania, but Drew wanted no part of it." Schweiker talked to Lewis about four times in all, for more than four hours, but Lewis would not budge.

The Reagan operatives who were phoning party conservatives encountered similar shock and negativism. After the Mississippi caucus had broken up in Jackson the night before, Dave Keene had flown back to Washington so that he could start phoning his people all over the South on Monday morning. He had asked Governor Jim Edwards of South Carolina, who had been trying to hold the South for Reagan, to come to Washington, too—but without telling him why. When Edwards appeared in Keene's office Monday morning, he was ready to pitch in for whatever needed doing. But "when I told him," Keene recalled later, "he sort of looked at his watch and said, 'Well, if I hurry I think I can get back to South Carolina.' And that was the end of his tour."

At the appointed hour in Los Angeles, Reagan went on television and made a brief, crisp announcement. He had selected as his running mate "a man of independent thought and action" who, while respected by his colleagues, "has not become a captive of what I call the Washington buddy system.' Since I now feel that the people and the delegates have a right to know in advance of the convention who a nominee's vice-presidential choice would be, I am today departing from tradition and announcing my selection. I have chosen the distinguished United States Senator, the Honorable Richard Schweiker. I am convinced that this is a ticket behind which all

commitment to the President of all thirty delegates under the unit rule. According to Dent, after going over the delegate list, they believed they had twenty-nine sure votes and about ten potential ones. But thirty-one were needed to break the previous decision to go uncommitted to the convention, so they decided to wait rather than risk a rebuff. No vote was requested, and Ford simply spoke to the delegation about his accomplishments. He was so warmly received, however, that Dent went up to Giordano and asked whether they shouldn't ask for a vote anyway. Giordano again said no. In their hearts, after all, most of the Mississippians still were for Reagan. And Ford's continued support of Kissinger rankled a number of them.

Now it was the Reagan forces' inning. Schweiker had embarked on a swing through Reagan states in the South to demonstrate that he was not an ogre: South Carolina (to the home of Jim Edwards, now back on board), Virginia, Alabama, West Virginia, and—Mississippi. The Mississippi trip, by Reagan and Schweiker, would have been made much earlier but it was decided that it would be imprudent to go there right on the heels of the President, when tempers were still hot. It was on the following Wednesday, August 4, that The Odd Couple made it to Jackson.

By then, Schweiker said later, "the shock had worn off." Clarke Reed stayed on the periphery, joining Mounger, Charles Pickering, and a few others for a quick lunch with Schweiker, awaiting the separate arrival of Reagan. When Reagan got there, Reed received an icy, perfunctory greeting from him. The burden of Reagan's message was that Schweiker was not all that liberal. "If you simply abide by labels you ignore some basic facts," he told reporters. He had not gone back on his promise to pick somebody "philosophically compatible," he insisted.

The night before, Dent had been in Jackson armed with Schweiker's voting record, and he had briefed the Ford delegates on it. Now, when the time came to question Schweiker, the Reagan delegates themselves, and the uncommitteds, pressed him so hard about his views—and on whether he would be able to embrace Reagan's positions—that the Ford people were able to sit back and just listen. Later they returned to Dent's room and reported that Reagan and Schweiker were finished in Mississippi. Informal polls of the delegation indicated Ford remained ahead. "I pulled out of there later that night and headed back to South Carolina," Dent said, "convinced that it was definitely, absolutely on ice, and we would just have to wait until we got to the convention to get our votes." He phoned Cheney again before leaving and told him that.

After the meeting with Schweiker, Ford's Mississippi men let up a little. "The fire's out of Billy's belly," one of them told Dent concerning the Reaganites' state leader, Billy Mounger. But they were wrong. Mounger

to the Alameda Plaza, his headquarters hotel, for a late-night session to chart the moves he hoped might yet bring him to victory. Present also were Nancy Reagan, the Schweikers, Dave Newhall, Sears, Anderson, Meese, Hannaford, Nofziger, Mike Deaver, and Jim Lake. During dinner in Reagan's suite, the broad strategic outlines were laid out to him: just the two tests—16-C and the foreign-policy plank; two rolls of the dice to take the whole pot. Sears outlined the 16-C fight and Anderson the foreign-policy plank. Reagan approved the plan, and Anderson, Meese, and Hannaford were dispatched to a midnight meeting with the Helms group to obtain its acquiescence on the foreign-policy test. For several hours they debated with the Helmsites pressing for tougher language.

The plank as it finally evolved was an only thinly veiled slap at Kissinger. It criticized directly or indirectly his policy of détente with the Soviet Union; Ford's snub of Alexander Solzhenitsyn; the Helsinki Pact; unilateral concessions in nuclear testing; the signing of "secret agreements"—a veiled reference to the Panama Canal Treaty. Called "Morality in Foreign Policy," it read:

"The goal of Republican foreign policy is the achievement of liberty under law and a just and lasting peace in the world. The principles by which we act to achieve peace and to protect the interests of the United States must merit the restored confidence of our people. We recognize and commend that great beacon of human courage and morality, Alexander Solzhenitsyn, for his compelling message that we must face the world with no illusions about the nature of tyranny. Ours will be a foreign policy that keeps this in mind.

"Ours will be a foreign policy which recognizes that in international negotiations we must make no undue concessions; that in pursuing détente we must not grant unilateral favors with only the hope of getting future favors in return.

"Agreements that are negotiated, such as the one signed in Helsinki, must not take from those who do not have freedom the hope of one day gaining it.

"Finally, we are firmly committed to a foreign policy in which secret agreements, hidden from our people, will have no part. Honestly, openly, and with firm conviction, we shall go forward as a united people to forge a lasting peace in the world based upon our deep belief in the rights of man, the rule of law and guidance by the hand of God."

Later, Helms's right-hand man and the manager of Reagan's North Carolina primary campaign, Tom Ellis, argued that specific references to the Panama Canal and Taiwan should have been inserted to make certain that the Ford camp could not swallow it. Such references were indeed in

## 33. *Mississippi Again*

In a contested national party convention, there is one essential ingredient for success: swift and sure communication. Unless the chief strategists and tacticians are aware of what is being said and done on the convention floor, in its corridors, and over the miles of telephone lines connecting all the delegations with the candidates' command posts, speedy response is frustrated. Anticipating all manner of problems in Kansas City, the forces of Gerald Ford and Ronald Reagan had laid out costly and complex networks of phones, television monitors, walkie-talkies, beepers, and various other devices of the communications age to keep a firm grip on unfolding events.

Each camp had a large mobile trailer parked immediately outside Kemper Arena—a bizarre new structure that has most of its supporting girders exposed outside the hall, to permit unobstructed view inside. Telephone lines went out from each trailer to the delegations and to floor leaders or whips in charge of dealing with problems as they arose in the various delegations. In Ford's trailer, the convention manager, Bill Timmons; the old Goldwater strategist F. Clifton White; and Jim Baker directed coordinators who were handling phones to the states and to twelve Ford whips (working for Senator Robert Griffin of Michigan, the floor manager, and Congressman Robert Michel of Illinois, the chief whip). In addition, ten "floaters" functioned on the floor—troubleshooters with walkie-talkies tuned in to the trailer. The whips wore red baseball caps, the floaters yellow. In addition, regional chairmen—Dick Rosenbaum for the Northeast, Harry Dent for the South, Ohio State Chairman Kent McGough for the Midwest, California State Chairman Paul Haerle for the West—had special telephone lines. The Ford trailer also had private lines into the anchor booths of NBC and ABC, high above the convention floor, in order to pass on information —and self-serving rumor, a service that CBS decided to do without.

In Reagan's trailer, John Sears presided over thirty-five direct lines to most of the states, with nine regional coordinators operating from small cubicles, as in a campaign boiler room. Paul Laxalt was floor manager, assisted by Helms, Congressman Crane, and Senator William Scott of Virginia.

All this electronic paraphernalia inevitably raised memories of Watergate, and so each campaign hired security men to guard the trailers and to sweep them daily for possible wiretaps or other bugs. Also, because the Ford trailer's telephone lines had to pass directly beneath Reagan's trailer, they were placed in a steel pipe to guard against sabotage or monitoring. For all this elaborate electronics to every corner of the convention hall, the lines that went from each trailer to one specific delegation—Mississippi—would prove to be the most vital, and most heavily used. And once again, the delegation's erratic chairman, Clarke Reed, would be a special target.

Reed, after having jumped the Reagan ranks weeks before, was having second thoughts. He confided to Lou Cannon of *The Washington Post* that he might have "overreacted" to Schweiker—an indication that he feared he might yet be on the losing side, dumped out of the "kingmaker" role and "the catbird seat" that the siren call of Harry Dent had promised him.

Because Reed was a member of the rules committees of both the Republican National Committee and the convention, he was watched closely by everyone in this preconvention week. He was like a cat on a hot tin roof, a description, if not a sensation, Reed probably would have liked. (He talked, incongruously for an Old South conservative, like a Motown hipster. Everyone was "that cat" to him; almost every sentence began with "Man, that cat——.") Dent continued his merciless needling of Reed, taking full advantage of his seemingly inexhaustible good humor. And Reed being so eminently flappable, a procrastinator in advance of a decision and an incurable worrier after the fact, Dent eyed him like a predatory animal, which some Mississippi delegates insisted Dent was, and disliked him intensely for it. The Reaganites were still at Reed, too. David Keene kept reminding him of his conservatism, of his recent "betrayal" of the cause. Knowing his indecisiveness, they did everything possible to make him feel even guiltier, telling him he owed the Reagan side something. Letters from right-wing organizations poured in, castigating him for his "defection," imploring him to come to his senses before it was too late.

There was, the Reaganites told him, one way he could partly redeem himself: side with them on 16-C. After all, it was in his interest for the President to be obliged to say in advance who he would pick as Vice President. And indeed the argument had some appeal for Reed. He knew that the sentiment back in Mississippi overwhelmingly favored Reagan. And even before the full Mississippi delegation had arrived in Kansas City, he had played his opening card—his blunt warning to Ford that he risked losing the Mississippi delegation unless he dropped several prominent liberals from his list of possible running mates. In the Haberdashery Bar of the Muehlebach Hotel, Reed told reporters he might back 16-C as a means of

assuring that the President would not select a liberal. He was taking a good, hard look at 16-C.

The pressure on Reed continued. In the party rules committee where Sears introduced 16-C, Reed first tried to have the vote delayed, but then voted against it. "I may have to go with them on 16-C [in the convention rules committee]," Dent reported Reed had told him during this tense period. Dent followed him like a mother hen. "I kept getting messages: 'Better watch Clarke; he's flipping.' " On August 14, the Saturday morning before the convention rules committee vote on 16-C, Bill Timmons called Reed to join him for breakfast in his room at the Crown Center, the Ford headquarters hotel. Also invited were Dent, Bryce Harlow, and some others. Dent talked turkey to his old Mississippi friend and foil: "Clarke, baby, you're killing yourself here. You're here today, you're gone tomorrow. I'm talking to you as a friend. You're hurting yourself."

Reed, according to Dent, assured the group: "I'll be all right on 16-C." After breakfast, when Dent took Reed to the nerve center of Ford's campaign, they met Dick Cheney and Jim Baker outside the presidential office. "I'll be all right on 16-C," Reed assured them once more, but he added, again according to Dent: "If we don't need my vote and I see that, I might throw it away. But you'll get thirty votes on 16-C. I'm not going to flip. They ain't gonna get me." Then he went to the convention rules committee meeting and proceeded to vote *for* 16-C. It was easily defeated, so Reed could afford to give his vote to the Reagan side on this one. He was, as usual, trying to work both sides of the street—to placate everybody.

By now, the Ford forces believed they didn't actually need all of Mississippi's thirty votes. If they could dissolve the unit rule and get about half of those, according to Baker's nose count that would be enough to assure defeat of 16-C and crack Reagan's challenge. Just as important, Dent said later, "we would go over the top [1130 delegates] in all the national media counts. It would be a great psychological victory for us." And so Reed was pressed to help engineer a compromise dissolution of the Mississippi unit rule in advance of Tuesday night's critical floor vote on 16-C, or sooner if possible.

"Thus was born 'the Great Mississippi Compromise,' " Dent said later, in his penchant for dramatizing. "Clarke liked the idea. 'But I have to get back to you cats,' he said. 'I have to talk to Billy [Mounger].' " Dent deplored any consultation with Mounger, a rugged, stocky, combative man, small in stature but tough and determined, who still hoped to pull all thirty votes out for Reagan. To try to end-run Mounger, Cheney and Dent called in Charles Pickering, the incoming state chairman and a Reagan man. He was interested in the compromise for the sake of "party harmony in the state,

but did not want to be the instrument of Reagan's undoing. He too had to talk to Mounger. The answer came back to Cheney Saturday afternoon: Maybe, but get somebody neutral to propose it.

On Sunday morning, August 15, Dent called a meeting of the advance forces in the Mississippi delegation committed to Ford. For three hours they pored over the list of Mississippi delegates and alternates, trying to estimate how the delegation would vote on 16-C. "I told them the situation was eroding," Dent recalled, "that they'd been sitting back while Billy Mounger had been working. Billy was putting out stories and quoting local papers that it was being reversed [for Reagan], thirty votes the other way." The Ford leaders felt they had twenty-nine half-votes of the sixty delegates and alternates, not counting the unpredictable Reed, plus a number of leaners. "The question was, did we have the votes to move in that caucus Sunday night?" Dent said. He told them about the compromise idea and most bought it, although some wanted to push for all thirty. They were asked to come up with a suggestion about a neutral sponsor for the compromise.

A few hours later, Ford leaders Doug Shanks and Tommy Giordano met with the two most influential Reaganites in the delegation, Mounger and Victor Mavar, the state's national committeeman, to consider the compromise, in which each side would get fifteen votes on 16-C. Mounger and Mavar were not totally unwilling.

Still later on Sunday afternoon, most of the Mississippi delegates began to arrive at the Ramada East Motel in nearby Independence. Harry Dent was at another hotel, attending a caucus of his own state, South Carolina, but thinking of his assignment to bag a neutral from among the arriving Mississippians to sponsor the compromise. Suddenly the Ford team beeper he was wearing on his belt went off. It beeped about six times, piercing the stilled, heavily Reaganite caucus. Dent's vote was needed on an issue before the caucus, but he had to get up and leave, conspicuously, amid much snickering, for the Ramada East not far away.

Clarke Reed, meanwhile, was in Kemper Arena being interviewed by Mike Wallace of CBS. Standing within earshot was Jack Lee, the Ford camp's floor whip in the Mississippi delegation. To his surprise and dismay, he heard Reed tell Wallace that he planned to vote *for* 16-C on the floor, just as he had done in committee on Saturday. And not only that: Lee thought he heard Reed say he would help to *lead* the fight to deliver all thirty Mississippi votes for the proposal. Lee pushed the emergency button; the beeper call went out to Dent.

At the Ramada East, Dent again gathered the Mississippi Ford leaders

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in Doug Shanks's room. He had heard that the Reagan people were going to spring a surprise. They were going to try to amend the temporary rules with 16-C on Monday morning, when not everybody would be in the hall for what customarily were only formalities. It was going to be *the* battle, Dent told the group. "Clarke is now turned around on 16-C and he's going to deliver all thirty votes," he said. "We gotta stop that *tonight.*" Shanks, fresh from the meeting with Giordano, Mounger, and Mavar, whispered to Dent: "You may get fifteen to fifteen tonight." Dent was elated. Cheney had told Dent shortly before: "Harry, get that unit rule dissolved. We cannot have those thirty votes cast against us—Monday morning or any morning." So Dent pushed for a vote of 15–15 that Sunday night.

Dent dispatched his aide John Davis to find Reed. It took him more than an hour, because Reed was making himself scarce. Finally, minutes before the full delegation's caucus was to start, Davis came with Reed in tow.

Dent opened up on him immediately. "Clarke, my goodness, man, what in the world you doing to us?"

Reed was defensive. "Whattaya mean, whattaya mean, eat?"

"You just told Mike Wallace on CBS you gonna lead the fight and deliver thirty votes for Rule 16-C."

"Oh, my God!" Reed said, falling back flat on the bed in front of everybody. "What can I do? What can I do?"

Dent reminded him of his commitment to stick with the Ford people on 16-C.

"I gotta get out of this!" Reed answered. "I gotta get out of this!"

Dent had his man hooked, and now he began reeling him in. He told him about the reported Monday-morning gambit—"Pearl Harbor," Dent called it in his understated way—and said: "Clarke, they gonna use you tomorrow morning."

Reed was only too glad to have an out. "That would be a bunch of Mickey Mouse," he replied. "I don't put up with that kind of stuff."

"Why don't you tell your delegation that?"

"I'll tell the delegation that I ain't gonna put up with no Mickey Mouse and if that thing gonna be done Monday morning, to vote against it, all thirty votes against it."

Sure enough, Reed went into the caucus and told the delegation that he had heard the Reagan forces might try a sneak maneuver Monday morning. If they did, the whole delegation ought to vote against it. After much discussion, the delegation adjourned without taking any vote whatever on 16-C—which most of the arriving delegates still knew little about

—or on dissolving the unit rule. Dent had fallen short of his objective, but at least Reed had been persuaded to counter the reported Monday-morning surprise.

When the caucus broke up, Dent told a few reporters about the possible Pearl Harbor and Reed's reaction to it. Sitting just behind me as we talked was former Governor Louie Nunn of Kentucky, one of Reagan's Southern lieutenants. Nunn shortly afterward disappeared, presumably to phone the Reagan headquarters with what he had heard. If there was a sneak attack planned, it was abandoned right there.

But Dent and his allies in the Mississippi delegation prepared for the worst. Dent gathered nearly thirty of the Mississippians into two adjoining motel rooms for what he called "a prayer meeting" on 16-C. A fact sheet was prepared arguing that 16-C would preclude the option of Ford's selecting Reagan or of consulting with Reagan on a vice-presidential choice. "I started preaching," Dent recalled later, "about the lack of leadership in Mississippi, that these people were gonna have to take the leadership themselves. That there was a battle going on to retake Clarke Reed. We had Clarke's body but we didn't have his soul."

Dent also took the opportunity to make the dynamic Giordano head of Ford's campaign in the Mississippi delegation. By prearrangement, both Gil Carmichael and Shanks agreed to step back. Giordano had been working with the Ford leadership for some time, but had been dragging his feet on a public endorsement. Dent took care of that by telling this group that Giordano was now their leader. If Giordano had any qualms, this action removed them. For an hour the group again surveyed the delegate list, with everyone in the room assigned to lobby someone else on 16-C. Each was instructed to call John Davis by noon on Monday so that Ford's delegate count could be firmed up. "Tell John where you stand on your assignments to get these people squared away," Dent said, "so we know we got the votes. When we know we got the votes, we're gonna ask Clarke for a caucus." Dent is a great actor, and by his own recollection he "preached to them like a black Baptist preacher, but in a funny way," working the group into a lather. "There was a lot of laughter in that room," Dent recalled, "but boy, they were steamed up when we left there. They were ready to go hunt bear."

1. One diversion tickled Dent. Shanks, a baseball fan, fiddled with the television dial looking for a ball game and instead got some news [illegible] about the Mississippi delegation. Suddenly everybody stopped looking at Dent [illegible] watch themselves. "Look at Mississippi!" one of the delegates shouted, and they applauded themselves on the screen. The incident caused someone to observe that if the delegation's vote now, it would lose the spotlight. Dent,

Two members of the group went into the room of one of the uncommitteds, a man named Toxey Hall Smith, and sold him on sponsoring the 15–15 deal. ("It'll be known as the Toxey Hall Smith Compromise," Dent told him.) Either that, or a variation called "the Retzer Plan," after Mike Retzer, a twenty-year-old student and Reed protegé, who had been suggesting that the unit rule be dissolved and then the delegates apportioned on the basis of a vote of the full sixty delegates and alternates. Such an approach obviously would extricate Reed from his personal dilemma.

All this while, Governor Nunn was nosing around, picking up scuttlebutt about the Ford maneuverings and lobbying delegates himself in Reagan's behalf. Dent, for his part, had no interest in keeping the plans secret. In fact he wanted Clarke Reed to know that moves were being made without him, knowledge that would further shake his confidence. On the way back to their own delegations about one-thirty Monday morning, Dent and Governor Holshouser of North Carolina gave a ride to Billy Wilkins, former executive director of the Mississippi state party and another old Reed side-kick. "Now, Billy, we gonna win it with or without Clarke," Dent told him. "Clarke is really messing himself up. We gonna get a meeting tomorrow. These people want a meeting. They were unanimous in that room that they wanted a caucus, and they're ready to vote Monday. The 15-to-15 plan is going to be proposed, and there's gonna be a neutral, just like Clarke and Pickering asked for, to move for it. We're doing everything that they have suggested." Dent said later: "I guarantee you Billy was on the phone to Clarke immediately."

The next morning, August 16, as the Republican National Convention officially opened, Dent sought out Reed on the floor. "Clarke, baby," he said, "these people want to vote."

"Yeah, Giordano told me. But man, I'm busy, busy."

Dent pressed him: "Friend, you gonna lose control of your delegation."

But meanwhile, the Reagan people, Mounger and Pickering, were having second thoughts. Mounger particularly was irate over Dent's meddling. Shanks, Giordano, Dent, Reed, Pickering, and Mounger all gathered under the Mississippi placard on the convention floor and began openly to argue about whether to caucus or not. Press and television reporters saw something was up and crowded around, poking their noses, microphones,

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recalling the moment later, said: "I could have choked Doug Shanks." But Dent moved in quickly to turn the point around. "What that proves," he told them, "is they're saying you can be the kingmaker. And it's time to be the kingmaker. If you fool around here, you're not gonna be the kingmaker."

and cameras into the midst of the stormy huddle.

Mounger lashed out at Dent: "You're not a member of this delegation! We don't want a vote!"

Dent snapped back: "I know why you don't want a vote. We got the votes and you don't." He was winning no popularity contests with the Reaganites by now.

Haley Barbour, the state party executive director, finally interceded and led the group toward the back of the hall, away from the press and television. The five men—Giordano, Shanks, Pickering, Mounger, and Dent—ducked behind the bunting into a tiny space and continued the argument. Reporters poked their microphones and tape recorders under the bunting to capture the dialogue. There was more stalling, but no decision on a Monday caucus.

All this pressuring made Reed and the delegation feel hemmed in by both sides. About ten uncommitted or wavering delegates went to the Crown Center to visit President Ford, by arrangement of Dent. But before going in they unloaded on Dent and Cheney. "The more pressure you put on Mississippi," a Reagan-leaning alternate, Daniel Jaber, told Cheney, "the more we'll buck you." Afterward, Jaber told reporters: "They understood. . . . We'll do in time what we want to do."

Cheney got the message; the Ford forces would not insist on a Mississippi caucus—so long as Reed lived up to his earlier commitment to oppose 16-C. Before the very man on whom he was lavishing such heavy attention, Dent reported to the uncommitted Mississippians what Reed had said to Mike Wallace. "This is a battle for the soul of Clarke Reed," he repeated. "If Clarke leads you people, thirty-zero, then you've ended up probably breaking our back. If Clarke will just do what he says [oppose 16-C] we don't need a meeting."

Finally, according to Dent, both Reed and Lillian Todd, the other Mississippi member of the convention rules committee, agreed to help the Ford forces beat 16-C on Tuesday night. The group was ushered in to see the President; Reed could not stay long but, according to Dent, who was present, personally told Ford before leaving that the trouble on 16-C in the delegation had been worked out. Moments after the meeting Dent told John Hart of NBC News in the Crown Center lobby that no caucus would be held that day, because Reed had agreed to go along with the Ford camp on 16-C. In minutes the word was on the airwaves and Reed was on the phone to Cheney, squawking: "Y'all put me on the spot." And, indeed, the Reagan forces who heard the report were on his heels again.

Cheney was firm. "Look, Clarke, we expect you to do what you told us." Clarke Reed's much-pursued soul was still up for grabs.

On the convention floor that night, both sides lobbied openly. Pat Boone, the singer, hustled for Reagan and switched a Mississippi minister; a black woman, Mrs. Jean Long, was brought to Reagan's suite and he turned her around. Nobody knew whose nose count was right by now.

On Tuesday morning, August 17, Holshouser had a breakfast meeting in his room at the Crown Center to plot President Ford's strategy on Mississippi for the day. Dent was present, and Shanks, Giordano, and other Ford men. As they ate and watched a group of Mississippi uncommitteds on the NBC "Today" show, Shanks brought word that two or three black delegates were being lobbied hard by Reagan personally and were wavering. He wanted Dent to arrange a meeting for these men with the President, but the best Dent could do was a tour of the seventeenth floor, the campaign command area. He told the shaky delegates as much. Still, all things are possible in a desperate situation: en route to the seventeenth floor they encountered Jim Baker, and Dent told him of the crisis. In a few minutes they were all in Ford's office for a half-hour chat, and they left placated.

Meanwhile, out at the Ramada East, the delegation was wooed without surcease. Governor Holshouser, Senator John Tower of Texas, Secretary of the Treasury William Simon, and other Ford supporters met with the Mississippians. Tower "disclosed" that he himself was on Ford's vice-presidential list but that Reagan people from the South would be excluded from participation in Ford's decision if 16-C passed, since he obviously couldn't ask Reagan or Reagan people for their advice if Reagan was still an active candidate at the time. Passage of 16-C meant, Tower said, that the South's voice would not be heard on the matter of a Ford running mate.

From the Reagan side, the delegation got the movie-star treatment. Efrem Zimbalist, Jr., reportedly wept as he related that "Iron Chancellor" Rosenbaum would not let Reagan advocates address New York's delegation. And in the early afternoon Reagan himself came by, lobbied for 16-C, and answered all the old questions about Schweiker for the *n*th time. (Schweiker was not brought along this time.) Reaganites in the delegation professed to be buoyed by their candidate's last-ditch plea, but both sides were plainly running scared. Baker had told Dent shortly before that the Ford camp had 1130 votes against 16-C and needed Mississippi's thirty as a cushion, so Dent told a meeting of the Ford leaders: "This is the ball game, friends. So let's don't us move to lift the unit rule." The Ford people decided they would go for the thirty, but if the other side moved to void the unit rule, they would go along. Dent was afraid that if the unit rule were lifted, a Reagan delegate on the floor would request the state delegation be polled, in which case only delegates on the floor—not alternates in the gallery, where the Ford strength was—would be counted. "Don't get outmaneu-

vered," Dent warned them, worried. Dent didn't know that anything less than the thirty wouldn't help Reagan, so desperate was Reagan on 16-C. "We needed it for insurance," Dent said later, "but for them it was vital."

At about three o'clock on Tuesday afternoon the critical caucus was called. Sliding doors were pulled tight, cutting the motel dining room in half and separating the press from the drama inside. Dent and Keene were excluded as the deliberations proceeded, with much debate again about 16-C but—surprisingly, no effort to lift the unit rule. Despite all the lobbying, there still seemed to be considerable confusion over the strategy of 16-C. "We were told by the Reagan people that 16-C wasn't the ball game," Reed insisted. "They told us the big test would be the roll call on the nomination, and they had to carry it then." But Keene insisted just as strongly that the strategy of going all-out on 16-C could not have been spelled out more clearly. "I told Mounger, 'You lose this thing and it's over; that's it. If Mississippi goes down the chute on 16-C, we lose it on the floor, we lose the nomination, it's all right there.' They knew the significance of it. Or they should have."

As the key vote approached in the delegation caucus, a limousine drove up to the motel and out stepped Ford's perhaps most influential voice with this pivotal delegation—John Connally. Tight-lipped, he was whisked into Haley Barbour's room. There, Dent quickly briefed him on 16-C and how the Mississippi vote seemed to be shaping up. A sensitive decision was at hand: should Connally, with his overpowering demeanor, go into the caucus in progress and use his muscle for the President before the vote was taken? Or was there a danger, considering the touchy mood of this already beleaguered, overlobbied, and weary delegation, that such a bold and heavy-handed move might backfire?

Barbour, for one, as a Reagan man was afraid of Connally's influence. "Governor, I don't think you ought to go in there," he said. "They're just getting ready to vote." Dent, fearful that the timing was wrong to play such an intimidating card, said to Connally: "I hate to see you get in this. Why not let them decide if they want you before or after [the vote]?"

Barbour was dispatched to get Pickering, who reported not surprisingly that the group preferred that Connally wait until after the vote was taken.

Dent was elated. "Governor," he whispered to Connally, "that means we got the vote"—meaning the Ford side needed no additional help.

Just then Barbour came running back in. "Okay, Governor," he said to Connally, "they just voted. You can get in there."

"They voted?" Dent asked. "How did they vote?"

"Thirty-one to twenty-eight," Barbour said. (One delegate abstained.)[2]

"Which way?"

Barbour, the Reagan man, was glum: "Y'all won," he said.

Dent recalling the scene later, said: "It was the shoot-out at the O.K. Corral. It was the crucial vote in the convention."

The delegates, the big decision off their chests at last, heard Connally patiently for a few minutes, then streamed out to the motel pool, where a beer party awaited them. Several cases of Coors beer had been sent to them from Joseph Coors, the right-wing Colorado brewer, who had hoped it would be used to celebrate a Reagan victory. Instead the Reaganites drowned their gloom in it.

The Ford camp thought the drawn-out "Battle of Mississippi" was at last over. But in fact another episode or two remained.

On Tuesday night Harry Dent was sitting in the Ford campaign's sky suite high in the side of Kemper Arena, awaiting the convention vote on 16-C. He was looking through a large plate-glass window down on the Mississippi delegation, up front and to the right of the platform, reflecting with satisfaction on the work he had done, when Jim Baker came in. Baker threw down a copy of the *Birmingham News* with a front-page headline that said: "Ford Would Write Off Cotton South?" The article, by Saul Kohler of the Newhouse Newspapers, was an account of a breakfast that reporters had had with Rogers Morton, where Morton had evidently said that Ford's campaign would concentrate on the big industrial states. Though Kohler quoted Morton as saying he thought Ford had a chance to carry "states of the peripheral South," the clear implication in his article was that the President intended to spend little time bucking Carter in Dixie.

Morton was on the floor at the time and Dan Rather of CBS collared him. He denied he had said Ford would write off the South. Whereupon Rather invited him to accompany him over to the Mississippi delegation to straighten the matter out—on live television. Someone in the Ford sky suite spotted Morton in Rather's grip and Morton was promptly ordered by walkie-talkie to get off the floor immediately. (Nice try, though, Dan.)

Copies of the newspaper, and word-of-mouth about the story, had

[2] The vote at the end of the caucus roll call was actually 31-27, with Reed not voting until the end. Then, with the victory safely in the President's hands, Reed cast his ballot for Reagan—the "throw-away" vote he had threatened to cast all along. But he was true to his word: he had not hurt Ford, and the President had Mississippi's thirty votes on 16-C.

already spread to the convention floor and especially within the Mississippi delegation. Talk of defections from Ford, including another by Clarke Reed, floated up to the Ford sky suite.

By now, Dent had become entirely too visible to be useful, too much an outsider trying to steer the Mississippi delegation, and a perfect foil for Billy Mounger, striving desperately to restore an edge for Reagan. First Holshouser and then Tower were dispatched to give assurances to concerned Mississippians that Ford had no intention of writing off the South, that Morton—who had a record for putting his foot in his mouth—had been "misinterpreted" again.

But Mounger and Pickering were on the move, seizing the Morton story as a reason to call for another delegation caucus and another vote. Reagan had to have Mississippi—all thirty votes or any slice he could get—to have even a shot at 16-C. Sears, in Reagan's trailer just outside the hall, phoned the Mississippi delegation on the floor. Reed picked up the red Reagan phone. "Clarke," Sears said according to Reed, "we need every vote we can get. This is the ball game." He wanted Reed to caucus right away and try to get out from under the unit rule so that Reagan could get at least fourteen votes on 16-C. If he would help out on 16-C, Sears said he would understand if Reed felt he had to go with Ford the next night on the nomination.

Now Clarke Reed was utterly confused. Earlier Mounger had told him specifically that Reagan's strategists were holding to the unit rule on 16-C, even though it meant losing all thirty votes. The hope was that by the next night, on the nomination roll call itself, they could regain the upper hand in Mississippi and get all thirty votes then. Now, as Reed explained it later, "they were switching signals on us. First 16-C wasn't the whole ball game; then it was the whole ball game. That was what caused all the confusion, this changing in marching orders. And to get out from under the unit rule, we had to caucus."

Doug Shanks and Tommy Giordano, aware of the move, called Harry Dent in the sky suite: "Get somebody to the alternates. They're trying to get a caucus and Clarke's leading it." Charles Pickering had announced that the delegation was to meet in a room elsewhere in the hall, and pro-Reagan delegates and alternates had begun to file out. But Dent rushed down to the gallery section where the Mississippi alternates sat. "Keep your seats," he told them. Without the alternates, no vote could be reconsidered. To some of the wavering delegates and alternates, this move by the Reaganites to seek yet another vote after the delegation had decided in an above-board fashion to keep the unit rule and vote for Ford, was the final straw. One of the uncommitteds, Bob Re[illegible] grabbed Dent's Ford badge and put it on

a skillful, innovative advertising team had to be used. Peter Dailey, the holdover advertising expert from the Nixon campaign of 1972, was trying to run things with one hand, staying on the West Coast and delegating authority and direction to Bruce Wagner of New York, regarded by the ranking PFC operatives as bullheaded and inept. Spencer and Teeter wanted the advertising to be taken over by the best young campaign team in Republicanism—Doug Bailey and John Deardourff. In 1974 these two had pulled off the neatest trick of the political year, working successfully to elect the liberal-leaning Governor William Milliken to another term in Michigan and at the same time, with a masterful negative television campaign against unpopular Democratic Governor John Gilligan in Ohio, returning one of the great rogues of the era, James Rhodes, to the Governor's Mansion in Columbus. Ford had to have them for the fall effort.

To win, the strategy blueprint said, "we must persuade over 15 per cent (or about 10 million people) to change their opinions. This will require very aggressive media-oriented efforts." But, the book said, Ford could "run hard without relying on the traditional campaign 'hoopla' "; he could be "an active candidate and yet be perceived as a working President."

There was nothing written explicitly of what came later to be known as "the Rose Garden strategy"—the President "campaigning" from the sheltered confines of the White House lawn, making "presidential" announcements against backdrops conducive to television coverage, while Carter plunged on in the pit of complete public exposure at the mercy of the wolves of the press. But it was always what Spencer had in mind, as his point-blank description of the President as a campaigner had suggested.

Knowing that Ford liked to compare himself to Harry Truman, who upset the odds in 1948 and beat Dewey with a whirlwind whistlestop train campaign, the book pointedly tried to deflate that approach. "If Truman had to implement his '48 campaign today," it said, "he would probably lose because of TV. Truman was *not* that good on the stump (his speeches were awful!) and, while his 'Give 'Em Hell, Harry' style was pleasing to relatively small crowds—who would only see it once—it probably would have quickly worn thin if seen nightly by millions in living color."

As a prelude to the Rose Garden strategy, the book urged Ford to make a public declaration about his intended style of campaigning right after the convention, along these lines: "Presidential campaigning has become a circus which no longer fully serves the needs of the American people and the political process established by the Constitution. The President can appropriately use this bicentennial year to demonstrate how the process can be improved. He can contribute by campaigning on the issues and thus assisting the people in making one of the most serious choices they must

the PFC over the operation that had struggled and stumbled to his narrow nomination victory. Morton was eased out and, when John Connally declined the job, Jim Baker, who had done a superb job as delegate hunter, was asked to take over. At the strong urging of Teeter and Spencer, the team of Bailey and Deardourff was hired to handle media advertising—a decision that in the end came exceedingly close to keeping Gerald Ford in the White House. With Cheney continuing to operate as White House overseer and chief liaison with the President, this was the team that would undertake what they knew the situation required—a highly professional, error-free effort from Labor Day to Election Day. Greener was also involved and, later, Elly Peterson, a veteran Michigan Republican pro.

The influence of Bailey and Deardourff was felt at once. The first phase of their two-pronged plan involved simply conveying information about this accidental President's personal and family life, and about his concept of the presidency, which was dramatically less imperial than either Nixon's or Johnson's. Most importantly, the voters would be reminded about how things were at the end of Nixon's regime, the better to appreciate Ford. "We felt in many respects that part of Ford's problem was that he was sort of a victim of his own success," Bailey explained. "In two years, the country had returned to a kind of normalcy, and Ford was likely to be measured by normal measurements of the President, whereas the fact was in those two years we had really come an extraordinary distance. It was necessary to remind people of the conditions under which he assumed the presidency, in order to get them to focus on how far the country had come."

More difficult for Bailey and Deardourff was the final essential ingredient of the positive side of the campaign—what Ford saw for the future. "He had not communicated what he wanted the country to be moving toward," Bailey said. "He used to talk about his 'vision.' I don't think he ever really understood what we were talking about when we used the term 'vision.' He's not a conceptual thinker. He doesn't think in broad strokes of history. So there was never a full meeting of minds on that subject." Deardourff agreed. "I never was sure," he said, "that the President or anybody else that he had around him had a clear sense of what you did for an encore after you got things back on an even keel."

As for the second phase of the campaign, cutting Carter down to size, only the broadest outlines were discussed in Vail. Teeter's polling data carefully exposed Carter's vulnerabilities: his lack of experience, especially in foreign affairs, no clear public perception of his record of accomplishments, and his failure to be specific enough on the issues. All had to be exploited.

Bailey and Deardourff insisted on complete control over media adver-

edged to reporters, it was in raising and holding on to the business about Clarence Kelley. "It may have been better had I not got involved in [it] at all," he confessed. The whole go-around "took up about a day and a half of news-media attention and kind of interrupted our week's main themes" —his appreciation of blue-collar concerns.

All this time, Gerald Ford remained in the White House. "It suits me fine for him to stay in the White House," Carter said, but the strategy already was getting under his skin. "President Ford can walk out in the Rose Garden and make a minute-and-a-half statement and that's his only confrontation with the American people on the evening news," he lamented. "I make a hundred different statements a day."

There could be no quarreling with Carter on that score, and the Ford camp didn't bother. The Rose Garden strategy was working completely according to plan. The sentiment had now settled in among the Ford strategists, in fact, that not having the first debate until September 23 could contribute mightily to their chances, by persuading the public to suspend judgment on the two candidates at least until after the first debate. Partly for this reason, it was decided that Ford's television commercials would not be aired until a few days after the first debate, thus saving money and telescoping their effect into a shorter period closer to Election Day.

Actually, the rather late start for the commercials was dictated as much by Bailey's and Deardourff's inability to get them ready earlier. They decided that most of the television ads prepared by their predecessors would not do because, among other reasons, they focused too much on the incumbency and not enough on Ford the man. Still, there was a heavy dose of rationalization in the late start. "We were trying to convince ourselves," Doug Bailey said later, "that this not only was necessary but was the right thing to do. And it became clearer and clearer that it would have been a waste of money to put on much advertising before the first debate."

Not until September 15 did Ford venture out into the country, and then only to the politically safe confines of his alma mater, the University of Michigan. In a scene straight out of a college movie musical of the 1930s, Jerry and Betty Ford paraded into Crisler Arena to the cheers of fourteen thousand extras and walked onto a stage draped with a huge M, as the Michigan Fight Song rolled over the happy throng of middle-class whites. Ford served up promises of lower federal home-mortgage loans and new tax breaks for parents sending their children to parochial schools—direct pitches to middle-income and Catholic voters. Then he went directly at Carter on the issue of credibility. "It is not enough for anyone to say, 'Trust me,'" Ford said. "Trust must be earned. Trust is not having to guess what a candidate means. Trust is leveling with the people before the election

8304045391

MANCHESTER UNION LEADER

NEW HAMPSHIRE SUNDAY NEWS

"There Is Nothing So Powerful As Truth"

UNION LEADER CORPORATION
Manchester, N. H. 03108
(603) 668-4321

WILLIAM LOEB
PRESIDENT AND PUBLISHER

March 20, 1980

Mr. Ralph Galliano
Executive Director
Fund for a Conservative Majority
1022 Wilson Boulevard, Suite 1401
Arlington, Virginia 22209

Dear Ralph:

I wanted to take a minute to congratulate you on the effective independent campaign you sponsored here in New Hampshire on behalf of Governor Reagan.

"Citizens for Reagan in '80" produced creative radio ads which promoted Reagan and tastefully exposed some of the doubts surrounding George Bush and his record.

The voter mailings, newspaper advertising, radio spots and personal canvassing you provided significantly helped Reagan in his important victory in our state.

The national news media has referred to your campaign but failed to give "Citizens for Reagan in '80" and/or Fund for a Conservative Majority -- the sponsor of this independent effort -- the credit it deserved.

I hope you continue to be successful in your independent campaign to nominate and elect Ronald Reagan.

Sincerely,

William Loeb
Publisher

WL:Mrs. B. Morin

8 3 0 4 0 4 2 5 6 9 2



and not authorized by any candidate or candidate's committee.

8 3 0 4 0 4 5 3 9 3

#27

# Urgentgram

From: JOHN T. DOLAN, CHAIRMAN, NCPAC
1500 WILSON BOULDVARD, NO. 513
ARLINGTON, VIRGINIA 22209

Response Requested by
5/15/80

To:

TO NCPAC SUPPORTERS ONLY

PLEASE SEND RONALD REAGAN THE ENCLOSED "PLEDGE OF SUPPORT" POSTCARD TODAY.

GOVERNOR REAGAN'S CAMPAIGN IS DESPERATELY SHORT OF FUNDS GOING INTO CRUCIAL MAY-JUNE PRIMARIES.

I'M WRITING TO YOU AND OTHER PAST NCPAC SUPPORTERS TO ASK YOU TO HELP GOVERNOR REAGAN.

AS YOU MAY KNOW, GOVERNOR REAGAN HAS ALMOST REACHED HIS SPENDING LIMIT SET BY FEDERAL ELECTION LAW.

HOWEVER, YOU AND I CAN STILL HELP GOVERNOR REAGAN'S CAMPAIGN.

THE FEDERAL ELECTION LAW SETS A LIMIT ON HOW MUCH A CAMPAIGN CAN SPEND. HOWEVER IT SETS NO LIMIT ON HOW MUCH INDIVIDUAL CITIZENS AND ORGANIZATIONS LIKE NCPAC CAN SPEND ON BEHALF OF A CANDIDATE. AS LONG AS THEY ARE NOT CONNECTED TO HIS OFFICIAL CAMPAIGN.

THEY CALL THIS "INDEPENDENT EXPENDITURES."

THIS IS EXACTLY WHAT THE NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE IS GOING TO DO. LAUNCH AN "INDEPENDENT" CAMPAIGN TO HELP GOVERNOR REAGAN IN THE FINAL ROUND OF PRIMARIES, AS WELL AS IN THE NOVEMBER ELECTION.

BUT WE MUST HAVE THE HELP OF CONSERVATIVES LIKE YOU, TO MAKE IT WORK.

AT THIS POINT, GOVERNOR REAGAN WILL ALMOST CERTAINLY WIN THE REPUBLICAN PRESIDENTIAL NOMINATION.

BUT LATEST POLLS SHOW REAGAN AND CARTER NECK AND NECK

Authorized and paid for by the National Conservative Political Action Committee

IN POPULARITY. REAGAN WILL LOSE VALUABLE MOMENTUM IF HE CANNOT MAINTAIN HIS CAMPAIGN ADVERTISING PROGRAM IN HIGH GEAR IN THE MAY-JUNE PRIMARIES. CARTER CAN PULL AHEAD BECAUSE OF THE FREE ADVERTISING HE GETS AS A SITTING PRESIDENT.

NCPAC HAS AND WILL RUN "INDEPENDENT" PRO-REAGAN ADS TO MAKE SURE THIS DOES NOT HAPPEN.

I AM CONVINCED RONALD REAGAN IS A DEDICATED CONSERVATIVE WHO WILL HELP TURN THIS COUNTRY AROUND IF ELECTED.

BUT, ASIDE FROM THIS, I AM DETERMINED TO HELP GOVERNOR REAGAN NOW FOR TWO REASONS:

1. WHEN NCPAC WAS FOUNDED IN 1976 RONALD REAGAN SIGNED A LETTER PERSONALLY ASKING HIS SUPPORTERS AND OTHER CONSERVATIVES ALL OVER THE COUNTRY TO HELP US. IN FACT NCPAC WAS THE ONLY ORGANIZATION RONALD REAGAN HELPED IN 1976.

   MANY THOUSANDS OF CONSERVATIVES RESPONDED TO HIS CALL. HE IS ONE OF THE MAIN REASONS NCPAC IS HERE TODAY WITH A 71% WIN RECORD AGAINST THE LIBERALS.

2. AN OVERWHELMING MAJORITY OF NCPAC SUPPORTERS--PERHAPS YOU WERE ONE--WHO WERE CONTACTED WITH OUR "1980 PRESIDENTIAL SURVEY" SAID REAGAN WAS THEIR NUMBER ONE CHOICE FOR PRESIDENT.

NOW GOVERNOR REAGAN NEEDS OUR HELP.

THE ADS WE PRODUCE WILL BE TOUGH, HARD-HITTING ADS THAT WILL EXPOSE CARTER'S WEAKNESSES AS WELL AS PROMOTE REAGAN.

THESE ADS WILL BE PRODUCED BY TOP NOTCH PROFESSIONALS. THEY TALK ABOUT CARTER'S WEAK HANDLING OF IRAN, INFLATION ETC. AND HOW REAGAN WOULD BE A MUCH BETTER PRESIDENT.

WE WILL RUN THESE ADS IN MAJOR CITIES AND PLACES WHERE MANY VOTERS WILL BE MAKING UP THEIR MINDS BETWEEN CARTER AND REAGAN IN THE NEXT TWO MONTHS.

IF YOU CAN SEND A CONTRIBUTION TO NCPAC TO HELP US HELP GOVERNOR REAGAN, I AM ALSO ASKING YOU TO SEND HIM THE ENCLOSED POSTCARD TELLING HIM OF YOUR SUPPORT.

THE POSTCARDS YOU AND OTHER CONSERVATIVES SEND IN WILL GO TO GOVERNOR REAGAN'S CAMPAIGN HEADQUARTERS. HIS STAFF WILL SEE THE DEEP LEVEL OF SUPPORT GOVERNOR REAGAN HAS WITH CONSERVATIVES LIKE YOU.

WILL YOU PLEASE SEND YOUR LARGEST POSSIBLE CONTRIBU-

TION TO NCPAC'S HELP REAGAN PROJECT?

BUT PLEASE DO IT TODAY. RIGHT NOW.

ALL EXPERTS ARE SAYING A CARTER-REAGAN RACE WILL BE EXTREMELY CLOSE. WE CANNOT AFFORD TO LET UP REAGAN ADVERTISING FOR ONE MINUTE.

PLEASE SEND NCPAC $10.00 OR $15.00 OR MORE IF YOU CAN.

WHATEVER YOU CAN SEND I KNOW GOVERNOR REAGAN WOULD DEEPLY APPRECIATE IT.

AWAITING YOUR REPLY.

SIGNED: JOHN T. DOLAN, CHAIRMAN, NCPAC

PAID FOR BY NCPAC;
NOT AUTHORIZED BY ANY CANDIDATE OR CANDIDATE'S COMMITTEE

Urgentgram

**URGENT REPLY REQUESTED NO LATER THAN** 5/15/80

TO: JOHN DOLAN
CHAIRMAN
NCPAC

FROM:

__ YES, PLEASE SIGN ME UP AS A NCPAC SUPPORTER WILLING TO GO ALL OUT TO HELP RONALD REAGAN GET ELECTED PRESIDENT.

__ I'VE ENCLOSED MY MAXIMUM CONTRIBUTION TO HELP YOU (NCPAC) BUY INDEPENDENT PRO-REAGAN RADIO, TV, AND NEWSPAPER ADS IN REMAINING CRUCIAL PRIMARY STATES. MY CONTRIBUTION IS IN THE AMOUNT OF ___$10.00 ___$15.00 ___ OTHER $_____
(PLEASE MAKE YOUR CHECK PAYABLE TO NCPAC.)

P.S. I HAVE SENT MY "PLEDGE OF SUPPORT" POSTCARD TO RONALD REAGAN TO LET HIM KNOW I AM 100% BEHIND HIS CAMPAIGN.

(FEC LAW REQUIRES THAT WE ASK: YOUR OCCUPATION_____,
YOUR PLACE OF BUSINESS _____)

PLEASE RETURN THIS PAGE WITH YOUR CONTRIBUTION. FOLD WITH NAME AND ADDRESS BELOW TO SHOW THROUGH WINDOW OF RETURN ENVELOPE.

FIRST CLASS PERMIT NO. 12540, WASHINGTON, D.C.

POSTAGE WILL BE PAID BY ADDRESSEE

NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE
BEN FRANKLIN STATION BOX 877
WASHINGTON, D.C. 20044

8304042536

# TWO PRO-REGAN ADS YOU CAN HELP PUT ON THE AIR

**These are two ads NCPAC will run in support of Governor Reagan if we get the help we need from conservatives like you.**
**Please send your maximum contribution to NCPAC today to help us get these ads on the air in remaining crucial primary states.**

30 Sec.

## PRO-REAGAN RADIO SPOT

DO YOU REALLY THINK IRANIAN TERRORISTS WOULD HAVE TAKEN AMERICANS HOSTAGE . . . IF RONALD REAGAN WERE PRESIDENT?
DO YOU REALLY THINK THE RUSSIANS WOULD HAVE INVADED AFGANISTAN . . . IF RONALD REAGAN WERE PRESIDENT?
DO YOU REALLY THINK THIRD-RATE MILITARY DICTATORS WOULD LAUGH AT AMERICA AND BURN OUR FLAGS IN CONTEMPT . . . IF RONALD REAGAN WERE PRESIDENT?
WELL WE DON'T. IT'S ABOUT TIME WE HAD THE TOUGH NEW LEADERSHIP RONALD REAGAN WOULD BRING AMERICA AS PRESIDENT.
RONALD REAGAN FOR PRESIDENT. HE'LL MAKE AMERICA STRONG AGAIN.
PAID FOR BY THE RONALD REAGAN VICTORY FUND, A PROJECT OF THE NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE AND NOT BY ANY CANDIDATE OR CANDIDATE'S COMMITTEE.

60 SEC.

## REAGAN-CARTER RADIO SPOT

IN 1976, JIMMY CARTER SAID "WHY NOT THE BEST?" WELL, THAT'S WHAT HE SAID. LET'S LOOK AT WHAT HE GAVE US.
BERT LANCE—FORCED TO RESIGN FROM THE CARTER CABINET. PRESENTLY UNDER INDICTMENT.
DR. PETER BOURNE—THE CARTER DRUG EXPERT, FORCED TO RESIGN FROM THE WHITE HOUSE STAFF AFTER SUPPLYING DRUGS TO EMPLOYEES.
G. WILLIAM MILLER—CARTER'S TREASURY SECRETARY, PRESENTLY UNDER INVESTIGATION FOR PERMITTING HIS CORPORATION TO BRIBE FOREIGN LEADERS.
ANDREW YOUNG—CARTER'S U.N. AMBASSADOR, FORCED TO RESIGN FROM OFFICE AFTER LYING TO THE PRESIDENT.
HAMILTON JORDON—CARTER'S CHIEF OF STAFF, PRESENTLY UNDER INVESTIGATION FOR USING COCAINE.
IN 1976 JIMMY CARTER SAID, "WHY NOT THE BEST?" WE AGREE. THAT'S WHY THIS MESSAGE IS SPONSORED BY THE RONALD REAGAN VICTORY FUND. IF YOU WANT TO HAVE A PRESIDENT WHOSE JUDGEMENT YOU CAN TRUST, WHO WILL MAKE AMERICA STRONG AGAIN, THEN VOTE FOR RONALD REAGAN FOR PRESIDENT THIS TUESDAY.
PAID FOR THE RONALD REAGAN VICTORY FUND, A PROJECT OF THE NATIONAL CONSERVATIVE POLITICAL ACTION COMMMITTEE AND NOT BY ANY CANDIDATE OR CANDIDATE'S COMMITTEE.

**National Conservative Political Action Committee**
1500 wilson blvd. • arlington, va. • 22209

Paid for by NCPAC; not authorized by any candidate or candidate's committee.
FW"

Dear Governor Reagan:

I understand Federal Election Law prohibits your campaign from spending the funds you need in remaining crucial primary states.

I wanted to let you know that I am making a personal contribution today to an independent campaign on your behalf sponsored by the National Conservative Political Action Committee.

Please accept my best wishes in your campaign for the President. I am behind you 100%.

Sincerely,

PWT

8 3 0 4 0 4 5 3 9 9

CITIZENS FOR REAGAN IN '80!
A project of Fund for a Conservative Majority
927 Fifteenth Street, NW
Washington, D.C. 20005

Address Correction Requested. Do not forward.

This communication and all enclosures are paid for by Fund for a Conservative Majority and not by any candidate or candidate's committee

## FCM has helped these Conservative Leaders:
(partial listing)

Gov. Ronald Reagan

Sen. Roger Jepsen

Sen. Jesse Helms

Sen. Bill Armstrong

Sen. John Tower

Sen. Gordon Humphrey

Sen. Strom Thurmond

Cong. Jack Kemp

Sen. Orrin Hatch

Cong. Robert Bauman

Cong. Robert Dornan

Cong. John Ashbrook

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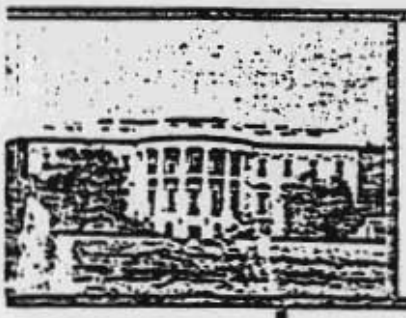

**CITIZENS FOR REAGAN IN '80!**

**SENATE CONTROL IN '80!**

Projects Sponsored By

THE FUND FOR A CONSERVATIVE MAJORITY

FCM

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# THE FUND FOR A CONSERVATIVE MAJORITY

Fund for a Conservative Majority (FCM) is one of the oldest conservative political action committees in the country. It was established under the original name Young Americans Campaign Committee several years before the Federal Election Commission came into existence.

Over the years FCM has supported most of the country's conservative leaders. Men like Governor Ronald Reagan; Senators John Tower, Jesse Helms and Orrin Hatch; and Congressmen Jack Kemp, Robert Dornan and Dan Marriott have all been assisted in their elections by this important political action committee.

The Board of Directors of the Fund for a Conservative Majority includes Robert Heckman who also serves as Executive Director of Young Americans for Freedom; Kenneth Boehm, former Prosecuting Attorney and award winning radio personality; and Jeff Kane, a successful businessman in the state of Maine. FCM's Executive Director is Ralph J. Galliano formerly with the National Conservative Political Action Committee.

The Fund for a Conservative Majority is dedicated to the goal of creating a conservative majority in the Congress and of electing a conservative President.

FCM believes a conservative majority in the Senate and a Conservative President can be elected in 1980.

**Activities for the 1980 Election**

"Senate Control in '80" is one of FCM's two current major political campaigns.

Conservatives can win control of the U.S. Senate in 1980. Many of the ultra-Liberals who must face the voters next year are very vulnerable to defeat: Liberal Senators like George McGovern of South Dakota, Gary Hart of Colorado, John Culver of Iowa, Birch Bayh of Indiana, John Durkin of New Hampshire and *at least ten others.*

FCM plans to be very active in this campaign to gain "Senate Control in '80."

* * * * * * * * * * *

"Citizens for Reagan in '80" is a special independent campaign effort to help secure the nomination and election of Ronald Reagan as President of the United States.

"Citizens for Reagan in '80" is working in key primary states such as New Hampshire, Florida, Texas and California, and at the important state conventions of Virginia and Missouri. Mailings, newspaper and radio ads, billboards and other political campaign activities will continue to be sponsored by this independent campaign.

927 Fifteenth Street, N.W. Washington, D.C. 20005

# Citizens for Reagan in 80!

A project of FUND FOR A CONSERVATIVE MAJORITY

May 19, 1980

Dear Mr.

Reagan as President and a Conservative Majority in the Senate is truly within our grasp!

National columnist Jack Anderson has referred to this possibility when he recently wrote:

> "... if a conservative Republican should win the presidency next year, his allies in the Senate could help him change the political direction of the country."

<u>With your help we can soon nominate and elect Ronald Reagan as President! And we can control the Senate as well</u>!

"Citizens for Reagan in '80" is a special project of the prominent multi-candidate political action committee -- Fund for a Conservative Majority. FCM is one of the oldest PACs in the country and its efforts have helped elect many of today's conservative leaders.

FCM is seeking to elect conservative candidates to federal office who will actively work to limit the size, price and control of government.

"Citizens for Reagan in '80" can be the deciding factor in electing Ronald Reagan as President of the United States.

If we are to succeed, we need your help. Please join with "Citizens for Reagan in '80" today.

A significant amount of "independent money" has already been raised to help nominate and elect Reagan our next President.

This communication and all enclosures are paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee.

But more, much more, needs to be done.

The Eastern Establishment and the liberal news media hope to deny victory to Ronald Reagan.

We must not allow them to succeed! Reagan can win!

"Citizens for Reagan in '80" is an independent campaign working to nominate and elect Ronald Reagan President of the United States.

Citizens for Reagan will encourage our fellow citizens to vote for Ronald Reagan in 1980.

Citizens for Reagan is campaigning in all the important primary and convention states. However, the extent to which we campaign depends directly upon the amount of support received from you and other patriotic Americans.

Citizens for Reagan budgeted a great deal of money for the important primaries in New Hampshire, the South, Illinois, Connecticut, Pennsylvania and Texas. Now its efforts are focussed on the important final primaries in California, Ohio and New Jersey, on June 3rd.

Radio and newspaper advertising, voter mailings, polling and literature distribution is being carried out by "Citizens for Reagan in '80".

<u>The goal is simple: to nominate and elect Ronald Reagan President of the United States.</u>

Ronald Reagan is a strong, articulate and experienced leader. He proved he was an effective executive while serving as Governor of California.

As a matter of fact, Reagan was the first major spokesman calling for a national "taxpayers revolt" by urging the citizens to join him in bringing government under control.

And Ronald Reagan has clearly understood the Soviet threat and has always called for a superior U.S. military force.

Once Reagan is nominated at the Republican convention, we will not stop our campaign -- no indeed. "Citizens for Reagan in '80" will continue to campaign right up to election day.

As an independent campaign, "Citizens for Reagan in '80" is not bound by the federal law to disband after Ronald Rea-

gan's nomination. However, the only money the official Ronald Reagan campaign will have after his nomination will be that which the Federal Election Commission gives him.

As an independent effort "Citizens for Reagan in '80" has no limit on expenditures before or after the nomination.

Ronald Reagan can win in 1980. But to win he needs your help today.

Jimmy Carter can be defeated in 1980.

And the best man to challenge Jimmy Carter is Ronald Reagan. You and I both know this. Even the liberal news media is beginning to realize that Reagan can win!

Just imagine the Presidential Debates this fall between Reagan and Carter! Or against Ted Kennedy if he should take the nomination from President Carter. Ronald Reagan will so out-class and out-debate Carter or Kennedy that the American people will simply have to vote for our man!

Send your maximum contribution today to the Fund for a Conservative Majority and join "Citizens for Reagan in '80". The campaigns are expensive and we need operational money to help nominate and elect Conservatives to the United States Senate and Ronald Reagan as President of the United States.

And with your participation we can also help decide who Reagan's Vice President will be.

Please join in the national "Reagan's Running Mate Survey" which is enclosed.

Who should Reagan ask to run with him? You can help make this decision by sending us the enclosed survey as soon as you complete it.

The results of this survey will be periodically released to the news media right up to the Republican National Convention.

Please take these three important steps to help insure Ronald Reagan's nomination and election as President of the United States:

(1) Be sure you and your Reagan friends are registered to vote.

(2) Fill out the enclosed "Reagan's Running Mate Survey" and send it to us today.

(3) Please enclose a maximum contribution with your survey. Make your check payable to Fund for a Conservative Majority.

Don't let the liberal news media and the Eastern Establishment keep us from nominating and electing Ronald Reagan!

Join "Citizens for Reagan in '80" today. Send your maximum contribution just as soon as possible to the Fund for a Conservative Majority.

On November 4, 1980 Ronald Reagan can be elected President of the United States.

On January 20, 1981 Ronald Reagan can be sworn in as the 40th President of the United States!

On January 21, 1981 President Reagan will begin to bring government under control; he will take action to decrease the rate of inflation; and he will begin to build an effective military defense for our country and our allies.

All this can actually happen! But to make sure it does, you must first join "Citizens for Reagan in '80" today.

I am anxiously awaiting your reply.

Sincerely,

Bob Heckman

Robert C. Heckman, Chairman
Fund for a Conservative Majority

P.S. Tens of thousands of dollars must be raised quickly to allow "Citizens for Reagan in '80" to continue to organize in the remaining key primary states and to promote Ronald Reagan at State Republican Conventions around the country.

Please join "Citizens for Reagan in '80" today! Send your completed Vice Presidential survey and your contribution to the Fund for a Conservative Majority.

Paid Political Advertisement

# AMERICA NEEDS LEADERSHIP!

America needs Ronald Reagan as President of the United States. At a time when government seems too big and too powerful, we need a man to bring control of government back to the people.

Government deficit spending continues —

Costly regulations add $100 billion each year to the price of goods and services —

Soviet military strength is increasing while America's defense capability is declining —

America cries for a strong national leader. *Ronald Reagan is the leader America needs in 1980!*

JOIN "CITIZENS FOR REAGAN IN '80"!

An independent expenditure campaign by Fund for a Conservative Majority, one of the oldest political action committees in the country.

PLEDGE YOUR SUPPORT!

*Send your contribution today.*

## "Citizens for Reagan in '80"

Count me on the Reagan Team for 1980! I am most happy to join "Citizens for Reagan in '80" and to work to nominate and elect Ronald Reagan President of the United States.

___ $15 ___ $25 ___ $50 ___ $100
___ $500 ___ $1,000 ___ $5,000 ___ Other

(Make Check to: Fund for a Conservative Majority or FCM)

A project of Fund for a Conservative Majority, 927 Fifteenth Street, N.W., Washington, D.C. 20005

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# Anticipating Carter, Reagan Adds Key Advisers

David S. Broder

## Reagan Stakes Out Tough Foreign Policy Stand

## Reagan's support runs deep and strong

## Is Reagan juggernaut picks up speed

## He looks unstoppable

## Reagan bulldozer rolls on

## Foreign policy stand

## U.S. role must win respect: Reagan

By Aldo Beckman

## How Reagan Can Win

## Reagan a 'formidable' opponent, Carter says

## Reagan's Campaign in Virginia Gets Big Boost From Ex-Governor Godwin

## Dole Declares His Support for Reagan in GOP Race

## Ronald Reagan could win

## Reagan May Get His Char

## Virginia's Big 3 GOP Office Holder

## Coleman, Back Rea

## Carter, Re Now Runni Neck and Neck

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# Reagan's Running Mate Survey

distributed by Citizens for Reagan in '80

*(A project of Fund for a Conservative Majority)*

**Please show your 1st and 2nd choices for the Vice Presidential candidate to run on Ronald Reagan's Ticket.**

John CONNALLY _____

Cong. Phil CRANE _____

Cong. Jack KEMP _____

Sen. Jesse HELMS _____

George BUSH _____

Gerald FORD _____

Sen. Pete DOMENICI _____

other _____

R 3 0 4 0 4 2 5 4 1 0

## YES, I want to join Citizens For Reagan In '80!

Enclosed is my contribution in the amount of:

_____ $15 _____ $25 _____ $50 _____ $100 _____ $250

_____ $500 _____ $1,000 _____ $2,500 _____ $5,000 _____ Other

(Make Check to: Fund for a Conservative Majority or FCM)

All donors of $25 or more will receive this elegant lapel pin. It's guaranteed to be a collector's item within a few short years.

The Federal law requires that we ask the following questions:

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3 3 0 4 0 4 5 4 1 1

Jesse Helms
United States Senator

Unofficial Business

The Capitol Building
Capitol Hill
Washington, D.C. 20510

Dear Friend:

When I began writing this letter, one of my associates commented that this may very well be the most important letter I have ever written about Ronald Reagan.

It now appears certain that Ronald Reagan will be the Republican nominee for President. I rejoice in that prospect, and I know you do also. I am totally convinced that if our nation is to be rescued from the very brink of disaster on which it now hangs, then we must elect Ronald Reagan President.

But recent events lead me to believe that perhaps this last opportunity may slip through our fingers.

If the election were held today, the polls show that Governor Reagan could defeat Jimmy Carter. But the election is not until November 4th. In the meantime, some of the most powerful forces in the country will be working to destroy Ronald Reagan's candidacy.

What are those forces?

They are the liberal news media, union bosses, liberal and left-wing politicians, institution leaders and organizations devoted to forcing socialistic programs and doctrines upon the American people.

Remember the devastating campaign that was waged by these same forces against Barry Goldwater in 1964?

They employed the most scurrilous sort of slander, libel, innuendo and falsehood to defeat Senator Goldwater. I can never forget the ruthless, brutal and unscrupulous tactics employed by those powerful forces during the 1964 campaign.

And now the liberal establishment wants to do the same thing to Ronald Reagan.

If I could choose a beginning of this effort, I would

over...

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pinpoint the recent evening news broadcast by one of the major networks which ended with an incredibly tasteless and vicious attack on Ronald Reagan.

And even Governor Reagan's lovely wife, Nancy, has been the target of a scurrilous attack by one of the major daily newspapers.

These are just two of the opening shots in the all-out war against the candidacy of Ronald Reagan.

I will be frank with you. I am frightened. I fear very much that the awesome power of the liberal press and the broadcast kingmakers will once again succeed in deceiving the American people. But this time they must not succeed.

How are we going to fight back -- those of us who are convinced that Ronald Reagan represents perhaps the last hope of saving our nation from a long, dark night of economic and military collapse?

How do we end interest rates which have soared past 20% and inflation which exceeds 18%?

How do we end the world's ridicule of our nation and elect leaders who will not just stand by while the communist war machine advances?

There are ways we can fight back. There are ways we can keep alive the truth about Ronald Reagan and the conservative cause.

That is why I have agreed to lead a national independent effort for Governor Reagan.

As Honorary Chairman of Americans for Reagan, I will give you an opportunity to even the odds for Governor Reagan.

Although Ronald Reagan will be limited in spending this fall by federal law, you and I can help him overcome the odds by waging an independent effort through Americans for Reagan.

As an independent campaign, Americans for Reagan can spend an unlimited amount of money on behalf of Ronald Reagan. Americans for Reagan's first goal is to purchase over $500,000 of T.V. time this fall in the Presidential election.

Because the liberals control the news media, paid air time is the only way to reach the American people with the truth.

Will you help us do this?

Will you do two things today?

First, will you send Americans for Reagan, in the enclosed

more...

envelope, your maximum pledge and support of our fall campaign to buy T.V. time for Governor Ronald Reagan?

Second, will you match the pledge with an immediate contribution to this vital effort?

I hope you can send $25 now and promise $50 later.

Or perhaps you can send $50 now and pledge $100 later.

Whether you can send $20, $50, $75, $500 or even $1,000 right now, please let me know your decision.

This time, because our cause is so important, I am asking you to dig down deep.

Americans for Reagan must have $26,800 in the next 30 days for the television campaign -- to purchase air time for T.V. ads.

Think of the future. Think of the consequences.

What kind of future will our children and grandchildren have if 20% interest rates and 18% inflation continue?

Or even more frightening, think of the consequences if our nation continues to be ridiculed and our leaders continue to stand by as the communist war machine advances.

I believe that by working through this independent effort we can give Ronald Reagan a real chance at winning this fall.

His official campaign cannot take one contribution from you or from me once he has won the Republican Presidential nomination. He will have to rely on a completely independent effort. So please, send your contribution to Americans for Reagan. Do it today.

I am anxiously waiting to hear from you. God bless you.

Sincerely yours,

Jesse Helms

Jesse Helms
United States Senator

8 3 0 4 0 4 2 5 4 1 4

U.S. Senator Jesse Helms, Honorary Chairman, AMERICANS FOR REAGAN
3825 Barrett Drive, Suite 300, Dept. 24, Raleigh, North Carolina 27609

Dear Senator Helms:

/_/ Yes, I'll join your emergency effort to rescue the Reagan for President Campaign from a financial disaster that could topple America's last great hope. To help finance your independent advertising campaign for Ronald Reagan, I enclose my contribution for:

/_/ $1,000 /_/ $750 /_/ $500 /_/ $300 /_/ $250 /_/ $200 /_/ $100
/_/ $75 /_/ $50 /_/ $25 /_/ $15 /_/ $_____ OTHER AMOUNT

/_/ No, I won't help you elect Ronald Reagan President of the United States. I understand that Ronald Reagan could lose the Presidency without my support, but I will not send you a contribution, Senator Helms.

Please make check or money order payable to AMERICANS FOR REAGAN, and type or handwrite your name and address clearly below. Thank you.

NAME_____ PHONE_____ AREA CODE_____

ADDRESS_____

CITY_____ STATE_____ ZIP_____

The Federal Election Commission requires that we ask the following.....

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See, esp, pp. 4-13; 24-25; 41-42

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**July 1979**

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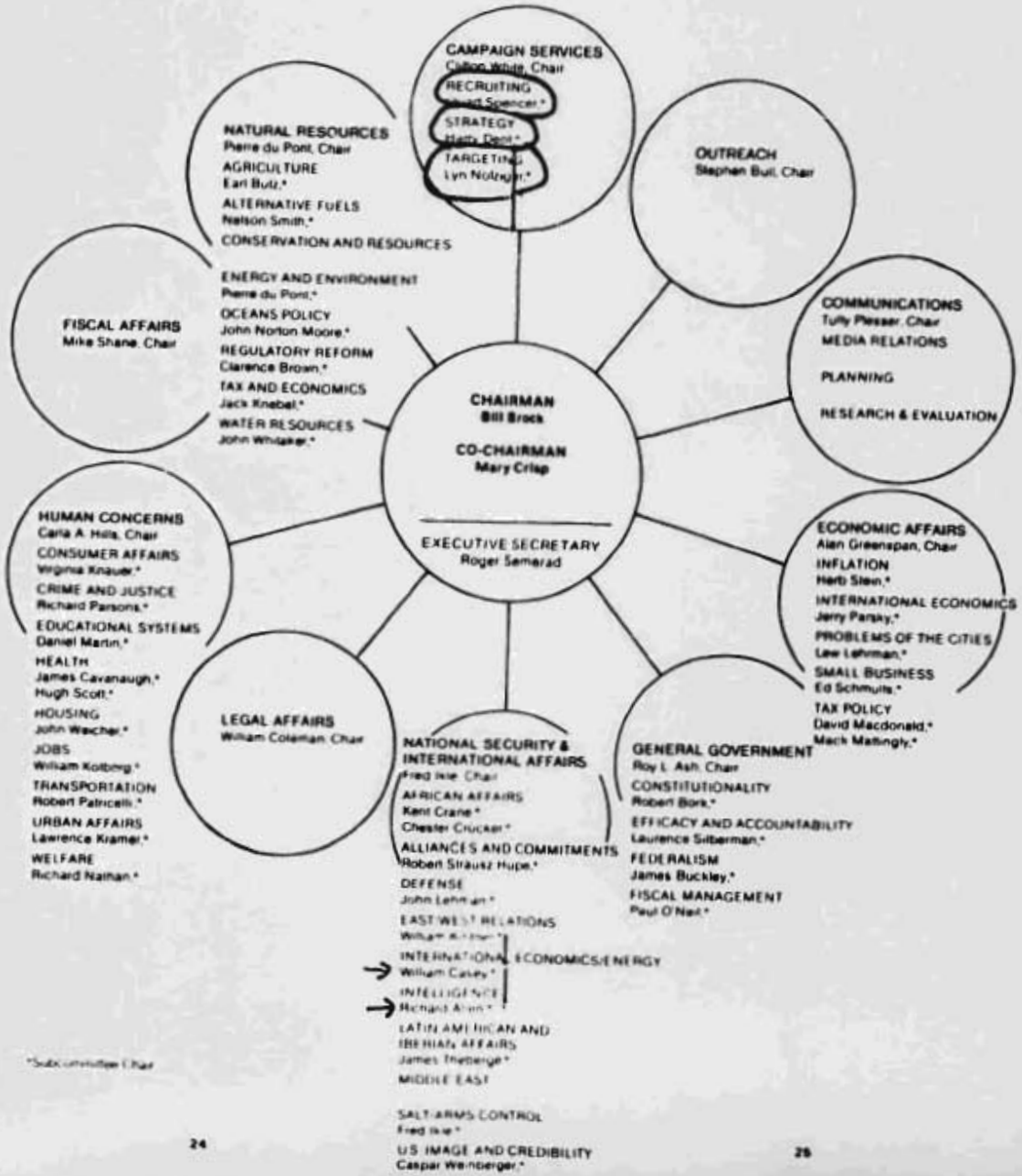


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PURYEAR, Byron N.
2705 Sheldon Rd.
Hampton, VA 23661
(804) 723-1360

RILEY, Ken
Kenneth Riley & Co.
120 East Delaguerra
Santa Barbara, CA 93101
(805) 963-8750

SEARS, John
Baskin & Sears
818 Connecticut Ave., N.W.
2nd Floor
Washington, D.C. 20006
(202) 331-1314

SOMMER, Judah C.
Stroock, Stroock & Lavan
1150 17th St., N.W., #600
Washington, D.C. 20036
(202) 452-9250

SPENCER, Stuart
Spencer Roberts &
Associates, Inc.
3471 Via Lido, #125
Newport Beach, CA 92663
(714) 673-3000

STEWART, James
88 Pine St.
New York, NY 10005
(212) 797-1200

TEETER, Robert
Market Opinion Research
28 West Adams, #601
Detroit, MI 48226
(313) 963-2414

VANDER JAGT, Rep. Guy
2334 Rayburn HOB
Washington, D.C. 20515
(202) 225-3831

WALKER, Ronald
2751 Lemmon Ave., East
Suite 320
Dallas, TX 75204
(214) 522-1990

*WHITE, F. Clifton
Drawer 1605
Greenwich, CT 06830
(203) 661-5642

WINDON, Bernard
Deputy Campaign Manager
25 K St., S.E.
Washington, D.C. 20006
(202) 289-0101

WIRTHLIN, Dr. Richard
2700 North Main St.
Santa Ana, Ca 92701
(714) 558-1321

*Denotes Chairman



## ADVISORY COMMITTEE ON COMMUNICATIONS

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McSPADDEN, Peter
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Duncer, Fitzgerald,
Sample, Inc.
347 Madison Ave.
New York, NY 10022
(212) 661-0800

MELADY, Dr. Thomas P.
President
Sacred Heart University
Bridgeport, CT 06606
(203) 374-9441

MOORE, Powell
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(202) 452-1003

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(212) 247-3700

*PLESSER, Tully
President
Consensus, Inc.
770 Lexington Ave.
New York, NY 10021
(212) 838-6400

B 3 0 4 0 4 2 5 4 3 0

RIAS, Joseph J.
2122 Massachusetts Ave., N.W.
Apartment [illegible]
Washington, D.C. [illegible]
(202) [illegible]

SNELLING, Gen. Richard
State House
Montpelier, VT [illegible]
(802) [illegible]

UNSMAN, John [illegible]
Vice President & General
Manager
Bison and Company
[illegible] St., N.W.
Washington, D.C. [illegible]
(202) [illegible]

*Denotes Chairman



## ADVISORY COMMITTEE ON FISCAL AFFAIRS

### MEMBERS

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*SHANE, Michael B.
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*Denotes Chairman

ROBERSON, Bob
5900 Steven's Forest Rd
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(301) [illegible]

ROCKEFELLER, Bill
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Medina, WA 98039
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SMITH, Mary Louise
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SPIEGEL, Albert A.
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(213) 476-1251

STONE, Roger A., Jr.
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(202) 483-6080

SOLPS, John
15 Tudor Rd.
Nahant, MA 01908

WEBB, James H., Jr.
4712 Little Falls Rd.
Arlington, VA 22207
(703) 524-5847

WILLIAMS, Brenda T.
26 Underwood Pl., N.W.
Washington, D.C. 20012

*Denotes Chairman

Schedule B
January 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

# Itemized Expenditures
## Campaign Fundraising, Loans, and Transfers
## for Lines 20, 21, 22, and/or 23 of FEC Form 3

(see instructions on back)

Page 3 of ____ for
LINE NUMBER 20
(Use separate schedule for each numbered line)

Name of Candidate or Committee in full
CITIZENS FOR THE REPUBLIC

Jan. monthly

| Full Name, mailing address and ZIP code | Purpose of Expenditure | Date (month, day, year) | Amount of each item this period |
|---|---|---|---|
| U. S. Postmaster<br>Santa Monica,<br>California, 90402 | postage meter | 1/10/78 | $500.00 |
| Donald L. Totten<br>839 W. Higgins Road<br>Schaumburg, Ill. 60195 | consultant services | 1/10/78 | $1,000.0 |
| James Lake<br>1819 H Street, N. W. Suite 230<br>Washington, D. C. 20006 | Airfare - parking | 1/10/78 | $533.00 |
| Glenn Mosher<br>1242½ S. Westgate<br>Los Angeles, Ca. 90025 | air freight charges | 1/10/78 | $21.00 |
| F. C. Mofziger<br>12012 Goshen #310<br>Los Angeles, Ca. 90049 | airfare, lodging | 1/10/78 | $1,434.( |
| F/P Research Associates<br>319 Southern Bldg.<br>15 & H Sts., N. W.<br>Washington, D. C. 20005 | consultant services | 1/11/78 | $1,000.( |
| Pitney Bowes<br>Walnut and Pacific Sts.<br>Stamford, Ct. 06904 | mail opener | 1/11/78 | $409.96 |
| Arrowhead Puritan Waters, Inc.<br>P. O. Box 60411<br>Terminal Annex<br>Los Angeles, Ca. 90060 | water | 1/11/78 | $29.13 |
| Subtotal of expenditures this page (optional) ▶ | | | $4,927.7 |
| Total this period (last page this line number only) ▶ | | | $ |

Over

ITEMIZED EXPENDITURES

Operating, Transfers Out, Contributions, Loans, Loan Repayments and Refunds
Supporting Lines 20a, 21a, and 22a, 20b, 21b, and 22b
of FEC FORM 3

Name of Candidate or Committee as Filed
MEMBERS FOR THE REPUBLIC

| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure | Date (month, day, year) | Amount |
|---|---|---|---|
| U. S. Postmaster<br>Santa Monica<br>California 90401 | postage<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/4/78 | 7.50 |
| Janet H. Zube<br>1101 Connecticut Ave.<br>Washington, D. C. 20036 | reimbursement for airfare, lodging, parking<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/5/78 | 519.83 |
| Carolyn Stahl<br>2102½ Dracena Avenue<br>Los Angeles, Ca. 90027 | reimbursement for airfare<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/5/78 | 155.00 |
| Harold Michael<br>616 S. Dorsentie<br>Los Angeles, Ca. 90005 | reimbursement for transportation<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/6/78 | 20.00 |
| Copycat<br>712 Wilshire Blvd.<br>Santa Monica, Ca. 90401 | duplicating services<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/6/78 | 53.37 |
| Dolmen International Corp.<br>505 Fifteenth St., N. W.<br>Washington, D. C. 20006 | Reimbursement airfare, meals, & misc.<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/6/78 | [illegible] |
| U. S. Postmaster<br>Santa Monica<br>California 90401 | postage<br>Expenditure for: ☐ Primary ☐ General ☐ Other | 10/6/78 | 8.00 |
| Federal Express Corp.<br>Box 16135<br>Memphis, Tenn. 38118 | delivery service<br>Expenditure for: ☐ Primary ☐ General ☐ Other | [illegible] | 71.00 |
| SUBTOTAL of expenditures this page (optional) | | | $1262.00 |
| TOTAL this period (last page this line number only) | | | $ |

[illegible]
[illegible]
[illegible]
[illegible]
[illegible]

# ITEMIZED EXPENDITURES

(Operating, Transfers Out, Contributions in Kind, Loans, Loan Repayments and Refunds Made)
Supporting Lines 20a, 21a, and 22a, 20b, and 22b of FEC FORM 3

Page 1 of ____ for Line Number 20

Use Separate Schedule for each numbered line

Feb. mon

Name of Candidate or Committee in Full
CITIZENS FOR THE REPUBLIC

20 06

| Full Name, Mailing Address and ZIP Code | Purpose of Expenditure / Expenditure for: | Date (month, day, year) | Amount of each expenditure this period |
|---|---|---|---|
| U. S. Postmaster<br>Santa Monica<br>California 90401 | stamps<br>postage<br>postage<br>☐ Primary ☐ General ☐ Other | 2/1/79<br>2/1/79<br>2/2/79 | 196.08<br>48.85<br>18.51 |
| Crown Parking<br>701 Wilshire Blvd.<br>Santa Monica, Ca. 90401 | parking spaces<br>☐ Primary ☐ General ☐ Other | 2/1/79 | 150.00 |
| Trader Boys<br>11535 West Pico Blvd.<br>Los Angeles, Ca. 90064 | file cabinets<br>☐ Primary ☐ General ☐ Other | 2/1/79 | 207.65 |
| Harold Michael<br>616 S. Normandie<br>Los Angeles, Ca. 90005 | reimburse - transportation<br>☐ Primary ☐ General ☐ Other | 2/25/79<br>2/19/79<br>2/1/79<br>2/9/79 | 20.00<br>20.00<br>20.00<br>20.00 |
| Darrell M. Trent<br>Hoover Institution<br>Stanford, Ca. 94305 | reimbursement for food<br>meeting expense<br>reimburse-fare, lodging<br>☐ Primary ☐ General ☐ Other | 2/2/79<br>2/6/79 | 218.50<br>129.24 |
| James H. Lake<br>1101 Connecticut Avenue NW<br>Washington, D. C. 20036 | reimbursement - air fare, meals, lodging<br>☐ Primary ☐ General ☐ Other | 2/2/79<br>2/6/79 | 314.94<br>581.50 |
| General Telephone Co.<br>1301 Sixth St.<br>Santa Monica, Ca. 90401 | telephone service<br>☐ Primary ☐ General ☐ Other | 2/2/79 | 1,105.96 |
| Bay Area Travel<br>631 Wilshire Blvd.<br>Santa Monica, Ca. 90401 | airfare<br>airfare<br>☐ Primary ☐ General ☐ Other | 2/2/79<br>2/9/79 | 471.00<br>29.60 |

SUBTOTAL of expenditures this page (optional) ..... $ 3,551.73

TOTAL this period (um page this line number only) ..... $

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO THE FILE

FROM: Kenneth A. Gross
Associate General Counsel

DATE: July 31, 1980

RE: MUR 1252

On July 30, 1980, (5:40 p.m.), Carol Darr called me and said that the lawyers with Cravath, Swaine wanted her to ask whether other respondents besides AEP have responded to their complaint with the FEC. I told her that the confidentiality provisions prevented me from telling her whether anybody has responded to their complaints, unless it was already public by virtue of an unsealed court filing.

She further asked if she could say that respondents have 15 days to respond to complaints and since 20 days have elapsed, it is assumed that all the respondents have answered. I told her that she could not draw any inferences from my answer, but that it was a correct statement of law that respondents have 15 days to respond to a complaint, but I couldn't say anything about any assumptions she could make from that legal statement.

She said that she understood my position.

cc: Charles N. Steele
Hal Ponder
Larry Noble
Marsha Gentner

3 3 0 4 0 4 2 5 4 3 6

CLC#
2003

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

80 JUL 22 P12:39

July 22, 1980

Carter-Mondale v. Reagan et al.

I am enclosing a Supplement to our July 2, 1980 Complaint, as amended July 8, 1980, and supplemented July 14, July 16 and July 21, 1980.

Very truly yours,

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

8 3 0 4 0 4 2 5 4 3 7

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 23314

BY HAND

North Carolina Congressional Club,
In Care of John R. Bolton, Esq.,
Messrs. Covington & Burling,
888 16th Street, N.W.,
Washington, D. C. 20006

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action
Committee,
1500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

8 3 0 4 0 4 2 3 4 5 6

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al.,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14, July 16, and July 21, 1980.

On July 16, 1980, Sander Vanocour of ABC interviewed Senator Jesse Helms at the Republican National Convention. According to an audio casette tape recording of a live television broadcast of that interview, Mr. Vanocour asked Senator Helms whether he had any recent discussions with Mr. Reagan. Senator Helms replied,

> "Well, as you may know, we have had an independent effort going on in North Carolina. The law forbids me to consult with him and it's been an awkward situation. I've had to, sort of, talk indirectly with Paul Laxalt and hope that he would pass along, uh, and I think the messages have gotten through all right."

Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement

to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 22nd day of July 1980.

Albert F. Marcellino
Notary Public

My Commission Expires_____

ALBERT F. MARCELLINO
Notary Public, State of New York
No. 43-2519700
Qualified in Richmond County
Certificate filed in New York County
Commission Expires March 30, 1981

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
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New York, N. Y. 10005

Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
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Washington, D. C. 20036

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

8 3 0 4 0 4 2 5 4 4 1

BY HAND

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

GCC # 1970

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

RECEIVED
GENERAL COUNSEL

80 JUL 21 A8:42

July 21, 1980

Carter-Mondale v. Reagan et al.

I am enclosing a Supplement to our July 2, 1980 Complaint, as amended July 8, 1980, and supplemented July 14 and July 16, 1980.

Very truly yours,

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

3 3 0 4 0 4 2 5 4 4 2

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 23314

BY HAND

North Carolina Congressional Club,
In Care of John R. Bolton, Esq.,
Messrs. Covington & Burling,
888 16th Street, N.W.,
Washington, D. C. 20006

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action Committee,
1500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

8 3 0 4 0 4 2 3 4 1 3

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al.,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14 and July 16, 1980.

1. Americans for an Effective Presidency filed a statement of organization with the Commission, which is attached, on July 9, 1980.

2. The attached press release, dated July 12, 1980, identifies Anna Chennault, referred to in our complaint and our July 16 supplement as one of the participants in "Americans for Change", as follows:

> "She is Chairman of the National Republican Heritage Groups Council and serves as an ex officio member of the Republican National Committee. She has held leadership roles in Republican Presidential Campaigns since 1964. Additionaly, Mrs. Chennault for many years has served as co-chairman of the Republican Finance Committee and is a member of the Eagles, the Republican Congressional Campaign Committee, and the Republican Senatorial Trust."

3. The Republican National Convention

The attached soliciation letter from Jesse Helms on behalf of NCCC's project "Americans for Reagan", dated July 14, 1980, reads in part:

> "I'm writing to you from the Republican National Convention in Detroit to ask you to do a special favor for me and Ronald Reagan. . . .
>
> "This election may be decided by only a few votes in key states and that's where we must put our time, efforts and resources. Television spots, newspaper ads and radio commercials have already been prepared. And brochures and other campaign materials will soon be ordered. . . .

"First, will you call as many friends and neighbors as possible and ask them to watch Ronald Reagan as he delivers his acceptance speech in Detroit this Thursday night?

"Second, will you give the enclosed blue envelopes to some of your special friends and ask them to mail a generous check to us at AMERICANS FOR REAGAN today?

"And third, won't you please dig down deep and send me at least $25 or even $50 or $100 today?

"In fact, won't you please sit down right this minute and write out your check and send it back to me in the enclosed white envelope?. . .

"Remember, Ronald Reagan and our nation need your financial help . . . ." [Emphasis added.]

The attached solicitation letter from Senator Schmitt, identified in the letter as Chairman of "Americans for Change", dated July 13, 1980, reads in part:

"Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.

"A buffet pool party--co-hosted by Jack Holden and Astronaut Walter Cunningham--will be held Friday night, July 18, 7:30-10;00 p.m., at the home of Mr. and Mrs. Jack Holden, 210 Fleetway Drive. Tickets for this exclusive event are $1,000 per couple.

"I will fly to Houston directly from the National Convention along with John Harmer, Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.

"Please join the team now. Send your checks for Reagan for President in '80* to 210 Fleetway Drive, Houston 77024, 526-8141." (Emphasis added.)**

The attached solicitation letter from FCM's project, "Citizens for Reagan in '80", which was mailed in an envelope reading "DATELINE : REPUBLICAN CONVENTION, DETROIT 11:03 PM WEDS. JULY 16, 1980", and which bears a picture of Mr. and

---

* While we have no information explaining what "Reagan for President in '80" is, it nevertheless appears that AFC's use of this name violates 2 U.S.C. § 432(e)(4).

** The attached article from the July 20, 1980 New York Times reported that Messrs. Reagan and Bush flew directly from the Convention to Houston, where they appeared at a rally with Governor Clements.

Mrs. Reagan, reads in part:

> "Tonight Ronald Reagan was nominated for President!
>
> "Now our work really begins. . . .
>
> "Your contribution is needed. Campaign plans; national advertising on TV and radio; full page ads in newspapers; election mailings pin-pointed to selected voters are all waiting for the funds to be raised.
>
> "Ronald Reagan needs you to support 'Citizens for Reagan in '80' if he is to be elected President. . . .
>
> "Your contribution of at least $25 is needed today. If you can afford $50, $100, or as much as $5,000 your contribution will be carefully and professionally used to help elect Ronald Reagan President." (Emphasis in original.)

According to the attached Baltimore Sun article appearing July 16, 1980, NCPAC held a press conference in Detroit during the Convention to outline its media strategy for assisting Mr. Reagan. The article reported:

> "First showings of the [NCPAC] commercials will be in the Midwest, but future airing will depend on the Reagan campaign strategy and market testing done for the committee by a professional polster." (Emphasis added.)

On information and belief, William P. Clements, Jr., Harrison Schmitt, James Edwards, Jesse Helms, and Thomas Ellis were delegates to the 1980 Republican National Convention and voted for Mr. Reagan as the Party's Presidential candidate.

Further, on information and belief, in evidence on the floor of the Convention were numerous printed signs reading "Americans for Reagan" and "Citizens for Reagan in '80". Persons carrying such signs appeared to be an integral part of campaign-orchestrated pro-Reagan floor demonstrations.

4. Mailing Lists

The Commission's files reveal that many of the official and unofficial committees have exchanged mailing lists among themselves.

- Bruce Eberle Associates exchanged mailing lists with CFTR, and Omega List Company, an Eberle subsidiary, has provided mailing lists to the 1976 official Reagan campaign, CFTR, and FCM.

- FCM has exchanged mailing lists with Name Exchange, and Name Exchange has provided lists to NCPAC.

- American Mailing Lists Corp., a subsidiary of Richard A. Viguerie Company, has provided mailing lists to NCPAC, the 1976 official Reagan campaign, and CFTR.

- CFTR provided mailing lists to the Helms for Senate Committee and the Texas Republican Party,* and exchanged mailing lists with Integrated Communications Systems, Inc. (ICSI).

- ICSI is a direct mail vendor to the 1980 official Reagan campaign.

5. According to Commission filings submitted by the Republican National Committee, Mr. Huckaby has been receiving a salary from the National Republican Congressional Committee, an official campaign committee of the RNC (AO 1976-108, February 15, 1977).

---

* Governor Clements was the nominee of the Texas Republican Party when the list was provided.

## Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 30th day of July 1980.

Cecilia Keeney
Notary Public

My Commission Expires 1982

CECILIA KEENEY
NOTARY PUBLIC, State of New York
No. 4834095
Qualified in Westchester County
Term Expires March 30, 1982

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
One Chase Manhattan Plaza
New York, N. Y. 10005

Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
Committee, Inc.
2000 "L" Street, N.W.
Washington, D. C. 20036

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

# STATEMENT OF ORGANIZATION

See reverse side for instructions

1. (a) Name of Committee (in full) — 2. Check if name or address changed. — 3. Date: 1 8 P12:57

AMERICANS FOR AN EFFECTIVE PRESIDENCY — July 9, 1980

(b) Address (Number and Street) — 3. FEC Identification Number

1225 19th Street, N.W.

(c) City, State and ZIP Code — 4. Is this an amended Statement? ☐ YES ☒ NO

Washington, D.C. 20036

5. TYPE OF COMMITTEE (check one)

☐ (a) This committee is a principal campaign committee. (Complete the candidate information below.)

☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

| Name of Candidate | Candidate Party Affiliation | Office Sought | State District |
|---|---|---|---|
| | | | |

☐ (c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

☐ (d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

☐ (e) This committee is a separate segregated fund.

☒ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund nor a party committee.

| 6. Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship |
|---|---|---|
| None | | |

If the registering political committee has identified a "connected organization" above, please indicate type of organization:

☐ Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. Custodian of Records: Identify by name, address (phone number — optional) and position, the person in possession of committee books and records.

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Robert H. Masson | 700 Anderson Hill Road<br>Purchase, New York 10577 | Treasurer |

8. Treasurer: List the name and address (phone number — optional) of the treasurer of the committee and the name and address of any designated agent (e.g., assistant treasurer).

| Full Name | Mailing Address and ZIP Code | Title or Position |
|---|---|---|
| Robert H. Masson | 700 Anderson Hill Road<br>Purchase, New York 10577 | Treasurer |

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

| Name of Bank, Depository, etc. | Mailing Address and ZIP Code |
|---|---|
| First American Bank, N.A. | 740 15th Street, N.W.<br>Washington, D.C. 20005 |

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Robert H. Masson — Robert H. Masson — 7-9-80

Type or Print Name of Treasurer — SIGNATURE OF TREASURER — Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. 437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530 (Local 202-523-4068)

FEC FORM 1 (5/80)

REAGAN FOR PRESIDENT

FOR IMMEDIATE RELEASE

CONTACT: Jack Burgess
(313)467-1510
ext. 1844.

Saturday, July 12, 1980

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Two prominent Washingtonians will serve as Co-Chairpersons of the Nationalities Division of the Reagan for President Committee.

Named to the posts were Gene Rossides, a senior partner in the law firm of Rogers and Wells and former Assistant secretary of the Treasury, and Anna Chennault, aviation and transportation expert and lecturer.

Assisting with policy and procedural guidance will be the Congressional Advisory Board of Ethnic Concerns, headed by Illinois Congressman Ed Derwinski.

Derwinski has spearheaded the GOP's efforts over the years to enlist Americans of ethnic background to the Party's ranks. The other members of the Board are Senators Pete Domenici (R-N.M.); and S.I. Hayakawa (R-Calif.) and Congressmen Arlen Erdahl (R-Minn.); Benjamin Gilman (R-N.Y.), Robert Lagomarsino (R-Calif.), Manuel Lujan, Jr. (R-N.M.), Charles Pashayan, Jr., (R-Calif.), Matthew J. Rinaldo (R-N.J.), Donald Ritter (R-Pa.) and Congresswoman Olympia Snowe (R-Me.).

Rossides, a Greek-American, served as assistant treasury secretary from 1969 to 1973. His responsibilities included direct supervision of the U.S. Customs Service, Bureau of Alcohol, Tobacco and Firearms, Secret Service, Bureau of the Mint, and several other major divisions of the Treasury Department. He was the U.S. representative to INTERPOL and served as law enforcement and trade policy advisor to the secretary of the treasury. He is the author of U.S. Customs, Tariffs and Trade and chief editor of the Bureau of National Affairs' U.S. Import Weekly.

(MORE)

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A native New Yorker, Rossides is a former assistant attorney general of that state and has long been active in New York civic and political affairs. His political experience includes his having held key positions in the Eisenhower, Nixon, Rockefeller, Javits and Keating campaigns.

He is a member of the Greek Orthodox Church and has served on its highest ruling body, the Archdiocesan Council.

Rossides is married and the father of four children.

Mrs. Chennault, the widow of WWII General Claire Lee Chennault, holds several high-level positions within the Republican Party. She is Chairman of the National Republican Heritage Groups Council and serves as an ex officio member of the Republican National Committee. She has held leadership roles in Republican Presidential Campaigns since 1964.

Additionally, Mrs. Chennault for many years has served as co-chairman of the Republican Finance Committee and is a member of the Eagles, the Republican Congressional Campaign Committee, and the Republican Senatorial Trust. She is a consultant with, and former Vice President for International Affairs of Flying Tiger Airlines. She serves as a director on the boards of several financial and corporate institutions and is co-chairman of the U.S. Council for Southeast Asian Trade and Investment. Mrs. Chennault has authored several scholarly publications in both Chinese and English and has lectured throughout the United States and overseas. The recipient of several honorary degrees, she has received numerous awards including the Freedom Award from the Order of Lafayette.

###

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SUITE 319
ALEXANDRIA, VA 22314

1-00834750937365AFCAFC2 7/13/80 ACP MAUD
01-ALEXANDRIA

Dear ;

Houston has been selected as the site for the first fundraiser on behalf of Ronald Reagan subsequent to the convention. And I hope you will make plans now to join us.

A buffet pool party -- co-hosted by by Jack Holden and Astronaut Walter Cunningham -- will be held Friday night, July 18, 7:30-10:00 p. m., at the home of Mr. and Mrs. Jack Holden, 310 Fleetway Drive. Tickets for this exclusive event are $1,000 per couple.

I will fly to Houston directly from the National Convention along with John Harmer, Reagan's Lieutenant Governor in California and we hope to bring with us a number of national celebrities.

Please join the team now. Send your checks for Reagan for President '80 to 310 Fleetway Drive, Houston 77024, 620-8141.

Senator Harrison (Jack) Schmitt
Chairman - Americans for Change

P.S. If you cannot join us, please contribute as much as possible to help restore a sense of pride in our country.

Paid for by AMERICANS FOR CHANGE, not authorized by any candidate.

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# AMERICANS FOR REAGAN
## NATIONAL CONVENTION HEADQUARTERS

# REPLY FORM

AMERICANS FOR REAGAN
Senator Jesse Helms
PO Box 18848
Raleigh, NC 27619

Dear Senator Helms:

☐ I listened to Ronald Reagan's speech on national TV and I'm with you in your independent campaign to elect this great American as President in 1980. I agree, this is the greatest challenge of our lifetime, and to help meet it I have enclosed my contribution for:

$_____

☐ I asked (  ) friends and neighbors to watch Ronald Reagan on TV.

☐ (  ) of the friends and neighbors I asked to watch Ronald Reagan on TV have pledged to send a contribution to AMERICANS FOR REAGAN.

☐ I am sorry, Senator Helms, but I can not help you elect Ronald Reagan President at this time.

Sincerely,

# SENATOR JESSE HELMS

NATIONAL CONVENTION HEADQUARTERS AMERICANS FOR REAGAN

July 14, 1980

Dear Friend:

I'm writing to you from the Republican National Convention in Detroit to ask you to do a special favor for me and Ronald Reagan.

This Thursday night, Ronald Reagan will deliver his speech accepting the Republican Presidential nomination to run against Jimmy Carter.

As many voters as possible must watch this event on national television.

That's why I'm asking you to call your friends and your neighbors to watch Ronald Reagan deliver his historic speech.

And as I watch Ronald Reagan speak, I will be thinking of you because you helped make his nomination possible. In fact, I share Ronald Reagan's appreciation for the support he has received from you and countless Americans like you across the nation.

From the bottom of my heart, I say thank you, and God bless you.

But your work is not over. In fact, it has just begun.

You and I face perhaps the greatest challenge of our lifetime.

The liberal Democrats and Jimmy Carter have brought this nation to the brink of disaster. Not since the Great Depression -- and perhaps not even then -- has America been so close to financial collapse.

Jimmy Carter and his allies in Congress have neglected our national defense to the point that we are becoming powerless to protect our national interests against foreign enemies. The Soviet Union knows this, and is becoming more aggressive and more reckless as its military capabilities grow and ours decline.

Can this nation we love, the United States of America, survive another four years under Jimmy Carter?

3 3 0 4 0 4 2 5 4 3

On Tuesday, November 4, you and I and our fellow voters will decide whether we begin anew with renewed hope in the American Dream under the inspired leadership of a great American, Ronald Reagan. Or, will this nation slide into an abyss from which it will never return?

The choice you and I face is crystal clear. If not for ourselves, then for our children and for their children we must totally dedicate ourselves to the election of Ronald Reagan as President of the United States.

We must work tirelessly.

And, our prayers must be fervent on behalf of our nation.

I firmly believe that Ronald Reagan was meant for this moment in history.

By reordering our nation's priorities and balancing the federal budget, Ronald Reagan can put an end to runaway inflation, high interest rates and the debasement of our currency.

Ronald Reagan's total commitment to the security of the United States will increase our chances for peace, and insure that the United States is once again the respected leader of the free world.

But it's not going to happen unless you and I act.

The liberals aren't going to give up easily.

The news media monopoly has already begun its attack on Governor Reagan. His record and his views have been and will be distorted and twisted. Millions of dollars are being poured into a Stop Reagan campaign by the liberal establishment which has dominated this nation for so many years.

No stone will be left unturned in this massive effort to defeat and destroy Ronald Reagan and all we stand for.

Yet, Ronald Reagan will not be allowed to call on you for help to counter the lies and propaganda that could end his chances for the Presidency. The official Reagan campaign is prohibited from soliciting or accepting your contribution or mine, thanks to laws passed by the liberal Congress.

But fortunately, there is a way you can help elect Ronald Reagan -- let me explain.

Because the Reagan campaign cannot accept your contribution, we have decided to launch an independent effort to counter the liberal forces arrayed against Governor Reagan.

If you and I reach the American people with the truth about

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Ronald Reagan, he can win on November 4. If we fail, the liberals will succeed in distorting the Reagan record and Ronald Reagan will lose.

Either you and I commit ourselves to a victory for Ronald Reagan, or we will suffer a defeat from which this great nation may never recover. That's why I'm calling upon you to pledge yourself to a victory for Ronald Reagan.

This election may be decided by only a few votes in key states and that's where we must put our time, effort and resources. Television spots, newspaper ads and radio commercials have already been prepared. And brochures and other campaign materials will soon be ordered.

I honestly believe that this independent campaign can mean the difference between victory or defeat for Ronald Reagan, and that is why I am asking for your help today.

First, will you call as many friends and neighbors as possible and ask them to watch Ronald Reagan as he delivers his acceptance speech in Detroit this Thursday night?

Second, will you give the enclosed blue envelopes to some of your special friends and ask them to mail a generous check to us at AMERICANS FOR REAGAN today?

And third, won't you please dig down deep and send me at least $25 or even $50 or $100 today?

In fact, won't you please sit down right this minute and write out your check and send it back to me in the enclosed white envelope?

Time is very short.

We must begin buying television time immediately if we are to get on the air in those crucial swing states.

You and I are fighting for survival.

So please be as generous as you possibly can.

And mail your check today.

Remember, Ronald Reagan and our nation need your financial help, your efforts, and your prayers. God bless you.

Sincerely,

Jesse

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Citizens for Reagan in '80!

# VICTORY ALERT

TONIGHT RONALD REAGAN WAS NOMINATED FOR PRESIDENT!

NOW OUR WORK REALLY BEGINS.

YOU MUST JOIN WITH "CITIZENS FOR REAGAN IN '80" TODAY IF AMERICA IS TO ELECT THIS STRONG AND EFFECTIVE LEADER.

IN JUST 3 1/2 MONTHS, THE VOTERS OF AMERICA WILL DECIDE IF RONALD REAGAN WILL LEAD OUR COUNTRY AND THE FREE WORLD FOR THE NEXT FOUR YEARS.

THE ALTERNATIVE IS ANOTHER 4 YEARS OF DEMOCRATIC FAILURE. THIS WE SIMPLY CANNOT AFFORD.

REAGAN'S CAMPAIGN BUDGET IS FEDERALLY-CONTROLLED AND LIMITED BY THE DEMOCRATIC-CONTROLLED CONGRESS.

THE DEMOCRATIC NOMINEE FOR PRESIDENT WILL HAVE THE SAME OFFICIAL BUDGET, BUT HE WILL ALSO HAVE THE POWER OF THE WHITE HOUSE, THE HUGE CAMPAIGN RESOURCES OF THE BIG LABOR BOSSES AND A VERY FRIENDLY NATIONAL NEWS MEDIA ON HIS SIDE.

BY LAW YOU CANNOT CONTRIBUTE DIRECTLY TO REAGAN'S CAMPAIGN NOW THAT HE HAS BEEN NOMINATED.

SO IT IS OBVIOUS THAT RONALD REAGAN NEEDS "CITIZENS FOR REAGAN IN '80", THE INDEPENDENT CAMPAIGN SPONSORED BY THE NATIONALLY RESPECTED FUND FOR A CONSERVATIVE MAJORITY. FCM IS ALSO HELPING TO ELECT A CONSERVATIVE SENATE THIS FALL.

YOUR CONTRIBUTION IS NEEDED. CAMPAIGN PLANS; NATIONAL ADVERTISING ON TV AND RADIO; FULL PAGE ADS IN NEWSPAPERS; ELECTION MAILINGS PIN-POINTED TO SELECTED VOTERS ARE ALL WAITING FOR THE FUNDS TO BE RAISED.

RONALD REAGAN NEEDS YOU TO SUPPORT "CITIZENS FOR REAGAN IN '80" IF HE IS TO BE ELECTED PRESIDENT.

This communication and all enclosures are paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee.

WE MUST RAISE AT LEAST $3,476,000 TO HAVE A CHANCE TO ELECT RONALD REAGAN THIS FALL. AND WE MUST RAISE $755,000 OVER THE NEXT THREE WEEKS IN ORDER TO RESERVE ADVERTISING SPACE -- TV AND RADIO TIME FOR THE CRITICAL FALL MONTHS.

YOUR CONTRIBUTION OF AT LEAST $25 IS NEEDED TODAY. IF YOU CAN AFORD $50, $100, OR AS MUCH AS $5,000 YOUR CONTRIBUTION WILL BE CAREFULLY AND PROFESSIONALLY USED TO HELP ELECT RONALD REAGAN PRESIDENT.

AND SHOULD RONALD REAGAN WIN THE PRESIDENCY, YOU WILL BE INVITED TO A SPECIAL INAUGURATION CELEBRATION HERE IN WASHINGTON, D.C. NEXT JANUARY 19 AND 20.

"CITIZENS FOR REAGAN IN '80" MUST BEGIN TO RESERVE IMPORTANT TV AND RADIO TIME. TIME IS SHORT.

PLEASE ACT TODAY!

ONLY WITH YOUR HELP CAN WE CELEBRATE VICTORY ON NOVEMBER 4 -- THE DAY RONALD REAGAN IS ELECTED PRESIDENT!

YOUR COMMITMENT TODAY WILL HELP DETERMINE IF RONALD REAGAN WILL WIN THE PRESIDENCY THIS YEAR.

I KNOW I CAN COUNT ON YOU.

SINCERELY,

ROBERT C. HECKMAN
CHAIRMAN

P.S. RONALD REAGAN IS NOMINATED! WE CAN ELECT HIM PRESIDENT ON NOVEMBER 4.

SEND YOU CONTRIBUTION TODAY TO FCM AND SUPPORT "CITIZENS FOR REAGAN IN '80".

DATELINE: REPUBLICAN CONVENTION, DETROIT 11:03PM WEDS. JULY 16, 1980

# Reagan...Reagan...Reagan...Reagan

This communication and all enclosures are paid for by Fund for a Conservative Majority and not authorized by any candidate or candidate's committee.

# Two groups may spend $9 million for Reagan

[illegible] p. A7

[illegible] Dole said. "And we think it may be."

Baltimore Sun, July 16, 1980, p. A7

# Reagan Escorts Bush Home to Houston for a Campaign Appearance

By DOUGLAS E. KNEELAND

Special to The New York Times

HOUSTON, July 19 — Ronald Reagan, the newly nominated Republican Presidential candidate, flew here today from the convention city of Detroit for a brief celebration in the hometown of his running mate, George Bush.

Mr. Reagan and his wife, Nancy, joined Mr. Bush and his wife, Barbara, for lunch at the Bushes' home in the affluent Memorial section of Houston. Then all four went to the fashionable Galleria hotel-shopping center complex for a rally that marked the first public campaign appearance of the Republican ticket.

"I don't believe it's going to be an easy campaign in the fall," Mr. Bush told a crowd of several hundred people watching from the balconies of the multilevel shopping mall. "Given Jimmy Carter's record it ought to be easy, but it's not. It's going to be tough."

Mr. Reagan, wearing a cowboy hat, responded, "If Texas and California can't do it, it can't be done."

### Crowd Amusements

While awaiting the candidates, many in the crowd amused themselves by booing several women bearing placards endorsing the proposed equal rights amendment. They were also amused when Anne Armstrong, the former Ambassador to Britain, who is to be the national co-chairman of the Reagan-Bush campaign, introduced Gov. William B. Clements Jr. as Texas chairman of the "Reagan-Ford campaign." Mr. Clements was one of many Republicans who tried unsuccessfully to get former President Gerald R. Ford on the ticket.

According to some campaign aides, Mr. Reagan's visit to Houston, on his way home to Los Angeles, followed the "tradition" of a Presidential candidate's escorting his chosen running mate to an appearance before the Vice-Presidential nominee's homefolks.

However, the only other recent example of this that could be recalled immediately was Mr. Ford's visit to Russell, Kan., with Senator Bob Dole after the Kansas City convention in 1976.

### Man From Four States

Mr. Bush, in his own primary campaign for the Presidential nomination, joked frequently about being from Maine, Massachusetts and Connecticut as well as Texas.

He was born in Milton, Mass., and reared in Greenwich, Conn. But he has his primary residence in Houston, whose Seventh District he twice served as a Congressman. And he has a summer home in Kennebunkport, Me., where he will go tomorrow for a three-day stay before flying to Los Angeles Wednesday for sessions with Mr. Reagan and his staff.

Texas, with 26 electoral votes, figures to be important in the fall election. Jimmy Carter carried the state by a narrow margin on his way to defeating President Ford in 1976. Mr. Reagan, who has always been considered strong in Texas, was nearly upset by Mr. Bush in the state's primary this year.

### The Candidate's Plans

According to Edwin Meese 3d, Mr. Reagan plans to go to his ranch near Santa Barbara, Calif., tomorrow and return to Los Angeles Tuesday.

He has no further campaign appearances scheduled until Aug. 5, when he will address the National Urban League in New York City.

Mr. Reagan will be on vacation the week of the Democratic National Convention, which begins Aug. 11 in New York City, Mr. Meese said, and he has a number of events scheduled in the weeks before Labor Day, the traditional opening date for most formal campaigning.

New York Times, July 20, 1980, p. 14

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GENERAL COUNSEL
80 JUL 21 A 8:26

From
Thomas D. Barr
1 CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Letter to Thomas D. Barr, Counsel for the Carter-Mondale Reelection Committee, Inc.

Pursuant to the Commission's determination of July 22, 1980, we have re-drafted the letter to be sent to Thomas D. Barr. Attached is the letter, which will be sent in accordance with the Commission's direction at close of business on July 22, 1980.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1980

Thomas D. Barr
One Chase Manhatten Plaza
New York, New York 10005

Re: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

This letter is in response to yours of July 16, 1980, in which you pose two questions concerning the procedures to be followed by the Commission in resolving the issues raised by the complaint submitted by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against Ronald Reagan and the Reagan for President Committee, et al., and in considering any request for certification of public funds submitted by Ronald Reagan and George Bush for use in the general election campaign. You ask whether the Commission will resolve the issues raised in the complaint prior to or at the same time it considers Mr. Reagan and Mr. Bush's request for certification, and also whether you and your clients would be permitted to address the Commission in order to present evidence with regard to the certification submission.

The Commission, as it has previously notified you, will not resolve the many factual and other issues alleged in your complaint prior to determining whether it will certify Mr. Reagan and Mr. Bush. The Commission considers that its role under the Presidential Election Campaign Fund Act with regard to the certification of eligibility of candidates to receive public funds for the general election is mandatory if the statements and certifications submitted by applicant candidates meet the requirements of 26 U.S.C. § 9003.

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The Commission does not find that it is required by the Presidential Election Campaign Fund Act, by its regulations, by the Administrative Procedure Act or by considerations of due process to provide opportunities for oral presentations by third parties during the Commission's consideration of submissions for certification of public funds. Accordingly, the Commission will not grant your request to orally address the Reagan/Bush request for certification.

Sincerely,

Charles N. Steele
General Counsel

cc: Mr. Loren Smith

Mr. Robert McDermott

Mr. William Brock

Mr. Roderick M. Hills

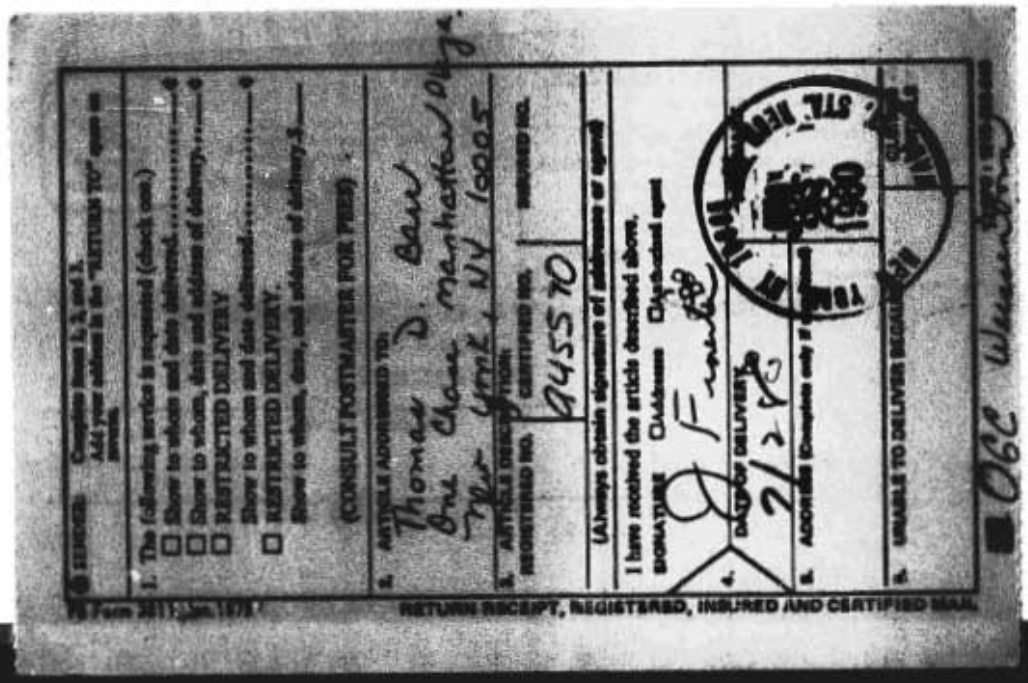
Senator Harrison H. Schmitt

Mr. Jan Baran

Mr. John Bolton

Fund for Conservative Majority

National Conservative Political Action Committee

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EXECUTIVE SESSION
July 22, 1980

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 21, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele

SUBJECT: Certification by the Commission of Public Funds for General Election Campaigns: Standards for Initial Certification Determinations and Third Party Rights; Application to Carter-Mondale Complaint and Subsequent Requests Re. Reagan for President Committee Submission for Certification

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On July 16, 1980, counsel for the Carter-Mondale Reelection Committee, Inc., wrote to the Commission a letter which posed two additional questions concerning procedures to be followed with regard to the submission by Ronald Reagan for general election public funds and to the complaint filed by the Carter-Mondale committee concerning Mr. Reagan's eligibility for such funds. The questions raised by the Carter-Mondale committee bring before the Commission the issues of what the Commission should consider when making determinations regarding the initial certification of payments of public funds for the general Presidential elections, of the possible involvement of third parties in the certification process, and of the application of these findings to the questions put by the Carter-Mondale committee.

Statutory and Regulatory Scheme

Public funding of the Presidential general election campaign is provided by the Presidential Election Campaign Act set forth at 26 U.S.C. § 9001 et al. and at 11 C.F.R. § 140 et al. Section 9005 of the statute and Section 143.1 of the Commission's regulations provide that no later than 10 days after the candidates for President and Vice-President of a political party have established their eligibility under Sections 9003 and 141.1 and 141.2, the Commission shall make its initial certification to the Secretary of the Treasury for payment to such eligible candidates under Sections 9006 and 143.2 in full of the amounts to which such candidates are entitled under Sections 9004 and 142.1. Sections 9003 and 141.1 and 141.2 set forth the conditions which must be met by candidates in order to establish their eligibility to receive such payments. These conditions for major party candidates consist of agreements to provide the Commission with evidence of qualified campaign expenses, to keep such

records as the Commission may require, to submit to an audit and examination and to repay any amounts required under Sections 9007 and 145.2. These candidates must also certify that they will not incur qualified campaign expenses in excess of the aggregate amount to which they are entitled under Section 9004 and 142.1, and that they have not and will not accept contributions to defray qualified campaign expenses unless the amount of public funds available does not equal the amount to which the candidates are entitled.

Parameters of the Commission's Statutory Responsibilities

Section 9005 states that the Commission shall certify payments of public funds to all eligible candidates within ten days after eligibility has been determined. Eligibility is defined only in terms of agreements and promises, not in terms of the furnishing of concrete documentation or of other proofs of compliance with the agreements submitted. The statute does not explicitly provide for investigations into the status of the candidate with regard to the fulfillment of such promises as of the date of certification; all references to required examinations and audits involve the end of the campaign.

Because of this statutory silence on the subject of pre-certification investigations, questions arise as to the proper role of the Commission in the determinations of candidate eligibility. To what extent is the Commission permitted or required to go behind the agreements and certifications required of candidates by Section 9003 in order to ascertain whether or not candidates have incurred qualified campaign expenses in excess of the statutory limitations or have accepted contributions and thus are ineligible to receive public funds? Or must the Commission rely upon the candidates' statements and certifications alone and upon the repayment provisions of Section 9007 to correct any mistakes made as to certification.

The legislative history of the Presidential Election Campaign Act says little. The only discussion concerning investigatory powers of the Commission during the initial certification process regards uses to which certified funds have been put. 1/

1/ The present language of Section 9005 was included in the 1974 amendments to the FECA of 1971. The original language of this section was part of the Revenue Act of 1971 and provided for certification by the Comptroller General to eligible candidates based upon "evidence, books, records and information furnished by the eligible candidates ... and prior to examination and audit." According to the floor debate in the Senate on the Revenue Act, the principal concern of certain members was with the use of public funds to be furnished to candidates, not with the possibility that private contributions might be receive prior to or after the receipt of public monies. A number of senators, particularly those espousing annual appropriations of check-off funds, expressed dissatisfaction with the plan to have the Comptroller General certify without prior examination or audit public funds on the basis of expenditure docu-

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The only relevant court guidance is found in Committee to Elect Lyndon La Rouche, et al. v. FEC, 613 F.2d 834 (D.C. Cir, 1979). Although this decision pertains to the administration of the Presidential Primary Matching Payment Account Act, not the Presidential Election Campaign Act, and although the provisions of these statutes and the policy considerations behind these provisions vary, certain considerations stressed by the court with regard to the administration of the primary matching fund statute appear to be applicable to that of the general election statute.

In La Rouche the principal issue involved the Commission's refusal to certify primary matching funds to Lyndon La Rouche as the result of an investigation into the facts behind statements and a listing of contributors submitted by the La Rouche committee in support of his application for matching funds. This investigation was undertaken by the Commission in order to ascertain whether the applicant candidate had met the eligibility requirements of 26 U.S.C. § 9033(b)(3)-(4). Plaintiff argued that Section 9033(b) requires merely an attestation of good faith and with knowledge that the candidate had met the required threshold of contributions, while the Commission argued that candidates must document this attestation.

In its decision the court sought to balance two Congressional policies reflected in the primary matching payment statute, these being the desire to withhold matching funds from frivolous candidates (Section 9033(b)(3)-(4)) and Congress' interest in the rapid certification of funds so that eligible candidates might have their use when they are needed. (Section 9036). The court found that the best way to accommodate these two policies was to require candidates to provide documentary evidence of the minimum level of public support required by the statute and at the same time to limit the Commission's investigatory powers regarding that evidence, during the initial certification process, to instances in which the candidate's submission contained "patent irregularities suggesting the possibility of fraud."

The Presidential Election Campaign Fund Act does not require a prior showing of public support for major party candidates over and above their nominations. Therefore the statements and certifications required for the establishement of eligibility under Section 9003 do not give rise to the necessity of verification of

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1/ continued.

mentation submitted by candidates. No similar discussion has been found with regard to the possible receipt of contributions and the relationship of such receipt to certification. At the most speakers during the floor debate simply repeated the statutory provision that candidates would not be eligible if they had received private contributions.

The 1974 amendments eliminated the need for submission of expense documentation prior to certification.

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of public support found in the primary election situation. Section 9003 does, however, require the candidate to certify that no contributions have been received prior to his or her application for general election campaign funds.

In support of its investigation of the La Rouche submissions, the Commission pointed to the language of Section 9036(a) which requires a candidate to "establish his eligibility", to the Congressional policy of withholding funds from frivolous candidates, and to the broad investigative powers of the Commission found at Section 9036(b). It could be argued that should the Commission wish to investigate the prior status of a general election candidate as to the receipt of contributions, it could do so under the provisions of Section 9005(a) which requires a candidate to meet "all applicable conditions for eligibility to receive payments," and the broad investigative powers granted the Commission by Section 9009(b). Such investigations, however, would undoubtedly be subjected to the same test as that applied by the court in La Rouche, namely that they could be undertaken during the initial certification process only when the information before the Commission contained patent irregularities suggesting the possibility of fraud.

Our opinion that a court would conclude that at least as high a standard should be applied in the general election context as that applied in La Rouche is enhanced by the time factor consideration. As noted above, the court gave equal weight to the Congressional interest in rapid certification of primary matching funds. The same policy consideration is reflected in the general election statute and would seem to be of even more importance given the fact that while primary candidates would have private contributions upon which to rely prior to certification of public funds, general election candidates who elect to accept public monies are forbidden to accept private contributions. Thus, in the general election situation an all or nothing situation arises, except for any funds which a candidate may legitimately borrow to fill the gap.

The statement that the Commission could conduct an investigation into the possibility of prior private contributions having been received, if the information before it contained patent irregularities, gives rise to the next question, that being the nature of the information which may be before the Commission when it makes certification determinations. Should the Commission be restricted to the statutorily required statements and certifications provided by the candidate or whould it broaden its deliberations to include additional information provided by its own staff without the necessity of further investigation or supplied by third parties? If a Matter Under Review has been opened on an issue covered by the candidate's statements or certifications, should information generated or submitted in the course of that enforcement action be considered during the certification process?

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A basic question then becomes whether the Commission will refuse to consider materials which are submitted to it or relevant to a certification, or whether the Commission will refuse to look at such material, no matter what that material is. The statute is silent on the subject of Commission consideration fo information over and above that required by Section 9003. No relevant discussion has been found in the legislative history on this point. The court in La Rouche included in the information to be studied for patent irregularities both the candidate's submissions and "other reports on file with the Commission." "Other reports" is not defined.

Provided that no additional investigation is required, there is apparently nothing in the statute, the legislative history or La Rouche to prevent the Commission from considering information in addition to the Section 9003 statements and certifications supplied by the candidate. Such information would seem to include that supplied by third parties, including complaints which trigger enforcement actions. Again, however, the standard for the institution of further investigation would be at least the patent irregularities test of La Rouche.

The Rights of Third Parties in the Certification Process

The possibility of the Commission's considering information provided by a third party during the certification process raises yet another question, that being the extent to which third parties have rights to become involved in the certification process. Again, the statute is silent on this issue with regard to administrative proceedings 2/ and no information has been found in the legislative history which is relevant to this question. Section 555(b) of the Administrative Procedures Act states:

> So far as the orderly conduct of public business permits, an interested person may appear before an agency or its responsible employees for the presentation, adjustment, or determination of an issue, request, or controversy in a proceeding, whether interlocutory, summary, or otherwise, or in connection with an agency function.

It has been argued that such permitted appearances do not establish a "right of intervention" in agency proceedings.

> Such a person 'may appear' only 'so far as the orderly conduct of public business permits'. He is not given an absolute, or even a conditional right to be a party.

---

2/ Section 9011 permits any interested person to petition for judicial review of certification determinations.

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> Agency procedures short of intervention, which permit a person to present written statements, or offer evidence or in some instances to cross-examine, may in some cases fully satisfy the provision in section 6(a) for an opportunity to be heard.
> D. L. Shapiro, "Some Thoughts on Intervention Before Courts, Agencies, and Arbitrators", 81 Harvard Law Review 721, 766 (1968).

It appears that the extent to which the Commission permits third parties to become involved in certification proceedings is a matter of Commission discretion, particularly in situations in which the third party will not be directly affected by the determination made. The consideration of written materials provided by third parties during the certification process would arguably be sufficient to satisfy any obligation to such a party.

RECOMMENDATION

Taking into consideration the above, it is recommended that the Commission reach the following conclusions and approve a reply to counsel for the Carter-Mondale Reelection Committee concerning the timing of the resolution of the issues raised in its complaint against the Reagan committee and its desire to make an oral presentation at the time when the Reagan-Bush request for certification is considered by the Commission.

1. The issues raised by the Carter-Mondale complaint and the documentation supplied by the committee will be before the Commission at the time it considers the Reagan-Bush submission for certification.

2. If the Commission found no evidence of patent irregularities on the face of the information before it, and assuming that the Reagan-Bush statements and certifications were proper, the Commission would certify the payment of public funds and any investigation concerning matters in the complaint later deemed appropriate by the Commission would still be carried out.

3. If the Commission found evidence of patent irregularities suggesting the possibility of fraud on the face of the information before it, that would raise the question of whether certification of public funds should be stayed pending the completion of an investigation.

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4. The Commission's procedures for certification do not include an opportunity for third parties to make oral presentations before the Commission.. The Commission is not required by either the Administrative Procedures Act or considerations of due process to provide such opportunities to parties not directly affected by its decision.

5. The Commission finds no evidence suggesting the possibility of fraud in the Carter-Mondale complaint.

6. Send the attached letter.

Attachments:

Letter from Thomas D. Barr to Charles N. Steele dated July 16, 1980.

Recommended reply to Thomas D. Barr.

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MUR 1252

Steele
F.Y.I.

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

RECEIVED
FEDERAL ELECTION COMMISSION
80 JUL 17 A 8:36

July 16, 1980

Dear Mr. Steele:

Thank you for your letter of July 15 responding on behalf of the Federal Election Commission (FEC) to my letter of July 11, 1980.

I am disappointed that the FEC continues to decline to address the substantive issues raised by our complaint. To be sure, there is a purely technical sense in which our complaint may in part be "premature". By raising the issues as promptly as possible and urging expeditious determination of the facts, we had hoped to resolve the matter without causing any undue or unnecessary impact on the respondents and well before the campaign begins in earnest. It is most unfortunate that the FEC has declined to proceed expeditiously on technical grounds and now refuses to reach the merits of our prayer for relief, also for purely technical reasons. Particularly is that so since there can be no doubt of the existence of a serious problem. The FEC action filed yesterday is the latest development in the string of events begun with the letter of May 20, 1980, from the counsel for the group styling itself Americans for an Effective Presidency, seeking an advisory opinion from the Commission on the same issues now pressed by the Commission's action in court.

Under the circumstances, I must necessarily ask two more questions:

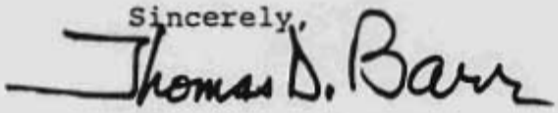
1. Will the FEC resolve the issues raised by our complaint prior to or at the same time it determines whether or not to certify Mr. Reagan?

2. At the "next regularly scheduled public meeting" when Mr. Reagan's request for certification will be considered will we be permitted to address the members to present evidence or to participate in any other way?

If the FEC deems it "premature" to answer these questions now, will it do so as promptly as possible

after Mr. Reagan's request for certification has been filed?

Sincerely,



Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K STreet, N. W.,
Washington, D. C. 20463

X

BY HAND

Copies to Ronald Reagan, Esq.,
In care of Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

BY HAND

Reagan for President,
In care of Senator Paul Laxalt, Chairman,
326 Russell Senate Office Building,.
Washington, D. C. 20510

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & HIlls,
1333 New Hampshire Avenue, N. W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 22314.

BY HAND

North Carolina Congressional Club,
In care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard (Suite 1401),
Arlington, Virginia 22209.

BY HAND

National Conservative Political
Action Committee,
1500 Wilson Boulevard (Suite 513),
Arlington, Virginia 22209

BY HABD

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Thomas D. Barr
One Chase Manhatten Plaza
New York, New York 10005

Re: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

This letter is in response to yours of July 16, 1980, in which you pose two questions concerning the procedures to be followed by the Commission in resolving the issues raised by the complaint submitted by the Carter-Mondale Reelection Committee, Inc., and the Democratic National Committee against Ronald Reagan and Reagan for President, et al, and in considering any request for certification of public funds submitted by Ronald Reagan and George Bush for use in the general election campaign. You ask whether the Commission will resolve the issues raised in the complaint prior to or at the same time it considers Mr. Reagan and Mr. Bush's request for certification, and also whether you and your clients would be permitted to address the Commission in order to present evidence with regard to the certification submission.

The Commission, as it has previously notified you, will not resolve the many factual and other issues alleged in your complaint prior to determining whether it will certify Mr. Reagan and Mr. Bush. The information which you have supplied in support of your complaint will be included with other information available with regard to the Reagan/Bush submission. At that time, the Commission will determine whether any of the information before it indicates that any investigation is warranted beyond the statements and certifications made by Mr. Reagan and Mr. Bush pursuant to 26 U.S.C. § 9003 in determining whether they have met all applicable conditions for eligibility to receive payments from the fund.

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The Commission has no procedures for oral presentations by third parties during the Commission's consideration of submissions for certification of public funds. The Commission does not feel that it is required by either the Administrative Procedure Act or by considerations of due process to provide such opportunities for oral presentations to parties not directly affected by its certification decisions. Accordingly, the Commission will not grant your request to orally address the Reagan/Bush request for certification.

Sincerely,

Charles N. Steele
General Counsel

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THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

Case file

July 16, 1980

80 JUL 16 A8:20
RECEIVED
GENERAL COUNSEL

Carter-Mondale v. Reagan et al.

Dear Mr. Steele:

I am enclosing a Supplement to our July 7, 1980 Complaint, as amended July 8, 1980, and supplemented July 14, 1980.

Very truly yours,

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

8 3 0 4 0 4 2 5 4 7 3

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 23314

BY HAND

North Carolina Congressional Club,
In Care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action Committee
1500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

3 3 0 4 0 4 2 5 4 7 9

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980, and supplemented July 14, 1980.

The July 13, 1980 issue of the Washington Post reported that Anna Chennault, referred to in our complaint as one of the participants in "Americans for Change", has joined the official Reagan campaign committee. That article, which is appended, reports that she has been named Co-Chair of the Nationalities Division.

The July 15, 1980 issue of the New York Times reported that NCPAC and Americans for Reagan, the NCCC "project", announced their plans to support Mr. Reagan the previous day. That article, which is also appended, said:

> "The National Conservative Political Action Committee previewed a series of 10 television commercials that are to be shown in selected markets beginning on Friday. Terry Dolan, chairman, said that the group would spend from $1 million to $5 million.
>
> "At the same time, Americans for Reagan, headed by Senator Jesse Helms, Republican of North Carolina, said it had set a fund-raising goal of $4 million."

## Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the supplement to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 15 day of July 1980.

James Lettiere
Notary Public

My Commission Expires 3/30/81

JAMES LETTIERE
Notary Public, State of New York
No. 4702137
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1981

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
One Chase Manhattan Plaza
New York, N. Y. 10005

Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
Committee, Inc.
1413 K Street, N. W.
Washington, D. C. 20005

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

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## 2 Committees Announce Fund Drives for Reagan

DETROIT, July 14 (AP) — Two independent committees announced plans today to raise as much as $9 million to support Ronald Reagan's Republican Presidential candidacy.

The National Conservative Political Action Committee previewed a series of 10 television commercials that are to be shown in selected markets beginning on Friday. Terry Dolan, chairman, said that the group would spend from $1 million to $5 million.

At the same time, Americans for Reagan, headed by Senator Jesse Helms, Republican of North Carolina, said it had set a fund-raising goal of $4 million.

At least seven committees have announced plans to support Mr. Reagan candidacy with independent expenditures.

The Federal Election Commission last week disclosed plans to take action against the groups, charging that they violated legal restraints on campaign spending and contributions. But the committees insist they are only exercising their constitutional right to free speech.

The New York Times, July 15, 1980, p. 9

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# Proposes Economic Recovery Plan

## CAMPAIGN NOTES

[illegible] candidate John B. Anderson opened a campaign headquarters two blocks from the GOP convention hall in Detroit.

"We want to make the world realize that Michigan is strong for Anderson," said Lorraine Beebe, Mr. Anderson's state campaign coordinator.

Beebe said the site for the Detroit city campaign office was found only a few days ago, and workers had been painting and [illegible] to make the building fit[illegible] for the convention.

Anderson needs about 5000 votes in Michigan's August primary to be placed on the November ballot in the state. His supporters said they filed about [illegible] signatures to qualify him for the primary.

* * *

Anna Chennault and Jaime Fonellas have named to head the nationalities division of the Reagan for President Committee.

Chennault, a native of China, is also chairman of the National Republican Heritage Council. Besides, a Washington, D.C., lawyer, is a former assistant treasury secretary.

Chennault told a news conference that "10 delegates and alternates identify themselves as ethnic Americans."

* * *

Americans still favor ratification of the Equal Rights Amendment by a 4-to-1 ratio, according to a poll commissioned by the National Organization for Women.

The survey found that about 34 percent of those in the nationwide sampling strongly support ratification and 26 percent expressed moderate support. Seventeen percent expressed strong opposition and 14 percent said they moderately opposed the amendment.

The poll also found 62 percent of Americans in favor of ERA and 31 percent against was released as Republicans prepared to debate a party issues platform that was stripped of support for the amendment. Reagan, the certain nominee, opposes the amendment.

An Associated Press/NBC News poll also found nearly 2 [illegible] supporting the ERA ratification. The poll, conducted Tuesday and Wednesday among 1,002 adults, found that 41 percent of those asked favored ERA, 28 percent opposed the amendment, 8 percent were undecided and 23 percent said they had not heard or read enough about ERA to have an opinion.

* * *

Supporters of Edward M. Kennedy for president yesterday filed [illegible] reports with the Democratic Party's rules committee, setting up a series of floor fights over the rules at the party's national convention in August. The major challenge filed by the Kennedy forces would eliminate a new rule requiring delegates to honor their primary or caucus pledges in balloting for the party's nominee.

Supporters of President Carter defeated all seven Kennedy proposals when the rules committee met here last week, and the Carter side with a big delegate majority is expected to prevail on the convention floor as well.

The Washington Post, July 13, 1980, p. 17

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Thomas D. Barr, Esq.,

From

1 CHASE MANHATTAN PLAZA
NEW YORK, N. Y. 10005

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 14, 1980

Carter-Mondale v. Reagan et al.

Dear Mr. Steele:

I am enclosing a Supplement to our July 2, 1980 Complaint, as amended July 8, 1980.

Very truly yours,

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

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Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
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In Care of Senator Jesse Helms,
The Capitol Building,
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BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action Committee,
10500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

9304042543

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NEW YORK, NY 102
-PM
14 JUL
1030

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N. W.,
Washington, D. C. 20463

RECEIVED
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1980 JUL 14 AM 10:00

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|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

SUPPLEMENT TO COMPLAINT

This supplements our complaint filed July 2, 1980, as amended July 8, 1980.

The July 11, 1980 issue of the Washington Star reported that Stuart Spencer, referred to in our complaint as one of the early participants in the group calling itself "Americans for an Effective Presidency ("AEP"), has joined the official Reagan campaign committee. That article, which is appended, reports that Mr. Spencer is "expected to assume control of the campaign's field operations."

Mr. Spencer thus joins Mr. Clements, also referred to in our complaint as one of the early participants in AEP, on the official Reagan campaign.

The free and easy movement of these individuals from the so-called "independent" AEP to the official Reagan campaign dramatizes the transparent nature of the AEP. The timing of these moves gives rise to a strong inference that Messrs. Spencer and Clements were conferring with members of the official campaign at the same time they were conferring with others about setting up AEP.

## Verification

The undersigned counsel for the Complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the amendment to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 14th day of July 1980.

Josephine D. Pignatelli
Notary Public

My Commission Expires March 30, 1982

JOSEPHINE D. PIGNATELLI
NOTARY PUBLIC, State of New York
No. 24-8372250
Qualified in Kings County
Cert. filed in New York County
Commission Expires March 30, 1982

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
One Chase Manhattan Plaza
New York, N. Y. 10005

Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection Committee, Inc.
1413 K Street, N. W.
Washington, D. C. 20005

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

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# Stuart Spencer Joining Reagan

By Jack W. Germond
Washington Star Political Editor

WASHINGTON STAR
JULY 11, 1980
A-4

DETROIT — Stuart Spencer, one of the Republican Party's most respected professionals, is joining Ronald Reagan's campaign staff.

According to sources in a position to know, Spencer will be named within a few days to serve initially as a kind of adviser without portfolio. Later he is expected to assume control of the campaign's field operations.

Spencer, who operates a political consulting firm in California, was the chief strategist for Gerald Ford's presidential campaign in 1976. He has run Republican campaigns at all levels and of all ideological stripes for almost 20 years — including Reagan's own first campaign for governor of California in 1966.

The specifics of Spencer's role in the Reagan campaign this year are still somewhat unsettled. One source said, however, that he will be one of several key advisers under campaign director William Casey with a rank equivalent to that of William Timmons, another former Ford aide who recently signed on as political director for Reagan.

One critical assignment for Spencer clearly will be to establish a working relationship with Republican leaders and officeholders around the country, many of whom have been grumbling about being ignored by the Reagan campaign.

Spencer has a wide aquaintance in these circles, including work in campaigns that elected William Clements and David Treen governors of Texas and Louisiana, respectively.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 15, 1980

Thomas D. Barr
One Chase Manhattan Plaza
New York, New York 10005

RE: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

The Commission has received your letter of July 11, 1980, requesting that the Commission provide a response to the prayer for relief sought by the complainants in the above-referenced matter with respect to the certification of Ronald Reagan to receive payments under the Presidential Election Campaign Fund Act ("Fund Act"). As my letter of July 9, 1980, informed you, the Commission has determined that it would not be appropriate at this time for it to proceed in this matter in the expedited fashion your clients have suggested. Accordingly, the Commission has taken no action with respect to any certification, and has no plans to take any action, absent a request from Mr. Reagan to be certified as an eligible candidate under the Fund Act. Any Commission determination prior to receipt of such a request from Mr. Reagan would be premature.

With respect to your request to receive notice from the Commission of its intention to certify Mr. Reagan under the Fund Act, the Commission will make any such determination in accordance with ordinary Commission procedures. Under such procedures, submission of Mr. Reagan's request for certification will be a matter of public record, and the Commission will be glad to notify you of its receipt. The recommendation of the Commission staff upon the request for certification would be circulated to the Commission and placed on the agenda of the next regularly scheduled public meeting for consideration. In addition, the Commission's Press Office will respond to any inquiries with respect to whether a certification action is pending before the Commission. This should provide you ample opportunity to protect the interests of your clients.

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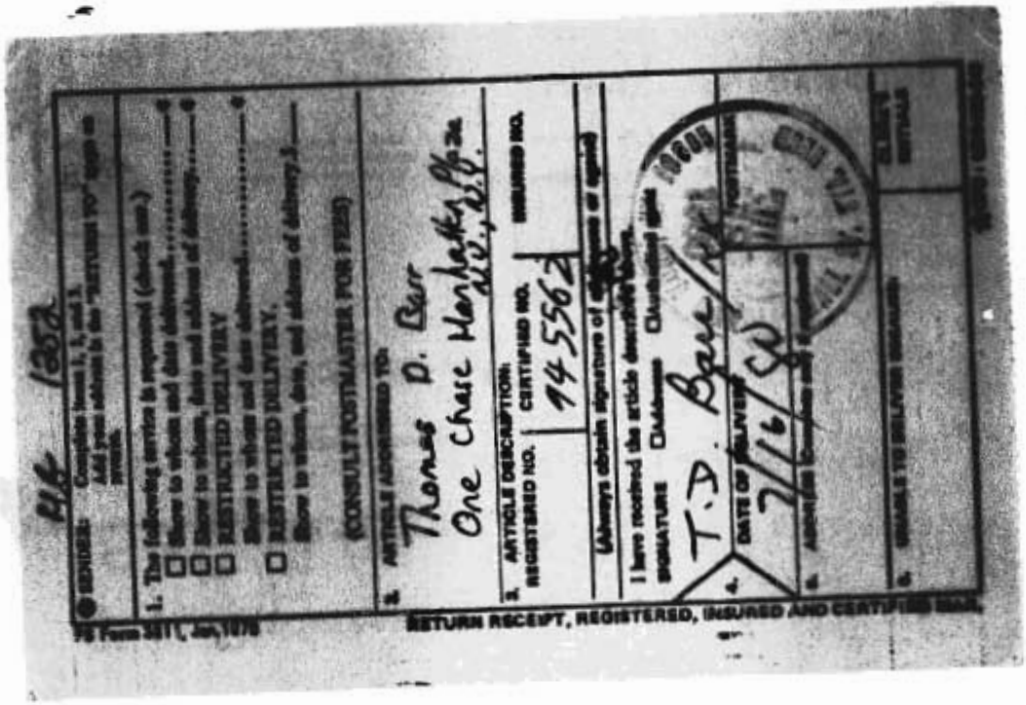
I hope that the above has adequately addressed your concerns. If you should have any questions concerning the foregoing or Commission certification procedures generally under the Fund Act, please do not hesitate to call one of the attorneys assigned this matter, Marsha Gentner or Patricia Bak, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock



AMW
7/15/80

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Thomas D. Barr
One Chase Manhattan Plaza
New York, New York 10005

RE: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

The Commission has received your letter of July 11, 1980, requesting that the Commission provide a response to the prayer for relief sought by the complainants in the above-referenced matter with respect to the certification of Ronald Reagan to receive payments under the Presidential Election Campaign Fund Act ("Fund Act"). As my letter of July 9, 1980, informed you, the Commission has determined that it would not be appropriate at this time for it to proceed in this matter in the expedited fashion your clients have suggested. Accordingly, the Commission has taken no action with respect to any certification, and has no plans to take any action, absent a request from Mr. Reagan to be certified as an eligible candidate under the Fund Act. Any Commission determination prior to receipt of such a request from Mr. Reagan would be premature.

With respect to your request to receive notice from the Commission of its intention to certify Mr. Reagan under the Fund Act, the Commission will make any such determination in accordance with ordinary Commission procedures. Under such procedures, submission of Mr. Reagan's request for certification will be a matter of public record, and the Commission will be glad to notify you of its receipt. The recommendation of the Commission staff upon the request for certification would be circulated to the Commission and placed on the agenda of the next regularly scheduled public meeting for consideration. In addition, the Commission's Press Office will respond to any inquiries with respect to whether a certification action is pending before the Commission. This should provide you ample opportunity to protect the interests of your clients.

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I hope that the above has adequately addressed your concerns. If you should have any questions concerning the foregoing or Commission certification procedures generally under the Fund Act, please do not hesitate to call one of the attorneys assigned this matter, Marsha Gentner or Patricia Bak, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock

23040425494

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 1252
Ronald Reagan, et al. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on July 15, 1980, the Commission decided by a vote of 5-1 to approve and send the letter, as attached to the FEC General Counsel's July 11, 1980 memorandum to the Commission, to counsel for complainants in MUR 1252.

Commissioners Aikens, Friedersdorf, Harris, McGarry, and Tiernan voted affirmatively for the decision; Commissioner Reiche dissented.

Attest:

7/15/80
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

8 3 9 4 0 4 2 5 4 9 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE MWE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY mc

DATE: JULY 15, 1980

SUBJECT: COMMENTS REGARDING MUR 1252

Attached are copies of the votes sheets of Commissioners Aikens, Friedersdorf, and McGarry with their comments regarding the vote in MUR 1252.

8 3 0 4 0 4 2 5 4 9 6

48 HOUR TALLY SHEET

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 JUL 15 P12:16

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON D.C. 20463

Date and Time Transmitted: TUESDAY, 7-15-80

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE

MUR No. 1252 - Memorandum to the Commission dated 7-14-80

(✓) I approve the recommendation to send a letter to Thomas D. Barr. See "Comment" below

( ) I object to the recommendation

COMMENTS: I disapprove of the change in the language of the proposed letter to Thomas D. Barr circulated to the Commission by the General Counsel's Memorandum dated July 14, 1980 and desire to reaffirm my approval of the language contained in the proposed letter to Thomas D. Barr circulated to the Commission by the General Counsel's Memorandum dated July 11, 1980.

Owing to the nature of the matter, I do not wish the

Date: 7/15/80 Signature: J. W. Aikens by jet

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

letter to be held pending convening of a formal Commission meeting and ask that the letter to Thomas D. Barr as circulated by the General Counsel's memorandum dated July 11, 1980 be sent by close of business this date (July 15, 1980).

8304042547

48 HOUR TALLY SHEET

FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON D.C. 20463

80 JUL 15 P1:28

Date and Time Transmitted: TUESDAY, 7-15-80
10:15

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE
~~7-21-80~~

MUR No. 1252 - Memorandum to the Commission dated 7-14-80

( X) I approve the recommendation to send a letter to Thomas D. Barr; see "Comment" below.

( ) I object to the recommendation

COMMENTS: I disapprove of the change in the language of the proposed letter to Thomas D. Barr circulated to the Commission by ~~the General Counsel's Memorandum dated July 14, 1980 and~~ desire to reaffirm my approval of the language contained in the ~~proposed letter to Thomas D. Barr circulated to the Commission by~~ the General Counsel's Memorandum dated July 11, 1980.

Owing to the nature of the matter, ~~I do not wish the~~ letter to be held pending convening of a formal Commission meeting and ask that the letter to Thomas D. Barr as circulated by the General Counsel's memorandum dated July 11, 1980 be sent by close of business this date (July 15, 1980).

Date: 7/15/80 Signature: Mary L. Dwightwatkins
by jet

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

8304042549 8

83 JUL 15 P 2:05 80 JUL 15 A10:48

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON D.C. 20463

Date and Time Transmitted: TUESDAY, 7-15-80 10:15

Commissioner FRIEDERSDORF, AIKENS, TIERNAN, McGARRY, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: EXPEDITE

MUR No. 1252 - Memorandum to the Commission dated 7-14-80

(✓) I approve the recommendation to send the letter to Thomas Barr - See "Comment" below:

( ) I object to the recommendation

COMMENTS: I disapprove of the change in the language of the proposed letter to Thomas D. Barr circulated to the Commission by the General Counsel's Memorandum dated July 14, 1980 ~~and desire to reaffirm my approval of the language~~ contained in the proposed letter to Thomas D. Barr circulated to the Commission by the General Counsel's Memorandum dated July 11, 1980.

Owing to the nature of the matter, I do not wish the letter to be held pending convening of a formal Commission meeting and ask that the letter to Thomas D. Barr as circulated by the General Counsel's memorandum dated July 11, 1980 be sent by close of business this date (July 15, 1980).

Date: 7-15 Signature: John Aikens

THE OFFICE OF GENERAL COUNSEL WILL TAKE NO ACTION IN THIS MATTER UNTIL THE APPROVAL OF FOUR COMMISSIONERS IS RECEIVED. PLEASE RETURN ALL PAPERS NO LATER THAN THE DATE AND TIME SHOWN ABOVE TO THE OFFICE OF COMMISSION SECRETARY. ONE OBJECTION PLACES THE ITEM ON THE EXECUTIVE SESSION AGENDA.

8304042549

July 15, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Memo distributed to the Commission on an expedited tally basis. Thank you.

8 3 0 4 0 4 2 5 5 0 0

GCC# 1978

RECEIVED

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

80 JUL 21 AM 10:03

July 14, 1980

Dear Mr. Steele:

As I told you in our telephone conversation a few moments ago, this letter will confirm the advice you just gave me.

You informed me that you had circulated a draft response to my letter of July 11, but that the Commission had not approved that draft, that you hoped to find a means of working out the objection to that response but that you could not guarantee that the Commission would be able to resolve the objection and respond to my letter before Tuesday of next week. Finally, you said that you would let me know when and if there is a further response.

Thank you for your courtesy.

Sincerely,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N. W.,
Washington, D. C. 20463

X

80 JUL 21 P12:15

RECEIVED
SECRETARIAT
GENERAL COUNSEL

8 3 0 4 0 4 2 3 5 0 1

GCC# 1961

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

80 JUL 17 A 8:36

July 16, 1980

Dear Mr. Steele:

Thank you for your letter of July 15 responding on behalf of the Federal Election Commission (FEC) to my letter of July 11, 1980.

I am disappointed that the FEC continues to decline to address the substantive issues raised by our complaint. To be sure, there is a purely technical sense in which our complaint may in part be "premature". By raising the issues as promptly as possible and urging expeditious determination of the facts, we had hoped to resolve the matter without causing any undue or unnecessary impact on the respondents and well before the campaign begins in earnest. It is most unfortunate that the FEC has declined to proceed expeditiously on technical grounds and now refuses to reach the merits of our prayer for relief, also for purely technical reasons. Particularly is that so since there can be no doubt of the existence of a serious problem. The FEC action filed yesterday is the latest development in the string of events begun with the letter of May 20, 1980, from the counsel for the group styling itself Americans for an Effective Presidency, seeking an advisory opinion from the Commission on the same issues now pressed by the Commission's action in court.

Under the circumstances, I must necessarily ask two more questions:

1. Will the FEC resolve the issues raised by our complaint prior to or at the same time it determines whether or not to certify Mr. Reagan?

2. At the "next regularly scheduled public meeting" when Mr. Reagan's request for certification will be considered will we be permitted to address the members to present evidence or to participate in any other way?

If the FEC deems it "premature" to answer these questions now, will it do so as promptly as possible

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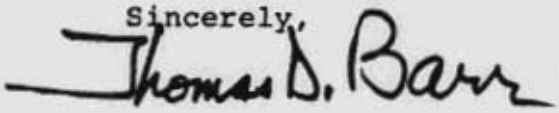
after Mr. Reagan's request for certification has been filed?

Sincerely,



Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K STreet, N. W.,
Washington, D. C. 20463

X

BY HAND

Copies to Ronald Reagan, Esq.,
In care of Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

BY HAND

Reagan for President,
In care of Senator Paul Laxalt, Chairman,
326 Russell Senate Office Building,
Washington, D. C. 20510

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & HIlls,
1333 New Hampshire Avenue, N. W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 22314.

BY HAND

North Carolina Congressional Club,
In care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard (Suite 1401),
Arlington, Virginia 22209.

BY HAND

National Conservative Political
Action Committee,
1500 Wilson Boulevard (Suite 513),
Arlington, Virginia 22209

BY HABD

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 14, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Letter from Complainant in MUR 1252

Attached is a proposed letter revising the response to counsel for complainants in MUR 1252 which was circulated to the Commission on July 7, 1980. The revision is a deletion of language at the end of paragraph one and the begining of the last paragraph of the proposed letter which was objected to this morning.

RECOMMENDATION

Approve and send the attached letter to counsel for complainants in MUR 1252.

Attachments

Letter to Mr. Barr - I
Letter from Thomas Barr - II

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
80 JUL 15 A9:38

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Thomas D. Barr
One Chase Manhattan Plaza
New York, New York 10005

RE: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

The Commission has received your letter of July 11, 1980, requesting that the Commission provide a response to the prayer for relief sought by the complainants in the above-referenced matter with respect to the certification of Ronald Reagan to receive payments under the Presidential Election Campaign Fund Act ("Fund Act"). As my letter of July 9, 1980, informed you, the Commission has determined that it would not be appropriate at this time for it to proceed in this matter in the expedited fashion your clients have suggested. Accordingly, the Commission has taken no action with respect to any certification.

With respect to your request to receive notice from the Commission of its intention to certify Mr. Reagan under the Fund Act, the Commission will make any such determination in accordance with ordinary Commission procedures. Under such procedures, submission of Mr. Reagan's request for certification will be a matter of public record, and the Commission will be glad to notify you of its receipt. The recommendation of the Commission staff upon the request for certification would be circulated to the Commission and placed on the agenda of the next regularly scheduled public meeting for consideration. In addition, the Commission's Press Office will respond to any inquiries with respect to whether a certification action is pending before the Commission. This should provide you ample opportunity to protect the interests of your clients.

8304042550

If you should have any questions concerning the foregoing or Commission certification procedures generally under the Fund Act, please do not hesitate to call one of the attorneys assigned to this matter, Marsha Gentner or Patricia Bak, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock

33040425507

THOMAS D. SARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 11, 1980

Carter-Mondale v. Reagan, et al.

Dear Mr. Steele:

Thank you for your letter of July 9, 1980, informing me of the action taken by the Commission with respect to the complaint.

However, your letter does not address the principal point raised by the complaint. The principal relief sought was:

> "1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act;"

and, in the alternative, paragraph 2 of our prayer for relief requested:

> "(a) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation [which we requested] and determination of the extent to which the Acts are being violated."

Therefore, would you please inform me promptly:

1. What action, if any, the Commission has taken with respect to those prayers for relief;

2. If the Commission has not taken any action, what action it plans to take.

3. If the Commission has no plans to take any further action, whether it intends to give any

further consideration to those prayers for relief and when such consideration will be given.

4. Whether the Commission will take any action now to insure that the amount Mr. Reagan is certified to receive from the United States Treasury will not be greater than $29.4 million minus any contributions made directly or indirectly to or on behalf of Mr. Reagan;

5. Whether the Commission will give me on behalf of complainants notice as to whether it intends to certify Mr. Reagan as eligible to receive any public funds before such action is taken so that we may take appropriate action to enjoin, or otherwise seek review of, the Commission's action. Seventy-two hours notice would be adequate.

As you know, it is theoretically possible for Mr. Reagan to be certified by the Commission as early as next week. To protect my clients' interests, I, therefore, request that we be provided with answers to those questions by Monday, July 14.

Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D.C. 20463

BY HAND

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: JULY 14, 1980

SUBJECT: OBJECTION TO EXPEDITED MATTER - MUR 1252

The Memorandum to the Commission dated July 11, 1980 regarding MUR 1252 was circulated on an expedited basis at 5:20, July 11, 1980.

As of 12:00, this date, the Office of Commission Secretary is in receipt of four affirmative votes and one objection.

Please advise as to how this matter should be handled.

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July 11, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1252

Please have the attached Memo distributed to the Commission on an expedited tally basis. Thank you.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 11, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Letter from Complainant in MUR 1252

Attached is a letter received today from Thomas Barr, counsel for complainants in MUR 1252, requesting information with respect to certain relief sought by complainants in this matter. The Office of General Counsel has drafted the attached response to this informational request and submits it for Commission approval.

RECOMMENDATION

Approve and send the attached letter to counsel for complainants in MUR 1252.

Attachments

Letter from Thomas Barr - I
Letter to Mr. Barr - II

GCC#
1004

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 11, 1980

Carter-Mondale v. Reagan, et al.

Dear Mr. Steele:

Thank you for your letter of July 9, 1980, informing me of the action taken by the Commission with respect to the complaint.

However, your letter does not address the principal point raised by the complaint. The principal relief sought was:

> "1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act:"

and, in the alternative, paragraph 2 of our prayer for relief requested:

> "(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation [which we requested] and determination of the extent to which the Acts are being violated."

Therefore, would you please inform me promptly:

1. What action, if any, the Commission has taken with respect to those prayers for relief;

2. If the Commission has not taken any action, what action it plans to take.

3. If the Commission has no plans to take any further action, whether it intends to give any

further consideration to those prayers for relief and when such consideration will be given.

4. Whether the Commission will take any action now to insure that the amount Mr. Reagan is certified to receive from the United States Treasury will not be greater than $29.4 million minus any contributions made directly or indirectly to or on behalf of Mr. Reagan;

5. Whether the Commission will give me on behalf of complainants notice as to whether it intends to certify Mr. Reagan as eligible to receive any public funds before such action is taken so that we may take appropriate action to enjoin, or otherwise seek review of, the Commission's action. Seventy-two hours notice would be adequate.

As you know, it is theoretically possible for Mr. Reagan to be certified by the Commission as early as next week. To protect my clients' interests, I, therefore, request that we be provided with answers to these questions by Monday, July 14.

Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D.C. 20463

BY HAND

0 4 0 4 2 5 5 1 4

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 23314

BY HAND

North Carolina Congressional Club,
In Care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action Committee,
1500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Thomas D. Barr
One Chase Manhattan Plaza
New York, New York 10005

RE: Complaint of Carter-Mondale et al. v. Reagan, et al.

Dear Mr. Barr:

The Commission has received your letter of July 11, 1980, requesting that the Commission provide a response to the prayer for relief sought by the complainants in the above-referenced matter with respect to the certification of Ronald Reagan to receive payments under the Presidential Election Campaign Fund Act ("Fund Act"). As my letter of July 9, 1980, informed you, the Commission has determined that it would not be appropriate at this time for it to proceed in this matter in the expedited fashion your clients have suggested. Accordingly, the Commission has taken no action with respect to any certification, and has no plans to take any action, absent a request from Mr. Reagan to be certified as an eligible candidate under the Fund Act. Any Commission determination prior to receipt of such a request from Mr. Reagan would be premature.

With respect to your request to receive notice from the Commission of its intention to certify Mr. Reagan under the Fund Act, the Commission will make any such determination in accordance with ordinary Commission procedures. Under such procedures, submission of Mr. Reagan's request for certification will be a matter of public record, and the Commission will be glad to notify you of its receipt. The recommendation of the Commission staff upon the request for certification would be circulated to the Commission and placed on the agenda of the next regularly scheduled public meeting for consideration. In addition, the Commission's Press Office will respond to any inquiries with respect to whether a certification action is pending before the Commission. This should provide you ample opportunity to protect the interests of your clients.

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I hope that the above has adequately addressed your concerns. If you should have any questions concerning the foregoing or Commission certification procedures generally under the Fund Act, please do not hesitate to call one of the attorneys assigned this matter, Marsha Gentner or Patricia Bak, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

cc: Ronald Reagan
Jesse Helms
Loren Smith
John T. Dolan
Harrison H. Schmitt
Roderick M. Hills
William Brock

83040425517

GCC#
,GC

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 11, 1980

Carter-Mondale v. Reagan, et al.

Dear Mr. Steele:

Thank you for your letter of July 9, 1980, informing me of the action taken by the Commission with respect to the complaint.

However, your letter does not address the principal point raised by the complaint. The principal relief sought was:

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> "(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation [which we requested] and determination of the extent to which the Acts are being violated."

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2. If the Commission has not taken any action, what action it plans to take.

3. If the Commission has no plans to take any further action, whether it intends to give any

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further consideration to those prayers for relief and when such consideration will be given.

4. Whether the Commission will take any action now to insure that the amount Mr. Reagan is certified to receive from the United States Treasury will not be greater than $29.4 million minus any contributions made directly or indirectly to or on behalf of Mr. Reagan;

5. Whether the Commission will give me on behalf of complainants notice as to whether it intends to certify Mr. Reagan as eligible to receive any public funds before such action is taken so that we may take appropriate action to enjoin, or otherwise seek review of, the Commission's action. Seventy-two hours notice would be adequate.

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Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D.C. 20463

BY HAND

8 3 0 4 0 4 2 5 1 5

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 23314

BY HAND

North Carolina Congressional Club,
In Care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard, Suite 1401,
Arlington, Virginia 22209

BY HAND

National Conservative Political Action Committee,
1500 Wilson Boulevard, Suite 513,
Arlington, Virginia 22209

BY HAND

83040025321

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

BY HAND

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BY HAND

T. D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

RECEIVED
'83 JUN 1 AM 10

GCC#1899

THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

July 8, 1980

Dear Mr. Steele:

I am enclosing an amendment to our July 2, 1980 Complaint.

Very truly yours,

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

209007

REGISTERED MAIL: RETURN RECEIPT REQUESTED

Copies to Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

[For Ronald Reagan, Reagan for President, Reagan for President General Election Committee, Reagan for President Compliance Fund.]

REGISTERED MAIL: RETURN RECEIPT REQUESTED

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S.E.,
Washington, D. C. 20003

REGISTERED MAIL: RETURN RECEIPT REQUESTED

8 3 0 4 0 4 2 5 5 2 3

Americans for an Effective Presidency,
In Care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N.W.,
Washington, D. C. 20036

REGISTERED MAIL: RETURN RECEIPT REQUESTED

Americans for Change,
In Care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 22314

REGISTERED MAIL: RETURN RECEIPT REQUESTED

North Carolina Congressional Club,
In Care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

REGISTERED MAIL: RETURN RECEIPT REQUESTED

Fund for a Conservative Majority,
1022 Wilson Boulevard,
Suite 1401,
Arlington, Virginia 22209

REGISTERED MAIL: RETURN RECEIPT REQUESTED

National Conservative Political Action
Committee,
1500 Wilson Boulevard,
Suite 513,
Arlington, Virginia 22209

REGISTERED MAIL: RETURN RECEIPT REQUESTED

8 3 0 4 0 4 2 5 5 2 4

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

AMENDMENT TO COMPLAINT

The Complainants hereby add as Respondents the Reagan for President General Election Committee and the Reagan for President Compliance Fund. Both Committees were registered on May 29, 1980, listing Paul Laxalt as Chairman, Loren A. Smith as General Counsel, and Bay Buchanan as Treasurer and Custodian of Records. The address listed for both Committes is 9841 Airport Boulevard, Suite 1430, Los Angeles, California 90045.

These additional Respondents are the official Reagan committees for the general election.

Verification

The undersigned counsel for the Complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the amendment

to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 8th day of July 1980.

Joseph D. Pignatelli
Notary Public

My Commission Expires 3/30/82

JOSEPH D. PIGNATELLI
NOTARY PUBLIC, State of New York
No. 24-8372250
Qualified in Kings County
Cert. filed in New York County
Commission Expires March 30, 1982

Of Counsel:

Ralph L. McAfee
Paul M. Dodyk
Robert F. Mullen
Joseph R. Sahid
Stephen M. Bundy
Randall K. Anderson
One Chase Manhattan Plaza
New York, N. Y. 10005

Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
Committee, Inc.
1413 K Street, N. W.
Washington, D. C. 20005

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

| | |
|---|---|
| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN et al,<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

AMENDMENT TO COMPLAINT

The Complainants hereby add as Respondents the Reagan for President General Election Committee and the Reagan for President Compliance Fund. Both Committees were registered on May 29, 1980, listing Paul Laxalt as Chairman, Loren A. Smith as General Counsel, and Bay Buchanan as Treasurer and Custodian of Records. The address listed for both Committes is 9841 Airport Boulevard, Suite 1430, Los Angeles, California 90045.

These additional Respondents are the official Reagan committees for the general election.

Verification

The undersigned counsel for the Complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the amendment

to the complaint are true and correct to the best of his knowledge, information and belief.

By:

Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 8th day of July 1980.

Josephine D. Pignatelli
Notary Public

My Commission Expires 3/30/82

JOSEPHINE D. PIGNATELLI
NOTARY PUBLIC, State of New York
No. 24-8372250
Qualified in Kings County
Cert. filed in New York County
Commission Expires March 30, 1982

Of Counsel:

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Timothy G. Smith
General Counsel, and
Carol C. Darr,
Deputy General Counsel,
Carter-Mondale Reelection
Committee, Inc.
1413 K Street, N. W.
Washington, D. C. 20005

Ronald D. Eastman,
General Counsel,
Democratic National Committee
Cadwalader, Wickersham & Taft
1333 New Hampshire Ave., N.W.
Washington, D. C. 20036

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Thomas D. Barr, Esq.,
From

CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

REGISTERED: RETURN RECEIPT REQUESTED

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N.W.,
Washington, D. C. 20463

REGISTERED MAIL

941999

RETURN RECEIPT REQUESTED

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

| | | |
|---|---|---|
| Complaint of Carter-Mondale Presidential Committee, Inc. v. Ronald Reagan, et al. (filed July 2, 1980) | ) ) ) | MUR 1252 |

CERTIFICATION

I, Lena L. Stafford, Recording Secretary for the Federal Election Commission's Executive Session on July 9, 1980, do hereby certify that the Commission, by a vote of 5-1, agreed to take the following actions in the above-named matter:

1. Deny the complainant's request to conduct and conclude an investigation in MUR 1252 prior to July 14, 1980.

2. Send the letter attached to the General Counsel's memorandum dated July 9, 1980, and include the paragraph in brackets at the bottom of page 1 and the top of page 2.

Voting for this determination were Commissioners Friedersdorf, Harris, McGarry, Reiche, and Tiernan. Commissioner Aikens dissented.

Attest:

7/9/80
Date

Lena L. Stafford
Lena L. Stafford
Recording Secretary

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EXECUTIVE SESSION
July 9, 1980

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 9, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel

SUBJECT: Request for Expedited Investigation in MUR 1252

Attached is a proposed letter to counsel for Carter-Mondale Presidential Committee, Inc. ("C-M"), the complainant in MUR 1252, denying C-M's request for an expedited and public investigation in this matter prior to receipt of the initial responses provided for in 2 U.S.C. § 437g(a)(2). For the reasons set forth in that letter, the Office of General Counsel recommends that the Commission deny the C-M request.

RECOMMENDATION

1. Deny the complainant's request to conduct and conclude an investigation in MUR 1252 prior to July 14, 1980.

2. Deny complainant's request to make the investigation in MUR 1252 (should the Commission decide to undertake such investigation) public.

3. Send the attached letter.

Attachment

Letter

83040425331

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Thomas D. Barr
One Chase Manhatten Plaza
New York, N.Y. 10005

RE: Complaint of Carter-Mondale Presidential Committee, Inc. v. Ronald Reagan, et al (filed July 2, 1980)

Dear Mr. Barr:

The Commission has voted to deny your request, on behalf of complainant Carter-Mondale Presidential Committee ("C-M"), for expedited investigation of the above-referenced matter and to schedule a hearing with respondents' counsel in order to implement such expedited discovery. The application of 2 U.S.C. § 437g(a)(1) to this matter requires that the respondents alleged in your complaint to have committed a violation of the Federal Election Campaign Act ("FECA") be provided 15 days in which to demonstrate that no action should be taken against them, prior to a Commission determination of reason to believe that such a violation occurred. The Commission has determined that only if a finding of "reason to believe" is made will the Commission proceed with an investigation of the alleged violation. See 2 U.S.C. § 437g(a)(2). Thus, the Commission believes it inappropriate at this time to grant the expedited investigation schedule that C-M has requested. Of course, should the Commission determine, after the appropriate statutory period, that based on the C-M complaint there is reason to believe a violation of FECA occurred, it will proceed with an investigation, and such appropriate relief, as quickly as is possible without denying respondents any due process rights to which they may be entitled.

[The Commission has determined, however, that under 26 U.S.C. § 9011(b) it will file an action in the district court seeking declaratory relief to the effect that 26 U.S.C. § 9012(f) does

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apply to "independent expenditure committees" and that, as applied, that provision is constitutional. This action will not deal with the question of whether the defendants are in fact independent expenditure committees as opposed to committees connected to Ronald Reagan. That essentially factual issue will be dealt with by the Commission in the normal course of its investigative and enforcement proceedings.]

The Commission has also voted to deny the C-M request to make the investigation of this matter, should one be undertaken, public. 2 U.S.C. § 437g(a)(12) expressly forbids the Commission from making such investigation public, absent the written consent of the respondent(s) permitting the Commission to do so. No exceptions to this confidentiality rule are provided in FECA.

The Commission appreciates your concern that this matter be resolved as soon as possible, and continues to welcome any information or other aid the Carter-Mondale Committee can provide. If you should have any questions concerning the procedures followed by the Commission in reviewing a complaint, or with respect to the foregoing information, please call Marsha Gentner or Patricia F. Bak, the attorneys assigned to this matter, at (202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Robert S. Strauss
Chairman
Carter-Mondale Reelection Committee, Inc.
1413 K Street, N.W.
Washington, D.C. 20005

Dear Mr. Strauss:

This letter is to acknowledge receipt of your complaint of July 2, 1980, against Ronald Reagan, Reagan for President, the Republican National Committee, Americans for an Effective Presidency, Americans for Change, North Carolina Congressional Club, the Fund for a Conservative Majority, and National Conservative Political Action Committee which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 5 days and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondents' notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

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PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
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- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

ROBERT S. STRAUSS

3. ARTICLE DESCRIPTION:

| REGISTERED NO. | CERTIFIED NO. | INSURED NO. |
|---|---|---|
| | 945477 | |

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY JUL 10 1980 POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

MUR 1252 GENTNER

☆ GPO: 1977—O-256-857

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John C. White, Chairman
The Democratic National Committee
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Mr. White:

This letter is to acknowledge receipt of your complaint of July 2, 1980, against Ronald Reagan, Reagan for President, the Republican National Committee, Americans for an Effective Presidency, Americans for Change, North Carolina Congressional Club, the Fund for a Conservative Majority, and National Conservative Political Action Committee which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 5 days and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondents' notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

Enclosure

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PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
- ☐ Show to whom, date, and address of delivery ..... ¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ..... ¢
- ☐ RESTRICTED DELIVERY.
  Show to whom, date, and address of delivery. $
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
John C. White

3. ARTICLE DESCRIPTION:

| REGISTERED NO. | CERTIFIED NO. | INSURED NO. |
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| | 945428 | |

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
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NOV. 10
1977
CLERK INCHARGE

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

☆ GPO: 1977—O-254-537

12 1752 Gentner

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THOMAS D. BARR
ONE CHASE MANHATTAN PLAZA
NEW YORK, N.Y. 10005

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

MUR 1252

80 JUL 2 P 4:32

Dear Mr. Steele:

I am enclosing an original and three copies of a complaint. Because of the urgency involved, I am also delivering copies by hand to the respondents as indicated below.

To implement paragraph 2 of the relief we seek, I suggest that the Commission convene a conference of counsel on Monday, July 7, 1980. I recognize that request imposes burdens on the Commission, on you and your staff and on counsel for the respondents. I apologize for that, but in the circumstances, I believe the greatest possible expedition is necessary. We are available at any time if we can be of assistance.

Very truly yours,

Thomas D. Barr

Thomas D. Barr

Charles N. Steele, Esq.,
General Counsel,
Federal Election Commission,
1325 K Street, N. W.,
Washington, D. C. 20463

Encls.

BY HAND

Copies w/encl. to Ronald Reagan, Esq.,
In care of Senator Paul Laxalt,
326 Russell Senate Office Building,
Washington, D. C. 20510

BY HAND

Reagan for President,
In care of Senator Paul Laxalt,
Chairman,
326 Russell Senate Office Building,
Washington, D. C. 20510

BY HAND

William Brock, Esq., Chairman,
Republican National Committee,
310 First Street, S. E.,
Washington, D. C. 20003

BY HAND

Americans for an Effective Presidency,
In care of Roderick M. Hills, Esq.,
Messrs. Latham, Watkins & Hills,
1333 New Hampshire Avenue, N. W.,
Washington, D. C. 20036

BY HAND

Americans for Change,
In care of Senator Harrison H. Schmitt,
Chairman,
218 N. Lee Street,
Alexandria, Virginia 22314.

BY HAND

North Carolina Congressional Club,
In care of Senator Jesse Helms,
The Capitol Building,
Capitol Hill,
Washington, D. C. 20510

BY HAND

Fund for a Conservative Majority,
1022 Wilson Boulevard,
Suite 1401,
Arlington, Virginia 22209.

BY HAND

National Conservative Political
Action Committee,
1500 Wilson Boulevard,
Suite 513,
Arlington, Virginia 22209.

BY HAND

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN, REAGAN FOR PRESIDENT, REPUBLICAN NATIONAL COMMITTEE, AMERICANS FOR AN EFFECTIVE PRESIDENCY, AMERICANS FOR CHANGE, NORTH CAROLINA CONGRESSIONAL CLUB, and its project, "AMERICANS FOR REAGAN", FUND FOR A CONSERVATIVE MAJORITY, and its project, "CITIZENS FOR REAGAN IN '80", NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE, and its project, "THE RONALD REAGAN VICTORY FUND",<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

COMPLAINT

Introduction

It appears reasonably certain that during the week of July 14, 1980, Ronald Reagan will be nominated as candidate for President of the United States by the Republican Party. Shortly thereafter, it appears that Mr. Reagan and the Republican nominee for Vice President will seek public funding in the amount of $29.4 million from the United States pursuant to the Presidential Election Campaign Fund Act, 26 U.S.C. ¶¶ 9001, et seq. (the "Fund Act"). Pursuant to Section 9005 of the Fund Act, the Federal Election Commission ("Commission") has the duty to determine whether those nominees have "met all applicable conditions for eligibility to receive payments" and if so, to certify them as eligible to receive such public funding. In sum, those conditions preclude,

with certain inapplicable exceptions, the use by the candidate and those acting in conjunction or concert with him of additional funds obtained from private sources. The information set forth herein demonstrates that the Republican nominees cannot meet the applicable conditions so long as these allegedly independent committees continue to raise money and make contributions to those nominees. Therefore, the Commission must decline to certify those nominees.

The information submitted is necessarily limited to the public record. Even given that limitation, however, we believe that the information demonstrates prima facie that both the Fund Act and the Federal Election Campaign Act, 2 U.S.C. ¶¶ 431, et seq. (the "Federal Election Act") will be violated in the most basic way if the Republican nominees seek and receive public funding of their campaign. That is so because, as we show, at least five interrelated groups of professional politicians, including active Republican office holders and former office holders and other long-time active members of Mr. Reagan's campaign and political staffers, are planning to contribute tens of millions of dollars--perhaps as much as $50,000,000--to the Republican nominees' campaign in fundamental violation of the Fund Act and the Federal Election Act.

We believe the public record is dispositive and compels the Commission to decline certification of the Republican nominees as qualified for public funds. But, of course, the respondents should have an opportunity to demonstrate that the public record is

inaccurate or incomplete. Necessarily, however, given the Commission's duty to determine whether or not the Republican nominees should receive public financing in the very near future, respondents should undertake that demonstration immediately. We suggest in the last section of this complaint an expeditious method for accomplishing that result.

The issues raised by this complaint are basic. It is not hyperbole to say that their resolution may determine the identity of the next President of the United States and whether the public financing of presidential election campaigns can survive. At least the result will have a substantial impact on the campaign and the very fabric of the laws which this Commission is charged to enforce, as the accompanying affidavit of Robert S. Strauss, Chairman of the Carter-Mondale Reelection Committee, makes plain. The public interest requires that the issues must be resolved promptly, openly and fairly.

## The Parties

The complainants are identified as follows:

CARTER-MONDALE REELECTION COMMITTEE, INC. (CMRC) is a District of Columbia nonprofit corporation and the principal authorized general election committee of President Jimmy Carter and Vice President Walter F. Mondale. Its Chairman is Robert S. Strauss and its Treasurer is S. Lee Kling. Its principal offices are at 1413 K Street, N.W., Washington, D. C. 20005.

The DEMOCRATIC NATIONAL COMMITTEE (DNC) is the national committee of the Democratic Party and is responsible for the day-to-day operations of the Democratic Party at the national level, including sponsoring the candidate for President of the United States and attempting to secure said candidate's election. It is a national committee within the meaning of 2 U.S.C. § 431(k). Its Chairman is John C. White. Its address is 1625 Massachusetts Avenue, N.W., Washington, D. C. 20036.

On information and belief, the respondents are identified as follows:

RONALD REAGAN is seeking the Republican nomination for the office of President of the United States.

REAGAN FOR PRESIDENT (RFP) is the principal authorized campaign committee of Ronald Reagan for the Republican nomination for the office of President of the United States. It filed a Statement of Organization dated February 28, 1979, with the FEC listing its address as 9841 Airport Boulevard, Suite 1430, Los Angeles,

California 90045. Its officers were listed as Senator Paul Laxalt, 326 Russell Senate Office Building, Washington, D. C. 20510, as Chairman; and Bay Buchanan, 908 6th Street, No. 10, Santa Monica, California 90403, as Treasurer. Buchanan is also listed as the person in possession of committee books and records. By amendment dated April 17, 1979, to its Statement of Organization, Loren A. Smith, Lothlorien, Yorklyn, Delaware 19736, was added as an officer (General Counsel).

The REPUBLICAN NATIONAL COMMITTEE (RNC) is the national committee of the Republican Party and is responsible for the day-to-day operations of the Republican Party at the national level, including sponsoring the candidate for President of the United States and attempting to secure said candidate's election. It is a national committee within the meaning of 2 U.S.C. § 431(k). Its Chairman is William Brock. Its address is 310 First Street, S.E., Washington, D. C. 20003.

AMERICANS FOR AN EFFECTIVE PRESIDENCY (AEP) is a group of individuals forming a political committee, not yet registered with the FEC, who are represented by R. M. Mills and W. A. Long, Messrs. Latham, Watkins & Hills, 1333 New Hampshire Avenue, N.W., Washington, D. C. 20036.

AMERICANS FOR CHANGE (AFC) purports to be a multicandidate political committee. It registered with the FEC by filing a Statement of Organization dated

May 23, 1980. Its address was listed as 218 N. Lee Street, Alexandria, Virginia 22314. Its officers were listed as Harrison H. Schmitt, Chairman; Carl T. Curtis, Treasurer; and Stan Huckaby, Assistant Treasurer, who is also the custodian of the committee's records.

NORTH CAROLINA CONGRESSIONAL CLUB, also known as CONGRESSIONAL CLUB (NCCC), is a political committee that registered with the Clerk of the U. S. House of Representatives on October 29, 1974. At that time, it listed Steve Ritchie, a Republican candidate for the House of Representatives in the 6th Congressional District of North Carolina, and Jesse Helms, a 1972 candidate for the United States Senate, as the candidates whom it was supporting. Its address was P. O. Box 18848, Raleigh, North Carolina 27609. Its Chairman was Thomas F. Ellis; its Executive Director and Treasurer was William I. Berryhill, Jr., who also was listed as custodian of the committee's books and records. On February 15, 1977, the committee's Statement of Organization was amended to name Richard W. Miller as Chairman and Elisabeth W. Smith as Treasurer. (On its letterhead, Senator Jesse Helms was listed as Honorary Chairman.) On October 10, 1979, a new Statement of Organization listed Carter Wrenn as Treasurer. As of May 29, 1980, the address of NCCC was P. O. Box 18838, 3825 Barret Drive, Raleigh, North Carolina 27609. "Americans for Reagan", a "project" of NCCC, has not, according to currently available FEC reports, registered with the FEC.

THE FUND FOR A CONSERVATIVE MAJORITY (FCM) is a multicandidate political committee. Its last listed address,

according to FEC documents, is 1022 Wilson Boulevard, Suite 1401, Arlington, Virginia 22209. FCM originally registered in 1972 (with GAO) as "Young American's Campaign Committee" (YACC) with the following officers: Wayne J. Thorburn, Chairman; Ronald F. Docksai, Treasurer. On October 13, 1976, by letter from John S. Buckley, YACC's Executive Director, YACC changed its name to "The Fund for A Conservative Majority". Thereafter, FCM changed its officers to: Ronald Robinson, Chairman; John S. Buckley, Secretary and Treasurer. On March 14, 1979, FCM changed its officers to Robert C. Heckman, Chairman, and Kenneth F. Boehm, Treasurer. "Citizens for Reagan in 80!", a "project" of FCM, has not, according to currently available FEC reports, registered with the FEC.

NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE (NCPAC) registered as a political committee with the Clerk of the U. S. House of Representatives on March 27, 1975. Listed as Treasurer and custodian of the committee's records was Roger J. Stone, Jr. Other officers listed were Charles R. Black, Chairman; John Carbaugh, Vice Chairman; Frank J. Donatelli, Director at Large; and J. David Nickles, Secretary. It amended its registration and filed with the FEC on October 10, 1975, also with Black as Chairman, Nickles as Secretary, and Stone as Treasurer and Custodian of the Records. In an amendment dated March 8, 1978, John T. Dolan is listed as Chairman; J. Curtis Herge as Secretary; Becki A. Cecil as Treasurer; with Stone and Donatelli having resigned.

The Facts

1. Mr. Reagan has sought and accepted federal funding in the past, but has opposed the laws that limit campaign expenditures. Mr. Reagan accepted federal matching funds in the 1976 and 1980 Presidential primaries. However, at the same time he has opposed the laws that limit contributions and spending. Mr. Reagan opposed the Bill that reinstated this Commission after the 1976 Supreme Court decision in Buckley. (Wall Street Journal, 4/29/76, p. 5)* At a GOP rally in South Carolina in late 1979, he reportedly called for the repeal of the limitations laws. (New York Times, 12/14/79, p. 10; see also, e.g., Washington Post, 12/14/79, p. A5)

2. So-called "independent committees" have helped Mr. Reagan in the past. Mr. Reagan's long-time aide, Lyn Nofziger, is quoted as saying, "the law [limiting campaign expenditures] is a bad law. It's a terrible law . . . But it's there, and as long as you have laws you're going to have people figuring out how to get around them". (Washington Post, 2/3/79, p. A3) The "how" that Mr. Reagan and his associates have chosen to try to "get around" the law is to coordinate contributions through political fronts claiming to be "independent" committees.

(a) The 1976 Presidential primaries.

Herbert Alexander has written, "independent expenditures on Reagan's behalf [in connection with the 1976 Presidential primaries] were widespread and their 'independence' was often questioned". (Alexander,

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* The matters of public record we cite herein are appended in a separate volume.

Financing the 1976 Election, Cong. Q. Press, p. 519)

According to Alexander, spending by the Texas "Delegates for Reagan" Committee prompted President Ford's own Committee in April 1976 to challenge the group's "independence". Mr. Reagan's counsel reportedly dismissed the challenge as a "ploy". (Id., pp. 518-19)

Another group, the "Fund for a Conservative Majority" ("FCM"), was assessed a $3,000 civil penalty by this Commission for failing to report, in a timely way, its $39,655 expenditures on Mr. Reagan's behalf during the 1976 primaries. (MUR 503(78), 11/21/78)

The American Conservative Union ("ACU") appears to have been the most active "independent" group operating during those primaries, spending more than $100,000 on Mr. Reagan's behalf. The ACU's activities were unsuccessfully challenged before this Commission, Commissioner Staebler dissenting. (MUR 203 and 203(a)(76), 12/1/77) Although the Commission chose not to gather more facts at that time, it is nevertheless instructive in the present context to review even the truncated set of facts there brought to the Commission's attention.

The General Counsel's report to the Commission, dated November 11, 1977, disclosed that he had identified a limited pattern in the expenditures made by Mr. Reagan's authorized committee and the ACU. Thus, ACU made heavy expenditures in Ohio and Michigan, where Mr. Reagan's authorized committee made minimal expenditures, and ACU had almost no expenditures in California, the one state

in which the authorized committee chose to concentrate its expenditures. However, he failed, to his satisfaction, to establish that the authorized committee was running out of money in those states where ACU spent heavily. Moreover, although he identified an overlap in the officers and employees of ACU and the official Reagan campaign, he had not had sufficient discovery to link completely ACU and Mr. Reagan's authorized committee.

(b) Mr. Reagan's campaign staff continued to work for his election to the Presidency after the 1976 election.

Following Mr. Reagan's unsuccessful efforts to gain the Republican Presidential nomination in 1976, his official committee,"Citizens for Reagan" ("CFR"), changed its name to "Citizens for the Republic" ("CFTR"). (CFR FEC filing, 1/27/77) The Commission's files show that Mr. Reagan, CFTR's first chairman, apparently remained in that position until November 12, 1979, the day before he formally announced his candidacy, when Mr. Nofziger replaced him. (CFTR FEC filing, 11/9/79)

CFTR was funded with $1.6 million left over from Mr. Reagan's unsuccessful campaign effort. (CFR FEC filing, 2/1/77; CFTR FEC filing, 2/2/78; see also California Journal, 9/77, p. 296) Run by Mr. Nofziger, it also included, according to documents filed with this Commission, a number of other Reagan regulars. Indeed, CFTR was described as the "reincarnation" of Mr. Reagan's 1976 campaign. (California Journal, 9/77, p. 296)

From the beginning, political commentators identified the CFTR as Mr. Reagan's vehicle for keeping

his candidacy alive until 1980. Evans and Novak called the CFTR Mr. Reagan's "political front". (Washington Post, 3/2/77, p. A19) Other observers have characterized it as "the organization that spreads the Reagan gospel" (Chicago Sun Times, 10/23/78, p. 17) used "to keep Reagan's national campaign organization intact". (Washington Post, 8/29/79, p. A4; see also Baltimore Sun, 2/9/77, p. A6) Mr. Nofziger himself was quoted as saying the "first purpose" of the group was to maintain a base of Reagan supporters. (New York Times, 8/25/77, p. B5) By early 1979, a Reagan rival reportedly wondered "how long" Mr. Reagan would continue to "warehouse these people on the CFTR payroll". (Washington Post, 2/3/79, p. A3)

During the fall campaign of 1978, CFTR reportedly financed Mr. Reagan's efforts to back potential supporters, including, as we show later, supporters now active in the so-called "independent" respondent committees, paying for Mr. Reagan's personal appearances on behalf of 200 candidates and 150 television and radio ads featuring Reagan, and making contributions totalling $750,000. (Chicago Sun Times, 10/23/78, p. 17)

Bill Peterson of the Washington Post reported:

> " . . . probably no other out-of-office politician in history has been able to muster the resources that Reagan and his associates control.
>
> "He has scheduled 80 campaign stops in 26 states this fall. He is writing letters and making commercials for Republican candidates--54 radio endorsements and 12 television tapes last week. . . . [CFTR] also pays all of Reagan's traveling expenses, conducts seminars, publishes a newsletter and maintains 18 people on the full-time payroll." (9/24/78, p. A3)
>
> "CFTR has functioned as a shadow presidential committee for Reagan--complete with advance men,

fund-raisers, political advisors, and accountants. It has a fine-tuned mailing list of 300,000 proven Reagan contributors and provided lucrative employment for a skeleton campaign staff." (2/3/79, p. A3)

By 1979, CFTR's annual budget reportedly was $2.5 million, which was claimed to be larger than that of the political arms of the AFL-CIO, the AMA, the UAW, or the gun-control lobby. (Washington Post, 2/3/79, p. A3) Nor was there any doubt of the impact these expenditures would have on Mr. Reagan's future campaign. As Mr. Nofziger is quoted as saying in connection with CFTR's activities, "politics is a backscratching business". (Washington Post, 9/24/78, p. A3)

The relationship between CFTR and the Reagan principal campaign committees, including the overlap of members and contributors, was called to the attention of this Commission on April 19, 1979, by a complaint made by the National Committee for an Effective Congress. Although pending now more than 14 months, that complaint has not yet been resolved. (A copy of that complaint is included in the exhibits.)

(c) The 1980 primaries.

The Fund for a Conservative Majority ("FCM")--the same group the Commission found had violated provisions of the Federal Election Act in connection with the 1976 primaries--spent, according to the Commission's files, more than $600,000 on Mr. Reagan's behalf in connection with this year's primaries.

According to the Boston Globe:

"FCM has monitored the Reagan campaign closely: Whenever he is in trouble or broke, they move in swiftly and skillfully.

Effective April 18, 1980, Simon S. Hannegan became Treasurer of the Committee, replacing Becki Cecil Burlingame. Its last listed address on FEC filings (as of June 1, 1980) was 1500 Wilson Boulevard, Suite 513, Arlington, Virginia 22209. "The Ronald Reagan Victory Fund", a "project" of NCPAC, has not, according to currently available FEC reports, registered with the FEC.

"For example, after Bush upset Reagan in Iowa, the New Hampshire primary suddenly became crucial. Reagan's campaign expected Bush to win in Massachusetts the following week, and Reagan backers were fearful the Bush bandwagon could gain so much momentum he would be difficult to stop.

"After Iowa, Bush was ahead of Reagan in some polls in Florida, where a Bush victory would have been devastating to Reagan. So the fund mobilized in New Hampshire: The group spent $60,000 for Reagan, even bused in '40 to 50' students from New York and farther south to hand out literature. The fund took out advertisements criticizing Bush and boosting Reagan, all apparently legal.

"At that point, Reagan had spent just about all of the $294,000 he was legally allowed in New Hampshire, so the $60,000 from the fund gave him a 20-percent boost in his spending. [*]

"'We are reading everything Bush says publicly' about his political plans, said [FCM Treasurer] Boehm before Bush threw in the towel Monday. 'In New Hampshire, Pennsylvania and Texas, we stretched ourselves to the limit' of the fund's financial resources to help Reagan.

"Another example: Bush tried to upset Reagan with vigorous campaigning and a $700,000 outlay before the Texas primary May 6, and Reagan was again up against money problems. He had almost exhausted his $14.7 million limit for the primaries, so FCM pumped $80,000 or more into Texas, blitzing the state with radio ads and a 250,000-piece mailing (half of it to Texas Republicans). Reagan pulled out a narrow win, preventing Bush from achieving a major psychological victory. . . ." (5/28/80, pp. 1, 10; see also Congressional Quarterly, 6/14/80, pp. 1635, 1639)

During the month of April, when the Reagan campaign found itself approaching its national spending

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* William Loeb, publisher of the New Hampshire Manchester Union Leader, congratulated FCM for its "effective" campaign on Mr. Reagan's behalf in New Hampshire, "The voter mailings, newspaper advertising, radio spots and personal canvassing you provided significantly helped Reagan in his important victory in our state". (A copy of the letter he sent, which FCM included with its mailings, is included in the exhibits.)

limit and was in considerable financial difficulty, FCM spent more than $126,000 on Mr. Reagan's behalf. (April FEC Report of FCM)

The Globe also reported that Mr. Jesse Helms' North Carolina "Congressional Club" helped Mr. Reagan in at least two Southern primaries by making "independent" expenditures on his behalf. (Boston Globe, 5/28/80, pp. 1, 10) Congressional Quarterly reported that National Conservative Political Action Committee (NCPAC) spent more than $600,000 "independently" in 1979 and early 1980, and plans to spend significant amounts on Mr. Reagan's behalf during the general election. (6/14/80, p. 1636)

In April 1980, NCPAC sent an "Urgentgram" to potential contributors. Pointing out that "Reagan has almost reached his spending limit set by Federal election law", NCPAC warned that "Reagan will lose valuable momentum if he cannot maintain his campaign advertising program in high gear in the May-June primaries". The "Urgentgram" continued:

> "When NCPAC was founded in 1976 Ronald Reagan signed a letter personally asking his supporters and other conservatives all over the country to help us. In fact NCPAC was the only organization Ronald Reagan helped in 1976.
>
> "Many thousands of conservatives responded to his call. He is one of the main reasons NCPAC is here today with a 71% win record against the liberals. . . .
>
> "Now Governor Reagan needs our help.
>
> "The ads we produce will be tough hard-hitting ads that will expose Carter's weaknesses as well as promote Reagan.
>
> "These ads will be produced by top notch professionals. . . .

"We will run these ads in major cities and places where many voters will be making up their minds between Carter and Reagan in the next two months."

As had President Ford before him, Mr. Bush reportedly began collecting evidence to prove that these well-coordinated expenditures were not made independently. However, his withdrawal from the race rendered the matter moot. (Boston Globe, 5/28/80, p. 1)

The Commission's files already reveal that many of the so-called "independent" committees that have assisted Mr. Reagan have shared an extensive network of vendors both among themselves and with the official Reagan campaign committees. (The Appendix sets forth existing information we have found in the Commission's files.)

3. A new group of fronts manned by Mr. Reagan's confederates plan to contribute tens of millions of dollars to Mr. Reagan's campaign.

According to recent stories appearing in the press, a number of groups are now organizing to support Mr. Reagan in the general election. These groups plan to raise and spend on Mr. Reagan's behalf the following amounts of money:

| | |
|---|---|
| Americans for Change | $20-30 million |
| Americans for an Effective Presidency | 12-15 million |
| Fund for a Conservative Majority (through its project, Citizens for Reagan in '80) | 3-10 million |
| North Carolina Congressional Club (through its project, "Americans for Reagan") | 2-5 million |
| | $37.5 - 57.5 million |

(Wall Street Journal, 6/19/80, p. 1; Baltimore Sun, 6/6/80, p. A4; Congressional Quarterly, 6/14/80, p. 1635)

When added to the $29.4 million in public funds given each major party presidential nominee, the resulting disparity will resemble that not experienced since the last pre-Watergate election, when President Nixon outspent Mr. McGovern, $61.4 to $30 million. (Congressional Quarterly, 6/14/80, pp. 1635, 1636)

(a) Americans for an Effective Presidency.

On May 15 and 16, 1980, a group of individuals forming a political committee styled "Americans for an Effective Presidency ("AEP") "for the purpose of soliciting contributions from the public and making expenditures in the general election in support solely of the nominees for President and Vice President of one of the major political parties" sought through their attorneys certain advisory opinions from the Commission (letters of R. M. Hills and W. A. Long to the Commission). Those letters did not reveal the names of such individuals.

Subsequent press statements have identified the following individuals as associated with AEP: William P. Clements, Jr., Thomas Reed, Peter Flanigan, James Lake, Stuart Spencer, Harry S. Dent, Winton M. Blount, and John Deardourff. (Wall Street Journal, 6/19/80, p. 1; Baltimore Sun, 6/6/80, p. A4; Washington Star, 6/2/80, p. A1 and 6/12/80, p. A3; Newsweek, 6/2/80, p. 21) Such persons are long-time associates and supporters of Mr. Reagan and Republican national figures. For example:

1. William P. Clements, Jr.

(a) From 1973 to 1977, Mr. Clements was Deputy Secretary of Defense under President Ford (Who's Who);

(b) In 1978, Mr. Clements ran for and was elected Governor of Texas. (Who's Who) Mr. Reagan and CFTR campaigned for Mr. Clements (CFTR FEC filings for May and September 1978);

(c) Mr. Clements has pledged his "total support" for Mr. Reagan's campaign for President (Houston Chronicle, 5/6/80, p. 8);

(d) The press, at least, has raised Mr. Clements as a possible candidate for Vice President with Mr. Reagan (Washington Post, 5/13/80, p. A4);

(e) Mr. Clements has been appointed Chairman of the Reagan campaign in Texas by, among others, Reagan Executive Vice-Chairman, William J. Casey (Dallas Times-Herald, 6/25/80, p. A29);

(f) Mr. Clements is a member of the Advisory Council on National Security and International Affairs of the RNC (RNC Directory, July 1979, p. 31);

(g) On information and belief, Mr. Clements is a Reagan delegate to the 1980 Republican National Convention.

2. Thomas Reed

(a) From 1968-72, Mr. Reed was Republican National Committeeman and a delegate to the Republican National Convention from California, during which time Mr. Reagan was Governor of California (Who's Who);

(b) In 1970, Mr. Reed was Chairman of Mr. Reagan's 1970 campaign for Governor of California (Who's Who);

(c) In 1968, Mr. Reed introduced Mr. Reagan to Richard Wirthlin who is now Mr. Reagan's pollster and one of his chief strategists (Boston Globe, 3/29/80, p. 5);

3. Peter Flanigan

(a) In 1959, Mr. Flanigan was Chairman of New Yorkers for Nixon (Who's Who);

(b) In 1960, he was Chairman of Volunteers for Nixon-Lodge (Who's Who);

(c) In 1968, he was National Deputy Chairman, Nixon for President (Who's Who);

(d) From 1969-1974, he was an assistant to President Nixon. (Who's Who) While in the Nixon White House, he had responsibility for international economic affairs along with Richard Allen, then Deputy Assistant to the President for International Economic Affairs (Washington Post, 7/11/71, p. 2) and now chief foreign policy advisory to Mr. Reagan (e.g., Boston Globe, 3/29/80, p. 5);

(e) Mr. Flanigan, according to the New York Times, has also been involved in a number of fund raising matters involving corporations and future ambassadorships (3/20/72, p. 24; 7/27/74, p. 12; 10/9/74, p. 6; 11/17/74, p. 13);

(f) Mr. Flanigan is a member of the Advisory Council on Economic Affairs of the RNC (RNC Directory, July 1979).

4. James Lake

(a) During the period that Mr. Reagan was Governor of California, Mr. Lake was in charge of the District of Columbia office of the State of California (Witcover, Marathon, Viking Press (1977), p. 65);

(b) Mr. Lake was one of five advisors to Mr. Reagan who met secretly in April 1975 to explore the prospects of running Mr. Reagan for president in 1976 (Washington Post, 4/10/75, p. A19);

(c) Mr. Lake, together with Messrs. Nofziger and Sears, formed an exploratory Reagan for President committee in 1975 (Washington Post, 7/9/75, p. A6);

(d) In 1976, Mr. Lake was in charge of Mr. Reagan's primary campaign in New Hampshire (Washington Star, 1/30/79, p. 3);

(e) After 1976, Mr. Lake was associated with CFTR (e.g., CFTR FEC filings);

(f) Mr. Lake was a "senior consultant" to a Reagan Exploratory Committee in March 1979 (Washington Post, 3/8/79, p. 2);

(g) Mr. Lake attended a strategy session at Mr. Reagan's home over Thanksgiving 1979 (Newsday, 6/15/80, p. 27);

(h) Mr. Lake served as Press Secretary to the Reagan for President Committee during 1976 and again in 1979 and part of 1980 (Los Angeles Times, 6/25/80, p. 1; Washington Post, 12/14/79,

p. A5; New York Times, 7/17/76, p. 9; 7/20/76, p. 20; 2/17/80, p. 14).

5. Stuart Spencer

(a) Mr. Spencer ran Mr. Reagan's campaigns for Governor of California in 1966 and 1970 (Blumenthal, The Permanent Campaign, Beacon Press (1980), pp. 150-55);

(b) According to one source, Mr. Spencer was substantially responsible for training Mr. Reagan as a candidate. Thus, "[w]ithout Spencer and Roberts, Reagan might never have been a serious politician" (The Permanent Campaign, p. 149);

(c) Just prior to the filing of the May 15 and 16 letters by counsel for AEP, the press reported that Mr. Spencer was discussing with members of Mr. Reagan's campaign committee, including Mr. Casey, the possibility of joining Mr. Reagan's official campaign committee. Thus the New York Times reported:

> "William Casey . . . has been reaching out to Republican campaign specialists around the country to fill important gaps in the existing Reagan operation and to build unity with the rest of the party. Among the first contacted was Stuart H. Spencer, who ran the field operation for President Ford's re-election campaign in 1976 as well as Mr. Reagan's own campaign for Governor of California in 1966 and 1970." (5/12/80, p. D4);

(d) Mr. Spencer, together with Messrs. Nofziger, Wirthlin, Teeter, Dent and Arthur J. Finkelstein, are members of the Advisory Committee on Campaign Services of the RNC (RNC Directory, July 1979).

6. Harry S. Dent

(a) Mr. Dent was Chairman of the South Carolina Republican Party from 1965-67 (Who's Who);

(b) As President Ford's Southern Regional Coordinator in 1976, he worked closely with William Timmons, President Ford's Convention Director. (Marathon, pp. 438, 488-98) Mr. Timmons is now in charge of day-to-day political operations for the Reagan Campaign (e.g., New York Times, 6/29/80, p. 1);

(c) Beginning in 1968, Mr. Dent became Deputy Counsel to President Nixon and served in the White House until 1972 (Who's Who);

(d) While serving in the Nixon Administration, Dent's colleagues on the White House staff included Mr. Nofziger (e.g., New York Times, 12/11/69, p. 60), now Director of Communications for the official Reagan campaign (e.g., Washington Star, 5/11/80, p. 3), Mr. Timmons, and Richard Allen, a foreign policy consultant to the official Reagan campaign. (Boston Globe, 3/29/80, p. 1) Dent worked particularly closely with Nofziger; they were part of a small White House public relations group including Messrs. Haldeman, Erlichman, Ziegler, Chotiner, Chapin, and Flanigan (New York Times, 5/26/70, p. 20);

(e) According to the New York Times, Mr. Dent

was involved during those years in raising and spending a variety of political and semi-political funds (New York Times, 4/20/72, p. 12; 2/26/74, p. 1; 4/27/74, p. 26);

(f) Beginning in 1973, Mr. Dent served as General Counsel of the RNC. He resigned in December 1974, while he was under investigation for activities in connection with his White House years. (Washington Post, 2/6/73, p. A2; 12/7/74, p. A1);

(g) On December 11, 1974, Mr. Dent pleaded guilty in the U. S. District Court for the District of Columbia to violations of the Corrupt Practices Act involving a scheme to funnel funds secretly to selected Republican candidates for the United States Senate and House of Representatives (Criminal No. 74-728);

(h) Mr. Dent is a member of the Advisory Committee on Campaign Services of the RNC (RNC Directory, July 1979).

7. Winton M. Blount

(a) In 1959-60, Mr. Blount was Southeastern Director of the Nixon-Lodge Committee (Who's Who);

(b) From 1969-71 he was Postmaster General of the United States under President Nixon (Who's Who);

(c) In 1972, Mr. Blount was the Republican candidate for the U. S. Senate from Alabama (Who's Who)

8. John Deardourff

(a) Since 1966, Messrs. Deardourff and Douglas Bailey have been the principals in Campaign Coordinators, Inc., a Washington, D.C. based political consulting firm (The Permanent Campaign, p. 186);

(b) Some measure of their significance is apparent from the following which Deardourff has been quoted as saying:

> "The successful political consultant has become an independent operator . . . He is a separate power center. [He is] a replacement party for the decline of the [political] parties." (Id.)

The vital role played by political consultants in modern campaigns has been underscored by John Topping, President of the Rippon Society. In talking about Deardourff and Bailey, Topping has said:

> "One of the roles consultants [like Deardourff and Bailey] play is validating the seriousness of a candidacy which, in turn, enables a candidate to raise money for a media campaign. And Bailey and Deardourff are probably more important than the Republican Governor's Conference. . . .
>
> "A political consultant, unlike the old party boss, cannot deliver votes. But he can grant access to his other clients. And this is one of the greatest resources Bailey and Deardourff provide Baker. They have the best client list in the business. . . . We [Bailey and Deardourff] provide an alternative access to major political parties with whom we've worked. Because we have an independent reputation we provide him with visibility; we have a reputation for success. That signals something." (The Permanent Campaign, pp. 189-90);

(c) Mr. Deardourff is a leading professional Republican campaign consultant. He and partner

Bailey were in charge of media advertising for the Ford-Dole campaign in 1976. (Marathon, pp. 553, 538, 553) In the fall of 1978 alone, Deardourff ran the campaign of Republican Perry Duryea for Governor in New York while serving as consultant to Republican candidates in Michigan, Ohio, and Pennsylvania. (National Journal, 11/4/78, p. 1772)

As indicated, AEP intends to raise $12-15 million and to make that money available to support the election of Ronald Reagan. This group expects to utilize those millions

> "through a loophole in the campaign laws. By disclaiming any connection with the Republican candidate, Reed and his group could raise and spend huge amounts of money beyond what the candidate would receive from the Federal government, which will fund most of his general-election campaign. The group could spend the money as it pleases. One source says it will be spent mostly in attacking Jimmy Carter on the issues, leaving Ronald Reagan to take the high road with a more positive campaign." (Newsweek, 6/2/80, p. 21)

"[I]t amounts", according to the June 2, 1980, Washington Star, "to a full-scale campaign--lacking nothing but a candidate--on a parallel track".*

b. Americans for Change

On May 23, 1980, a Statement of Organization was filed with the Commission on behalf of a committee named Americans for Change (AFC). No

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* By letter to the Commission dated June 27, 1980, Mr. Hills said that AEP now also plans to support congressional candidates.

further information is given in the statement, except that it names three participants--Carl T. Curtis, Treasurer; Stan Huckaby, Assistant Treasurer; and Harrison H. Schmitt, Chairman.

The building address given for AFC is the same as that apparently used by AEP. (Wall Street Journal, 6/19/80, p. 1)

1. Stan Huckaby

(a) Mr. Huckaby is the sole officer of the Commission registered 1980 Republican Presidential Unity Committee of which the Reagan for President Committee is stated by Mr. Huckaby to be an affiliated committee;

(b) His address is listed on the AFC Statement of Organization as 310 First Street, S.E. in Washington--the same address as that of the RNC.

2. Carl T. Curtis

(a) Mr. Curtis was a Republican United States Senator from Nebraska from 1955 to 1979 (Who's Who);

(b) On information and belief, he now practices law with James Lake, a member of AEP.

3. Harrison Schmitt

(a) Mr. Schmitt is presently Republican United States Senator from New Mexico;

(b) He is a member of the Advisory Council on Economic Affairs of the RNC (RNC Directory, July 1979);

(c) On information and belief, Mr. Schmitt is a Reagan delegate to the 1980 Republican National Convention.

In addition to the three named officers, the press has identified the following as involved with AFC as part of a steering committee or otherwise: John Harmer, Melvin R. Laird, David Durenberger, George Romney, James Edwards, George Murphy, Marlow Cook, William Miller and Anna Chennault (Washington Post, 6/6/80, p. 1; Los Angeles Times, 6/6/80, p. 1; New York Times, 6/15/80, Editorial).

4. John Harmer

(a) Mr. Harmer was assistant to Republican Senator Wallace Bennett of Utah (Who's Who);

(b) He was a Republican member of the California State Senate from 1967 to 1974 and was Chairman of the Republican Caucus from 1971 to 1974 (Who's Who), serving as the liaison with the Reagan administration (Los Angeles Times, 4/4/72, p. 3);

(c) He was a delegate to the Republican National Convention in 1972 and 1976 (Who's Who);

(d) He was appointed Lieutenant Governor of California by Mr. Reagan in 1974 (Who's Who).

5. Melvin R. Laird

(a) Mr. Laird was a Republican member of the U. S. House of Representatives from 1953-59 (Who's Who);

(b) He was Chairman of the Republican National Convention in 1964 (Who's Who);

(c) He was Secretary of Defense from 1969-73 and Counsel to President Ford from 1973-74 (Who's Who).

6. Senator David Durenberger

(a) He has been Republican Senator from Minnesota since 1979 (Who's Who);

(b) He was supported in his 1978 campaign by Mr. Reagan; the CFTR contributed more than $3500 to his campaign (CFTR FEC filings, 6/21/78 and for the months of May and September 1978).

7. George Romney

(a) Mr. Romney was Republican Governor of Michigan from 1963-69 (Who's Who);

(b) He was Secretary of Housing and Urban Development from 1969-72 under President Nixon (Who's Who).

8. James Edwards

(a) Mr. Edwards was Republican Governor of South Carolina from 1975-78 (Who's Who);

(b) He was a key Southern supporter of Mr. Reagan in 1976 and engineered a solid Reagan slate in South Carolina in 1976 (Marathon, pp. 447, 462, 469);

(c) Mr. Edwards is a member of the Advisory Council on Natural Resources of the RNC (RNC Directory, July 1979);

(d) On information and belief, Mr. Edwards

is a Reagan delegate to the 1980 Republican National Convention.

9. George Murphy

(a) Mr. Murphy, Mr. Reagan's "long time actor friend", (Los Angeles Times, 6/25/80, pp. 1, 22), was Republican U. S. Senator from California from 1965-71;

(b) Messrs. Murphy, Casey and Clements are members of the Advisory Council on National Security and International Affairs of the RNC (RNC Directory, July 1979).

10. Marlow Cook

(a) Mr. Cook was Republican U. S. Senator from Kentucky from 1968-75 (Who's Who).

11. William Miller

(a) Mr. Miller was Republican candidate for Vice President in 1964;

(b) He was Chairman of the Republican National Committee from 1961-64 (Who's Who);

(c) He was a Republican member of the U. S. House of Representatives from 1951 to 1964 (Who's Who).

12. Anna Chennault

(a) Mrs. Chennault is a member of the Advisory Counsel on Fiscal Affairs of the RNC (RNC Directory, July 1979).

AFC has announced an intention to make $20-30 million available to the Reagan campaign for TV ads, surrogate speaking tours and mail promotion (Baltimore Sun, 6/6/80, p. A4).

c. Americans for Reagan

Americans for Reagan (AFR) is a project of the North Carolina Congressional Club (NCCC).

Mr. Helms is the prime organizer of NCCC and it is the beneficiary of substantial funds left over from Senator Helms' personal campaigns.

(a) Mr. Helms has been Republican Senator from North Carolina since 1972;

(b) Mr. Helms chaired a 13-member committee, formed at the Conservative Political Action Committee Conference, to explore the possibility of a third-party Reagan-for-President bid (Marathon, p. 487);

(c) Mr. Helms was primarily responsible for delivering Reagan's upset victory in the 1976 North Carolina primary (Marathon, pp. 411, 412, 415; Wall Street Journal, 4/29/76, p. 5), and was later a chief floor manager (along with Paul Laxalt) for Reagan at the Republican Convention (Marathon, p. 487);

(d) Mr. Helms, as a result of conversations with Mr. Reagan, reported Mr. Reagan's opposition to the reinstatement of this Commission following the Supreme Court's decision in Buckley (Wall Street Journal, 4/29/76, p. 5);

(e) During 1976, Mr. Reagan campaigned for Mr. Helms in North Carolina and CFTR supported Mr. Helms in his race for the Senate, contributing $10,000 to his campaign (CFTR FEC filings, 12/28/77; July and December 1978; Congressional Quarterly, 2/17/79, pp. 307, 310; Marathon, p. 55;

(f) Mr. Helms has officially endorsed Mr. Reagan for President in 1980 (Christian Science Monitor, 4/25/80);

(g) The NCCC made two loans totalling $5,000 to the Jesse Helms for Vice President Committee as of February 1980 (NCCC First Quarter Report);

(h) Charles Black, a former Helms aide, was involved in Mr. Reagan's 1976 and 1980 campaigns, and, for some period between 1976 and 1980, was in charge of the political division of the RNC. (Newsday, 6/15/80, p. 1) According to Commission files, he was NCPAC's original Chairman and had certain expenses reimbursed by CFTR;*

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* NCPAC's original Treasurer, Roger Stone (Registration Form and Statement of Organization, 3/27/75) was both a 1976 and 1980 Reagan campaign staff member and now serves as a consultant to the campaign in a firm that also includes Charles Black. (Newsday, 6/15/80, p. 1; Washington Star, 5/11/80, p. 3) According to the Washington Post, Stone co-owns an Alexandria, Virginia office building with a group that includes Mr. Nofziger and other Reagan staff members and Terry Dolan, Executive Director of NCPAC. (Washington Post, 5/12/79, p. A8 ) A tenant of the group is reportedly Richard Viguerie, whose direct mail, list and printing companies have been used by the Reagan 1976 and 1980 campaigns, Citizens for the Republic (Reagan's PAC), FCM, and NCPAC. (Id., see also, the Appendix) A Viguerie employee, Morton Blackwell, who heads a Viguerie political action committee, "Committee for Responsible Youth Politics" (Congressional Quarterly, 12/24/77, p. 2653; see also FEC MUR 299(76) ), and also edits a Viguerie newsletter, "The Right Report" (Congressional Quarterly, 12/24/77, p. 2653), has been designated "temporary youth coordinator" of the Reagan campaign by its executive vice

(i) On information and belief, Mr. Helms is a Reagan delegate to the Republic National Convention.

AFR sent out an initial mailing of 250,000 letters the first week of June and "expects to raise $2.5 million to purchase television time on behalf of Mr. Reagan's candidacy" (Baltimore Sun, 6/6/80, p. A4).

A recent New York Times article states:

> "The North Carolina Congressional Club is heavily involved in a number of campaigns in North Carolina and around the country, including a series of television commercials for Ronald Reagan, the Republican Presidential candidate.
>
> "The North Carolina Republican's (Helms') 1978 campaign raised and spent a record $7.5 million nearly a year and a half ago for his bid to return to the Senate. When it was over, the campaign maintained its financial appeal, leaving Mr. Helms atop a multimillion dollar, bipartisan political operation.
>
> "In 1979, not an election year for Federal office holders, the Helms organization (NCCC) raised more than $1.8 million, mainly through direct mail solicitations." (New York Times, 4/3/80, p. B12)

Other persons identified as participating in AFR by the press include:

Bruce W. Eberle is an organizer of AFR. He heads a direct mail agency--Eberle and Associates--used by the official Reagan campaign committees and several of the so-called independent committees. (See the Appendix)

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chairman, William Casey. (New York Times, 5/30/80, p. B6)

Mr. Stone also served as a political consultant to Arthur J. Finkelstein and Associates. The Finkelstein firm, according to FEC reports, described in the Appendix, has done work for both the Reagan 1976 and 1980 campaigns, NCPAC, and NCCC.

Thomas Ellis was treasurer of Citizens for Reagan in North Carolina in 1976. (Marathon, p. 485) In that capacity, he had conversations with ACU regarding their "independent" expenditures on Mr. Reagan's behalf. (MUR 203 and 203(a)(76), 12/1/77) On information and belief, Mr. Ellis is a Reagan delegate to the 1980 Republican National Convention.

Carter Wrenn, the current NCC treasurer, was Mr. Helms' treasurer for his 1978 re-election committee (MUR 459) and served on the staff of Mr. Reagan's 1976 official campaign.

4. Communications Among Respondents

Without the use of subpoenas, document production and cross-examination under oath, we cannot establish the extent to which respondents are to have been in communication and are or are not acting under common day-to-day control. The Commission has those tools of discovery available and can determine those facts if it should believe that necessary.

However, it is plain, and we assert here, that political professionals such as those included among the participants in respondents are fully and routinely able to act, directly and indirectly, and in concert and conjunction with other professionals on behalf of a particular candidate without day-to-day common direction. Thus, the accompanying affidavit of Robert S. Strauss, Chairman of the Carter-Mondale Reelection Committee, states:

> "The morning newspapers will provide ample information for these surrogate Reagan campaign managers, as well as the rest of the world, about the areas where Mr. Reagan needs help and about the political groups that need to hear his message. It will take no great sophistication to buy television and radio advertising, bill-

boards or bumper stickers, or make other political expenditures, through the use of political communications and intelligence provided through the media. This means that the Reagan campaign, with independent organizations to supplement their operations, will not have to make the decisions in allocating scarce resources for field and media expenses that the other official campaign committees must make. It means that 'independent committees' could pay for 'negative' advertising designed to tear down Mr. Reagan's opponents, while his authorized and official campaign sponsored only positive, pro-Reagan commercials."

Examples of such prior concerted action are to be found: (1) in the coordinated primary campaign contributions of Mr. Reagan's official committees and the ACU in the 1976 Ohio, Michigan and California primaries described above; (2) in the concerted primary contributions of FCM and Mr. Reagan's official committees in this year's primaries in New Hampshire and Texas, also described above; (3) and, as the press hypothesizes now,

"As a practical matter, however, there is no way to prevent the independent efforts from being what one Republican poll called 'legal but de facto collusion'. Spencer could decide, for example, to buy $2 million worth of advertising in New York and then simply announce that fact at a press conference. Reagan managers could then adjust their plans accordingly after they had read what Spencer intended to do.

"Thus, the Reagan campaign would be able to conserve its own resources for the critical states." (Washington Star, 6/2/80, p. A10)

Indeed, as Kenneth F. Boehm, treasurer of FCM, conceded just this week, direct contact is "unnecessary since 'we pretty much know what the Reagan campaign strategy is from the newspapers'".* (New York Times, 6/30/80, p. B13)

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* Mr. Boehm, a delegate to the 1976 Republican National Convention, was Pennsylvania Chairman of Youth for Reagan. (Who's Who) Like other FCM officials, he, as well as members of the official Reagan campaign, have also been involved with Young Americans for Freedom.

Violations of the Law

One basic purpose of the laws which the Commission exists to enforce is to insure that a candidate for President of the United States who seeks and accepts public funding--this year $29.4 million--shall not also seek or accept, either directly or indirectly, private financial support through fronts which act in conjunction, consultation or concert with him or with his consent but which assert a facade of independence. The statutes insure that the relationship between a candidate who accepts public funding and other groups will be judged realistically and that formalistic sham and technicality will not obscure reality. Hence, if Mr. Reagan seeks and accepts public funding and at the same time accepts the benefit of contributions to and by these Committees on behalf of his election, he and the other respondents described above will violate the law in numerous respects. Based upon the foregoing facts and reasonable inferences drawn therefrom:

I.

Mr. Reagan has been or will be accepting contributions to defray qualified campaign expenses contrary to the provisions of 26 U.S.C. § 9003(b)(2). Contributions to the respondent committees are or will in fact be contributions to Mr. Reagan because:

(a) The contributions to one or more of the respondent committees are or will be made directly or indirectly on behalf of Mr. Reagan, 2 U.S.C. § 441a(a)(8), in that:

(1) one or more of the respondent committees have designated or instructed or will designate or instruct (directly or indirectly, expressly or by implication, orally or in writing) that all or any part of the contribution be made to or expended on behalf of Mr. Reagan. 11 C.F.R. § 110.6(a) and (b);

(2) one or more of the respondent committees are single-candidate committees. 11 C.F.R. § 110.1(h);

(3) contributions to one or more of the respondent committees are or will be given with knowledge that a substantial portion of the contribution will be contributed to or expended on behalf of Mr. Reagan. 11 C.F.R. § 110.1(h).

(b) Expenditures made by one or more of the respondent committees are or will be made with the cooperation or prior consent of, in consultation or concert with, or at the request or suggestion of Mr. Reagan, his authorized political committees or his agents. 2 U.S.C. § 441a(a)(7)(B)(i); 11 C.F.R. § 109.1;

see also, Informational Letter Re: AOR 1976-20 (August 17, 1976); MUR 321(76) (July 14, 1977); O/R No. 777 (December 7, 1976); AO 1979-80 (March 12, 1980);

II.

Mr. Reagan has incurred or will incur qualified campaign expenses in excess of the aggregate payments to which he is entitled under the Presidential Election Campaign Fund Act contrary to the provisions of 26 U.S.C. § 9003(b)(1). Expenditures by one or more of the respondent committees are or will be qualified campaign expenses incurred by or on behalf of Mr. Reagan because:

(a) one or more of the committees are or will be agents of Mr. Reagan for purposes of making the expenditure. 2 U.S.C. § 441a(b)(2)(B)(i);

(b) one or more of the committees have been or will be authorized or requested by Mr. Reagan, an authorized Reagan committee, or an agent of Mr. Reagan to make the expenditure. 2 U.S.C. § 441a(b)(2)(B)(ii);

III.

By virtue of the allegations contained in Count I, one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(a) by exceeding their contribution limits to Mr. Reagan;

IV.

By virtue of the allegations contained in Count I, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly accepting contributions from persons who have exceeded their contribution limits;

V.

By virtue of the allegations contained in Count II, Mr. Reagan and one or more of the respondent

committees have violated or will violate 2 U.S.C. § 441a(b) by exceeding Mr. Reagan's expenditure limits;

VI.

By virtue of the allegations contained in Count II, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 441a(f) by knowingly exceeding Mr. Reagan's expenditure limits;

VII.

By virtue of the allegations contained in the foregoing Counts, Mr. Reagan and one or more of the respondent committees have violated or will violate 2 U.S.C. § 434 in that they have failed properly to report contributions and expenditures;

VIII.

One or more of the respondent committees have violated or will violate 26 U.S.C. § 9012(f) by knowingly and willfully incurring expenditures in an aggregate amount exceeding $1,000 to further the election of Mr. Reagan which would constitute qualified campaign expenses if incurred by an authorized committee;

IX.

Respondent, Republican National Committee, through its agents, has violated or will violate 2 U.S.C. § 441a(d) by incurring expenses in connection with the 1980 Presidential Election greater than permitted by law.

X.

Respondents, The Fund for a Conservative Majority, the North Carolina Congressional Club and the National Conservative Political Action Committee,

have violated 2 U.S.C. § 432(e)(4) in that their respective "projects" "Citizens for Reagan in '80", "Americans for Reagan" and the "Ronald Reagan Victory Fund", are discrete, unauthorized political committees which have included the name "Reagan" in their names.

Relief Sought

Complainants, therefore, request:

1. That the Commission decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act;

2. That, in the alternative, the Commission immediately commence such investigation as is necessary to determine the extent to which the provisions of the Federal Election Act and the Fund Act are being violated by respondents which we submit should include the following:

(a) the Commission should adopt emergency procedures appropriate for the circumstances which will result in immediate and full discovery of the facts regarding the relationships between respondents, including immediate production of all letters, communications, telephone tolls and other relevant documents to the Commission and to counsel for complainants followed by immediate testimony subject to cross-examination by the Commission and counsel for the complainants;

(b) the Commission should immediately convene a hearing including counsel for all parties at which a schedule and procedure for

implementing such discovery will be agreed and/or ordered by the Commission;

(c) the Commission should conclude that the public and private interests will best be served by opening all of the foregoing procedures to the public generally;

(d) the Commission should provide for submission of all facts and argument to the Commission not later than July 14, 1980; and

(e) the Commission should decline to certify Mr. Reagan and the Republican candidate for Vice President as eligible to receive payments under the Fund Act pending completion of such investigation and determination of the extent to which the Acts are being violated.

We fully understand that the relief we seek places unusual burdens on the Commission, its staff and its procedures. Such burdens are necessary under the circumstances and not unlike those normally accepted by courts and other administrative agencies in emergencies.

Moreover, we assume that respondents and their counsel will wish to cooperate in resolving these matters as rapidly as possible. If one assumes that the true independence of the several political committees can be established, it is certainly in the interest of all respondents to do so as rapidly and completely as possible.

Verification

The undersigned counsel for the complainants swears that, based on the matters of record referred to herein, the allegations and other facts in the complaint are true and correct to the best of his knowledge, information and belief.

By: Thomas D. Barr

Thomas D. Barr
Special Counsel to Complainants
One Chase Manhattan Plaza
New York, N. Y. 10005

Subscribed and sworn to before me this 1st day of July 1980.

Robert F. Whalen
Notary Public

My Commission Expires 3/30/81

ROBERT F. WHALEN
Notary Public, State of New York
No. 31-4236850
Qualified in New York County
Commission Expires March 30, 1981

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## Appendix

### Common Vendors

(1) The political consulting firm of Arthur J. Finkelstein & Associates, which specializes in polling and survey research, did substantial work for Citizens for the Republic (CFTR), North Carolina Congressional Club (NCCC), and National Conservative Political Action Committee (NCPAC), as well as for the official Reagan campaigns in both 1976 and 1980.

(2) Ruth Jones, Ltd., a media time-buyer who has received more than $1 million in connection with its work for the official Reagan 1976 and 1980 campaigns, has also been employed by NCCC.

(3) Bruce Eberle Associates, Inc., a specialist in fund raising, direct mailing and mailing list rentals, received more than $400,000 from the 1976 Reagan campaign and its successor, CFTR, and has also received more than $115,000 from FCM. In addition, FCM has employed numerous Eberle subsidiaries involved in computer services, mailing, printing and list rental. Both the 1976 official Reagan campaign and its successor, CFTR, have employed Eberle's list rental subsidiary, Omega List Co., which has also served respondent FCM. Mr. Eberle is also active in respondent, NCCC.

(4) Richard A. Viguerie Co., Inc., a firm that did advertising and public relations for the 1976 Reagan campaign, as well as being involved in direct mailing, computer services and list rental, has also been employed by NCPAC. In addition, a Viguerie subsidiary engaged in direct mailing, American Mailing Lists Corp., has been

employed by NCPAC as well as the 1976 Reagan campaign and CFTR. Three printing and mailing subsidiaries, Diversified Printing Services, Metro Mailing and Printing, and Diversified Mail Marketing, have been employed by both FCM and NCPAC. Diversified Mailing Services, a direct mailing firm employed by both the 1976 and 1980 Reagan campaigns, has also been employed by NCPAC.

(5) "Human Events", which has provided list rental and computer services for Reagan's current campaign, has also done so for NCPAC.

(6) Input Data Assoc., a computer and list service for CFTR, has been employed by NCCC and NCPAC.

(7) Ed Nichols Assoc. and Wiland & Assoc. Inc., both of which have worked for Reagan or CFTR in the past, in addition to working for his 1980 campaign, have performed computer services for NCPAC. Wiland & Assoc. Inc., has also been employed by FCM.

(8) Lone Star Press and Mail Room, Inc., direct mailing services, and PSA Enterprises, a computer and list service, have all worked for Reagan in the past, and all three have been employed by FCM. Lone Star Press and Mail Room, Inc., have also been employed by NCPAC.

(9) The mailing services of Smarr Mailing and Thompson & Assoc., as well as the list services of the Name Exchange, have been shared by FCM and NCPAC.

(10) Both FCM and NCCC have used the mailing and computer services of Communications Corp. of America.

(11) Telepost and Tri-State Envelope Corp., both printers for Reagan's 1980 campaign, have been employed by FCM, and Tri-State has also been employed

by NCPAC.

(12) Integrity Autotyping, a printer for Reagan's 1976 campaign, has performed services for FCM.

(13) FCM and NCPAC share the printing services of Frank Gunpert Printing, Maryland Litho, McCollum Press and Smith Lithograph.

(14) NCPAC has used the pooling and research services of Decision Making Information, a long-time Reagan vendor, and one used in his present campaign.

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| CARTER-MONDALE REELECTION COMMITTEE, INC., DEMOCRATIC NATIONAL COMMITTEE,<br><br>Complainants,<br><br>-against-<br><br>RONALD REAGAN, REAGAN FOR PRESIDENT, REPUBLICAN NATIONAL COMMITTEE, AMERICANS FOR AN EFFECTIVE PRESIDENCY, AMERICANS FOR CHANGE, NORTH CAROLINA CONGRESSIONAL CLUB and its project "AMERICANS FOR REAGAN", FUND FOR A CONSERVATIVE MAJORITY and its project "CITIZENS FOR REAGAN IN '80", NATIONAL CONSERVATIVE POLITICAL ACTION COMMITTEE and its project "THE RONALD REAGAN VICTORY FUND"<br><br>Respondents. | BEFORE THE FEDERAL ELECTION COMMISSION |

CITY OF WASHINGTON ) SS:

I, Robert S. Strauss, being first duly sworn, depose and say:

1. I have participated in political life and political campaigns most of my adult life. During this time, I have had personal experience in almost every aspect of political campaigns on the local, state, and national level. On a national basis, I have served as Treasurer and Chairman of the Democratic National Committee. I now serve as Chairman of the Carter/Mondale Presidential Committee, Inc., President Carter's authorized campaign committee for the Democratic nomination for President. I am also Chairman of the Carter/Mondale Reelection Committee, Inc., which President Carter has authorized to begin preparations for the general election campaign. During the course of my career, I have had occasion to work with many individuals deeply involved in the political process. I have worked and talked with these people on national campaigns, and on campaigns in

most of the states of this country. I think it is fair to say that I know well a large number of the professionals in politics and the media in the country and have worked personally with many of them.

2. I have become very concerned recently about what is, in my opinion, a clear violation of the spirit of our federal election laws. I feel that most, if not all, of the so-called "independent expenditure committees" formed in support of Ronald Reagan's Presidential candidacy will not, and in fact cannot, operate independently of the candidate's official campaign. Many of these groups are managed and guided, directly or indirectly, by Mr. Reagan's former political associates.

3. These "independent" committees, which will inevitably be acting in concert with Mr. Reagan's campaign, will have a major impact upon the selection of our next President. This is readily apparent if one looks at the expenses involved in running a major national campaign. Travel alone for the candidate could amount to as much as $3-4 million. The administration and operation of a field operation will consume at least $4-5 million. Much of the remaining money will be spent for media. While the official campaign committees of other candidates will be forced to make difficult decisions on the most effective allocation of their limited resources, Mr. Reagan's authorized committee will be freed from this responsibility. The Reagan campaign will be able to make conscious decisions to neglect certain aspects of their operation, with the knowledge that the independent committees, which plan to raise and spend many millions of dollars, will effectively perform those functions.

4. The current system of publicly financing Presidential elections and limiting campaign expenditures and contributions adequately ensures that the views of all candidates will be placed before the American people and that the opportunities for corruption of the political process through undue financial influence are minimized. I feel the channeling of millions of dollars into media and other campaign activities by these "independent" committees and groups will upset this delicately balanced system and have a potentially devastating effect on this and future elections.

5. These "independent" committees, unlike Political Action Committees and other special interest groups sanctioned by the law, will function with structures and personnel quite similar to that of campaign committees, including pollsters, media consultants, direct mail operations, and the like. They are designed with the expressed intent of supplementing the authorized campaign committee, and with their size and expertise, they will be able to function effectively alongside the authorized committee. They will not be ad hoc groups of concerned citizens, but highly organized professional campaign committees. From what I know, these committees are independent in name only. They are linked by many subtle, but nonetheless substantial ties.

6. For example, close examination of the top people in these organizations will reveal that many share common political, business and professional relationships. They are members of the same organizations. They have worked together as Republican Party professionals in the same campaigns, with the same advisors, the same stances on the issues, and they have served in the same Administrations together. In reality,

these people will be working in parallel. Their longstanding ties provide ample knowledge of each other's strengths, weaknesses, tactics and methods of operation. Without any direct or frequent communication, they will be able to run a political organization that will complement Mr. Reagan's. Their association gives them the background to understand each others' moves and signals, which can easily be sent through the media.

7. Even when information might be needed, or when ex-Reagan associates are not available to help, these groups will be linked by the media. The morning newspapers will provide ample information for these surrogate Reagan campaign managers, as well as the rest of the world, about the areas where Mr. Reagan needs help and about the political groups that need to hear this message. It will take no great sophistication to buy television and radio advertising, billboards or bumper stickers, or make other political expenditures, through the use of political communications and intelligence provided through the media. This means that the Reagan campaign, with independent organizations to supplement their operations, will not have to make the decisions in allocating scarce resources for field and media expenses that the other official campaign committees must make. It means that "independent committees" could pay for "negative" advertising designed to tear down Mr. Reagan's opponents, while his authorized and official campaign sponsored only positive, pro-Reagan commercials.

8. If these groups spend the millions of dollars they have promised on behalf of the Reagan campaign, the spending advantage enjoyed by Mr. Reagan over his opponents could well make the difference in the outcome of the election. The total dollars in question are much more than either major political party's national committee can spend in connection with the Presidential campaign. They are several times what Mr. Reagan's or President Carter's pre-nomination campaigns spent over the course of more than a year. In terms of the appearance or reality of undue political influence or improper financial "quid pro quos", I see very little difference in an "independent" committee funneling millions of dollars into a campaign and a similar group making an excessive, illegal donation to the candidate.

9. To my knowledge, no independent expenditure effort of this type and scope -- i.e., a multi-million dollar, parallel campaign organization utilizing professional polling, media, and organizational experts as well as past political aides and close advisors of the candidate on whose behalf the expenditures are to be made -- has ever been attempted.

10. I am aware that Mr. Reagan and several of the organizations and individuals planning on making substantial "independent expenditures" on his behalf are opposed to limitations on expenditures and contributions and to public financing in connection with Presidential campaigns. I am not aware, however, that Mr. Reagan, in this or past campaigns, has ever discouraged the making of independent expenditures on his behalf. In fact, my understanding is that Mr. Reagan has received a great deal of this type of assistance.

11. In contrast, the policy of the Carter-Mondale campaign in the 1976 primary and general election campaign and the 1980 primary and general election campaign has been, and will be, to actively discourage the making of independent expenditures on behalf of President Carter and Vice President Mondale.

12. As I stated before, I have no doubt that these expenditures, which could amount to millions of dollars, could have a tremendous effect upon the 1980 Presidential election. I thought we had learned from our mistakes and corrected many of them, with the passage of the Federal Election Campaign Act. It would be regrettable to repeat these mistakes through a lack of vigilance in policing the intent of this Act.

Robert S. Strauss

Subscribed and sworn to before me
this 2nd day of July, 1980.

Claudia B. Hannigan
Notary Public

My Commission Expires October 14, 1984

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 13, 1983

NOTE TO VIEWERS: Mur 1252/1299 Depositions & Exhibits continue on Mur Roll #43 Frame 0002.

Thank You

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FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

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