



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

85040522372

THIS IS THE END OF MUR # 1740

Date Filmed 4/17/85 Camera No. --- 3

Cameraman AS

FEDERAL ELECTION COMMISSION

Routing Slips, 12 Day Report, 12 Day
Report Comment Sheets,

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):

- | | |
|--|---|
| <input type="checkbox"/> (1) Classified Information | <input type="checkbox"/> (6) Personal privacy |
| <input type="checkbox"/> (2) Internal rules and practices | <input type="checkbox"/> (7) Investigatory files |
| <input type="checkbox"/> (3) Exempted by other statute | <input type="checkbox"/> (8) Banking Information |
| <input type="checkbox"/> (4) Trade secrets and commercial or financial information | <input type="checkbox"/> (9) Well Information (geographic or geophysical) |
| <input checked="" type="checkbox"/> (5) Internal Documents | |

Signed Eric Kleinfeld
 date 4/11/85

85040522373



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 25, 1985

March 22, 1985

Mr. Robert Brandenburg
17396 Delaware
Utica, Michigan 48087

RE: MUR 1740

Dear Mr. Brandenburg:

This is in response to your request for the attachments which were a part of the General Counsel's Report submitted to the Commission in connection with MUR 1740. Enclosed you will find a copy of Mary Holmes' response to the Commission and a copy of the letter signed by Chairman John Warren McGarry which was mailed to Mrs. Holmes.

If you have any further questions, please contact Eric Kleinfeld, the attorney assigned to this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

85040522374

MARY HOLMES For State Representative

85 JAN 30 PIZ: 28

MUR 1740
Kleenfeld

Charles Steele
General Counsel
Federal Election Commission
Washington D.C. 20463

RE: MUR 1740
MARY HOLMES

Dear Mr Steele

I find it intolerable that when a carping ass complains because he doesn't like what's going on in a little Republican Club in Utica Michigan, your agency spends more taxpayers dollars on his bull-shit complaint than I spent on the entire mailing!

5 I find it totally distastful that once the F.E.C. starts their bureaucratic letter writing they don't know how to stop.

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6 When the F.E.C. sends threatening and harrassing letters, based on the complaints of malcontents, to someone (in this instance, me), who wasn't even involved in a F.E.C. election, I believe you are trampling on my rights.

2
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1 As of this writing, the Shelby Township Republican Club has less than \$100.00 in the bank. IT HAS NEVER, EVER, HAD OVER \$100.00 in the bank! We are little potatoes, but nevertheless, I appreciate that you and my detractors believe that and the Club, singlehandidly elected the President to a second term.

4 I am returning your questionnaire.

0 As you can see, I personally spent less than \$30.00 on the entire mailing that went out to our mailing list.

8

Yours for more effecient and less costly government

Mary Holmes
MARY HOLMES

Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

1) What was the total number of letters mailed, sent out or otherwise distributed or delivered?

approximately 225 to Republican Volunteers, precinct delegates and party contributors

2) What was the total cost of sending out and distributing the mailing including reproduction costs and postage?

\$20.92 (Postage)	2.25 (insert) ③④
2.25 (Envelopes) ATTACH A ①	0.00 (insert) ⑤⑥
2.25 (Letter) ②	
	<u>Total of \$27.67</u>

3) Who paid for the mailing?

Mary Holmes

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.

85040522376



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1985

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Mrs. Holmes:

On November 23, 1984, the Commission found reason to believe that you violated 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that failing to affix a disclaimer notice to a mailing on behalf of a federal candidate's re-election nevertheless appears to be a violation of 2 U.S.C. § 441d. You should take steps to insure that this activity does not occur in the future.

The Commission has taken cognizance of the objection voiced by you in your letter to Charles N. Steele, General Counsel of the Commission, that was received on January 30, 1985. The Commission is always concerned over committing its limited resources prudently. We would be remiss if we did not point out in this instance that a prompt response to our initial notification would have facilitated the settlement of this matter and conserved the Government's resources.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 523-4000.

Sincerely,

John Warren McGarry
Chairman

8 5 0 4 0 5 2 2 3 7 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1740
Mary Holmes)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of March 5, 1985, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 1740:

1. Take no further action against Mary Holmes for a violation of 2 U.S.C. § 441d.
2. Approve the sending of the letters attached to the General Counsel's report dated February 22, 1985, subject to amendment of the letter to Mary Holmes as agreed upon during the meeting.
3. Close the file.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision.

Attest:

3-5-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1985

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8430 Pamela
Utica, Michigan 48087

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Mary Holmes

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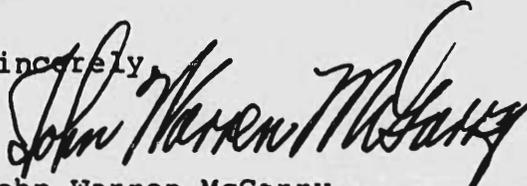
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Sincerely,


John Warren McGarry
Chairman

85040522379



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1985

Ronald E. Robertson, Chief Counsel
Reagan - Bush '84
440 First Street, N.W.
Washington, D.C. 20001

RE: MUR 1740
Mary Holmes

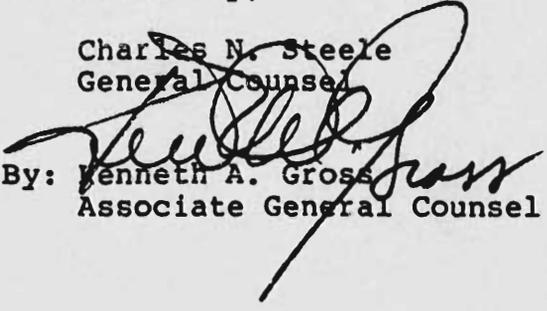
Dear Mr. Robertson:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel

Enclosure

85040522380



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 18, 1985

Robert C. Brandenburg
17396 Delaware
Utica, Michigan 48087

Re: MUR 1740

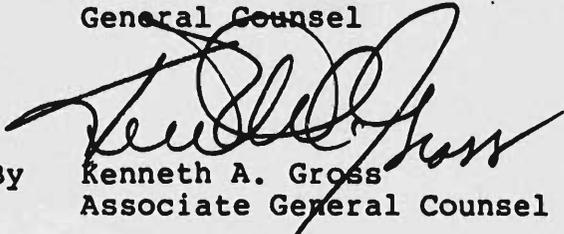
Dear Mr. Brandenburg:

The Federal Election Commission reviewed the allegations of your complaint dated July 14, 1984, and determined that on the basis of the information provided in your complaint and information provided by Respondent there is reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. However, after considering the circumstances of this matter, the Commission has decided to take no further action and close its file. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel


By Kenneth A. Gross
Associate General Counsel

Enclosure
General Counsel's Report

85040522381



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Mrs. Holmes:

On November 23, 1984, the Commission found reason to believe that you violated 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within 10 days.

The Commission reminds you that failing to affix a disclaimer notice to a mailing on behalf of a federal candidate's re-election nevertheless appears to be a violation of 2 U.S.C. § 441d. You should take steps to insure that this activity does not occur in the future.

The Commission has taken cognizance of the objection voiced by you in your letter to Charles N. Steele, General Counsel of the Commission, that was received on January 30, 1985. The Commission is always concerned over committing its limited resources prudently. We would be remiss if we did not point out in this instance that a prompt response to our initial notification would have facilitated the settlement of this matter and conserved the Government's resources.

If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 523-4000.

Sincerely,

John Warren McGarry
Chairman

EK 3/7/85

85040522382



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Ronald E. Robertson, Chief Counsel
Reagan - Bush '84
440 First Street, N.W.
Washington, D.C. 20001

RE: MUR 1740
Mary Holmes

Dear Mr. Robertson:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within 10 days.

Should you have any questions, contact Eric Kleinfeld, the attorney assigned to this matter, at (202)523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

85040522383

EK
3/1/85



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert C. Brandenburg
17396 Delaware
Utica, Michigan 48087

Re: MUR 1740

Dear Mr. Brandenburg:

8 5 0 4 0 5 2 2 3 8 4

The Federal Election Commission reviewed the allegations of your complaint dated July 14, 1984, and determined that on the basis of the information provided in your complaint and information provided by Respondent there is reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. However, after considering the circumstances of this matter, the Commission has decided to take no further action and close its file. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure
General Counsel's Report

CK 3/1/85

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

In the Matter of
Mary Holmes

)
)
)

MUR 1740

05 FEB 22 P 4: 08

GENERAL COUNSEL'S REPORT

BACKGROUND

This matter is based on a complaint filed by Robert Brandenburg alleging that Mary Holmes, a former candidate for the 26th Michigan State Representative District, failed to affix a disclaimer notice to a mailing made on behalf of President Reagan's re-election. The mailing at issue contained the following documents: 1) An envelope mailed to an addressee bearing the statement "Mary Holmes for State Representative." 2) A letter announcing Mary Holmes' candidacy for State Representative. The letter outlines Mary Holmes' experience and states her position on certain issues. The letter also notes that Mary Holmes is the Chairperson of the 26th District Reagan-Bush '84 campaign and requests that anyone wishing to become involved in a grass-roots presidential campaign fill out and mail the enclosed post card. 3) A post card which states "Yes, I want to help Mary Holmes help the President." The card requests assistance with making telephone calls, stuffing and labeling envelopes, posting bumper stickers, and posting yard signs. The card also solicits contributions to the Shelby Township Republican Club. 4) A return envelope addressed to Reagan-Bush '84, c/o Mary Holmes, President, Shelby Township

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Republican Club. 5) A two page leaflet featuring President Reagan and Vice President Bush which contains the disclaimer notice, "Paid for by Reagan-Bush '84; Paul Laxalt, Chairman; Angela M. Buchanan Jackson, Treasurer."

Mary Holmes failed to respond to the complaint in this matter. On November 23, 1984, the Federal Election Commission ("Commission") found reason to believe that Mary Holmes violated 2 U.S.C. § 441d of the Federal Election Campaign Act, as amended ("the Act"). In making this determination, the Commission also approved and authorized the sending of questions to Mary Holmes.

Mary Holmes failed to respond to the RTB notification and the questions sent to her by the Commission. On January 3, 1985, the Commission authorized the sending of the same questions to Mary Holmes under Order, requiring a response within ten (10) days of receipt by Mary Holmes. Mary Holmes' answers to these questions were received by the Office of General Counsel on January 30, 1985.

II. FACTUAL AND LEGAL ANALYSIS

In response to the Commission's question concerning the total number of letters mailed or otherwise distributed, Mary Holmes indicated that approximately 225 such letters were sent to "Republican volunteers, precinct delegates and party contributors." The total cost of the mailing at issue was \$27.67, consisting of \$20.92 for postage, \$2.25 for envelopes, \$2.25 for the letter announcing Mary Holmes' candidacy, and \$2.25 for the post card and return envelope included with the mailing.

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Mary Holmes acquired 225 copies of the two page leaflet featuring President Reagan and Vice President Bush at no cost.*/ The entire cost of the mailing (\$27.67) was paid for by Mary Holmes.

2 U.S.C. § 441d(a) and 11 C.F.R. § 110.11 state that whenever a person makes an expenditure for the purpose of financing communications which advocate the election or defeat of a candidate or solicits any contribution through direct mail the communication, if it is paid for and authorized by a candidate or his authorized political committee, shall state that it has been paid for by such political committee. If the communication is paid for by another person but authorized by a candidate or the candidate's committee, the communication shall so state. If the communication is not authorized by a candidate or the candidate's committee, the communication must clearly state who paid for the communication and indicate that it is not authorized by any candidate or candidate's committee. Mary Holmes' letter contained a card soliciting contributions to help her help President Reagan and contained the two page leaflet featuring

*/ The exact source of these leaflets is unknown. In a telephone conversation with this office, the husband of Mary Holmes, Michigan State Senator Kirby Holmes, indicated that he put together the mailing and had no recollection of the source of the Reagan-Bush leaflets. Reagan-Bush '84 had previously indicated in its response to the complaint in this matter, that an individual who "held himself out to be state Senator Kirby Holmes" requested a large quantity of Reagan-Bush '84 brochures not unlike the ones mailed by Mrs. Holmes. Reagan-Bush '84 declined to provide the materials.

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President Reagan and Vice President Bush. No disclaimer notice appeared on the material advising the reader that the letter and enclosures were paid for by Mary Holmes and not authorized by Reagan-Bush '84.

In spite of an apparent violation of 2 U.S.C. § 441d by Mary Holmes, further enforcement of this matter, as made evident by Respondent's letter, would require a considerable expenditure of Commission resources over a mailing which cost, in total, less than thirty dollars. Although the tone of Mary Holmes letter, at the very least, reflects the problems the Office of General Counsel has had in conducting its investigation into this matter and eliciting a response from Mrs. Holmes, there is no evidence suggesting that Mrs. Holmes spent more than \$27.67 on the mailing in question.

Mary Holmes did respond to the Commission's Order, albeit late. The Office of General Counsel believes that the small amount expended for the mailing, balanced against the amount of Commission resources which would be required to pursue this matter to a conclusion, outweighs the apparent violation. Accordingly, the Office of General Counsel recommends that the Commission take no further action in this matter, but send the respondent a letter of admonition.

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III. RECOMMENDATION

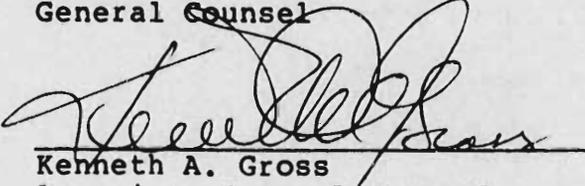
The Office of General Counsel recommends that the Commission:

1. Take no further action against Mary Holmes for a violation of 2 U.S.C. § 441d.
2. Approve the sending of the attached letters.
3. Close the file.

Charles N. Steele
General Counsel

February 22, 1985
Date

BY:


Kenneth A. Gross
Associate General Counsel

Attachments

- I. Mary Holmes' response
- II. Proposed letters

85040522389

**MARY
HOLMES**

**For
State Representative**

ATTACHMENT J
①

65 JAN 30 P12: 28

MUR 1740
Kleinfield

Charles Steele
General Counsel
Federal Election Commission
Washington D.C. 20463

RE: MUR 1740
MARY HOLMES

Dear Mr Steele

I find it intolerable that when a carping ass complains because he doesn't like what's going on in a little Republican Club in Utica Michigan, your agency spends more taxpayers dollars on his bull-shit complaint than I spent on the entire mailing!

I find it totally distastful that once the F.E.C. starts their bureaucratic letter writing they don't know how to stop.

When the F.E.C. sends threatening and harrassing letters, based on the complaints of malcontents, to someone (in this instance, me), who wasn't even envolved in a F.E.C. election, I believe you are trampling on my rights.

As of this writing, the Shelby Township Republican Club has less than \$100.00 in the bank. IT HAS NEVER, EVER, HAD OVER \$100.00 in the bank! We are little potatoes, but nevertheless, I appreciate that you and my detractors believe that I and the Club, singlehandidly elected the President to a second term.

I am returning your questionnaire.

As you can see, I personally spent less than \$30.00 on the entire mailing that went out to our mailing list.

Yours for more effecient and
less costly government

Mary Holmes
MARY HOLMES

Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

1) What was the total number of letters mailed, sent out or otherwise distributed or delivered?

approximately 225 to Republican Volunteers, precinct delegates and party contributors

2) What was the total cost of sending out and distributing the mailing including reproduction costs and postage?

\$20.92 (Postage) 2.25 (Envelopes) 2.25 (Letter) ATTACH A ①
2.25 (insert) ③④
-0-(insert) ⑤⑥

3) Who paid for the mailing?

Mary Holmes

Total of \$27.67

855040522391

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Mrs. Holmes:

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If you have any questions, please direct them to Eric Kleinfeld, the attorney assigned to this matter, at (202) 523-4000.

Sincerely,

John Warren McGarry
Chairman

85040522392



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

(4)

Robert C. Brandenburg
17396 Delaware
Utica, Michigan 48087

Re: MUR 1740

Dear Mr. Brandenburg:

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Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Kenneth A. Gross
Associate General Counsel

Enclosure
General Counsel's Report

85040522395



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

3

Ronald E. Robertson, Chief Counsel
Reagan - Bush '84
440 First Street, N.W.
Washington, D.C. 20001

RE: MUR 1740
Mary Holmes

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Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

85040522394



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *WJ*
DATE: February 22, 1985
SUBJECT: MUR 1740 - General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____
Open Session _____
Closed Session _____

85040522395

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]	Audit Matters	[]
Non-Sensitive	[]	Litigation	[]
24 Hour No Objection	[]	Closed MUR Letters	[]
Sensitive	[]	Status Sheets	[]
Non-Sensitive	[]	Advisory Opinions	[]
Information	[]	Other (see distribution below)	[]
Sensitive	[]		
Non-Sensitive	[]		
Other	[]		
_____		_____	
_____		_____	
_____		_____	

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1740
Mary Holmes)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 3, 1985, the Commission approved and authorized by a vote of 5-0 the sending of the Order to Answer Interrogatories and letter to Mary Holmes, submitted with the General Counsel's Report signed December 28, 1984.

Commissioners Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter; Commissioner Aikens did not cast a vote in this matter.

Attest:

1-3-85
Date

Marjorie W Emmons
Marjorie W. Emmons
Secretary of the Commission

85040522396

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

12-28-84, 1:16
12-31-84, 11:00

AD 6549
RECEIVED AT THE FEC

MARY HOLMES For State Representative

85 JAN 30 P12: 28

MUR 1740
Kleenfeld

Charles Steele
General Counsel
Federal Election Commission
Washington D.C. 20463

RE: MUR 1740
MARY HOLMES

Dear Mr Steele

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7 I find it totally distastful that once the F.E.C. starts their bureaucratic letter writing they don't know how to stop.

3 2 When the F.E.C. sends threatening and harrassing letters, based on the complaints of malcontents, to someone (in this instance, me), who wasn't even envolved in a F.E.C. election, I believe you are trampling on my rights.

2 5 2 As of this writing, the Shelby Township Republican Club has less than \$100.00 in the bank. IT HAS NEVER, EVER, HAD OVER \$100.00 in the bank! We are little potatoes, but nevertheless, I appreciate that you and my detractors believe that I and the Club, singlehandidly elected the President to a second term.

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0 5 0 As you can see, I personally spent less than \$30.00 on the entire mailing that went out to our mailing list.

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Yours for more effecient and less costly government

Mary Holmes
MARY HOLMES

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\$20.92 (Postage)

2.25 (Envelopes)

2.25 (Letter) (2)

ATTACH A (1)

2.25 (check) (3) (4)

-0- (check) (5) (6)

Total of \$27.67

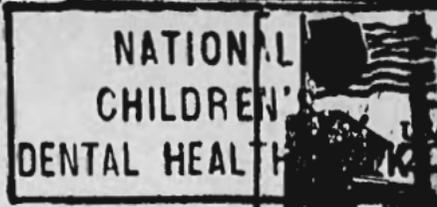
3) Who paid for the mailing?

Mary Holmes

85040522398

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.

PO Pamela
ca, MI 48087
l: 781-4941



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CHARLES STEELE
FEDERAL ELECTION COMMISSION
WASHINGTON D.C.
20463

85 JAN 30 P12 28

MARY
HOLMES For
State Representative



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 4, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Ms. Holmes:

On November 29, 1984, you were notified that the Commission found reason to believe you violated 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from you is necessary.

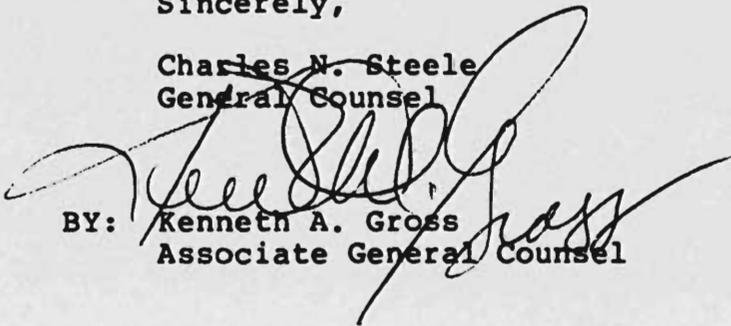
Consequently, the Federal Election Commission has issued the attached order which requires you to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this order.

If you have any questions, please direct them to Eric Kleinfeld, the attorney handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040522400

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Mary Holmes

)
)
)

MUR 1740

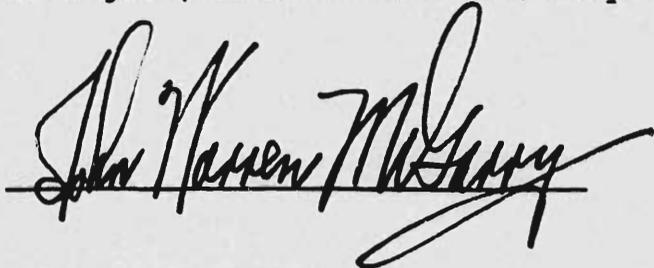
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mary Holmes
8430 Pamela
Utica, Michigan 48087

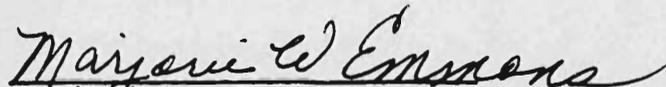
Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 8th day of January, 1985.



ATTEST:


Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (1 page)
Attachment A (6 pages)

85040522401

Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

- 1) What was the total number of letters mailed, sent out or otherwise distributed or delivered?
- 2) What was the total cost of sending out and distributing the mailing including reproduction costs and postage?
- 3) Who paid for the mailing?

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.

85040522402

ATTACHMENT A

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Permit
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Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48078

8430 Pamela
Ulca, MI 48087
Call 781-4941

MARY
POLLOCK
For
State Representative

MARY HOLMES

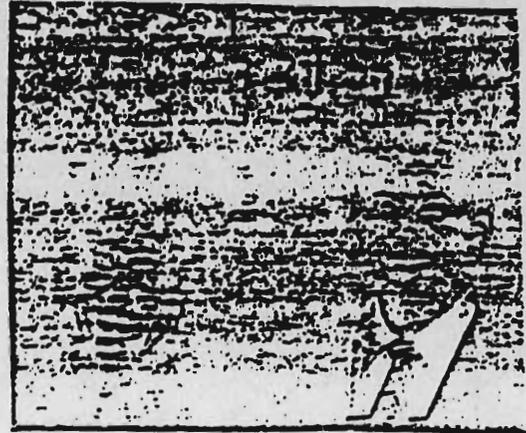
For
State Representative

2

FOR IMMEDIATE RELEASE

Contact:

Mary Holmes
4430 Pamela
Utica, MI 48087
734-4941, or 254-5960



MARY HOLMES TO RUN FOR REPRESENTATIVE SEAT

A former six year member of the Shelby Township Board of Trustees, and current Chairman of the Township Planning Commission, has announced her intentions to run for the State House of Representatives.

Mary Holmes, a Republican, and 22 year resident of Shelby, will offer the voters a clear choice between herself and Mary Ellen Parrott (D-Shelby) who currently occupies the 26th District seat.

Holmes emphasizes that her stand on the issues "are counter to those of her Democrat opponent", and that as a candidate she will focus on these differences.

"I come from a strong pro-life family and I oppose abortion. I oppose the Blanchard-Parrott 38% income tax increase. I want to spend more on education and less on welfare. I would be more pro-business than Mary Ellen, recognizing that before we have jobs we must first have employers in this state. Michigan business is either going bankrupt, or leaving the state because of the anti-business stand of Mary Ellen Parrott and those like her in Lansing."

Holmes concludes that her election will "send a message to Lansing that their tax and spend policy has to change, and that they can no longer fund their pet projects and raise their salaries on the backs of the taxpayer of our state."

— xxx —

Mary Holmes is Chairman of the 26th District REAGAN-BUSH '84 campaign, and asks that anyone wishing to join her and become involved in a real grass-roots presidential campaign, to please contact her at the enclosed postcard.

85040522404

3



YES, I WANT TO HELP Mary Holmes HELP THE President!

- I WILL MAKE TELEPHONE CALLS
- I WILL STUFF AND LABEL ENVELOPES
- BUMPER STICKER YARD SIGN
- ENCLOSED IS A CONTRIBUTION OF

\$100 \$50 \$25 \$10
 • Make checks payable to Shelby Township Republican Club.

(Name - Please Print)

(Address)

(Zip Code)

Telephone No.

8 5 0 4 0 5 2 2 4 0 5

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REAGAN — BUSH — '84

C/O MARY HOLMES, PRESIDENT
SHELBY TOWNSHIP REPUBLICAN CLUB
49680 VAN DYKE
DTICA, MI 48087

PLACE
STAMP
HERE

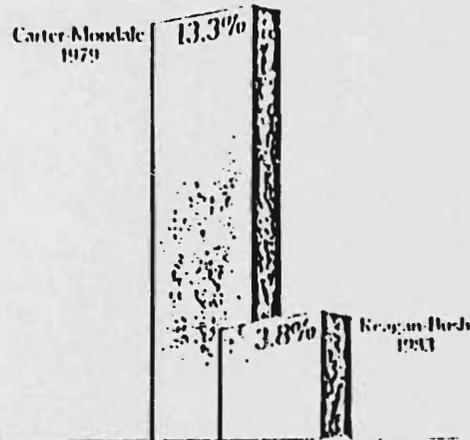
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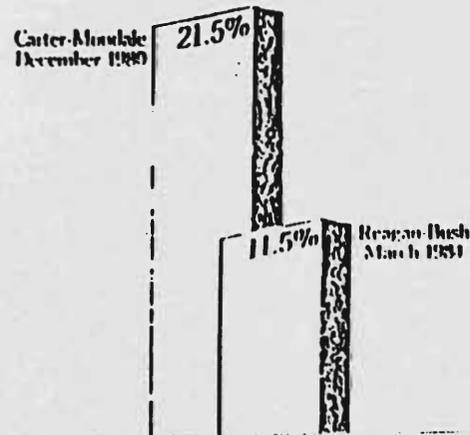
After all our
trials to restore
peace, to revive
confidence in our
country, hope for our
future, after all our
hard-won victories
achieved through the
bravery and courage
of every citizen, we
must not, we
will not turn
back. We will finish
the job."

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Candidate: Ronald Reagan, R-CA
Vice President: George H.W. Bush, R-TX
Chairman: Paul LaSalle
Treasurer: Angelo M. Buchanan

REAGAN BUSH '84

Leadership you can trust!



5

Where we were

America faced the greatest challenge

of its history. Our resources were dangerously weak. We had lost our moral compass, and we had lost the respect of the world.

We lacked leadership. Our elected officials lacked the courage and character of American leaders. We had turned our problems to a national "malaise." Government over-spending and over-taxing had become a national crisis. In the last half of the '70s, the federal deficit had increased even more to over 12 percent in 1980. Interest rates had risen to 15 percent.

Our industrial production and workers' earnings had fallen. The only things going up were prices, inflation, and the size of government.

year, the greatest employment gain in 33 years.

President Reagan's program also conquered inflation—the cruellest tax of all. That crippling, double-digit inflation rate has been cut to 3.8 percent. President Reagan also redirected a broad range of social services to those Americans truly in need.

All Americans are better off now than they were four years ago.

World leadership

America is also back as a world leader. Under President Reagan's leadership, we have rebuilt our national defenses and gained respect among nations with a firm, coherent foreign policy.

The national security of the United States has been strengthened and America has regained its standing as the

leading advocate of peace and freedom in the world.

As President Reagan has said, "We know the task of the future is a freedom tide, and that America's new strength and sense of purpose will carry hope and opportunity far from our shores."

The unfinished work

President Reagan has challenged us to move forward again, to unite behind four great goals to keep America free, secure and at peace for the '80s:

1. Ensure steady economic growth: President Reagan will continue his program of tax relief and steady economic growth.
2. Develop space, America's next frontier: President Reagan has proposed the construction of a permanent manned space station.
3. Strengthen our traditional values: President Reagan will continue to promote a renaissance in the traditional values of faith, family, work and neighborhood.
4. Build a meaningful peace: President Reagan has proposed substantial reductions in nuclear weapons through genuine arms control.

America is back

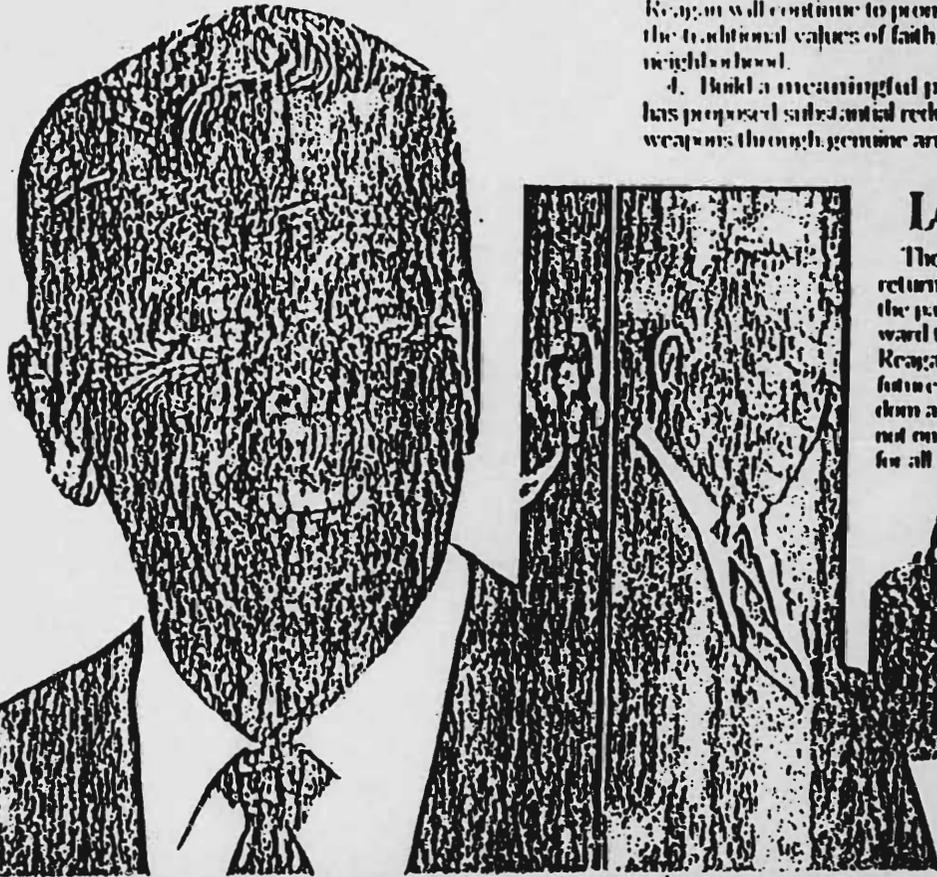
Are you ready to examine how we got behind Ronald Reagan about George Bush and how promising

is the long way we've traveled in our nation's history, and in President Reagan's new era, back?



Economic recovery

Are you ready to examine how we got behind Ronald Reagan about George Bush and how promising is the long way we've traveled in our nation's history, and in President Reagan's new era, back?



Leadership

The choice is clear. We can return to the failed policies of the past. Or we can move forward together with President Reagan's leadership to build a future in which peace, freedom and prosperity abound, not only for all Americans, but for all peoples.



6



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JODY C. RANSOM *JCR*

DATE: JANUARY 8, 1985

SUBJECT: ORDER RE: MUR 1740

850440522409

The attached order was Commission approved on January 3, 1985 by a vote of 5-0. It has been signed and sealed this date.

Attachment



FEDERAL ELECTION COMMISSION
 WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
 FROM: Office of General Counsel *Cut*
 DATE: December 28, 1984
 SUBJECT: MUR 1740 - General Counsel's Report

The attached is submitted as an Agenda document
 for the Commission Meeting of _____
 Open Session _____
 Closed Session _____

85040522410

CIRCULATIONS		DISTRIBUTION	
48 Hour Tally Vote	[X]	Compliance	[X]
Sensitive	[X]	Audit Matters	[]
Non-Sensitive	[]	Litigation	[]
24 Hour No Objection	[]	Closed MUR Letters	[]
Sensitive	[]	Status Sheets	[]
Non-Sensitive	[]	Advisory Opinions	[]
Information	[]	Other (see distribution below)	[]
Sensitive	[]		
Non-Sensitive	[]		
Other	[]		

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Mary Holmes

)
) MUR 1740
)

GENERAL COUNSEL'S REPORT

84 FRC 28 P 1: 16

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BACKGROUND

This matter is based on a complaint filed by Robert Brandenburg alleging that Mary Holmes, a former candidate for the 26th Michigan State Representative District, failed to affix a disclaimer notice to a mailing made on behalf of President Reagan's re-election. On November 23, 1984, the Federal Election Commission ("Commission") found reason to believe that Mary Holmes violated 2 U.S.C. § 441d of the Federal Election Campaign Act, as amended ("the Act"). In making this determination, the Commission also approved and authorized the sending of questions to Mary Holmes (these questions were attached to the First General Counsel's Report and are here attached as Attachment 2).

Mary Holmes has failed to respond in any way in connection with this matter. She did not respond to the Commission's letter notifying her of the filing of the complaint, and she has failed to respond to the questions sent to her by the Commission.

Because the ten days provided for Mary Holmes' response to the General Counsel's questions have expired, and because the answers thereto are essential for the complete investigation of this matter, the General Counsel recommends that the attached order and letter to Mary Holmes be approved by the Commission.

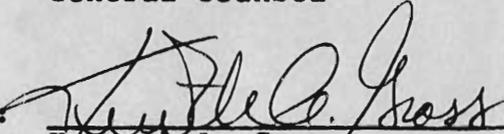
85040522411

RECOMMENDATION

1. Approve and authorize the sending of the attached Order to Answer Interrogatories and letter to Mary Holmes.

Charles N. Steele
General Counsel

Dec. 28, 1984
Date

BY: 
Kenneth A. Gross
Associate General Counsel

Attachments

1. Copy of Order
2. Copy of Questions
3. Copy of Letter

85040522412

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 1740
Mary Holmes)	

ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mary Holmes
 8430 Pamela
 Utica, Michigan 48087

Pursuant to 2 U.S.C. § 437d(a)(1), and in furtherance of its investigation in the above-styled matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order.

Such answers must be submitted under oath and must be forwarded to the Commission within 10 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this _____ day of _____, 1985.

ATTEST:

 Marjorie W. Emmons
 Secretary to the Commission

Attachments
 Questions (1 page)
 Attachment A (6 pages)

85040522413

Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

- 1) What was the total number of letters mailed, sent out or otherwise distributed or delivered?
- 2) What was the total cost of sending out and distributing the mailing including reproduction costs and postage?
- 3) Who paid for the mailing?

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.

85040522414

8 5 0 4 0 5 2 2 4 1 5

8430 Pamela
Ulca, MI 48007
Call 781-4941

Books II
U.S.P.
P.F.
Piano
Ultra

Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48070

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MARY

FOR STATE REPRESENTATIVE

ATTACHMENT A

(A)

(3)

MARY HOLMES

For
State Representative

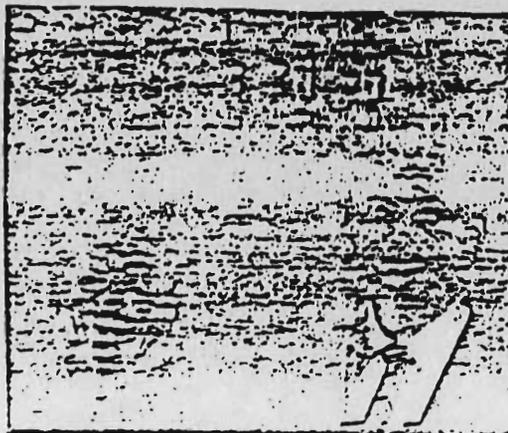
(B)

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IMMEDIATE RELEASE

Contact:

Mary Holmes
133 Pamela
Shelby, MI 48167
313-4941, or 254-5960



MARY HOLMES TO RUN FOR REPRESENTATIVE SEAT

A former six year member of the Shelby Township Board of Trustees, and current Chairman of the Township Planning Commission, has announced her intentions to run for the State House of Representatives.

Mary Holmes, a Republican, and 22 year resident of Shelby, will offer the voters a clear choice between herself and Mary Ellen Parrott (D-Shelby) who currently occupies the 26th District seat.

Holmes emphasizes that her stand on the issues "are counter to those of her Democrat opponent", and that as a candidate she will focus on these differences.

"I come from a strong pro-life family and I oppose abortion. I oppose the Blanchard-Parrott 38% income tax increase. I want to spend more on education and less on welfare. I would be more pro-business than Mary Ellen, recognizing that before we have jobs we must first have employers in this state. Michigan business is either going bankrupt, or leaving the state because of the anti-business stand of Mary Ellen Parrott and those like her in Lansing."

Holmes concludes that her election will "send a message to Lansing that their tax and spend policy has to change, and that they can no longer fund their pet projects and raise their salaries on the backs of the taxpayer of our state."

—XXX—

Mary Holmes is Chairman of the 26th District REAGAN-BUSH '84 campaign, and asks that anyone wishing to join her and become a part of a real grassroots presidential campaign, to please contact her at the address on enclosed postcard.

85040522416

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YES, I WANT TO HELP Mary Holmes HELP THE President!

- I WILL MAKE TELEPHONE CALLS
- I WILL STUFF AND LABEL ENVELOPES
- BUMPER STICKER YARD SIGN
- ENCLOSED IS A CONTRIBUTION OF

\$100 \$50 \$25 \$10

• Make checks payable to Shelby Township Republican Club.

(Name - Please Print)

(Address)

(Zip Code)

Telephone No.

8 5 9 4 0 5 2 2 4 1 7

(D)

(6)

REAGAN — BUSH — '84

C/O MARY HOLMES, PRESIDENT

SHELBY TOWNSHIP REPUBLICAN CLUB

49680 VAN DYKE

UTICA, MI 48087

PLACE
STAMP
HERE

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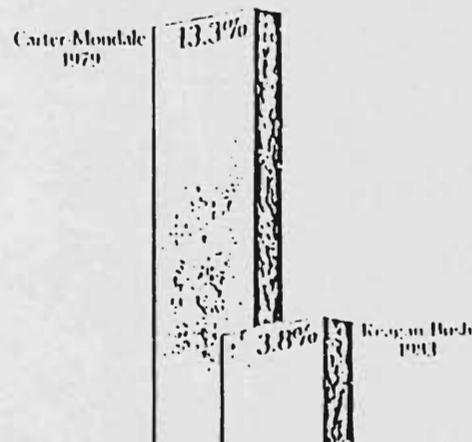


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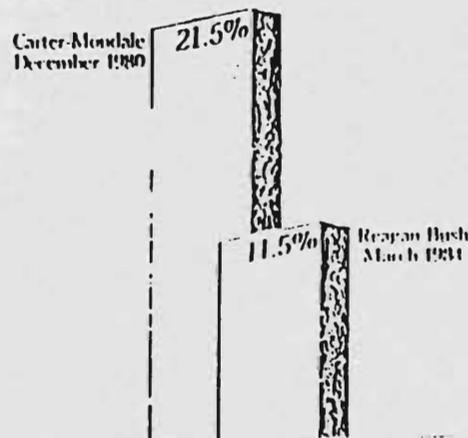
For all our
glares to restore
America, to revive
confidence in our
country, hope for our
future, after all our
unwon victories
and through the
bravery and courage
of every citizen, we
will not, must not,
and will not turn
back. We will finish
the job.

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Paid for by Reagan-Bush Rt. Paul F. Laash, Chairman
Angelo M. Buchanan Jackson, Treasurer

REAGAN BUSH '84

Leadership you can trust!



③

④



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Ms. Holmes:

On November 29, 1984, you were notified that the Commission found reason to believe you violated 2 U.S.C. § 441d, a provision of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from you is necessary.

Consequently, the Federal Election Commission has issued the attached order which requires you to provide information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order. However, it is required that you submit the information under oath and that you do so within ten days of your receipt of this order.

If you have any questions, please direct them to Eric Kleinfeld, the attorney handling this matter, at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

Enclosures
Order
Questions

85040522421

9



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 29, 1984

Ronald E. Robertson, Chief Counsel
Reagan-Bush '84
440 First Street, N.W.
Washington, D.C. 20001

Re: MUR 1740
Reagan-Bush '84

Dear Mr. Robertson:

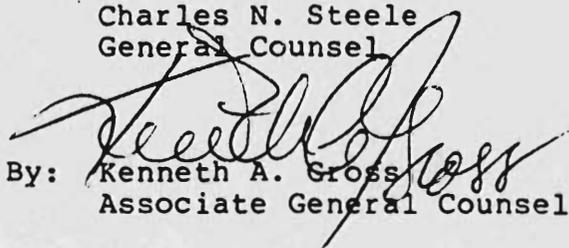
On July 25, 1984, the Commission notified your client Reagan-Bush '84 ("Committee") and Angela M. Buchanan Jackson, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on November 23, 1984, determined that on the basis of the information in the complaint, and information provided by your client there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Reagan-Bush '84. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and Angela M. Buchanan Jackson, as treasurer.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel

85040522422



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 29, 1984

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Ms. Holmes:

The Federal Election Commission notified you on July 25, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on November 23, 1984, determined that there is reason to believe that you have violated 2 U.S.C. § 441d, a provision of the Act. Specifically, it appears that you failed to affix a disclaimer notice to your mailing.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Your statement should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against you, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

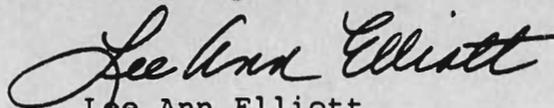
This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that your clients wish the matter to be made public.

85040522423

Mary Holmes
Page 2

If you have any questions, please contact Martha Romney, the staff member assigned to this matter, at (202)523-4000.

Sincerely,



Lee Ann Elliott
Chairman

Enclosures
Procedures

85040522424

Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

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85040522425

ATTACHMENT A

①

Back to
US P
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Unit

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8430 P. imela
Utica, MI 48087
Call: 781-4941

Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48078

53

MARY
POLLMAN
For
State Representative

MARY HOLMES

For
State Representative

(2)

FOR IMMEDIATE RELEASE

Contact:

Mary Holmes
6430 Pamela
Utica, MI 48087
781-4941, or 254-5960



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— XXX —

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85940522427

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YES, I WANT TO HELP Mary Holmes HELP THE President!

- I WILL MAKE TELEPHONE CALLS
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- BUMPER STICKER YARD SIGN
- ENCLOSED IS A CONTRIBUTION OF
 - \$100 \$50 \$25 \$10

• Make checks payable to Shelby Township Republican Club.

 (Name - Please Print) (Address) (Zip Code)

Telephone No. _____

8 5 0 4 0 5 2 2 4 2 8

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REAGAN - BUSH '84

C/O MARY HOLMES, PRESIDENT
SHELBY TOWNSHIP REPUBLICAN CLUB
49680 VAN DYKE
UTICA, MI. 48087

PLACE
STAMP
HERE

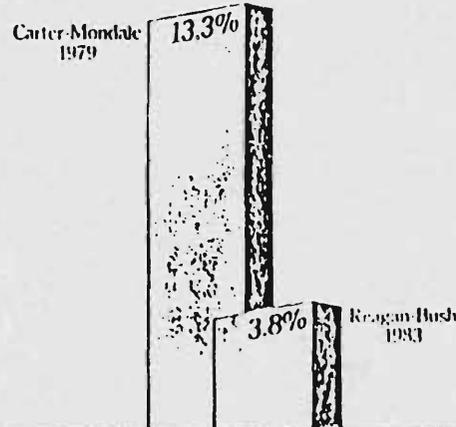
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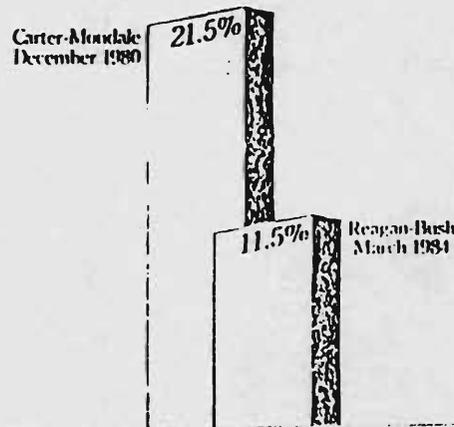
After all our
trials to restore
peace, to revive
confidence in our
country, hope for our
future, after all our
hard won victories
achieved through the
bravery and courage
of every citizen, we
must not, we
will not turn
back. We will finish
the job."

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Fund for Reagan-Bush: Al Paul LaSalle, Chairman
Angelo M. Barbanan Jackson, Treasurer

REAGAN BUSH '84

Leadership you can trust!



5

Where we were

America faced the greatest challenge in history. Our defenses were dangerously weak. We were humiliated in Iran, and we had lost the respect of the world.

Lack of leadership. Our elected officials lacked the courage and character of Americans. Our problems had become a national "malaise." Government over-spending and over-taxing had become a national epidemic. In the last half of the '70s, federal spending increased even more to over 12 percent in 1980. Interest rates rose to 21 percent. Unemployment production and workers' earnings fell. The only things going up were prices, inflation, and the size of government.

year, the greatest employment gain in 33 years.

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All Americans are better off now than they were four years ago.

World leadership

America is also back as a world leader. Under President Reagan's leadership, we have rebuilt our national defenses and gained respect among nations with a firm, coherent foreign policy.

The national security of the United States has been strengthened and America has regained its standing as the

leading advocate of peace and freedom in the world.

As President Reagan has said, "We know the tide of the future is a freedom tide, and that America's new strength and sense of purpose will carry hope and opportunity far from our shores."

The unfinished work

President Reagan has challenged us to move forward again, to unite behind four great goals to keep America free, secure and at peace for the '80s.

1. **Ensure steady economic growth:** President Reagan will continue his program of tax relief and steady economic growth.
2. **Develop space, America's next frontier:** President Reagan has proposed the construction of a permanent manned space station.
3. **Strengthen our traditional values:** President Reagan will continue to promote a renaissance in the traditional values of faith, family, work and neighborhood.
4. **Build a meaningful peace:** President Reagan has proposed substantial reductions in nuclear weapons through genuine arms control.

America is back

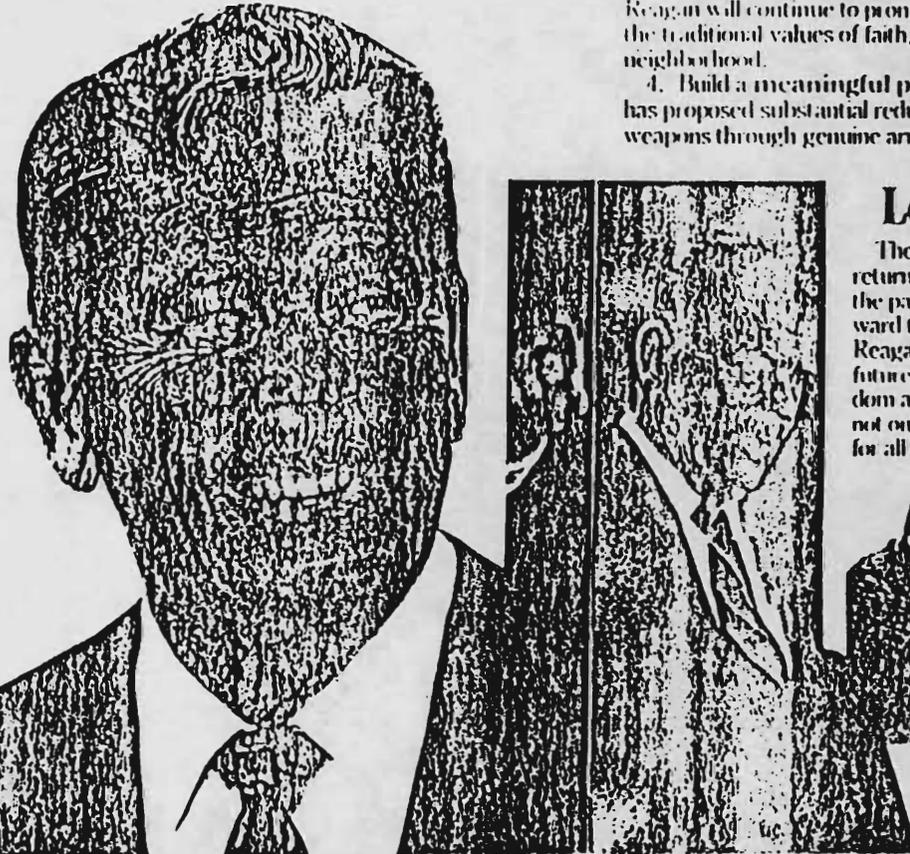
America is ready to begin again. So we elected Ronald Reagan and Vice President George Bush in a more promising election.

Since a long way to get back to our confidence and in President Reagan's leadership.



Economic recovery

President Reagan's plan for recovery, and it worked. After tax cuts and interest rates cut in half, new jobs were built and unemployment fell to an all-time low.



Leadership

The choice is clear. We can return to the failed policies of the past. Or we can move forward together with President Reagan's leadership to build a future in which peace, freedom and prosperity abound, not only for all Americans, but for all peoples.



5



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740 *mk.*
Mary Holmes

Dear Ms. Holmes:

The Federal Election Commission notified you on July 25, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on _____, 1984, determined that there is reason to believe that you have violated 2 U.S.C. § 441d, a provision of the Act. Specifically, it appears that you failed to affix a disclaimer notice to your mailing.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Your statement should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against you, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 your clients wish the matter to be made public.

85040522432



Mary Holmes
Page 2

If you have any questions, please contact Martha Romney, the staff member assigned to this matter, at (202)523-4000.

Sincerely,

Enclosures
Procedures

85040522433





FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald E. Robertson, Chief Counsel
Reagan-Bush '84
440 First Street, N.W.
Washington, D.C. 20001

Re: MUR 1740 ^{mk}
Reagan-Bush '84

Dear Mr. Robertson:

On July 25, 1984, the Commission notified your client Reagan-Bush '84 ("Committee") and Angela M. Buchanan Jackson, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on _____, 1984, determined that on the basis of the information in the complaint, and information provided by your client there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Reagan-Bush '84. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and Angela M. Buchanan Jackson, as treasurer.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

85040522434

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1740
Mary Holmes)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 23, 1984, the Commission decided by a vote of 6-0 to take the following actions in MUR 1740:

1. Find reason to believe that Mary Holmes violated 2 U.S.C. § 441d.
2. Find no reason to believe that Reagan Bush '84 and Angela Buchanan Jackson, as treasurer, violated 2 U.S.C. § 441d.
3. Approve and authorize the sending of the questions attached to the First General Counsel's Report signed November 19, 1984.
4. Approve and authorize the sending of the letters attached to the First General Counsel's Report signed November 19, 1984.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

11-23-84

Date

Jody C. Ransom

for Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: 11-20-84, 8:40
Circulated on 48 hour tally basis: 11-20-84, 11:00

35040522435



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: November 20, 1984
SUBJECT: MUR 1740 - First General Counsel's Report

The attached is submitted as an Agenda document
for the Commission Meeting of _____
Open Session _____
Closed Session _____

CIRCULATIONS

DISTRIBUTION

48 Hour Tally Vote	[x]	Compliance	[x]
Sensitive	[x]	Audit Matters	[]
Non-Sensitive	[]	Litigation	[]
24 Hour No Objection	[]	Closed MUR Letters	[]
Sensitive	[]	Status Sheets	[]
Non-Sensitive	[]	Advisory Opinions	[]
Information	[]	Other (see distribution below)	[]
Sensitive	[]		
Non-Sensitive	[]		
Other	[]		

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SENSITIVE

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

RECEIVED
OF THE FEC
SECRETARY

FIRST GENERAL COUNSEL'S REPORT 84 NOV 20 A 8:40

DATE AND TIME OF TRANSMITTAL MUR 1740
BY OGC TO THE COMMISSION 11/20/84 DATE COMPLAINT RECEIVED July 16, 1984
8:45 STAFF MEMBER Romney

COMPLAINANT'S NAME: Robert Brandenburg

RESPONDENT'S NAME: Mary Holmes

RELEVANT STATUTE: 2 U.S.C. §§ 441d
11 C.F.R. § 110.11

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

Robert Brandenburg, Complainant, filed a complaint with the Commission alleging that Mary Holmes, a candidate for the 26th Michigan State Representative District, directly mailed a fundraising letter for President Reagan's re-election that does not appear to comply with 2 U.S.C. § 441d(a). (Attachment I).

The following documents were submitted with the complaint:

- 1) An envelope mailed to an addressee bearing the statement "Mary Holmes for State Representative."
- 2) A letter announcing Mary Holmes' candidacy for State Representative. The letter outlines Mary Holmes' experience and states her position on certain issues. The letter also notes that Mary Holmes is the Chairperson of the 26th District Reagan-Bush '84 campaign and requests that anyone wishing to become involved in a grass-roots presidential campaign fill out and mail the enclosed post card.

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3) A post card which states "Yes, I want to help Mary Holmes help the President." The card requests assistance with making telephone calls, stuffing and labeling envelopes, posting bumper stickers, and posting yard signs. The card also solicits contributions to the Shelby Township Republican Club. 4) A return envelope addressed to Reagan-Bush '84, c/o Mary Holmes, President, Shelby Township Republican Club. 5) A two page leaflet featuring President Reagan and Vice President Bush which contains the disclaimer notice, "Paid for by Reagan-Bush '84; Paul Laxalt, Chairman; Angela M. Buchanan Jackson, Treasurer."

Copies of the complaint were sent to Mary Holmes and Reagan-Bush '84. Mary Holmes did not respond to the complaint. Reagan-Bush '84 requested an extension of time to respond to the complaint. The extension of time was granted and a response has now been received. (Attachment II).

FACTUAL AND LEGAL ANALYSIS

In response to the complaint, Reagan-Bush '84 asserts that the mailing made by Mary Holmes was not paid for by Reagan-Bush '84. Reagan-Bush '84 states that Mary Holmes received no remuneration of any sort from Reagan-Bush '84, that she occupied no official position with Reagan-Bush '84, and that Reagan-Bush '84 never authorized Mary Holmes, either expressly or implicitly to incur expenditures on its behalf. Further Reagan-Bush '84 states that any actions that Mary Holmes may have taken were

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done so to further her own political ambitions and were not done to benefit Reagan-Bush '84. Also, Reagan-Bush '84 states that Mary Holmes' only alleged tie to Reagan-Bush '84 is her so-called status as a "District Chairman." Reagan-Bush '84 states that no employee, consultant or other authorized officer of Reagan-Bush '84 appointed Mary Holmes as "District Chairman." In fact, according to Reagan-Bush '84, there are no such positions as Reagan-Bush '84 "District Chairman" in the State of Michigan.

Two affidavits were filed with the response by Reagan-Bush '84. Ruth Steinberg, the Campaign Coordinator for States Expenditures, states that a review of Reagan-Bush '84 financial records reveals that no expenditure was either authorized or made in connection with the Mary Holmes mailing, that a review of the Reagan-Bush '84 payroll records reveals that at no time was Mary Holmes a consultant to, employee or officer of Reagan-Bush '84 nor did Reagan-Bush '84 ever pay money, for any purpose to, or on account of, Mary Holmes.

Aileen Kishaba, the Special Assistant to the Regional Campaign Director for the Midwest Region, stated that she assists in supervising all campaign related activities conducted at the state and local levels, including the dissemination of campaign materials. Ms. Kishaba attests that Mary Holmes has never been appointed to any position within the Reagan-Bush '84 hierarchy and that county and congressional district chairmen are expressly

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precluded from incurring, authorizing or making expenditures on behalf of Reagan-Bush '84. Ms. Kishaba states that on June 8, 1984, an individual who "held himself out to be state Senator Kirby Holmes" telephoned Ms. Kishaba requesting a large quantity of Reagan-Bush '84 brochures not unlike the ones that were mailed by Ms. Holmes. Ms. Kishaba asserts that she declined to provide Mr. Holmes with the materials that he requested.

Reagan-Bush '84, Aileen Kishaba and Ruth Steinberg, all assert that their first notification of Mary Holmes' activities was after the complaint in this matter was filed. Therefore, in light of the evidence provided by Reagan-Bush '84, it appears that Mary Holmes acted on her own initiative and without the authority of Reagan-Bush '84.

The complaint raises the issue of whether a proper 2 U.S.C. § 441d disclaimer notice was affixed to the mailing.* /

2 U.S.C. § 441d(a) and 11 C.F.R. § 110.11 state that whenever a person makes an expenditure for the purpose of financing communications which advocate the election or defeat of a candidate or solicits any contribution through direct mail the

* / There is no evidence that Mary Holmes spent more than \$1,000 in distributing the Reagan-Bush campaign literature causing the making of an excessive in-kind contribution or that the Shelby Township Republican Club, Mary Holmes, as President, received contributions or made expenditures for a federal election which would cause it to become a political committee. Thus, 2 U.S.C. § 441a(a)(1)(A) and 2 U.S.C. §§ 433 and 434 issues are not raised at this time.

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communication, if it is paid for and authorized by a candidate or his authorized political committee, shall state that it has been paid for by such political committee. If the communication is paid for by another person but authorized by a candidate or the candidate's committee, the communication shall so state. If the communication is not authorized by a candidate or the candidate's committee, the communication must clearly state who paid for the communication and indicate that it is not authorized by any candidate or candidate's committee.

Reagan-Bush '84 had no connection to the mailing sent out by Mary Holmes. Further, the two page leaflet which was enclosed with the mailing featuring President Reagan and Vice President Bush did contain a Reagan-Bush '84 disclaimer notice. Therefore, the Office of General Counsel recommends that the Commission find no reason to believe that Reagan-Bush '84 violated 2 U.S.C. § 441d.

With regard to Mary Holmes, her letter contained a card soliciting contributions to help her help President Reagan and contained the two page leaflet featuring President Reagan and Vice President Bush. No disclaimer notice appeared on the material advising the reader that the letter and enclosures were paid for by Mary Holmes and not authorized by Reagan-Bush '84. Therefore, the Office of General Counsel recommends that the Commission find reason to believe that Mary Holmes violated 2 U.S.C. § 441d. We also recommend that the Commission approve

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and authorize the sending of the attached questions.

RECOMMENDATIONS

1. Find reason to believe that Mary Holmes violated 2 U.S.C. § 441d.
2. Find no reason to believe that Reagan Bush '84 and Angela Buchanan Jackson, as treasurer, violated 2 U.S.C. § 441d.
3. Approve and authorize the sending of the attached questions.
4. Approve and authorize the sending of the attached letters.

Charles N. Steele
General Counsel

Nov. 19, 1984
Date

Kenneth A. Gross
By: Kenneth A. Gross
Associate General Counsel

Attachments

1. Complaint
2. Response from Reagan-Bush '84
3. Letters to Respondents
4. Questions

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ATTACHMENT I

1984 JUL 13 8:25

①

GCC #4057

MUR 1740

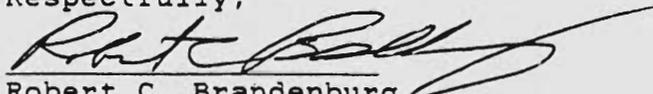
July 14, 1984

Federal Election Commission
1325 K Street
Washington, D.C. 20463

COMPLAINT UNDER 2 USCA 437g FOR VIOLATION OF 2 USCA 441d

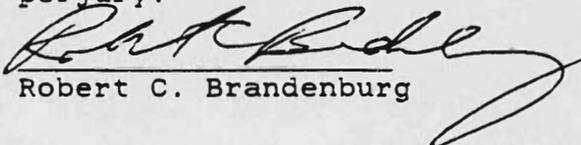
It is respectfully submitted that 2 USCA 441d has been violated. Specifically, enclosed is a copy of a fund raising letter directly mailed throughout the 26th Michigan State Representative District by one candidate, Mary Holmes, 8430 Pamela, Utica, Mi 48087 in a contested primary. It purports to be a fund raising letter for President Reagan's re-election, yet does not appear to comply with subsection (a) of section 441d. I respectfully request your investigation.

Respectfully,



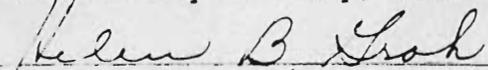
Robert C. Brandenburg
17396 Delaware
Utica, Mi 48087

I swear the above to be true and the attached copies are true copies under penalty of perjury.



Robert C. Brandenburg

Subscribed and sworn to before me
this 13th day of July, 1984.

 Helen B. Groh
Notary Public, Macomb County, Michigan
My commission expires Jan. 12, 1987

85040522443



8430 Pamela
Ulica, MI 48067
Call: 781-4941

Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48078

53

MARY
HOLMES For
State Representative

8 5 0 4 0 5 2 2 4 4

Bulk R.
U.S. P.
P.F.
Perm
Ulica



MARY HOLMES

For
State Representative

3

FOR IMMEDIATE RELEASE

Contact:

Mary Holmes
8430 Pamela
Utica, MI 48087
781-4941, or 254-5960



MARY HOLMES TO RUN FOR REPRESENTATIVE SEAT

A former six year member of the Shelby Township Board of Trustees, and current Chairman of the Township Planning Commission, has announced her intentions to run for the State House of Representatives.

Mary Holmes, a Republican, and 22 year resident of Shelby, will offer the voters a clear choice between herself and Mary Ellen Parrott (D-Shelby) who currently occupies the 26th District seat.

Holmes emphasizes that her stand on the issues "are counter to those of her Democrat opponent", and that as a candidate she will focus on these differences.

"I come from a strong pro-life family and I oppose abortion. I oppose the Blanchard-Parrott 38% income tax increase. I want to spend more on education and less on welfare. I would be more pro-business than Mary Ellen, recognizing that before we have jobs we must first have employers in this state. Michigan business is either going bankrupt, or leaving the state because of the anti-business stand of Mary Ellen Parrott and those like her in Lansing."

Holmes concludes that her election will "send a message to Lansing that their tax and spend policy has to change, and that they can no longer fund their pet projects and raise their salaries on the backs of the taxpayer of our state."

— XXX —

Mary Holmes is Chairman of the 26th District REAGAN-BUSH '84 campaign, and asks that anyone wishing to join her and become involved in a real grass-roots presidential campaign, to please fill out and mail the enclosed postcard.

5

REAGAN - BUSH '84

C/O MARY HOLMES, PRESIDENT
SHELBY TOWNSHIP REPUBLICAN CLUB
49680 VAN DYKE
UTICA, MI. 48087

PLACE
STAMP
HERE

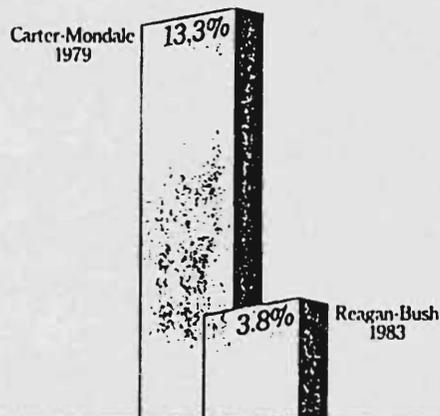
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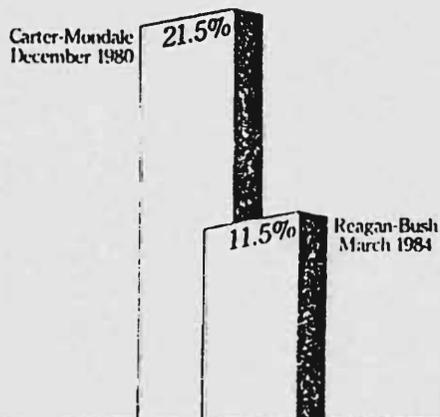
After all our
trials to restore
America, to revive
confidence in our
country, hope for our
future, after all our
past victories
achieved through the
bravery and courage
of every citizen, we
do not, must not,
will not turn
back. We will finish
the job."

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Paid for by Reagan-Bush '84, Paul LaRalt, Chairman,
Angela M. Buchanan Jackson, Treasurer

REAGAN BUSH '84

Leadership you can trust!



6

Where we were

ago, America faced the greatest challenge in our history. Our defenses were dangerously weak. We had been humiliated in Iran, and we had lost the respect of other nations. We lacked leadership. Our elected officials lacked the courage and character of America's past. We were turning our problems to a national "malaise." The government overspending and overtaxing had ruined the economy in ruins. In the last half of the '70s, the federal spending increased even as the economy rose to over 12 percent in 1980. Interest rates rose to 21 percent. Unemployment, industrial production and workers' earnings were down. The only things going up were prices, interest rates, taxes and the size of government.

America is back

we were ready to begin again. So we elected Ronald Reagan as President and George Bush as Vice President to a more promising future.

It's come a long way. We have restored confidence in our institutions and in our leaders. President Reagan and Vice President Bush are back.

Economic recovery

President Reagan has led a plan for economic recovery, and it is working. Real after-tax income is up. Interest rates are down in half. New jobs are being built and the federal deficit is being reduced. Spending is down. Four million new jobs have been found in the last

year, the greatest employment gain in 33 years.

President Reagan's program also conquered inflation—the cruellest tax of all. That crippling, double-digit inflation rate has been cut to 3.8 percent. President Reagan also redirected a broad range of social services to those Americans truly in need.

All Americans are better off now than they were four years ago.

World leadership

America is also back as a world leader. Under President Reagan's leadership, we have rebuilt our national defenses and gained respect among nations with a firm, coherent foreign policy.

The national security of the United States has been strengthened and America has regained its standing as the

leading advocate of peace and freedom in the world.

As President Reagan has said, "We know the tide of the future is a freedom tide, and that America's new strength and sense of purpose will carry hope and opportunity far from our shores."

The unfinished work

President Reagan has challenged us to move forward again, to unite behind four great goals to keep America free, secure and at peace for the '80s:

1. **Ensure steady economic growth:** President Reagan will continue his program of tax relief and steady economic growth.

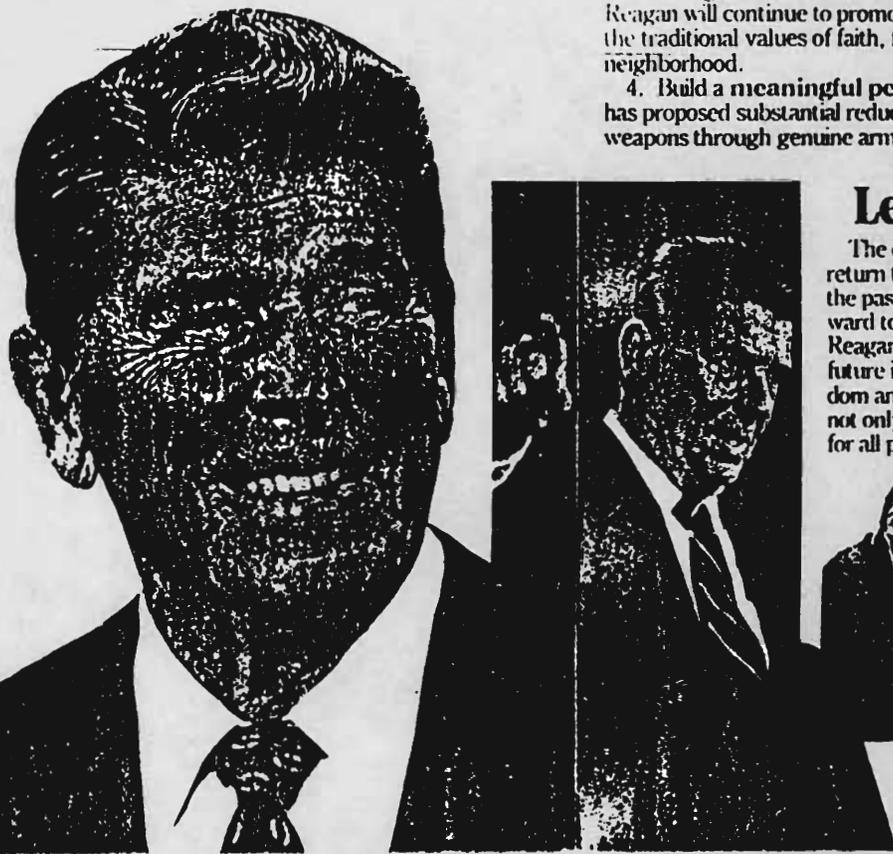
2. **Develop space, America's next frontier:** President Reagan has proposed the construction of a permanent manned space station.

3. **Strengthen our traditional values:** President Reagan will continue to promote a renaissance in the traditional values of faith, family, work and neighborhood.

4. **Build a meaningful peace:** President Reagan has proposed substantial reductions in nuclear weapons through genuine arms control.

Leadership

The choice is clear. We can return to the failed policies of the past. Or we can move forward together with President Reagan's leadership to build a future in which peace, freedom and prosperity abound, not only for all Americans, but for all peoples.



84 AUG 31 P 4: 21

ATTACHMENT II

⑧

BEFORE THE
 FEDERAL ELECTION COMMISSION
 MUR 1740
 RESPONSE OF REAGAN-BUSH '84
 AND ITS TREASURER
 ANGELA M. BUCHANAN JACKSON

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INTRODUCTION

On July 16, 1984, Petitioner, Robert C. Bradenburg, filed a complaint with the Federal Election Commission (FEC) wherein he alleged that a "fund raising letter" mailed by one Mary Holmes ("Holmes Mailing") failed to comply with the disclaimer provisions of 2 U.S.C. Section 441d(a).^{1/} Although the complaint did not allege that Reagan-Bush '84 violated 2 U.S.C. Section 441d(a), nevertheless, the Federal Election Commission on July 25, 1984, notified Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson, that it had "received a complaint which alleges that the committee and you, as treasurer, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ('the Act')."

In his complaint Petitioner alleged that the Holmes' letter "purports to be a fund raising letter for President Reagan's re-election, yet does not appear to comply with subsection (a) of Section 441d." (Emphasis supplied). Attached to the Complaint were copies of the following five documents: (1) a letter announcing Mary Holmes' candidacy for a non-federal office, outlining Holmes' political experience, and also noting that she was Chairman of the 26th District Reagan-Bush '84 campaign; (2) a stamped envelope addressed to Ron and Marcia Herbst bearing the statement "Mary Holmes for State Representative;" (3) a return postcard on which a responding party either indicated a willingness to volunteer "to help Mary Holmes Help the President" and or to contribute money to the Shelby Township Republican Club;^{2/} (4) a return envelope addressed to "Reagan-Bush '84 c/o Mary Holmes, President, Shelby Township Republican Club, 49680 Van Dyke, Utica, MI 48087"; and (5) a brochure featuring the President and Vice President which bears the disclaimer "Paid for by Reagan-Bush '84; Paul Laxalt, Chairman; Angela M. Buchanan Jackson, Treasurer. While the complaint alleges that 2 U.S.C. Section 441d(a) has been

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violated, it conspicuously fails to allege that Reagan-Bush '84 or for that matter anyone authorized to act on behalf of Reagan-Bush '84 violated the Act.

Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson submit this response pursuant to 2 U.S.C. Section 437g(a)(1) and 11 CFR Section 111.6(a) and for the reasons set forth below respectfully request that this Commission find that there is no reason to believe that Reagan-Bush '84 or its Treasurer violated 2 U.S.C. Section 441d(a). Respondents contend and will demonstrate in this Response that the complaint herein must be dismissed forthwith for three reasons. First, the complaint woefully fails to meet even the minimum notice requirements dictated by both the Due Process Clause of the United States Constitution and this Commission's Regulations. Second, no Reagan-Bush '84 disclaimer was in fact required by the Act since neither Reagan-Bush '84 nor any of its agents made or authorized any expenditure in connection with the Holmes Mailing nor did Reagan-Bush '84 or any of its agents authorize this mailing. Moreover, the campaign materials contained in the mailing neither expressly advocated the election of President Reagan nor solicited contributions on his behalf. And third, any materials enclosed with this mailing which were prepared by Reagan-Bush '84 were emblazoned with a full and appropriate disclaimer.

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ARGUMENT

I. THE COMPLAINT MUST BE DISMISSED BECAUSE IT DOES NOT COMPORT WITH MINIMUM NOTICE REQUIREMENTS OF EITHER THE DUE PROCESS CLAUSE OR 11 CFR SECTION 111.4(d)(1).



11

A. THE FORM AND SUBSTANCE OF THE COMPLAINT DOES NOT MEET MINIMUM DUE PROCESS STANDARDS AND THEREFORE, IT MUST BE DISMISSED.

The Fifth Amendment commands the federal government: "No person shall ... be deprived of life, liberty, or porperty, without due process of law..." The element of Constitutional due process characterized as "procedural due process" delineates the constitutional limits on judicial, executive, and administrative enforcement of legislative dictates. The Supreme Court has consistently held that in order to comport with minimum due process the government must provide both adequate notice and an opportunity to be heard. See, e.g. Mullans v. Central Hanover Bank & Trust Co., 339 U.S. 306, 314-315 (1950); Twinning v. New Jersey, 211 U.S. 78, 110-111 (1908) ("Due process requires...that there shall be notice and opportunity for hearing given the parties."); Baldwin v. Hale, 68 U.S. (1 Wall.) 223 (1864).

Due to its fundamental nature, the precepts of procedueral due process have been incorporated en masse into the Federal Rules of Civil Procedure. For instance, Rule 10(a), Federal Rules of Civil Procedure, provides that a complaint shall state the names of all the parties to the action. Indeed, not only must the parties be named, but they must be correctly named. Thus, in Shelley v. Bayou Metals, 561 F.2d 1209 (5th Cir. 1977), the court, in a affirming a lower court dismissal, held that the running of the statute of limitations is not tolled by a complaint in which the defendant's name is mistated. Here, Reagan-Bush '84 was not merely misnamed it was not even named at all in the complaint as a Respondent.

In short, at the heart of procedural due process is the fundamental concept that an accused party in an administrative proceeding as well as a civil or criminal proceeding must be provided with adequate notice of the pending proceeding in order

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to enable the individual to prepare an adequate defense. In this case the form and substance of the complaint fall woefully short of providing Reagan-Bush '84, with adequate notice of even the gist of the charges leveled against it. Specifically, the complaint does not name Reagan-Bush '84 as a respondent or violator; it does not allege that Reagan-Bush '84 violated the Act; it does not allege that Mary Holmes was acting within the course and scope of an agency relationship when she caused the materials to be mailed; and it does not even allege that any federal political committee was involved in the activity under scrutiny. Indeed, the complaint contains no allegations which, even if accepted as true, would provide a basis for naming Reagan-Bush '84 as a party respondent. In short, the form and substance of the complaint leaves it up to one's imagination to conjure up both a theory of liability and a set of respondents.

B. THE COMPLAINT DOES NOT COMPLY WITH THIS COMMISSION'S NOTICE REQUIREMENTS AND THEREFORE IT MUST BE DISMISSED

This Commission has developed and promulgated a set of rules intended to comply with Due Process requirements. Specifically, 11 CFR 111.4(d), which mirrors Rule 10(a), Federal Rules of Civil Procedure, provides in pertinent part as follows:

The complaint should conform to the following provisions:

- (1) It should clearly identify as a respondent each person or entity who is alleged to have committed a violation.

Moreover, the Regulations require that if the complaint does not comply with the requirements of 11 CFR 111.4, then the General Counsel shall notify the complainant and any person(s) or entity(ies) identified therein as respondents, within the five days specified in 11 CFR 111.5(a), that no action shall be taken on the basis of that complaint. See 11 CFR 111.5(b). Here, the complaint failed to comply with the provisions of 11 CFR

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111.4(d) (1) in that it did not name or otherwise identify the Respondents. Consequently, pursuant to 11 CFR 111.5(b) the Complaint must be dismissed.

The fact that the complaint filed herein fails to meet even the most minimum notice requirements has a significant practical, as well as theoretical effect. The complaint's amorphous nature substantially prejudices Reagan-Bush '84 to respond to specific allegations, as there are none. Consequently, in order to meaningfully respond to the complaint Reagan-Bush '84 has first, out of necessity, formulated for the complainant each and every scenario under which an authorized campaign committee could conceivably violate 2 U.S.C. Section 441d(a). The response that follows demonstrates that under all such scenarios Reagan-Bush '84, has not, and could not have, violated 2 U.S.C. Section 441d(a).

II. INASMUCH AS THE HOLMES MAILING IN QUESTION NEITHER WAS PAID FOR BY REAGAN-BUSH '84 NOR EXPRESSLY ADVOCATED THE PRESIDENT'S RE-ELECTION NOR SOLICITED FUNDS ON HIS BEHALF, A REAGAN-BUSH '84 DISCLAIMER WAS NOT REQUIRED.

Under the Federal Election Campaign Act of 1971, as amended, a disclaimer is required only if an expenditure has been made to underwrite a communication which either expressly advocates the election or defeat of a candidate for federal office or solicits a contribution. See 2 U.S.C. Section 441d(a); 11 CFR 110.11(a). Thus, a "Reagan-Bush '84" disclaimer would only be required if (1) Reagan-Bush '84 paid for a communication and (2) that communication either (a) expressly advocated the election or defeat of a candidate or (b) solicited contributions. Inasmuch as Reagan-Bush '84 did not underwrite the costs of the Holmes Mailing and further based on the fact that this communication neither solicited contributions nor expressly advocated the election or defeat of any federal candidate, a Reagan-Bush '84 disclaimer was not required on the Holmes Mailing.

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A. REAGAN-BUSH '84 NEITHER MADE NOR AUTHORIZED AN EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Section 441d(a) of Title 2, United States Code, is clear on its face: If no expenditure has been made then no disclaimer is required. Under the Regulations a committee is deemed to have made an expenditure for purposes of the disclaimer requirement if the candidate, his authorized committee or its agent "paid for and authorized the communication." 11 CFR 110.11(a). In essence then, an expenditure in the context of the disclaimer provisions can be made in one of two ways: either directly by the candidate or his committee, or indirectly by an individual acting as an authorized agent of that committee.

1. REAGAN-BUSH '84 MADE NO EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Here, the complainant has presented no evidence, as none exists, that Reagan-Bush '84 authorized, paid for, or otherwise orchestrated the Holmes Mailing. As the attached affidavits of Aileen Kishaba and Ruth Steinberg conclusively demonstrate, Reagan-Bush '84 neither authorized nor paid for the Holmes Mailing. Specifically, in her affidavit Aileen Kishaba notes that under Reagan-Bush '84 guidelines a direct mailing within the State of Michigan can only be undertaken if it is first approved by the Reagan-Bush '84 Executive Director for the State of Michigan, the Reagan-Bush '84 State Chairman, or by National Headquarters. Campaign records demonstrate beyond a doubt that permission was neither sought nor obtained from any of the aforementioned officers for the mailing in question. Indeed, Reagan-Bush '84 first learned of the mailing in question upon receipt from the Commission of this complaint. In addition, Reagan-Bush '84 financial records indicate that no expenditures were either budgeted for, or made, in connection with the Holmes

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Mailing. See Affidavit of Ruth Steinberg. In short, Reagan-Bush 84 made no expenditure in connection with the Holmes Mailing.

2. NO REAGAN-BUSH '84 AGENT WAS AUTHORIZED TO INCUR ANY EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Here, since neither the candidate nor his authorized committee directly paid for, or authorized, the mailing in question, liability can attach only if some person acting as an authorized agent for the committee, approved of, and paid for, the mailing. The ability of some individual to act on behalf of, and thereby bind, Reagan-Bush '84 is a function of whether that individual is an authorized agent of Reagan-Bush '84 for purposes of making and approving expenditures. The common law recognizes three forms of agency authority: (1) express; (2) implied; and (3) apparent.^{3/} Express authority, as the name suggests, arises where the principal, in express and explicit language, empowers the agent to undertake a specific act. See Restatement (Second) Agency Sections 1, 7, and 8 comment e (1958); Brown v. Laird, 134 Ore. 150, 291 Pac. 352 (1930); Reckitt v. Barnett, Pembroke & Slater, Ltd., [1929] A.C. 176. On the other hand, implied authority of an agent is actual authority evidenced by the principal's conduct. The most common instance of this type of authority involves cases where the agent has repeatedly exercised some power not expressly given him and the principal, with knowledge of the same, has, by making no objection, tacitly sanctioned the continuation of the practice.^{4/} In contrast, apparent authority differs significantly from either express or implied authority. Both express and implied authority are based on "actual" authority while apparent authority is not. Instead, apparent authority is a legal fiction analogous to, and frequently confused with, estoppel. See Fuller, Legal Fictions (1967). An agent is imbued with apparent authority to undertake a given act, if a third party, familiar with the normal business practices,

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reasonably believes based on the prior conduct of the principal that the agent in fact has authority to undertake the act.^{5/} Even though the agent lacks actual authority--express or implied--to undertake the act, if the agent is deemed to have had apparent authority then the principal is bound by the agent's actions. See, e.g., Berryhill v. Ellett, 64 F.2d 253 (10 Cir. 1933); Kansas Education Assoc. v. McMahan, 76 F.2d 957 (10th Cir. 1935); System Investment Corp. v. Montview Acceptance Corp., 355 F.2d 463 (10th Cir. 1966); Rubel v. Hayden, Harding & Buchanan, Inc., 15 Mass. App. 252, 444 N.E.2d 1306, 1308 (1983); Kanavos v. Hancock Bank & Trust Co., 14 Mass. App. 326, 439 N.E.2d 311 (1982) (Holding that unauthorized actions of an agent can, under appropriate circumstances fall within that agent's apparent authority).

As will be demonstrated below, no individual, including Mary Holmes, had express, implied or apparent authority to pay for or authorize the Holmes Mailing. In short, notwithstanding the type of agency relationship in question, Mary Holmes was not an authorized agent of Reagan-Bush '84.

(a) Mary Holmes Had Neither the Express Nor Implied Authority to Incur Expenditures on Behalf of Reagan-Bush '84

An express or implied agency relationship can only be established if the principal, in this case Reagan-Bush '84, manifests an intent to establish such a relationship; it is axiomatic that an agency relationship cannot be created through the unilateral actions of the putative agent. See, Restatement (Second) Agency, Section 1 (1958). Here, the normal indicia of an agency relationship are totally lacking. As the affidavits of Ruth Steinberg and Aileen Kishaba demonstrate, Mary Holmes received no remuneration of any sort from Reagan-Bush '84; she occupied no official position with Reagan-Bush '84 which empowered her to make expenditures of any nature; and Reagan-Bush '84 totally lacked the capacity or ability to control, restrict or influence her actions and Reagan-Bush '84

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never empowered Holmes, either expressly or implicitly to incur expenditures on its behalf. As will be demonstrated below, any actions that Mary Holmes may have taken were done so to further her own political ambitions and were not done to benefit Reagan-Bush '84.

Mary Holmes' only tie to Reagan-Bush '84 is her alleged status as a so-called "District Chairman." However, no employee, consultant or other authorized officer of Reagan-Bush '84 appointed Mary Holmes to her position as "District Chairman." The first that Reagan-Bush '84 heard of Mary Holmes status as a so-called District Chairman was upon reading the complaint filed in this matter. Not only was Mary Holmes not appointed to this "position" by Reagan-Bush '84, in fact the position that she allegedly occupies in the campaign heirarchy is non-existent. In the State of Michigan there are no such positions as Reagan-Bush '84 "District Chairman." The smallest organizational subunit is at the county, not the state legislative district, level. In short, Mary Holmes was not an official, officer or agent of the Reagan-Bush '84 campaign in Michigan for any purpose.

Even had Mary Holmes been a duly appointed District Chairman, she would still have lacked the express or implied authority to incur or make any expenditures on behalf of Reagan-Bush '84. As the attached affidavit of Ruth Steinberg demonstrates, at the state level the only individuals who are authorized to make expenditures on behalf of Reagan-Bush '84 are the State Chairman, the State Executive Director and, in certain instances, their respective aides. It has been, and remains, the strict policy of Reagan-Bush '84 that only these specifically authorized individuals may incur and make expenditures at the state level. Thus, by way of example, a Reagan-Bush '84 County Chairman lacks the authority, express or implied, to rent office space, purchase stationery, hire personnel, lease telephone equipment, purchase postage stamps, or otherwise incur obligations on behalf of Reagan-Bush '84.

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Under these strict policy guidelines County Chairmen are even specifically prohibited from initiating or otherwise instituting the mass production or distribution of campaign materials.

In summary, Mary Holmes was neither an employee nor agent of Reagan-Bush '84; she had no authority, express or implied, to make or incur expenditures on behalf of the campaign and she had no authority to expropriate or otherwise use the Reagan-Bush '84 logo.

(b) Mary Holmes Had No Apparent Authority to Incur Expenditures on Behalf of Reagan-Bush '84.

An agent has power to undertake actions which will bind his principal not only when actually authorized by express words or by inference of fact to do so, but also in cases where the principal, not intending to confer such authority on the agent, nevertheless imbued the agent with apparent authority. See Hieb v. Minnesota Farmers' Union, 105 Idaho 694, 672 P.2d 572 (1983); Dobson v. Waldron, 47 Tenn.App. 121, 336 S.E.2d 313 (1960); Alterman v. Lydick, 241 F.2d 50 (7th Cir. 1957); Williamson v. McCann & Co. Inc., 2 Ill.App.2d 42, 118 N.E.2d 42 (1954). The term "apparent authority" has been broadly used by the courts to connote the power which agents have in creating liability against their principals, although without express or implied authority. See Restatement (Second) Agency Section 8 (1958). It is axiomatic though that apparent authority cannot spring from a vacuum. The apparent authority for which the principal is liable must be traceable to actions of the principal and cannot be established solely by the acts and conduct of the agent. The court in Herron v. Sheridan Gardens, Inc., 31 N.J. Super. 584, 107 A.2d 564 (1954) succinctly summarized the state of the law as follows:

Fundamentally, the liability of the alleged principal must flow from the act of the principal. It is, of course, the general rule that the principal is bound

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by the acts of the agent within the apparent authority which he knowingly permits the agent to assume or which he holds the agent out to the public as possessing. The factual question is whether the principal has by his voluntary act placed the agent in such a situation that a person of ordinary prudence, conversant with business uses, and the nature of the particular business, is justified in presuming that such agent has the authority to perform the particular act in question. Herron at 566.

Thus, representatives of the agent alone cannot form the basis of a finding of apparent authority. See, Mieb, 672 P.2d at 577. Here, the sole basis for a finding of apparent authority is the statement made by Holmes, herself, in the mailing, that she occupied an official position with Reagan-Bush '84. Such an assertion, though, unaccompanied by acts of the principal, is clearly insufficient to clothe Holmes with apparent authority to undertake any act, whatsoever, on behalf of Reagan-Bush '84.

It is also a well settled rule of agency law that apparent authority cannot spring into existence, unless there has been a prior agency-principal relationship between the putative agent and principal. This limitation flows from the simple requirement that "apparent authority" exists only as a result of the third party's awareness of an underlying and pre-existing agency-principal relationship. Where, as here, Holmes was never an agent of Reagan-Bush '84, for any purpose, reliance on her statements or on the statements of other individuals unassociated with Reagan-Bush '84, is inherently unreasonable.

In short, Mary Holmes, is not, and has never been, an agent of Reagan-Bush '84 or of its Michigan State Office, and consequently, any actions that she may have undertaken were undertaken solely on her own initiative and without the authority of Reagan-Bush '84.

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B. THE MATERIAL CONTAINED IN THE HOLMES' MAILING NEITHER EXPRESSLY ADVOCATED THE ELECTION OR DEFEAT OF ANY FEDERAL CANDIDATE NOR SOLICITED CONTRIBUTIONS.

Only communications which either expressly advocate the election or defeat of a candidate for federal office or solicit contributions are subject to the disclaimer provisions of 2 U.S.C. Section 441d(a). The materials in the Holmes mailing contain neither words of express advocacy nor solicitation and therefore, no disclaimer is in fact required.

The "express advocacy" requirement of 2 U.S.C. Section 441d(a) was designed to confine the application of the Act to its intended political campaign related purpose. Buckley v. Valeo, 424 U.S. 1, 42 (1976). Express advocacy includes only unequivocal or unambiguous exhortations for the support of, or opposition to, a particular candidate. Examples supplied by the Commission's Regulations include such words of advocacy as "vote for," "elect," "for Congress," or "reject." 11 CFR 109.1(b)(2).

Due to its constitutional underpinnings, the courts have strictly construed the express advocacy requirement. In Federal Election Commission v. Central Long Island Tax Reform Immediately Committee, 616 F.2d 45 (2d Cir. 1980), the court rejected the Commission's plea to penalize the plaintiff for having independently spent \$250 in opposing an incumbent member of the House of Representatives. The plaintiff had distributed pamphlets which unfavorably rated the performance of the incumbent on tax issues. None of the pamphlets, however, contained any words of "express advocacy;" instead, they referred simply to the rating of the incumbent and suggested that if a citizen found the rating wanting, he or she should convey his or her concern to the officeholder. The court found that since the materials plainly omitted any words expressly advocating the particular member's election or defeat, no independent spending had occurred. Recently, in Federal Election Commission v. Furgatch et al., No. 83-596 (S.D. Cal. 1983), the Commission sought civil penalties against two

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individuals who failed to file an independent expenditure report with the Commission. The two defendants spent more than \$33,000 in advertisements highly critical of then President Carter, shortly before the 1980 election. One set of advertisements was headlined: "Don't let him do it." The ad charged Carter with "degrading the electoral process and lessening the prestige of the office... It is an attempt to hide his own record or lack of it. If he succeeds, the country will be burdened with four more years of incoherencies, ineptness, and illusion." The court in holding that the statements of the defendants did not rise to level of express advocacy stated:

[Although the language] implied, and while perhaps its intention was to advocate the defeat of President Carter, nevertheless it did not expressly do so, and I do not think, unless it expressly does so, it comes under the statute...It doesn't say "Vote against Carter," or "Vote for Reagan," or "Do not elect Carter."

In the context of the Act's disclaimer provisions, the Commission has also strictly construed the express advocacy requirement. In Advisory Opinion 1980-67, the Commission held, in part, as follows:

[In] the absence of language which either expressly advocates the election or defeat of a candidate or constitutes a contribution solicitation, that is, requests contributions or gives notice of a fundraising event or activity, a communication does not come within the scope of Section 441d.

Similarly, in MUR 1496 (1983) the Commission held that an incumbent Congressman was not required to place a disclaimer on invitations to a campaign event, because "the invitations did



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not contain any specific statement expressly advocating the election/and or defeat of a candidate or a solicitation for campaign funds."

In the case sub judice none of the material in the Holmes mailing contains words of express advocacy. At most, the pamphlet urges voters to support Mary Holmes, a candidate for a state, not federal office. The Reagan-Bush '84 brochure enclosed in the mailing, did not expressly advocate the election or defeat of any candidate for federal office. Furthermore, any solicitation that may have been made by Holmes in the mailing was expressly made in her capacity as President of the Shelby Township Republican Club, an organization which is not registered with this Commission. Consistent therewith, recipients of the mailing were explicitly asked to "Make checks payable to Shelby Township Republican Club." The contribution card was clearly intended to benefit only the local Republican Party and not Reagan-Bush '84. In summary, there is no evidence to indicate that the monies received as a result of the mailing were used, or intended to be used, to influence a federal election.

III. REAGAN-BUSH '84 HAS NOT VIOLATED SECTION 441d(a) BECAUSE A REAGAN-BUSH '84 DISCLAIMER APPEARS BROCHURE.

As noted above, the Holmes mailing contained, in addition to her own campaign material and local Republican Party material, a Reagan-Bush '84 brochure. Notwithstanding the fact that Holmes obtained these brochures in a manner inconsistent with the basic tenets of personalty ownership, the brochures do in fact contain the Reagan-Bush '84 disclaimer. Inasmuch as the brochure contains the disclaimer, Reagan-Bush '84 has clearly not violated 2 U.S.C. Section 441d(a).

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IV. CONCLUSION

In summary, Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson, contend that the Petitioner has offered no evidence whatever which would justify a "reason to believe" finding by the Commission that they violated 2 U.S.C. Section 441(d)a. Moreover, Reagan-Bush '84 has affirmatively demonstrated herein that there is no basis whatever for such a "reason to believe" finding. In particular, the Petitioner's complaint is a potpourri of allegations devoid of both a named respondent and a theory of action. Thus, the complaint must be dismissed at the outset, because Petitioner's "serve-yourself" approach is violative of both Due Process and this Commission's own Regulations. The complaint must also be dismissed because all of the evidence presented, including the complaint itself and the Affidavits of Aileen Kishaba and Ruth Steinberg, demonstrates that no expenditure was made by Reagan-Bush '84 or any of its authorized agents in connection with the Holmes Mailing. Furthermore, none of the material contained in the Holmes Mailing either expressly advocates the election or defeat of a candidate for federal office, or solicits contributions. Finally, the only Reagan-Bush '84 campaign material allegedly contained in the mailing clearly complied with the provisions of 2 U.S.C. Section 441d(a). Reagan-Bush '84, therefore, respectfully requests that this Commission find no reason to believe that Reagan-Bush '84 has violated 2 U.S.C. Section 441d(a) and that this matter be dismissed without further proceedings.

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Respectfully submitted,

Ronald E. Robertson

Ronald E. Robertson

Chief Counsel for Reagan-Bush '84

Robert P. Charrow

Robert P. Charrow

Deputy Chief Counsel for Reagan-Bush '84

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FOOTNOTES

1/ Section 441d(a), Title 2, United States Code states, in pertinent part, as follows:

Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication---(1) if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee...

2/ The return postcard stated: "Make checks payable to Shelby Township Republican Club." It should be noted that the Shelby Township Republican Club is not registered as a political committee with the Federal Election Commission.

3/ This Commission has consistently held that common law agency-principal rules are normally determinative. Although the term "agent" is defined in 11 CFR 109.1(b)(5) that definition is only applicable in cases involving independent expenditure issues. In all other contexts the normal common law rules of agency-principal relationships govern. Specifically, in Matter Under Review (MUR) 1316 the General Counsel observed as follows:

Because 11 CFR Section 109.1 does not apparently apply to a 2 U.S.C. Section 441h situation, it is necessary to rely upon general agency law to determine whether

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Americans for Reagan and NCCC can be considered to have been an agent of Ronald Reagan at the time the advertisement at issue was aired. See First General Counsel's Report, MUR 1316 at p.3.

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4/ In the leading case of Dobbs v. Zink, 290 Pa. 243, 138 Atl. 758 (1927), an agent who was expressly authorized to make loans and to collect principal, repeatedly collected principal and remitted it to his principal who received it without objection. At the agent's death it was found that he had also collected principal which he had not accounted for. The principal, arguing that the agent had no express authority to collect principal payments, attempted to treat these unreceived payments as an outstanding obligation of the borrower. The court in giving the principal's argument short shrift observed that agency can be established "by showing either a contract of agency or circumstances to prove implied agency by a course of dealing on the part of the agent in a particular capacity, and recognition of his act by the principal." Dobbs at 759. See, also, Mark Century Corporation v. Tiger Broadcasting Co., 509 S.W.2d 737 (Mo. App. 1974); Motor Transport v. Orval Davis Tire Co., Inc., 585 S.W.2d 195 (Mo. App. 1979).

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5/ According to the Restatement (Second) Agency Section 27 (1958) "apparent authority to do an act is created as to a third person by written or spoken words or any other conduct of the principal which, reasonably interpreted, causes the third person to believe that the principal consents to have the act done on his behalf by the person purporting to act for him."

6/ It should be noted that under federal copyright and trademark law Reagan-Bush '84 is afforded no protection from unauthorized usage of its logo, such as here. Under the Copyright Act of 1976, for instance, short statements or



slogans, such as "Reagan-Bush '84", are not copyrightable. The Regulations promulgated pursuant to the Copyright Act of 1976 provide in pertinent part as follows:

The following are examples of works not subject to copyright...

(a) Words and short phrases such as names, titles, and slogans...

37 CFR 202.1

Analogously, a campaign committee's name, even if stylized, does not qualify for trademark protection under the Lanham Act of 1946. Under the Lanham Act a name is generally not afforded trademark protection unless that name has been used in interstate commerce in connection with a product or service. Inasmuch as a candidate for federal office is neither a product nor service his committee's name does not qualify for registration.

^{7/} It of course could be argued that Holmes' possession and subsequent mailing of Reagan-Bush '84 brochures, accompanied by her statement that she is a "District Chairman", may be sufficient to clothe Holmes with apparent authority to mail those brochures. Even had Reagan-Bush '84 provided the brochures to Holmes, simple possession of those brochures falls far short of the type evidence required to establish apparent authority to make expenditures on behalf of Reagan-Bush '84. However, in the case sub judice Reagan-Bush '84 did not provide Holmes with the brochures. Quite to the contrary, Reagan-Bush '84 did everything in its power to prevent Holmes from acquiring the brochures in question, and to the best of our knowledge said brochures were not acquired from Reagan-Bush '84. Specifically, on June 8, 1984, someone representing himself as Mr. Holmes from Shelby Township in Michigan telephoned Reagan-Bush '84's national headquarters in Washington, D.C., and asked Aileen Kishaba, an assistant to the Midwestern Regional

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Campaign Director, for a large number of campaign brochures. Ms. Kishaba refused to provide Mr. Holmes with those brochures. See Affidavit of Aileen Kishaba, attached hereto as Exhibit A and incorporated.

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AFFIDAVIT OF RUTH STEINBERG

I, Ruth Steinberg, being first duly sworn hereby depose and say:

1. That since November 1983, I have been employed by Reagan-Bush '84, in Washington, D.C., as the Campaign Coordinator for States Expenditures. In my capacity as Campaign Coordinator for States Expenditures, I am responsible for administering the budgets and all expenditures generated or incurred at the state level including payrolls, rents, operating expenses, travel expenses, direct mailing and special events costs, and other miscellaneous expenses. In addition, I am responsible for making certain that expenditure policy guidelines are disseminated to, and followed by, the state and local offices;

2. That pursuant to the Reagan-Bush '84 expenditure policy guidelines, at the state and local levels only the state Reagan-Bush '84 Executive Director, State Chairman, or, in certain cases, their immediate aides are authorized to incur expenditures on behalf of Reagan-Bush '84. Reagan-Bush '84 County Chairmen, for instance, are specifically precluded from incurring expenditures on behalf of Reagan-Bush '84;

3. That a careful review of Reagan-Bush '84 financial records reveals that no expenditure was either authorized or made in connection with the Mary Holmes mailing;

4. That a careful review of Reagan-Bush '84 payroll records reveals that at no time was Mary Holmes a consultant to, employee, or officer of Reagan-Bush '84. Moreover, at no time did Reagan-Bush '84 pay any money, for any purpose, to, or on account of, Mary Holmes.

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Ruth Steinberg
RUTH STEINBERG

DISTRICT OF COLUMBIA: ss

Subscribed and sworn before me this 31st day of August, 1984.

Meredith Bonnett
Notary Public

SEAL

My Commission Expires: March 14, 1989

AFFIDAVIT OF AILEEN KISHABA

I, Aileen Kishaba, being first duly sworn hereby depose and say:

1. That since January 1984, I have been employed by Reagan-Bush '84, in Washington, D.C., as the Special Assistant to Anne Stanley, the Regional Campaign Director for the Midwest Region of the United States; the Midwest Region encompasses seven (7) states, including the State of Michigan;

2. That in my capacity as Special Assistant to the Regional Campaign Director for the Midwest Region I assist in supervising all campaign related activities conducted at the state and local levels, including the dissemination of campaign materials;

3. That the day-to-day campaign activities of Reagan-Bush '84 in Michigan are supervised by an Executive Director and by a State Chairman. Those individuals, acting in concert with officials at the National Headquarters, authorize and oversee the appointment of inferior state officials;

4. That the State of Michigan, for organizational purposes, has been divided into a number of distinct geographical subunits, the smallest of which is either at the county or congressional district level, as the case may be. In the State of Michigan, to the best of my knowledge, geographic regions based on state house of representative districts do not officially exist, and thus, the "26th state house district" is not a geographical subunit of Reagan-Bush '84 in Michigan;

5. That for each of the aforementioned subunits, the Executive Director, State Chairman and individuals at the National Headquarters, appoint a local chairman; Mary Holmes has never been so appointed to any position within Reagan-Bush '84 hierarchy;

6. That county and congressional district chairmen are expressly precluded from incurring, authorizing or making expenditures on behalf of Reagan-Bush '84; all expenditures made within the State of Michigan must be approved at the state and national levels and further, all expenditures are actually made from the National Headquarters in Washington, D.C.;

7. That on June 8, 1984, I received a telephone call from an individual who held himself out to be State Senator Kirby Holmes. Senator Holmes requested that he be supplied with a large quantity of Reagan-Bush '84 brochures, not

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unlike the ones that were eventually mailed by Ms. Holmes. I declined to provide Mr. Holmes with the materials that he requested;

8. That I did not learn of either Mary Holmes' status as a so-called "26th district chairman" or of the Mary Holmes mailing until after the complaint in this matter was filed; and

9. That to the best of my knowledge the mailing in question was neither approved nor authorized by the State Chairman, State Executive Director, or by anyone employed at the National Headquarters, including myself and my superior, Anne Stanley.

Aileen Kishaba
AILEEN KISHABA

DISTRICT OF COLUMBIA: ss

Subscribed and sworn before me this 31st day of August, 1984.

Meredith Bennett
Notary Public
Washington, DC

SEAL

My Commission Expires: March 14, 1989

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mary Holmes
8430 Pamela
Utica, Michigan 48087

RE: MUR 1740
Mary Holmes

Dear Ms. Holmes:

The Federal Election Commission notified you on July 25, 1984, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission, on _____, 1984, determined that there is reason to believe that you have violated 2 U.S.C. § 441d, a provision of the Act. Specifically, it appears that you failed to affix a disclaimer notice to your mailing.

As of this date, we have received no response from you in connection with this matter. Please submit answers to the enclosed questions within ten days of your receipt of this letter. Your statement should be submitted under oath.

The Office of General Counsel would like to settle this matter through conciliation prior to a finding of probable cause. However, in the absence of any information which demonstrates that no further action should be taken against you, the Office of General Counsel must proceed to the next compliance stage as noted on page 2, paragraph 2 of the enclosed procedures.

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 your clients wish the matter to be made public.

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Mary Holmes
Page 2

If you have any questions, please contact Martha Romney, the staff member assigned to this matter, at (202)523-4000.

Sincerely,

Enclosures
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald E. Robertson, Chief Counsel
Reagan-Bush '84
440 First Street, N.W.
Washington, D.C. 20001

Re: MUR 1740
Reagan-Bush '84

Dear Mr. Robertson:

On July 25, 1984, the Commission notified your client Reagan-Bush '84 ("Committee") and Angela M. Buchanan Jackson, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on _____, 1984, determined that on the basis of the information in the complaint, and information provided by your client there is no reason to believe that a violation of any statute within its jurisdiction has been committed by Reagan-Bush '84. Accordingly, the Commission closed its file in this matter as it pertains to the Committee and Angela M. Buchanan Jackson, as treasurer.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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Questions to Mary Holmes

On July 16, 1984, a complaint was filed with the Federal Election Commission against Mary Holmes, President of the Shelby County Republican Club, the subject of which was a five item letter which in part concerned President Reagan's re-election. A copy of the mailing was included with the complaint and is attached to these questions as Attachment A. All references in the questions to the mailing refer to the above-mentioned letter.

- 1) What was the total number of letters mailed, sent out or otherwise distributed or delivered?
- 2) What was the total cost of sending out and distributing the mailing including reproduction costs and postage?
- 3) Who paid for the mailing?

Answers should be submitted under oath and forwarded to the Commission within 10 days of your receipt of these questions.

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8430 Pamela
Utica, MI 48087
Call: 781-4941

Bulk R
U.S.P.
P
Perm
Utica

Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48078

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MARY
HOLMES For
State Representative

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ATTACHMENT A

MARY HOLMES

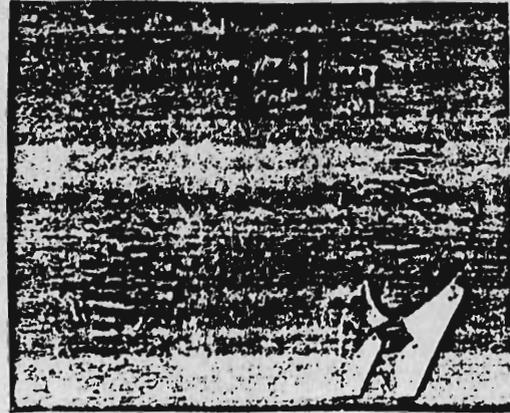
For
State Representative

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FOR IMMEDIATE RELEASE

Contact:

Mary Holmes
8430 Pamela
Utica, MI 48087
781-4941, or 254-5960



MARY HOLMES TO RUN FOR REPRESENTATIVE SEAT

A former six year member of the Shelby Township Board of Trustees, and current Chairman of the Township Planning Commission, has announced her intentions to run for the State House of Representatives.

Mary Holmes, a Republican, and 22 year resident of Shelby, will offer the voters a clear choice between herself and Mary Ellen Parrott (D-Shelby) who currently occupies the 26th District seat.

Holmes emphasizes that her stand on the issues "are counter to those of her Democrat opponent", and that as a candidate she will focus on these differences.

"I come from a strong pro-life family and I oppose abortion. I oppose the Blanchard-Parrott 38% income tax increase. I want to spend more on education and less on welfare. I would be more pro-business than Mary Ellen, recognizing that before we have jobs we must first have employers in this state. Michigan business is either going bankrupt, or leaving the state because of the anti-business stand of Mary Ellen Parrott and those like her in Lansing."

Holmes concludes that her election will "send a message to Lansing that their tax and spend policy has to change, and that they can no longer fund their pet projects and raise their salaries on the backs of the taxpayer of our state."

— xxx —

Mary Holmes is Chairman of the 26th District REAGAN-BUSH '84 campaign, and asks that anyone wishing to join her and become involved in a real grass-roots presidential campaign, to please fill out and mail the enclosed postcard.

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YES, I WANT TO HELP **Mary Holmes** HELP THE President!

- I WILL MAKE TELEPHONE CALLS
- I WILL STUFF AND LABEL ENVELOPES
- BUMPER STICKER YARD SIGN
- ENCLOSED IS A CONTRIBUTION OF
 - \$100 \$50 \$25 \$10

• Make checks payable to *Shelby Township Republican Club.*

(Name - Please Print)

(Address)

(Zip Code)

Telephone No.

8 5 0 4 0 5 2 2 4 8 0

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PLACE
STAMP
HERE

REAGAN - BUSH '84

C/O MARY HOLMES, PRESIDENT
SHELBY TOWNSHIP REPUBLICAN CLUB
43680 VAN DYKE
UTICA, MI. 48087

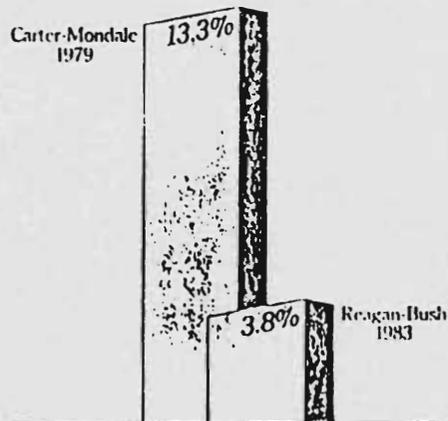
8 5 0 4 0 5 2 2 4 8 1

8 5 0 4 0 5 2 2 4 8 2

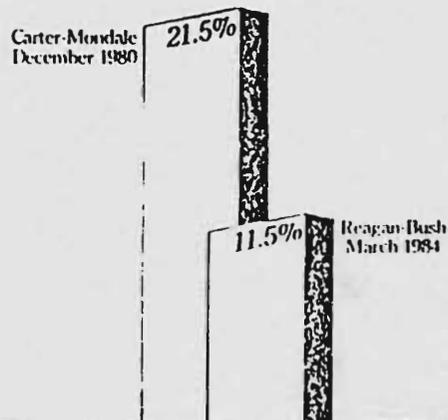
After all our
glories to restore
America, to revive
confidence in our
country, hope for our
future, after all our
won victories
and through the
bravery and courage
of every citizen, we
do not, must not,
will not turn
back. We will finish
the job."

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Paid for by Reagan-Bush '84 Paul Laxalt, Chairman
Angela M. Buchanan Jackson, Treasurer

REAGAN BUSH '84

Leadership you can trust!



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Where we were

... America faced the greatest challenge in our history. Our defenses were dangerously weak. We had been humiliated in Iran, and we had lost the respect of other nations. We lacked leadership. Our elected officials lacked the courage and character of Americans. We had turned our problems to a national "malaise." We had government overspending and overtaxing. Our economy was in ruins. In the last half of the '70s, federal spending increased even more to over 12 percent in 1980. Interest rates were 21 percent. Unemployment, inflation, and workers' earnings were down. The only things going up were prices, interest rates, and the size of government.

America is back

... we are ready to begin again. So we elected Ronald Reagan. President George Bush is a more promising start. We have come a long way. We have confidence in our institutions and in our President. Reagan is our man back.



Economic recovery

... President Reagan led a plan for recovery, and it worked. Real after-tax income is up. Interest rates are down in half. New homes are being built and our spending is down. Our millionaires are back and jobs last.



... year, the greatest employment gain in 33 years. President Reagan's program also conquered inflation—the cruelest tax of all. That crippling, double-digit inflation rate has been cut to 3.8 percent. President Reagan also redirected a broad range of social services to those Americans truly in need. All Americans are better off now than they were four years ago.

World leadership

... America is also back as a world leader. Under President Reagan's leadership, we have rebuilt our national defenses and gained respect among nations with a firm, coherent foreign policy. The national security of the United States has been strengthened and America has regained its standing as the

... leading advocate of peace and freedom in the world. As President Reagan has said, "We know the tide of the future is a freedom tide, and that America's new strength and sense of purpose will carry hope and opportunity far from our shores."

The unfinished work

... President Reagan has challenged us to move forward again, to unite behind four great goals to keep America free, secure and at peace for the '80s.

1. Ensure steady economic growth: President Reagan will continue his program of tax relief and steady economic growth.
2. Develop space, America's next frontier: President Reagan has proposed the construction of a permanent manned space station.
3. Strengthen our traditional values: President Reagan will continue to promote a renaissance in the traditional values of faith, family, work and neighborhood.
4. Build a meaningful peace: President Reagan has proposed substantial reductions in nuclear weapons through genuine arms control.

Leadership

... The choice is clear. We can return to the failed policies of the past. Or we can move forward together with President Reagan's leadership to build a future in which peace, freedom and prosperity abound, not only for all Americans, but for all peoples.



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REAGAN-BUSH '84

The President's Authorized Campaign Committee

RECEIVED AT THE FEC

HAND DELIVERED

84 AUG 31 P 4: 21

GCC # 4563

August 31, 1984

BY MESSENGER

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Kenneth A. Gross, Esq.
Associate General Counsel

Re: MUR 1740

Dear Mr. Gross:

Enclosed please find the Response of Reagan-Bush '84 and its Treasurer, Angela Buchanan Jackson to the Complaint filed with the Commission on July 16, 1984, by Robert C. Brandenburg.

Best regards,

Ronald E. Robertson
Chief Counsel

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
84 SEP 5 10: 12

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RER/cjr
Enclosure



RECEIVED AT THE FEC

84 AUG 31 P 4: 21

BEFORE THE
FEDERAL ELECTION COMMISSION
MUR 1740
RESPONSE OF REAGAN-BUSH '84
AND ITS TREASURER
ANGELA M. BUCHANAN JACKSON

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INTRODUCTION

On July 16, 1984, Petitioner, Robert C. Bradenburg, filed a complaint with the Federal Election Commission (FEC) wherein he alleged that a "fund raising letter" mailed by one Mary Holmes ("Holmes Mailing") failed to comply with the disclaimer provisions of 2 U.S.C. Section 441d(a).^{1/} Although the complaint did not allege that Reagan-Bush '84 violated 2 U.S.C. Section 441d(a), nevertheless, the Federal Election Commission on July 25, 1984, notified Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson, that it had "received a complaint which alleges that the committee and you, as treasurer, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ('the Act')." b5040522486

In his complaint Petitioner alleged that the Holmes' letter "purports to be a fund raising letter for President Reagan's re-election, yet does not appear to comply with subsection (a) of Section 441d." (Emphasis supplied). Attached to the Complaint were copies of the following five documents: (1) a letter announcing Mary Holmes' candidacy for a non-federal office, outlining Holmes' political experience, and also noting that she was Chairman of the 26th District Reagan-Bush '84 campaign; (2) a stamped envelope addressed to Ron and Marcia Herbst bearing the statement "Mary Holmes for State Representative;" (3) a return postcard on which a responding party either indicated a willingness to volunteer "to help Mary Holmes Help the President" and or to contribute money to the Shelby Township Republican Club;^{2/} (4) a return envelope addressed to "Reagan-Bush '84 c/o Mary Holmes, President, Shelby Township Republican Club, 49680 Van Dyke, Utica, MI 48087"; and (5) a brochure featuring the President and Vice President which bears the disclaimer "Paid for by Reagan-Bush '84; Paul Laxalt, Chairman; Angela M. Buchanan Jackson, Treasurer. While the complaint alleges that 2 U.S.C. Section 441d(a) has been

[REDACTED]

violated, it conspicuously fails to allege that Reagan-Bush '84 or for that matter anyone authorized to act on behalf of Reagan-Bush '84 violated the Act.

Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson submit this response pursuant to 2 U.S.C. Section 437g(a)(1) and 11 CFR Section 111.6(a) and for the reasons set forth below respectfully request that this Commission find that there is no reason to believe that Reagan-Bush '84 or its Treasurer violated 2 U.S.C. Section 441d(a). Respondents contend and will demonstrate in this Response that the complaint herein must be dismissed forthwith for three reasons. First, the complaint woefully fails to meet even the minimum notice requirements dictated by both the Due Process Clause of the United States Constitution and this Commission's Regulations. Second, no Reagan-Bush '84 disclaimer was in fact required by the Act since neither Reagan-Bush '84 nor any of its agents made or authorized any expenditure in connection with the Holmes Mailing nor did Reagan-Bush '84 or any of its agents authorize this mailing. Moreover, the campaign materials contained in the mailing neither expressly advocated the election of President Reagan nor solicited contributions on his behalf. And third, any materials enclosed with this mailing which were prepared by Reagan-Bush '84 were emblazoned with a full and appropriate disclaimer.

ARGUMENT

I. THE COMPLAINT MUST BE DISMISSED BECAUSE IT DOES NOT COMPORT WITH MINIMUM NOTICE REQUIREMENTS OF EITHER THE DUE PROCESS CLAUSE OR 11 CFR SECTION 111.4(d)(1).

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A. THE FORM AND SUBSTANCE OF THE COMPLAINT DOES NOT MEET
MINIMUM DUE PROCESS STANDARDS AND THEREFORE, IT MUST BE
DISMISSED.

The Fifth Amendment commands the federal government: "No person shall ... be deprived of life, liberty, or property, without due process of law..." The element of Constitutional due process characterized as "procedural due process" delineates the constitutional limits on judicial, executive, and administrative enforcement of legislative dictates. The Supreme Court has consistently held that in order to comport with minimum due process the government must provide both adequate notice and an opportunity to be heard. See, e.g. Mullans v. Central Hanover Bank & Trust Co., 339 U.S. 306, 314-315 (1950); Twinning v. New Jersey, 211 U.S. 78, 110-111 (1908) ("Due process requires...that there shall be notice and opportunity for hearing given the parties."); Baldwin v. Hale, 68 U.S. (1 Wall.) 223 (1864).

Due to its fundamental nature, the precepts of procedural due process have been incorporated en masse into the Federal Rules of Civil Procedure. For instance, Rule 10(a), Federal Rules of Civil Procedure, provides that a complaint shall state the names of all the parties to the action. Indeed, not only must the parties be named, but they must be correctly named. Thus, in Shelley v. Bayou Metals, 561 F.2d 1209 (5th Cir. 1977), the court, in affirming a lower court dismissal, held that the running of the statute of limitations is not tolled by a complaint in which the defendant's name is mistated. Here, Reagan-Bush '84 was not merely misnamed it was not even named at all in the complaint as a Respondent.

In short, at the heart of procedural due process is the fundamental concept that an accused party in an administrative proceeding as well as a civil or criminal proceeding must be provided with adequate notice of the pending proceeding in order

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to enable the individual to prepare an adequate defense. In this case the form and substance of the complaint fall woefully short of providing Reagan-Bush '84, with adequate notice of even the gist of the charges leveled against it. Specifically, the complaint does not name Reagan-Bush '84 as a respondent or violator; it does not allege that Reagan-Bush '84 violated the Act; it does not allege that Mary Holmes was acting within the course and scope of an agency relationship when she caused the materials to be mailed; and it does not even allege that any federal political committee was involved in the activity under scrutiny. Indeed, the complaint contains no allegations which, even if accepted as true, would provide a basis for naming Reagan-Bush '84 as a party respondent. In short, the form and substance of the complaint leaves it up to one's imagination to conjure up both a theory of liability and a set of respondents.

B. THE COMPLAINT DOES NOT COMPLY WITH THIS COMMISSION'S NOTICE REQUIREMENTS AND THEREFORE IT MUST BE DISMISSED

This Commission has developed and promulgated a set of rules intended to comply with Due Process requirements. Specifically, 11 CFR 111.4(d), which mirrors Rule 10(a), Federal Rules of Civil Procedure, provides in pertinent part as follows:

The complaint should conform to the following provisions:

- (1) It should clearly identify as a respondent each person or entity who is alleged to have committed a violation.

Moreover, the Regulations require that if the complaint does not comply with the requirements of 11 CFR 111.4, then the General Counsel shall notify the complainant and any person(s) or entity(ies) identified therein as respondents, within the five days specified in 11 CFR 111.5(a), that no action shall be taken on the basis of that complaint. See 11 CFR 111.5(b). Here, the complaint failed to comply with the provisions of 11 CFR

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111.4(d) (1) in that it did not name or otherwise identify the Respondents. Consequently, pursuant to 11 CFR 111.5(b) the Complaint must be dismissed.

The fact that the complaint filed herein fails to meet even the most minimum notice requirements has a significant practical, as well as theoretical effect. The complaint's amorphous nature substantially prejudices Reagan-Bush '84 to respond to specific allegations, as there are none. Consequently, in order to meaningfully respond to the complaint Reagan-Bush '84 has first, out of necessity, formulated for the complainant each and every scenario under which an authorized campaign committee could conceivably violate 2 U.S.C. Section 441d(a). The response that follows demonstrates that under all such scenarios Reagan-Bush '84, has not, and could not have, violated 2 U.S.C. Section 441d(a).

II. INASMUCH AS THE HOLMES MAILING IN QUESTION NEITHER WAS PAID FOR BY REAGAN-BUSH '84 NOR EXPRESSLY ADVOCATED THE PRESIDENT'S RE-ELECTION NOR SOLICITED FUNDS ON HIS BEHALF, A REAGAN-BUSH '84 DISCLAIMER WAS NOT REQUIRED.

Under the Federal Election Campaign Act of 1971, as amended, a disclaimer is required only if an expenditure has been made to underwrite a communication which either expressly advocates the election or defeat of a candidate for federal office or solicits a contribution. See 2 U.S.C. Section 441d(a); 11 CFR 110.11(a). Thus, a "Reagan-Bush '84" disclaimer would only be required if (1) Reagan-Bush '84 paid for a communication and (2) that communication either (a) expressly advocated the election or defeat of a candidate or (b) solicited contributions. Inasmuch as Reagan-Bush '84 did not underwrite the costs of the Holmes Mailing and further based on the fact that this communication neither solicited contributions nor expressly advocated the election or defeat of any federal candidate, a Reagan-Bush '84 disclaimer was not required on the Holmes Mailing.

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A. REAGAN-BUSH '84 NEITHER MADE NOR AUTHORIZED AN EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Section 441d(a) of Title 2, United States Code, is clear on its face: If no expenditure has been made then no disclaimer is required. Under the Regulations a committee is deemed to have made an expenditure for purposes of the disclaimer requirement if the candidate, his authorized committee or its agent "paid for and authorized the communication." 11 CFR 110.11(a). In essence then, an expenditure in the context of the disclaimer provisions can be made in one of two ways: either directly by the candidate or his committee, or indirectly by an individual acting as an authorized agent of that committee.

1. REAGAN-BUSH '84 MADE NO EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Here, the complainant has presented no evidence, as none exists, that Reagan-Bush '84 authorized, paid for, or otherwise orchestrated the Holmes Mailing. As the attached affidavits of Aileen Kishaba and Ruth Steinberg conclusively demonstrate, Reagan-Bush '84 neither authorized nor paid for the Holmes Mailing. Specifically, in her affidavit Aileen Kishaba notes that under Reagan-Bush '84 guidelines a direct mailing within the State of Michigan can only be undertaken if it is first approved by the Reagan-Bush '84 Executive Director for the State of Michigan, the Reagan-Bush '84 State Chairman, or by National Headquarters. Campaign records demonstrate beyond a doubt that permission was neither sought nor obtained from any of the aforementioned officers for the mailing in question. Indeed, Reagan-Bush '84 first learned of the mailing in question upon receipt from the Commission of this complaint. In addition, Reagan-Bush '84 financial records indicate that no expenditures were either budgeted for, or made, in connection with the Holmes

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Mailing. See Affidavit of Ruth Steinberg. In short, Reagan-Bush 84 made no expenditure in connection with the Holmes Mailing.

2. NO REAGAN-BUSH '84 AGENT WAS AUTHORIZED TO INCUR ANY EXPENDITURE IN CONNECTION WITH THE HOLMES MAILING

Here, since neither the candidate nor his authorized committee directly paid for, or authorized, the mailing in question, liability can attach only if some person acting as an authorized agent for the committee, approved of, and paid for, the mailing. The ability of some individual to act on behalf of, and thereby bind, Reagan-Bush '84 is a function of whether that individual is an authorized agent of Reagan-Bush '84 for purposes of making and approving expenditures. The common law recognizes three forms of agency authority: (1) express; (2) implied; and (3) apparent.^{3/} Express authority, as the name suggests, arises where the principal, in express and explicit language, empowers the agent to undertake a specific act. See Restatement (Second) Agency Sections 1, 7, and 8 comment e (1958); Brown v. Laird, 134 Ore. 150, 291 Pac. 352 (1930); Reckitt v. Barnett, Pembroke & Slater, Ltd., [1929] A.C. 176. On the other hand, implied authority of an agent is actual authority evidenced by the principal's conduct. The most common instance of this type of authority involves cases where the agent has repeatedly exercised some power not expressly given him and the principal, with knowledge of the same, has, by making no objection, tacitly sanctioned the continuation of the practice.^{4/} In contrast, apparent authority differs significantly from either express or implied authority. Both express and implied authority are based on "actual" authority while apparent authority is not. Instead, apparent authority is a legal fiction analogous to, and frequently confused with, estoppel. See Fuller, Legal Fictions (1967). An agent is imbued with apparent authority to undertake a given act, if a third party, familiar with the normal business practices,

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reasonably believes based on the prior conduct of the principal that the agent in fact has authority to undertake the act.^{5/} Even though the agent lacks actual authority--express or implied--to undertake the act, if the agent is deemed to have had apparent authority then the principal is bound by the agent's actions. See, e.g., Berryhill v. Ellett, 64 F.2d 253 (10 Cir. 1933); Kansas Education Assoc. v. McMahan, 76 F.2d 957 (10th Cir. 1935); System Investment Corp. v. Montview Acceptance Corp., 355 F.2d 463 (10th Cir. 1966); Rubel v. Hayden, Harding & Buchanan, Inc., 15 Mass. App. 252, 444 N.E.2d 1306, 1308 (1983); Kanavos v. Hancock Bank & Trust Co., 14 Mass. App. 326, 439 N.E.2d 311 (1982) (Holding that unauthorized actions of an agent can, under appropriate circumstances fall within that agent's apparent authority).

As will be demonstrated below, no individual, including Mary Holmes, had express, implied or apparent authority to pay for or authorize the Holmes Mailing. In short, notwithstanding the type of agency relationship in question, Mary Holmes was not an authorized agent of Reagan-Bush '84.

(a) Mary Holmes Had Neither the Express Nor Implied Authority to Incur Expenditures on Behalf of Reagan-Bush '84

An express or implied agency relationship can only be established if the principal, in this case Reagan-Bush '84, manifests an intent to establish such a relationship; it is axiomatic that an agency relationship cannot be created through the unilateral actions of the putative agent. See, Restatement (Second) Agency, Section 1 (1958). Here, the normal indicia of an agency relationship are totally lacking. As the affidavits of Ruth Steinberg and Aileen Kishaba demonstrate, Mary Holmes received no remuneration of any sort from Reagan-Bush '84; she occupied no official position with Reagan-Bush '84 which empowered her to make expenditures of any nature; and Reagan-Bush '84 totally lacked the capacity or ability to control, restrict or influence her actions and Reagan-Bush '84

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never empowered Holmes, either expressly or implicitly to incur expenditures on its behalf. As will be demonstrated below, any actions that Mary Holmes may have taken were done so to further her own political ambitions and were not done to benefit Reagan-Bush '84.

Mary Holmes' only tie to Reagan-Bush '84 is her alleged status as a so-called "District Chairman." However, no employee, consultant or other authorized officer of Reagan-Bush '84 appointed Mary Holmes to her position as "District Chairman." The first that Reagan-Bush '84 heard of Mary Holmes status as a so-called District Chairman was upon reading the complaint filed in this matter. Not only was Mary Holmes not appointed to this "position" by Reagan-Bush '84, in fact the position that she allegedly occupies in the campaign heirarchy is non-existent. In the State of Michigan there are no such positions as Reagan-Bush '84 "District Chairman." The smallest organizational subunit is at the county, not the state legislative district, level. In short, Mary Holmes was not an official, officer or agent of the Reagan-Bush '84 campaign in Michigan for any purpose.

Even had Mary Holmes been a duly appointed District Chairman, she would still have lacked the express or implied authority to incur or make any expenditures on behalf of Reagan-Bush '84. As the attached affidavit of Ruth Steinberg demonstrates, at the state level the only individuals who are authorized to make expenditures on behalf of Reagan-Bush '84 are the State Chairman, the State Executive Director and, in certain instances, their respective aides. It has been, and remains, the strict policy of Reagan-Bush '84 that only these specifically authorized individuals may incur and make expenditures at the state level. Thus, by way of example, a Reagan-Bush '84 County Chairman lacks the authority, express or implied, to rent office space, purchase stationery, hire personnel, lease telephone equipment, purchase postage stamps, or otherwise incur obligations on behalf of Reagan-Bush '84.

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Under these strict policy guidelines County Chairmen are even specifically prohibited from initiating or otherwise instituting the mass production or distribution of campaign materials.

In summary, Mary Holmes was neither an employee nor agent of Reagan-Bush '84; she had no authority, express or implied, to make or incur expenditures on behalf of the campaign and she had no authority to expropriate or otherwise use the Reagan-Bush '84 logo.^{6/}

(b) Mary Holmes Had No Apparent Authority to Incur Expenditures on Behalf of Reagan-Bush '84.

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An agent has power to undertake actions which will bind his principal not only when actually authorized by express words or by inference of fact to do so, but also in cases where the principal, not intending to confer such authority on the agent, nevertheless imbued the agent with apparent authority. See Hieb v. Minnesota Farmers' Union, 105 Idaho 694, 672 P.2d 572 (1983); Dobson v. Waldron, 47 Tenn.App. 121, 336 S.E.2d 313 (1960); Alterman v. Lydick, 241 F.2d 50 (7th Cir. 1957); Williamson v. McCann & Co. Inc., 2 Ill.App.2d 42, 118 N.E.2d 42 (1954). The term "apparent authority" has been broadly used by the courts to connote the power which agents have in creating liability against their principals, although without express or implied authority. See Restatement (Second) Agency Section 8 (1958). It is axiomatic though that apparent authority cannot spring from a vacuum. The apparent authority for which the principal is liable must be traceable to actions of the principal and cannot be established solely by the acts and conduct of the agent. The court in Herron v. Sheridan Gardens, Inc., 31 N.J. Super. 584, 107 A.2d 564 (1954) succinctly summarized the state of the law as follows:

Fundamentally, the liability of the alleged principal must flow from the act of the principal. It is, of course, the general rule that the principal is bound

by the acts of the agent within the apparent authority which he knowingly permits the agent to assume or which he holds the agent out to the public as possessing. The factual question is whether the principal has by his voluntary act placed the agent in such a situation that a person of ordinary prudence, conversant with business uses, and the nature of the particular business, is justified in presuming that such agent has the authority to perform the particular act in question. Herron at 566.

Thus, representatives of the agent alone cannot form the basis of a finding of apparent authority. See, Mieb, 672 P.2d at 577. Here, the sole basis for a finding of apparent authority is the statement made by Holmes, herself, in the mailing, that she occupied an official position with Reagan-Bush '84. Such an assertion, though, unaccompanied by acts of the principal, is clearly insufficient to clothe Holmes with apparent authority to undertake any act, whatsoever, on behalf of Reagan-Bush '84.

It is also a well settled rule of agency law that apparent authority cannot spring into existence, unless there has been a prior agency-principal relationship between the putative agent and principal. This limitation flows from the simple requirement that "apparent authority" exists only as a result of the third party's awareness of an underlying and pre-existing agency-principal relationship. Where, as here, Holmes was never an agent of Reagan-Bush '84, for any purpose, reliance on her statements or on the statements of other individuals unassociated with Reagan-Bush '84, is inherently unreasonable.

In short, Mary Holmes, is not, and has never been, an agent of Reagan-Bush '84 or of its Michigan State Office, and consequently, any actions that she may have undertaken were undertaken solely on her own initiative and without the authority of Reagan-Bush '84.

B. THE MATERIAL CONTAINED IN THE HOLMES' MAILING NEITHER EXPRESSLY ADVOCATED THE ELECTION OR DEFEAT OF ANY FEDERAL CANDIDATE NOR SOLICITED CONTRIBUTIONS.

Only communications which either expressly advocate the election or defeat of a candidate for federal office or solicit contributions are subject to the disclaimer provisions of 2 U.S.C. Section 441d(a). The materials in the Holmes mailing contain neither words of express advocacy nor solicitation and therefore, no disclaimer is in fact required.

The "express advocacy" requirement of 2 U.S.C. Section 441d(a) was designed to confine the application of the Act to its intended political campaign related purpose. Buckley v. Valeo, 424 U.S. 1, 42 (1976). Express advocacy includes only unequivocal or unambiguous exhortations for the support of, or opposition to, a particular candidate. Examples supplied by the Commission's Regulations include such words of advocacy as "vote for," "elect," "for Congress," or "reject." 11 CFR 109.1(b)(2).

Due to its constitutional underpinnings, the courts have strictly construed the express advocacy requirement. In Federal Election Commission v. Central Long Island Tax Reform Immediately Committee, 616 F.2d 45 (2d Cir. 1980), the court rejected the Commission's plea to penalize the plaintiff for having independently spent \$250 in opposing an incumbent member of the House of Representatives. The plaintiff had distributed pamphlets which unfavorably rated the performance of the incumbent on tax issues. None of the pamphlets, however, contained any words of "express advocacy;" instead, they referred simply to the rating of the incumbent and suggested that if a citizen found the rating wanting, he or she should convey his or her concern to the officeholder. The court found that since the materials plainly omitted any words expressly advocating the particular member's election or defeat, no independent spending had occurred. Recently, in Federal Election Commission v. Furgatch et al., No. 83-596 (S.D. Cal. 1983), the Commission sought civil penalties against two

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individuals who failed to file an independent expenditure report with the Commission. The two defendants spent more than \$33,000 in advertisements highly critical of then President Carter, shortly before the 1980 election. One set of advertisements was headlined: "Don't let him do it." The ad charged Carter with "degrading the electoral process and lessening the prestige of the office... It is an attempt to hide his own record or lack of it. If he succeeds, the country will be burdened with four more years of incoherencies, ineptness, and illusion." The court in holding that the statements of the defendants did not rise to level of express advocacy stated:

[Although the language] implied, and while perhaps its intention was to advocate the defeat of President Carter, nevertheless it did not expressly do so, and I do not think, unless it expressly does so, it comes under the statute...It doesn't say "Vote against Carter," or "Vote for Reagan," or "Do not elect Carter."

In the context of the Act's disclaimer provisions, the Commission has also strictly construed the express advocacy requirement. In Advisory Opinion 1980-67, the Commission held, in part, as follows:

[In] the absence of language which either expressly advocates the election or defeat of a candidate or constitutes a contribution solicitation, that is, requests contributions or gives notice of a fundraising event or activity, a communication does not come within the scope of Section 441d.

Similarly, in MUR 1496 (1983) the Commission held that an incumbent Congressman was not required to place a disclaimer on invitations to a campaign event, because "the invitations did

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not contain any specific statement expressly advocating the election/and or defeat of a candidate or a solicitation for campaign funds."

In the case sub judice none of the material in the Holmes mailing contains words of express advocacy. At most, the pamphlet urges voters to support Mary Holmes, a candidate for a state, not federal office. The Reagan-Bush '84 brochure enclosed in the mailing did not expressly advocate the election or defeat of any candidate for federal office. Furthermore, any solicitation that may have been made by Holmes in the mailing was expressly made in her capacity as President of the Shelby Township Republican Club, an organization which is not registered with this Commission. Consistent therewith, recipients of the mailing were explicitly asked to "Make checks payable to Shelby Township Republican Club." The contribution card was clearly intended to benefit only the local Republican Party and not Reagan-Bush '84. In summary, there is no evidence to indicate that the monies received as a result of the mailing were used, or intended to be used, to influence a federal election.

III. REAGAN-BUSH '84 HAS NOT VIOLATED SECTION 441d(a) BECAUSE A REAGAN-BUSH '84 DISCLAIMER APPEARS BROCHURE.

As noted above, the Holmes mailing contained, in addition to her own campaign material and local Republican Party material, a Reagan-Bush '84 brochure. Notwithstanding the fact that Holmes obtained these brochures in a manner inconsistent with the basic tenets of personalty ownership, the brochures do in fact contain the Reagan-Bush '84 disclaimer. Inasmuch as the brochure contains the disclaimer, Reagan-Bush '84 has clearly not violated 2 U.S.C. Section 441d(a).

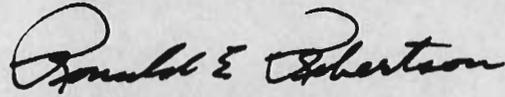
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IV. CONCLUSION

In summary, Reagan-Bush '84 and its Treasurer, Angela M. Buchanan Jackson, contend that the Petitioner has offered no evidence whatever which would justify a "reason to believe" finding by the Commission that they violated 2 U.S.C. Section 441(d)a. Moreover, Reagan-Bush '84 has affirmatively demonstrated herein that there is no basis whatever for such a "reason to believe" finding. In particular, the Petitioner's complaint is a potpourri of allegations devoid of both a named respondent and a theory of action. Thus, the complaint must be dismissed at the outset, because Petitioner's "serve-yourself" approach is violative of both Due Process and this Commission's own Regulations. The complaint must also be dismissed because all of the evidence presented, including the complaint itself and the Affidavits of Aileen Kishaba and Ruth Steinberg, demonstrates that no expenditure was made by Reagan-Bush '84 or any of its authorized agents in connection with the Holmes Mailing. Furthermore, none of the material contained in the Holmes Mailing either expressly advocates the election or defeat of a candidate for federal office, or solicits contributions. Finally, the only Reagan-Bush '84 campaign material allegedly contained in the mailing clearly complied with the provisions of 2 U.S.C. Section 441d(a). Reagan-Bush '84, therefore, respectfully requests that this Commission find no reason to believe that Reagan-Bush '84 has violated 2 U.S.C. Section 441d(a) and that this matter be dismissed without further proceedings.

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Respectfully submitted,



Ronald E. Robertson
Chief Counsel for Reagan-Bush '84



Robert P. Charrow
Deputy Chief Counsel for Reagan-Bush '84

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FOOTNOTES

1/ Section 441d(a), Title 2, United States Code states, in pertinent part, as follows:

Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication---(1) if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee...

2/ The return postcard stated: "Make checks payable to Shelby Township Republican Club." It should be noted that the Shelby Township Republican Club is not registered as a political committee with the Federal Election Commission.

3/ This Commission has consistently held that common law agency-principal rules are normally determinative. Although the term "agent" is defined in 11 CFR 109.1(b)(5) that definition is only applicable in cases involving independent expenditure issues. In all other contexts the normal common law rules of agency-principal relationships govern. Specifically, in Matter Under Review (MUR) 1316 the General Counsel observed as follows:

Because 11 CFR Section 109.1 does not apparently apply to a 2 U.S.C. Section 441h situation, it is necessary to rely upon general agency law to determine whether

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Americans for Reagan and NCCC can be considered to have been an agent of Ronald Reagan at the time the advertisement at issue was aired. See First General Counsel's Report, MUR 1316 at p.3.

4/In the leading case of Dobbs v. Zink, 290 Pa. 243, 138 Atl. 758 (1927), an agent who was expressly authorized to make loans and to collect principal, repeatedly collected principal and remitted it to his principal who received it without objection. At the agent's death it was found that he had also collected principal which he had not accounted for. The principal, arguing that the agent had no express authority to collect principal payments, attempted to treat these unreceived payments as an outstanding obligation of the borrower. The court in giving the principal's argument short shrift observed that agency can be established "by showing either a contract of agency or circumstances to prove implied agency by a course of dealing on the part of the agent in a particular capacity, and recognition of his act by the principal." Dobbs at 759. See, also, Mark Century Corporation v. Tiger Broadcasting Co., 509 S.W.2d 737 (Mo. App. 1974); Motor Transport v. Orval Davis Tire Co., Inc., 585 S.W.2d 195 (Mo. App. 1979).

5/According to the Restatement (Second) Agency Section 27 (1958) "apparent authority to do an act is created as to a third person by written or spoken words or any other conduct of the principal which, reasonably interpreted, causes the third person to believe that the principal consents to have the act done on his behalf by the person purporting to act for him."

6/It should be noted that under federal copyright and trademark law Reagan-Bush '84 is afforded no protection from unauthorized usage of its logo, such as here. Under the Copyright Act of 1976, for instance, short statements or

slogans, such as "Reagan-Bush '84", are not copyrightable. The Regulations promulgated pursuant to the Copyright Act of 1976 provide in pertinent part as follows:

The following are examples of works not subject to copyright...

(a) Words and short phrases such as names, titles, and slogans...

37 CFR 202.1

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Analogously, a campaign committee's name, even if stylized, does not qualify for trademark protection under the Lanham Act of 1946. Under the Lanham Act a name is generally not afforded trademark protection unless that name has been used in interstate commerce in connection with a product or service. Inasmuch as a candidate for federal office is neither a product nor service his committee's name does not qualify for registration.

^{7/} It of course could be argued that Holmes' possession and subsequent mailing of Reagan-Bush '84 brochures, accompanied by her statement that she is a "District Chairman", may be sufficient to clothe Holmes with apparent authority to mail those brochures. Even had Reagan-Bush '84 provided the brochures to Holmes, simple possession of those brochures falls far short of the type evidence required to establish apparent authority to make expenditures on behalf of Reagan-Bush '84. However, in the case sub judice Reagan-Bush '84 did not provide Holmes with the brochures. Quite to the contrary, Reagan-Bush '84 did everything in its power to prevent Holmes from acquiring the brochures in question, and to the best of our knowledge said brochures were not acquired from Reagan-Bush '84. Specifically, on June 8, 1984, someone representing himself as Mr. Holmes from Shelby Township in Michigan telephoned Reagan-Bush '84's national headquarters in Washington, D.C., and asked Aileen Kishaba, an assistant to the Midwestern Regional

Campaign Director, for a large number of campaign brochures.
Ms. Kishaba refused to provide Mr. Holmes with those brochures.
See Affidavit of Aileen Kishaba, attached hereto as Exhibit A
and incorporated.

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AFFIDAVIT OF RUTH STEINBERG

I, Ruth Steinberg, being first duly sworn hereby depose and say:

1. That since November 1983, I have been employed by Reagan-Bush '84, in Washington, D.C., as the Campaign Coordinator for States Expenditures. In my capacity as Campaign Coordinator for States Expenditures, I am responsible for administering the budgets and all expenditures generated or incurred at the state level including payrolls, rents, operating expenses, travel expenses, direct mailing and special events costs, and other miscellaneous expenses. In addition, I am responsible for making certain that expenditure policy guidelines are disseminated to, and followed by, the state and local offices;

2. That pursuant to the Reagan-Bush '84 expenditure policy guidelines, at the state and local levels only the state Reagan-Bush '84 Executive Director, State Chairman, or, in certain cases, their immediate aides are authorized to incur expenditures on behalf of Reagan-Bush '84. Reagan-Bush '84 County Chairmen, for instance, are specifically precluded from incurring expenditures on behalf of Reagan-Bush '84;

3. That a careful review of Reagan-Bush '84 financial records reveals that no expenditure was either authorized or made in connection with the Mary Holmes mailing;

4. That a careful review of Reagan-Bush '84 payroll records reveals that at no time was Mary Holmes a consultant to, employee, or officer of Reagan-Bush '84. Moreover, at no time did Reagan-Bush '84 pay any money, for any purpose, to, or on account of, Mary Holmes.

Ruth Steinberg
RUTH STEINBERG

DISTRICT OF COLUMBIA: ss

Subscribed and sworn before me this 31st day of August, 1984.

Meredith Bennett
Notary Public

SEAL

My Commission Expires: March 14, 1989

85040522506

AFFIDAVIT OF AILEEN KISHABA

I, Aileen Kishaba, being first duly sworn hereby depose and say:

1. That since January 1984, I have been employed by Reagan-Bush '84, in Washington, D.C., as the Special Assistant to Anne Stanley, the Regional Campaign Director for the Midwest Region of the United States; the Midwest Region encompasses seven (7) states, including the State of Michigan;

2. That in my capacity as Special Assistant to the Regional Campaign Director for the Midwest Region I assist in supervising all campaign related activities conducted at the state and local levels, including the dissemination of campaign materials;

3. That the day-to-day campaign activities of Reagan-Bush '84 in Michigan are supervised by an Executive Director and by a State Chairman. Those individuals, acting in concert with officials at the National Headquarters, authorize and oversee the appointment of inferior state officials;

4. That the State of Michigan, for organizational purposes, has been divided into a number of distinct geographical subunits, the smallest of which is either at the county or congressional district level, as the case may be. In the State of Michigan, to the best of my knowledge, geographic regions based on state house of representative districts do not officially exist, and thus, the "26th state house district" is not a geographical subunit of Reagan-Bush '84 in Michigan;

5. That for each of the aforementioned subunits, the Executive Director, State Chairman and individuals at the National Headquarters, appoint a local chairman; Mary Holmes has never been so appointed to any position within Reagan-Bush '84 hierarchy;

6. That county and congressional district chairmen are expressly precluded from incurring, authorizing or making expenditures on behalf of Reagan-Bush '84; all expenditures made within the State of Michigan must be approved at the state and national levels and further, all expenditures are actually made from the National Headquarters in Washington, D.C.;

7. That on June 8, 1984, I received a telephone call from an individual who held himself out to be State Senator Kirby Holmes. Senator Holmes requested that he be supplied with a large quantity of Reagan-Bush '84 brochures, not

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unlike the ones that were eventually mailed by Ms. Holmes. I declined to provide Mr. Holmes with the materials that he requested;

8. That I did not learn of either Mary Holmes' status as a so-called "26th district chairman" or of the Mary Holmes mailing until after the complaint in this matter was filed; and

9. That to the best of my knowledge the mailing in question was neither approved nor authorized by the State Chairman, State Executive Director, or by anyone employed at the National Headquarters, including myself and my superior, Anne Stanley.

Aileen Kishaba
AILEEN KISHABA

DISTRICT OF COLUMBIA: ss

Subscribed and sworn before me this 31st day of August, 1984.

Meredith Bennet
Notary Public
Washington, DC

SEAL

My Commission Expires: March 14, 1989

85040522508





FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 7, 1984

Ronald E. Robertson
Chief Counsel
Reagan-Bush '84
440 First Street, N.W.
Suite 600
Washington, D.C. 20001

Re: MUR 1740

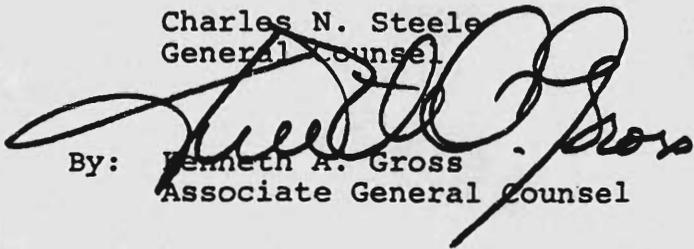
Dear Mr. Robertson:

This is to inform you that the Office of General Counsel has determined to grant you your requested extension until August 31, 1984, in which to submit a response on behalf of Reagan-Bush '84 and its treasurer, in the above referenced matter.

If you have any questions, please direct them to Martha Romney, the staff member assigned to this matter at (202) 523-4000.

Sincerely,

Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel

85040522509

REAGAN-BUSH '84

The President's Authorized Campaign Committee

RECEIVED AT THE FEC
GC# 4261
84 AUG 3 ALL: 56

August 1, 1984

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Kenneth A. Gross, Esq.
Associate General Counsel

Re: MUR 1740

Dear Mr. Gross:

Pursuant to your letter with enclosures dated July 25, 1984, addressed to Angela Buchanan Jackson which was received on July 27, 1984, enclosed please find the Statement of Designation of Counsel of Reagan-Bush '84, signed by Angela Buchanan Jackson, Treasurer, Reagan-Bush '84.

Due to the demands on our time because of the upcoming Republican National Convention, request is hereby made on behalf of Reagan-Bush '84 for a twenty (20) day extension of time beyond the fifteen (15) day deadline for filing the response of Reagan-Bush '84 in the above referenced matter. Based on my calculations, assuming that the requested extension is granted, the deadline for filing the Reagan-Bush '84 response would be August 31, 1984.

Thank you for your attention to this matter.

Best Regards,

Ronald E. Robertson
Ronald E. Robertson
Chief Counsel

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AUG 3 11:20

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P6513213

Ronald E. Robertson

REAGAN-BUSH '84

The President's Authorized Campaign Committee

440 First Street N.W., Washington, D.C. 20001

Paid for by Reagan-Bush '84: Paul Laxalt, Chairman; Angela M. Buchanan-Jackson, Treasurer

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Kenneth A. Gross, Esq.

REAGAN-BUSH '84

The President's Authorized Campaign Committee

GCC#4261

STATEMENT OF DESIGNATION OF COUNSEL

MUR: 1740

TO: Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

NAME OF COUNSEL: Ronald E. Robertson
Robert Charrow

ADDRESS: Reagan-Bush '84
440 First Street, N.W.
Suite 600
Washington, D.C. 20001

TELEPHONE: (202) 383-1979

The above named individuals are hereby designated as counsel for Reagan-Bush '84 and are authorized to receive any notifications and other communications from the Commission and to act on behalf of Reagan-Bush '84 before the Commission.

Date: August 1, 1984

RESPONDENT:
REAGAN-BUSH '84

BY: *Angela Buchanan Jackson*
Angela Buchanan Jackson
Treasurer

440 First Street, N.W.
Washington, D.C. 20001

(202) 383-1970

35040522512

AUG 3 11:20



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Holmes
8430 Pamela
Utica, Michigan 48087

Re: MUR 1740

Dear Ms. Holmes:

This letter is to notify you that on July 16, 1984 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"). A copy of the complaint is enclosed. We have numbered this matter MUR 1740. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against you in 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 completing the enclosed form 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 Marty Romney, the staff member assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

[Handwritten Signature]
By Kenneth A. Gross
Associate General Counsel

85040522514

Enclosures

- 1. Complaint
- 2. Procedures
- 3. Designation of Counsel Statement

PS Form 3811, Dec. 1980

Marty Romney

● **SENDER:** Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one). *08a*

Show to whom and date delivered

Show to whom, date, and address of delivery

2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL _____

3. **ARTICLE ADDRESSED TO:** *Mary Holmes*
8430 Pamela
Utica, Md 48087

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**

REGISTERED INSURED

CERTIFIED COD

EXPRESS MAIL

943261

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent

Mary Holmes

5. **DATE OF DELIVERY** **POSTMARK**

7/25/84 *JUL 28 1984*

6. **ADDRESSEE'S ADDRESS (Only if registered)**

8430 Pamela
Utica, Md

7. **UNABLE TO DELIVER BECAUSE:** **EMPLOYEE'S INITIALS**

7/25/84



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 25, 1984

Mr. Robert C. Brandenburg
17396 Delaware
Utica, Michigan 48087

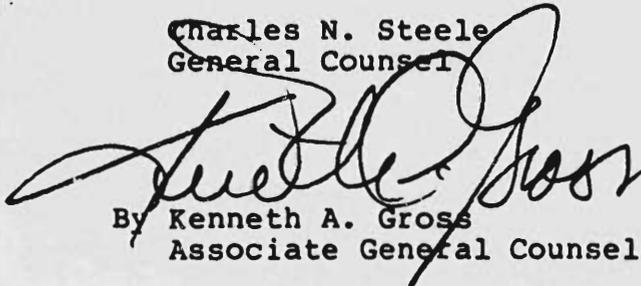
Dear Mr. Brandenburg:

This letter is to acknowledge receipt of your complaint which we received on July 16, 1984, against Mary Holmes 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 five days.

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. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedure for handling complaints. If you have any questions, please contact Barbara Johnson at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel



By Kenneth A. Gross
Associate General Counsel

Enclosure

85040522515



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Angela M. Buchanan-Jackson
Treasurer
Reagan-Bush '84
440 First Street, N.W.
Washington, D.C. 20001

Re: MUR 1740

Dear Ms. Jackson:

This letter is to notify you that on July 16, 1984 the Federal Election Commission received a complaint which alleges that the committee and you, as treasurer, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1740. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against the committee and you, as treasurer, in 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 completing the enclosed form 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 Marty Romney, the staff person assigned to this matter at (202) 523-4000. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

[Handwritten Signature]
By: Kenneth A. Gross
Associate General Counsel

85040522517

Enclosures

- 1. Complaint
- 2. Procedures
- 3. Designation of Counsel Statement

MUR 1740 Romney

PS Form 3871, DATE 1993

© **SENDER:** Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).

Show to whom and date delivered

Show to whom, date, and address of delivery..

2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

2. **ARTICLE ADDRESSED TO:** *Angela M. Buckner*
Treasurer
Regan-Bush '84
440 First St. NW
Wash DC 20001

4. **TYPE OF SERVICE:** REGISTERED INSURED
 CERTIFIED COD
 EXPRESS MAIL

ARTICLE NUMBER
943260

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent
D. A. Purupman

5. **DATE OF DELIVERY**
7-22-84

POSTMARK
MAY 22 1984

6. **ADDRESSEE'S ADDRESS (Only if requested)**
SAMES

7. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S INITIALS**
[Blacked out]

7/25/84

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

RECEIVED AT THE FEC

84 JUL 16 2:45

GCC #4057

MUR 1740

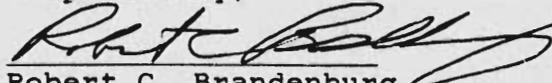
July 14, 1984

Federal Election Commission
1325 K Street
Washington, D.C. 20463

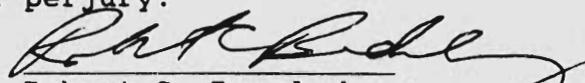
COMPLAINT UNDER 2 USCA 437g
FOR VIOLATION OF 2 USCA 441d

It is respectfully submitted that 2 USCA 441d has been violated. Specifically, enclosed is a copy of a fund raising letter directly mailed throughout the 26th Michigan State Representative District by one candidate, Mary Holmes, 8430 Pamela, Utica, Mi 48087 in a contested primary. It purports to be a fund raising letter for President Reagan's re-election, yet does not appear to comply with subsection (a) of section 441d. I respectfully request your investigation.

Respectfully,


Robert C. Brandenburg
17396 Delaware
Utica, Mi 48087

I swear the above to be true and the attached copies are true copies under penalty of perjury.


Robert C. Brandenburg

Subscribed and sworn to before me
this 13th day of July, 1984.


Helen B. Groh
Notary Public, Macomb County, Michigan
My commission expires Jan. 12, 1987

85040522518

MARY HOLMES

For
State Representative

FOR IMMEDIATE RELEASE

Contact:

Mary Holmes
8430 Pamela
Utica, MI 48087
781-4941, or 254-5960



MARY HOLMES TO RUN FOR REPRESENTATIVE SEAT

A former six year member of the Shelby Township Board of Trustees, and current Chairman of the Township Planning Commission, has announced her intentions to run for the State House of Representatives.

Mary Holmes, a Republican, and 22 year resident of Shelby, will offer the voters a clear choice between herself and Mary Ellen Parrott (D-Shelby) who currently occupies the 26th District seat.

Holmes emphasizes that her stand on the issues "are counter to those of her Democrat opponent", and that as a candidate she will focus on these differences.

"I come from a strong pro-life family and I oppose abortion. I oppose the Blanchard-Parrott 38% income tax increase. I want to spend more on education and less on welfare. I would be more pro-business than Mary Ellen, recognizing that before we have jobs we must first have employers in this state. Michigan business is either going bankrupt, or leaving the state because of the anti-business stand of Mary Ellen Parrott and those like her in Lansing."

Holmes concludes that her election will "send a message to Lansing that their tax and spend policy has to change, and that they can no longer fund their pet projects and raise their salaries on the backs of the taxpayer of our state."

— XXX —

Mary Holmes is Chairman of the 26th District REAGAN-BUSH '84 campaign, and asks that anyone wishing to join her and become involved in a real grass-roots presidential campaign, to please fill out and mail the enclosed postcard.

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8430 Pamela
Utica, MI 48087
Call: 781-4941

Ron and Marcia Herbst
43451 Vinsetta
Sterling Hgts MI 48078

53

MARY
HOLMES For
State Representative

0 2 5 2 2 5 0 4 0 5 8

Bulk R
U.S.P.
P F
Perm
Utica



YES, I WANT TO HELP **Mary Holmes** HELP THE
President!

- I WILL MAKE TELEPHONE CALLS
 I WILL STUFF AND LABEL ENVELOPES
 BUMPER STICKER YARD SIGN
 ENCLOSED IS A CONTRIBUTION OF

\$100 \$50 \$25 \$10

• *Make checks payable to Shelby Township Republican Club.*

(Name - Please Print)

(Address)

(Zip Code)

Telephone No.

8 5 0 4 0 5 2 2 5 2 1

PLACE
STAMP
HERE

REAGAN - BUSH '84

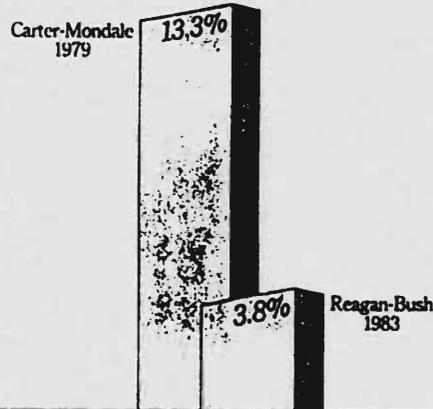
C/O MARY HOLMES, PRESIDENT
SHELBY TOWNSHIP REPUBLICAN CLUB
49680 VAN DYKE
UTICA, MI. 48087

8 5 0 4 0 5 2 2 5 2 2

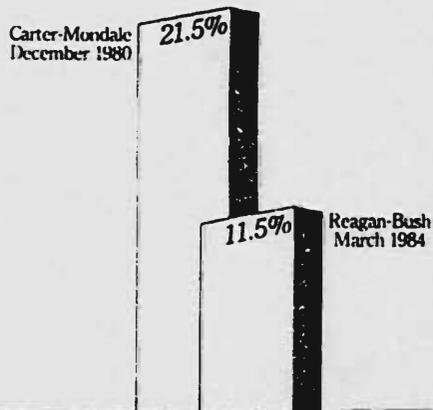
After all our
 struggles to restore
 America, to revive
 confidence in our
 country, hope for our
 future, after all our
 hard-won victories
 and through the
 grace and courage
 of every citizen, we
 do not, must not,
 will not turn
 back. We will finish
 the job."

Ronald Reagan

Inflation



Interest Rates



REAGAN-BUSH '84

Paid for by Reagan-Bush '84: Paul Jaxalt, Chairman;
 Angela M. Buchanan Jackson, Treasurer

**REAGAN
 BUSH '84**

Leadership you can trust!



Where we were

ago, America faced the greatest challenge in our history. Our defenses were dangerously weak. We had suffered a humiliating defeat in Iran, and we had lost the respect of other nations. We lacked leadership. Our elected officials lacked the courage and character of America's past. We were turning our problems to a national "malaise." Government overspending and overtaxing had put the economy in ruins. In the last half of the '70s, the dollar fell; yet, federal spending increased even as the economy rose to over 12 percent in 1980. Interest rates rose over 21 percent. Unemployment rose. Industrial production and workers' earnings fell. The only things going up were prices, inflation, taxes and the size of government.

America is back

...we were ready to begin again. So we elected Ronald Reagan and President George Bush to a more promising future.

...come a long way. We have regained confidence in our institutions and in our leaders. America is back."

Economic recovery

President Reagan announced a plan for economic recovery, and it worked. Real after-tax income rose. Interest rates fell. Inflation fell in half. New homes were being built and consumer spending is up. Four million new jobs last

year, the greatest employment gain in 33 years.

President Reagan's program also conquered inflation—the cruellest tax of all. That crippling, double-digit inflation rate has been cut to 3.8 percent. President Reagan also redirected a broad range of social services to those Americans truly in need.

All Americans are better off now than they were four years ago.

World leadership

America is also back as a world leader. Under President Reagan's leadership, we have rebuilt our national defenses and gained respect among nations with a firm, coherent foreign policy.

The national security of the United States has been strengthened and America has regained its standing as the

leading advocate of peace and freedom in the world.

As President Reagan has said, "We know the tide of the future is a freedom tide, and that America's new strength and sense of purpose will carry hope and opportunity far from our shores."

The unfinished work

President Reagan has challenged us to move forward again, to unite behind four great goals to keep America free, secure and at peace for the '80s:

1. **Ensure steady economic growth:** President Reagan will continue his program of tax relief and steady economic growth.
2. **Develop space, America's next frontier:** President Reagan has proposed the construction of a permanent manned space station.
3. **Strengthen our traditional values:** President Reagan will continue to promote a renaissance in the traditional values of faith, family, work and neighborhood.
4. **Build a meaningful peace:** President Reagan has proposed substantial reductions in nuclear weapons through genuine arms control.

Leadership

The choice is clear. We can return to the failed policies of the past. Or we can move forward together with President Reagan's leadership to build a future in which peace, freedom and prosperity abound, not only for all Americans, but for all peoples.





ROYAL OAK, MI 48063
5 0 9
JUL 18
PM
1984

ROYAL OAK, MI 48063
5 0 9
JUL 18
PM
1984



FIRST CLASS MAIL

4 11: 17 89: 37

BURTON, PARKER & SCHRAMM, P.C.
PATENT AND TRADEMARK LAW
301 VICANT BUILDING
59 NORTH WALNUT STREET
MOUNT CLEMENS, MICHIGAN 48043

Federal Election Commission
1325 K Street
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

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