



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2466

DATE FILMED 3/23/88 CAMERA NO. 3

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

25 March 1987

MEMORANDUM

TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REFERRAL OF THE HOME BUILDERS ASSOCIATION OF
CENTRAL ARIZONA PAC

This is a referral of the Home Builders Association of Central Arizona PAC (the "Committee"). The Committee failed to file the 12 Day Pre-General Report of Receipts and Disbursements by Election Day, November 4, 1986. In addition, the Committee received an apparent excessive contribution of \$6,250 from a person during the 1985 Year End reporting period and a total of \$66,450 in apparent excessive contributions from a person during 1986. The Committee established a non-federal account, and transferred-out \$6,809 of the apparent excessive contributions.

The remaining amount of the apparent excessive contributions has been listed as a debt owed to the non-federal account. According to the 1985-1986 RAD Review and Referral Procedures for Unauthorized Committees (Standards 3 and 5, respectively), further examination is required by your office.

If you have any questions on this matter, please contact Alva E. Smith at 376-2480.

Attachment

23040583602

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 25 March 1987

ANALYST: Alva E. Smith

I. COMMITTEE: Home Builders Association of
Central Arizona PAC
(C00111682)
Richard E. Mettler, Treasurer
4621 N. 16th Street, Suite #118
Phoenix, AZ 85016

II. RELEVANT STATUTE: 2 U.S.C. 434(a)(4)(A)(ii)
11 CFR 104.5(c)(1)(ii)
2 U.S.C. 441a(f)

III. BACKGROUND:

A. Failure to File the 12 Day Pre-General Report by Election Day - 2 U.S.C. 434(a)(4)(A)(ii) and 11 CFR 104.5(c)(1)(ii)

Home Builders Association of Central Arizona PAC (the "Committee") failed to file the 1986 12 Day Pre-General Report of Receipts and Disbursements by Election Day, November 4, 1986.

On September 29, 1986, the Committee was notified that a 12 Day Pre-General Report was due on October 23, 1986 if contributions or expenditures in connection with the general election were made during the period ending October 15, 1986 (Attachment 2).

The 1986 30 Day Post-General Report was filed on November 28, 1986. The report disclosed a \$5,000 contribution to a federal candidate during the October 1, 1986 through October 15, 1986 period, indicating that the 12 Day Pre-General Report should have been filed by October 23, 1986 (Attachment 3).

B. Receipt of Excessive Contributions from a Person - 2 U.S.C. 441a(f)

The Committee received an apparent excessive contribution of \$6,250 from a person in 1985 and a total of \$66,450 in apparent excessive contributions from a person during 1986. Of the total of \$72,700 in apparent excessive

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HOME BUILDERS ASSOCIATION OF
CENTRAL ARIZONA PAC
REPORTS ANALYSIS OGC REFERRAL
PAGE 2

contributions received, the Committee has transferred \$6,809 to a non-federal account, and discloses the remaining amount as a debt owed to the non-federal account.

The Committee's 1985 Year End Report disclosed an \$11,250 contribution received on July 19, 1985 from an apparent partnership, Santa Re Ltd. (Attachment 4). On March 5, 1986 a Request for Additional Information ("RFAI") was sent informing the Committee that contributions from partnerships must be attributed to each person based on their percentage of ownership in the firm or any other accepted formula (Attachment 5).

A Second Notice was sent on March 27, 1986 for failure to respond to the original RFAI (Attachment 6). The Committee responded on April 3, 1986 by providing an amended report and letter (duplicates were received on April 7, 1986). The letter attributed the \$11,250 contribution equally between two partners (Attachment 7).

The Committee's Amended 1986 April Quarterly Report (received July 17, 1986) disclosed a receipt of \$4,250 from Santa Re Ltd. on March 14, 1986 (Attachment 8). The Amended 1986 July Quarterly Report submitted by the Committee (received August 8, 1986) listed a \$27,450 contribution on May 30, 1986 from Don Moon, whose employer was listed as Santa Re Ltd. The aggregate year-to-date total for Don Moon, \$31,700, appeared to include the \$4,250 contribution from Santa Re, Ltd. (Attachment 9).^{1/}

An RFAI for the Amended July Quarterly Report was sent on September 10, 1986 and informed the Committee that the \$4,250 contribution from Santa Re Ltd. appeared to be included in the aggregate year-to-date total for Don Moon (Attachment 10). The RFAI also noted that the Act precluded a committee from receiving contributions from a person in excess of \$5,000 per calendar year and recommended that the amount in excess of \$5,000 be refunded to the contributor or transferred-out, with the donor's consent, to an account not used for federal elections.

On September 22, 1986 the Reports Analysis Division ("RAD") analyst was contacted by Kathy Queen, the Committee's accountant (Attachment 11). Ms. Queen stated that the contributions received from Santa Re Ltd. and Don Moon were one and the same. The RAD analyst suggested that the excessive amount be refunded. Ms. Queen responded by stating that she would look into the matter of making the refund, but in the meantime would amend the

^{1/} These reports and the subsequent RFAI referred to the partnership as Santa Fe Ltd. It appears the correct name is Santa Re Ltd.

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**HOME BUILDERS ASSOCIATION OF
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PAGE 3**

report to disclose the contribution as being from Santa Re Ltd./Don Moon. An Amended July Quarterly Report was received on September 25, 1986 which disclosed the \$27,450 contribution as being made by "DON MOON Santa Re LTD (Don Moon)." The aggregate year-to-date total was listed as \$31,700 (Attachment 12).

After re-reviewing the 1985 Amended Year End Report, an RFAI was sent on October 22, 1986 regarding the \$11,250 excessive contribution from Santa Re Ltd. (Attachments 13 & 14). The RFAI informed the Committee that the Act precluded a committee from receiving contributions from a person in excess of \$5,000 per calendar year, and recommended that the amount in excess of \$5,000 be refunded to the contributor or, with the donor's consent, transferred-out to a non-federal account.

On November 5, 1986 the RAD analyst was contacted by Ms. Kathy Queen (Attachment 15). Ms. Queen explained that the Committee had one account for both federal and non-federal activity, and that the funds received from Santa Re Ltd. were intended for non-federal activity. The RAD analyst suggested that she establish a non-federal account and transfer the excessive amount from Santa Re Ltd. into that account. The RAD analyst also explained that if the Committee does not have sufficient funds to make the transfer, a debt owed to the non-federal account should be disclosed.

A Second Notice was sent on November 13, 1986 for failure to respond to the original RFAI (Attachment 16).

On November 18, 1986, Ms. Queen spoke to another RAD analyst (Attachment 17). Ms. Queen explained that funds were commingled and asked for clarification on how to follow through on suggestions made during the November 5, 1986 conversation. The RAD analyst was unfamiliar with those suggestions and recommended that she speak with the RAD analyst responsible for the Committee.

On November 18 and 20, 1986 the RAD analyst attempted to contact Ms. Queen in order to answer her questions (Attachment 18). Ms. Queen was not in the office, so the RAD analyst left messages for Ms. Queen to return the calls.

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HOME BUILDERS ASSOCIATION OF
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On November 24, 1986 a 1985 Year End Amendment was received (Attachment 19). The response indicated that the Committee was under the impression that if funds received and disbursed for federal candidates were "updated" separately from those for local or state candidates, the monies could be commingled in one account. The response also stated that the Committee had established a non-federal account and transferred its remaining funds, \$6,809, into the account. The Committee provided copies of a check and deposit slips showing that this transfer occurred on November 18, 1986.

Ms. Queen called the RAD analyst on November 26, 1986 and asked if the response to the 1985 Year End RFAI had been received (Attachment 20). The RAD analyst stated that the response had been received, but there was no mention of the establishment of debt owed to the non-federal account for the remainder of the excessive contributions. Ms. Queen stated that the debt will be disclosed on an amended 30 Day Post-General Report. She also wanted to know how the Committee should repay the debt. The RAD analyst suggested sponsoring fundraising events.

The Committee's 1986 October Quarterly Report disclosed a \$29,750 contribution on August 22, 1986 and a \$10,000 contribution on September 29, 1986 from Santa Re Ltd. (Don Moon) (Attachment 21). An RFAI was sent on December 3, 1986 informing the Committee that the Act precluded a committee from receiving contributions from a person in excess of \$5,000 per calendar year and recommended that the amount in excess of \$5,000 be refunded to the contributor or, with the donor's consent, transferred-out to a non-federal account (Attachment 22).

The Committee's Amended 30 Day Post-General Report, received December 8, 1986, disclosed \$6,809 disbursed to establish the non-federal account and a \$72,700 debt owed to the non-federal account (Attachment 23).

The Committee responded to the RFAI regarding the October Quarterly Report on January 12, 1987, by stating that, "We have transfered (sic) all the comingled (sic) funds and set up a debt to the state and local fund." This response included a copy of the Amended 30 Day Post-General Report disclosing the \$6,809 transfer and the \$72,700 debt (Attachment 24). In an Amended 30 Day Post-General Report

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HOME BUILDERS ASSOCIATION OF
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received February 26, 1987, the Committee disclosed the outstanding balance on this debt to be \$65,810 (Attachment 25).^{2/}

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None

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^{2/} There appears to be an \$81 discrepancy in this figure. The RAD analyst calculates the correct amount to be \$65,891.

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FEDERAL ELECTION COMMISSION

DATE 20MAR87

COMMITTED INDEX OF DISCLOSURE DOCUMENTS - (C)

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
				TYPE OF FILER		
HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA PAC				ID #C00111682 NON-PARTY QUALIFIED		
CONNECTED ORGANIZATION: HOME BUILDERS ASS'N CENTRAL ARIZONA						
	1985 MID-YEAR REPORT	23,297	7,374	1JAN85 -30JUN85	9	85FEC/384/0375
	YEAR-END	14,180	30,500	1JUL85 -31DEC85	13	86FEC/399/2401
	YEAR-END - AMENDMENT	14,180	31,500	1JUL85 -31DEC85	16	86FEC/407/0180
	YEAR-END - AMENDMENT	14,180	31,500	1JUL85 -31DEC85	16	86FEC/407/2484
	YEAR-END - AMENDMENT	14,180	30,500	1JUL85 -31DEC85	2	86FEC/418/0957
	YEAR-END - AMENDMENT	-	-	1JUL85 -31DEC85	2	86FEC/429/4427
	YEAR-END - AMENDMENT	-	-	1JUL85 -31DEC85	3	86FEC/444/4619
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1JUL85 -31DEC85	2	86FEC/484/1447
	REQUEST FOR ADDITIONAL INFORMATION 2ND	-	-	1JUL85 -31DEC85	3	86FEC/486/2409
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1JUL85 -31DEC85	3	86FEC/441/2663
	REQUEST FOR ADDITIONAL INFORMATION 2ND	-	-	1JUL85 -31DEC85	4	86FEC/444/1393
1986	APRIL QUARTERLY	11,820	10,450	1JAN86 -15APR86	10	86FEC/411/2647
	APRIL QUARTERLY - AMENDMENT	10,605	10,980	1JAN86 -31MAR86	9	86FEC/422/0584
	APRIL QUARTERLY - AMENDMENT	10,685	10,980	1JAN86 -31MAR86	9	86FEC/432/0574
	APRIL QUARTERLY - AMENDMENT	11,820	10,450	1JAN86 -15APR86	9	86FEC/439/4609
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1JAN86 -31MAR86	1	86FEC/438/1686
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1JAN86 -15APR86	2	86FEC/416/3622
	JULY QUARTERLY	40,910	29,395	1APR86 -30JUN86	24	86FEC/422/2811
	JULY QUARTERLY - AMENDMENT	40,910	29,395	1APR86 -30JUN86	24	86FEC/423/2583
	JULY QUARTERLY - AMENDMENT	40,910	29,395	1APR86 -30JUN86	25	86FEC/427/3192
	JULY QUARTERLY - AMENDMENT	40,910	29,395	1APR86 -30JUN86	25	86FEC/432/0549
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1APR86 -30JUN86	5	86FEC/438/1706
	OCTOBER QUARTERLY	42,177	43,342	1JUL86 -30SEP86	11	86FEC/433/5422
	OCTOBER QUARTERLY - AMENDMENT	42,177	43,342	1JUL86 -30SEP86	3	86FEC/437/1038
	OCTOBER QUARTERLY - AMENDMENT	-	-	1JUL86 -30SEP86	1	87FEC/463/0820
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1JUL86 -30SEP86	3	86FEC/446/3873
	REQUEST FOR ADDITIONAL INFORMATION 2ND	-	-	1JUL86 -30SEP86	4	86FEC/452/0635
	POST-GENERAL	28	14,459	1OCT86 -24NOV86	7	86FEC/445/2016
	POST-GENERAL - AMENDMENT	28	14,459	1OCT86 -24NOV86	8	86FEC/448/3284
	POST-GENERAL - AMENDMENT	28	14,459	1OCT86 -24NOV86	10	87FEC/453/4490
	POST-GENERAL - AMENDMENT	28	14,459	1OCT86 -24NOV86	8	87FEC/461/3896
	REQUEST FOR ADDITIONAL INFORMATION	-	-	1OCT86 -24NOV86	1	87FEC/461/0522
	YEAR-END	-	-	25NOV86 -31DEC86	4	87FEC/461/1888
	YEAR-END - AMENDMENT	-	-	25NOV86 -31DEC86	5	87FEC/461/3891
	YEAR-END - AMENDMENT	-	-	25NOV86 -31DEC86	4	87FEC/462/4703
	1'ST LETTER INFORMATIONAL NOTICE	-	-	25NOV86 -31DEC86	1	87FEC/462/2607
	TOTAL	132,412	0 135,520 0		286	TOTAL PAGES

All reports have been reviewed.
Debts owed to the Committee: \$0

Ending cash balance as of 12/31/86: \$0
Debts owed by the Committee: \$65,891 *

*/ This figure was calculated by the RAD analyst. The Committee discloses this amount to be \$65,810 as the result of a mathematical discrepancy on Schedule D of its reports.

EXHIBIT 1

GENERAL ELECTION REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS

September 29, 1986

WHO MUST FILE THE PRE-GENERAL ELECTION REPORT

ALL COMMITTEES that file monthly reports must file the pre-general election report due October 23, 1986.

All **COMMITTEES** that file quarterly that have made contributions or expenditures (including independent expenditures and coordinated party expenditures) in connection with the general election must file a pre-election report, if such activity has not previously been reported. See below for post-general filing information.

WHAT MUST BE REPORTED

Quarterly filers must disclose all financial activity from the close of books of the last report, or from the date of registration* (whichever is later), through October 15, 1986. (Monthly filers must disclose all financial activity from October 1 or from the date of registration* (whichever is later), through October 15, 1986.) For more detailed instructions, consult your campaign guide.

WHEN TO FILE

Pre-general election reports sent registered or certified mail must be postmarked no later than midnight October 20, 1986. Reports hand delivered or mailed first class must be received no later than close of business October 23, 1986.

WHO MUST FILE THE POST-GENERAL ELECTION REPORT

ALL COMMITTEES must file the post-general election report due December 4, 1986, regardless of election activity.

WHAT MUST BE REPORTED

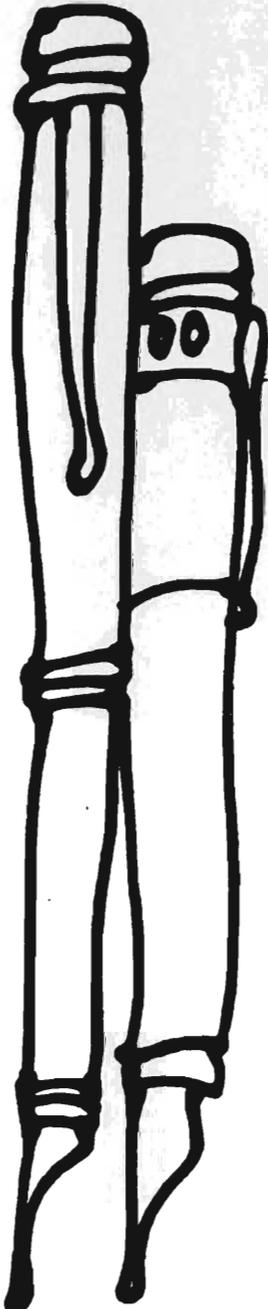
The report must disclose all financial activity from the close of books of the last report, or the date of registration* (whichever is later), through November 24, 1986.

WHEN TO FILE

Post-general election reports sent by registered or certified mail must be postmarked no later than midnight December 4, 1986. Reports hand delivered or mailed first class must be received no later than close of business December 4, 1986.

*The first report filed by a committee shall include all amounts received or disbursed prior to becoming a political committee, even if such amounts were not received or disbursed during the current reporting period. See 11 CFR 104.3(a) and (b).

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QUARTERLY FILERS

<u>Name of Report</u>	<u>Period Covered</u>	<u>Reg./Cert. Mailing Date</u>	<u>Filing Date</u>
Oct. Quarterly	07/01 ^{1/} - 09/30	10/15/86	10/15/86
Pre-General	10/01 - 10/15	10/20/86	10/23/86
Post-General ^{2/}	10/16 - 11/24	12/04/86*	12/04/86*
Year-End	11/25 - 12/31	01/31/87	01/31/87

MONTHLY FILERS

<u>Name of Report</u>	<u>Period Covered</u>	<u>Reg./Cert. Mailing Date</u>	<u>Filing Date</u>
Oct. Monthly	09/01 ^{1/} - 09/30	10/20/86	10/20/86
Pre-General	10/01 - 10/15	10/20/86	10/23/86
Post-General	10/16 - 11/24	12/04/86*	12/04/86*
Year-End	11/25 - 12/31	01/31/87	01/31/87

*Follow these dates for mailing and filing the post-general report. Disregard dates shown on the October Quarterly Report Notice dated September 19, 1986.

INDEPENDENT EXPENDITURES

Any independent expenditure aggregating \$1,000 or more and made between 2 and 20 days before an election must be reported within 24 hours after the expenditure is made. See 11 CFR 104.4(c)(2) and (3) for information concerning where to file.

WHERE AND HOW TO FILE

Committees should consult the instructions on the enclosed FEC Form 3X, for details.

COMPLIANCE

Political committees are fully liable for failure to file any report required under the Act. Failure to file in a timely fashion is also a serious violation. Offending committees are subject to enforcement action. Committees must also submit legible reports which can be clearly reproduced. Illegible reports and reports submitted on non-FEC forms will not be accepted, and committees filing such documents will be required to refile.

^{1/}Or from date of registration, or the close of books of the last report filed, whichever is later.

^{2/}Reports filed by committees that did not file the pre-general election report should cover all financial activity from the closing date of the last report or from the date of registration (whichever is later), through November 24, 1986. See the footnote on the reverse side.

FOR INFORMATION CALL: Information Services Division
800/424-9530 or 202/376-3120

89040583610

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

RECEIVED AT THE FEC

(Summary Page)

06 NOV 20 PM: 53

1. Name of Committee (In Full)
HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA POLITICAL ACTION COMMITTEE

Address (Number and Street)
4621 N 16th STREET, SUITE A-118

City, State and ZIP Code
PHOENIX, ARIZONA 85016

Check here if address is different than previously reported

2. FEC Identification Number

3. This committee qualified as a multicandidate committee during the Reporting Period on _____

4. TYPE OF REPORT (Check appropriate boxes)

(a) April 15 Quarterly Report October 15 Quarterly Report
 July 15 Quarterly Report January 31 Year End Report
 July 31 Mid Year Report (Non Election Year Only)
 Monthly Report for _____
 Twelfth day report preceding _____ (Type of Statement election on _____ in the State of _____)

Thirtieth day report following the General Election on **NOV. 4, 1986** in the State of **ARIZONA**

Termination Report

(b) Is this Report an Amendment?
 YES NO

SUMMARY

5. Covering Period 10/1/86 through 11/24/86

6 (a) Cash on hand January 1, 19 86

(b) Cash on Hand at Beginning of Reporting Period

(c) Total Receipts (from Line 1b)

(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)

7 Total Disbursements (from Line 2b)

8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))

9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)

10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6 (a)		\$ 4,376.04
6 (b)	\$14,431.00	
6 (c)	\$ 28.00	\$ 92,800.25
6 (d)	\$ 14,459.00	\$ 98,176.29
7	\$14,459.00	\$ 98,176.29
8	\$ -	\$ -
9	\$	
10	\$	

NOTE: If you have explained the Report and its contents to the best of your knowledge and belief, it is true, correct and complete.

Type or Print Name of Treasurer

 Signature of Treasurer

Date

For further information contact
 Federal Election Commission
 550 E Street, NW
 Washington, DC 20463
 Tel. Fax 202-426-6100
 Local 202-576-3129

NOTE: Submitting false or misleading information may subject the person signing this report to the penalties of 2 U.S.C. § 6312.

All previous versions of FEC FORM 2 and FEC FORM 2a are obsolete and should no longer be used.

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**DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FPC FORM 300)**

Name of Committee or Club		Period Ending on or before	
HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA		From: <u>10/1/86</u>	To: <u>11/24/86</u>
		COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
I. RECEIPTS			
11. CONTRIBUTIONS (other than loans) FROM:			
(a) Individuals/Persons Other Than Political Committees	28.00	91,261.00	11(a)
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other than loans) (Add 11(a), 11(b) and 11(c))	28.00	91,261.00	11(d)
12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES			12
13. ALL LOANS RECEIVED			13
14. LOAN REPAYMENTS RECEIVED			14
15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)			15
16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)		2,539.25	17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	28.00	93,800.25	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES		2,057.29	19
20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES			20
21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES	5,000.00	16,500.00	21
22. INDEPENDENT EXPENDITURES (Use Schedule E)			22
23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. § 441 et al) (Use Schedule F)			23
24. LOAN REPAYMENTS MADE			24
25. LOANS MADE			25
26. REFUNDS OF CONTRIBUTIONS TO			
(a) Individuals/Persons Other Than Political Committees			26(a)
(b) Political Party Committees			26(b)
(c) Other Political Committees			26(c)
(d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c))			26(d)
27. OTHER DISBURSEMENTS	9459.00	79,619.00	27
28. TOTAL DISBURSEMENTS (Add Lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	14,459.00	99,176.29	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	28.00	93,800.25	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	28.00	93,800.25	31
32. TOTAL OPERATING EXPENDITURES from Line 19		2,057.29	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)		2,057.29	34

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SCHEDULE B ITEMIZED DISBURSEMENTS
 1986 30 Day Post-General Report

333

Use spaces established for each category of the Detailed Summary Page

LINE	OF
FOR LINE NUMBER	21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA POLITICAL ACTION COMMITTEE

3533440.53833313

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
JOHN KYLE FOR CONGRESS 815 E CAMELBACK SUITE 109 PHOENIX, AZ 85014	ELECTION Disbursement for: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	10/1/86	5,000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)	5,000.00
TOTAL This Period (last page this line number only)	5,000.00

SCHEDULE A

ITEMIZED RECEIPTS

Page 2 of 2 for
 1985 Schedule A
 This schedule is attached to your
 copy of the 1985
 Summary Page

1985 Year End Report

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for
 common purposes, other than using the name and address of any political committee to solicit contributions from such committee

Name of Committee (in Full)
Home Builders Association of Central Arizona Political Action Committee

A. Full Name, Mailing Address and ZIP Code 18555 N 19th Avenue P O Box 9138 Phoenix, Az 85068-9138		Name of Employer Member	Date (month, day, year) 7/19/85	Amount of Each Receipt This Period 11,250.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) General Fund		Occupation	Aggregate Year-to-Date-\$	
B. Full Name, Mailing Address and ZIP Code Daniel A Robledo, Sr. 3306 West Palo Verde Dr Phoenix, Az 85017		Name of Employer Picco Co	Date (month, day, year) 12/31/85	Amount of Each Receipt This Period 100.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) General Fund		Occupation	Aggregate Year-to-Date-\$	
C. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation	Aggregate Year-to-Date-\$	
D. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation	Aggregate Year-to-Date-\$	
E. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation	Aggregate Year-to-Date-\$	
F. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation	Aggregate Year-to-Date-\$	
G. Full Name, Mailing Address and ZIP Code		Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Occupation	Aggregate Year-to-Date-\$	
SUBTOTAL of Receipts This Page (optional)				11,350.00
TOTAL This Period (last page this line number only)				14,180.00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RG-2

MAR 5 1986

Richard E. Nettler, Treasurer
Home Builders Association of Central
Arizona Political Action Committee
4621 North 16th Street, Suite 118
Phoenix, AZ 85016

Identification Number: C00111682

Reference: Year End Report (7/1/85-12/31/85)

Dear Mr. Nettler:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The identification of each contributor, including the person's occupation and name of employer, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11a for each entry lacking a contributor's occupation.

Note: If your committee has made at least one effort per solicitation, either by a written request or by an oral request documented in writing to obtain this information from the contributor, your committee may have exercised "best efforts." If you believe that your committee satisfies the "best efforts" provision, you should provide a copy of your solicitation or an explanation of the method(s) used to obtain contribution information. 11 CFR 104.3(a)(4)(i) and 104.7.

-On Schedule A supporting Line 11a of the Detailed Summary Page, your report disclosed contributions from individuals which omit the aggregate year-to-date totals. Please amend your report by supplying the information. 11 CFR 104.3(a)(4)(i).

-Please amend Schedule B supporting Line 21 by providing the address and office sought including state and congressional district, if applicable, for each contribution made to a Federal candidate or political committee. 11 CFR 104.3(b)(3)(ii) and (v).

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-Line 21 of the Detailed Summary Page of your report discloses a total of \$30,500 in contributions to federal candidates and other political committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$31,350. Please amend your report to clarify the discrepancy.

-You have received a contribution from Sun State Laundries & Santa Re Ltd., which appears to be an unincorporated proprietorship or partnership. Generally, these types of contributions are to be attributed to each person based on their percentage ownership in the firm, however, any other accepted formula may be used. Each person who has contributed in excess of \$200 since January 1 should be identified by name, address, occupation, name of employer, amount of contribution, and aggregate total on Schedule A. 11 CFR 110.1(e).

If your committee has made at least one effort per solicitation, either by a written request or by an oral request documented in writing to obtain this information from the contributors, your committee may have exercised "best efforts." If you believe that your committee satisfies the "best efforts" provision, you should provide a copy of your solicitation or an explanation of the method(s) used to obtain contributor information. 11 CFR 104.3(a)(4)(i) and 11 CFR 104.7.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Alva E. Smith
Reports Analyst
Reports Analysis Division

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

EQ-3

March 27, 1986

Richard E. Nettler, Treasurer
Home Builders Association of
Central Arizona Political
Action Committee
4621 North 16th St., Ste. 118
Phoenix, AZ 85016

Identification Number: C00111682

Reference: Year-End Report (7/1/85-12/31/85)

Dear Mr. Nettler:

This letter is to inform you that as of March 26, 1986, the Commission has not received your response to our request for additional information, dated March 5, 1986. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Alva Smith on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

3 3 0 4 0 5 8 3 6 1 7
3 6 7 3 4 0 5 3 4 0 7

1985 Year End Amendment (rec'd 4/3/86)

March 13, 1986

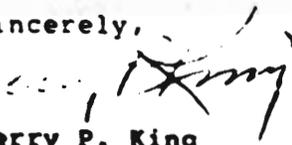
Mr. Richard E. Nettler
Homebuilders Association of
Central Arizona
4620 N. 16th Street, Suite 118
Phoenix, AZ 85016

Dear Mr. Nettler:

Pursuant to section 104.8 (D), Title 11, CFR and section 10.1, Title 11, CFR, contributions made to date to HACA by Santa Re Ltd, should be apportioned 50% each as follows: Contributing partners of Santa Re Ltd. are the King Family Trust and the Parents Irrevocable Trust. All contributions should be apportioned equally to the following members of the two above-entitled trust: Jerome P. King
Byron Lacey

Please do not hesitate to call should you have any questions or comments.

Sincerely,


Jerry P. King

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Part 2 of 2 for
Line 10000
(See instructions for each
category of the General
Summary Page)

SCHEDULE A

ITEMIZED RECEIPTS

Any information reported from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for
conversion of business, other than using the name and address of any individual committee to solicit contributions from such committee

Name of Committee (or Fund)

Phoenix Builders Association of Central Arizona Political Action Committee

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Eagle Bldg. Ltd 10551 N 1st Avenue P O Box 9158 Phoenix, Az 85068-9158	CONTRACTING Contracting	7/19/85	11,250.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) General Fund	Aggregate Year-to-Date-\$ 11,250.00		
B. Full Name, Mailing Address and ZIP Code Daniel A Robledo, Sr. 3306 Wet Palo Verde Dr Phoenix, Az 85017	Name of Employer Title Co	Date (month, day, year) 12/31/85	Amount of Each Receipt This Period 100.00
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) General Fund	Occupation Sales Aggregate Year-to-Date-\$ 100.00		
C. Full Name, Mailing Address and ZIP Code S S	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Aggregate Year-to-Date-\$		
D. Full Name, Mailing Address and ZIP Code 7 0	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Aggregate Year-to-Date-\$		
E. Full Name, Mailing Address and ZIP Code 6 0	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Aggregate Year-to-Date-\$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Aggregate Year-to-Date-\$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer Occupation	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify)	Aggregate Year-to-Date-\$		
SUBTOTAL of Receipts This Page (optional)			11,350.00
TOTAL This Period (last page this line number only)			14,160.00

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SCHEDULE A

ITEMIZED RECEIPTS

Amended April Quarterly Report (Rec'd 7/17/86)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Home Builders Association of Central Arizona Political Action Committee

86034220330

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Dave Cornwall 5110 N. 40th St. #232 Phoenix, AZ. 85018	Hancock Investments Inc.	2/28/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Salesperson Aggregate Year-to-Date-\$ 100.00		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Gerald D. Haarer 4820 S. Mill Ave. #203 Tempe, AZ 85282	UDC Homes	2/28/86	150.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Manager Aggregate Year-to-Date-\$ 150.00		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Wayne H. Corbridge 4820 S. Mill Ave. #203 Tempe, AZ 8528	UDC Homes	2/28/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Manager Aggregate Year-to-Date-\$		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
James P. Bird 5460 Desert Jewel Dr. Scottsdale, AZ. 85253	Bird Dev.	2/28/86	85.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Builder Aggregate Year-to-Date-\$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Ronald J. Haarer 15650 N. Black Canyon Phoenix, AZ 85023	Estes Homes	2/28/86	1000.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Manager Aggregate Year-to-Date-\$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Dan Rabledo 1400 E. Southern #600 Tempe, AZ 85282	General Homes	1/28/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Manager Aggregate Year-to-Date-\$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Santa Re Ltd. 4041 N Central Ave. Ste. 2001 Phoenix, AZ 85012	Santa Re Ltd.	3/14/86	4250.0
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify): General Fund	Occupation Builder Aggregate Year-to-Date-\$		
SUBTOTAL of Receipts This Page (optional)			5785.00
TOTAL This Period (last page this line number only)			

1986 July Quarterly Amendment
(rec'd 8/18/86)

This form is to be used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

HOMEBUILDERS ASSOCIATION OF CENTRAL ARIZONA POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code

DANIEL R LEWIS
2702 N 44th ST 0207B
PHOENIX, AZ 85008

Name of Employer

GLOBAL VILLAGE CORP

Date (month, day, year)
5/28/86

Amount of Each Receipt this Period
28.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

B. Full Name, Mailing Address and ZIP Code

DON NOON
4041 N CENTRAL AVE 02001
PHOENIX, AZ 85012

Name of Employer

SANTA FE LTD

Date (month, day, year)
5/30/86

Amount of Each Receipt this Period
27450.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0 31700.00

C. Full Name, Mailing Address and ZIP Code

HOWARD J PAYNTER
4820 S MILL AVE
TEMPE, AZ 85282

Name of Employer

UDC HOMES

Date (month, day, year)
5/8/86

Amount of Each Receipt this Period
100.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

D. Full Name, Mailing Address and ZIP Code

BUD CLIFFORD
3030 N CENTRAL AVE
PHOENIX, AZ 85012

Name of Employer

US LIFE TITLE

Date (month, day, year)
5/23/86

Amount of Each Receipt this Period
28.00

Occupation
TITLE CO.

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

E. Full Name, Mailing Address and ZIP Code

DALE BAILEY
4820 S MILL AVE
TEMPE, AZ 85282

Name of Employer

UDC HOMES

Date (month, day, year)
6/10/86

Amount of Each Receipt this Period
100.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

F. Full Name, Mailing Address and ZIP Code

VINCENT M HUNTER
4820 S MILL AVE
TEMPE, AZ 85282

Name of Employer

UDC HOMES

Date (month, day, year)
5/8/86

Amount of Each Receipt this Period
100.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

G. Full Name, Mailing Address and ZIP Code

R C MOORE
4203 E INDIAN SCHOOL RD 0120
PHOENIX, AZ 85018

Name of Employer

R C MOORE

Date (month, day, year)
6/24/86

Amount of Each Receipt this Period
250.00

Occupation
BUILDER

Receipt For: Primary General
 Other (specify): GENERAL FUND

Aggregate Year-to-Date > 0

SUBTOTAL of Receipts This Page (optional)

28056.00

TOTAL This Period (last page this line number only)

38371.00



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

80-2

SEP 10 1986

Richard E. Nettler, Treasurer
Home Builders Association of
Central Arizona Political
Action Committee
4621 W. 16th Street
Suite 118
Phoenix, AZ 85016

Identification Number: C00111682

Reference: Amended July Quarterly Report (4/1/86-6/30/86) Dated
(8/13/86)

Dear Mr. Nettler:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The beginning cash balance of this report should equal the ending balance of your Amended April Quarterly report. Please clarify this discrepancy and amend any subsequent report(s) which may be affected by this correction.

-Your calculations for Column B on the Summary and Detailed Summary Pages appear to be incorrect. Also be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B total.

-Line 21 of the Detailed Summary Page of your report discloses a total of \$28,925.00 in contributions to federal candidates. The sum of the entries itemized on Schedule B, however, indicates the total to be \$28,775.00. Please amend your report to clarify the discrepancy.

-The identification of each contributor, including the person's occupation and name of employer, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11a for each entry lacking a contributor's occupation and name of employer.

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Note: If your committee has made at least one effort per solicitation, either by a written request or by an oral request documented in writing to obtain this information from the contributor, your committee may have exercised "best efforts." If you believe that your committee satisfies the "best efforts" provision, you should provide a copy of your solicitation or an explanation of the method(s) used to obtain contribution information. 11 CFR 104.3(a)(4)(i) and 104.7.

-On Schedule A supporting Line 11a of the Detailed Summary Page, your report disclosed contributions from individuals which omit the aggregate year-to-date totals. Please amend your report by supplying the information. 11 CFR 104.3(a)(4)(i).

-Schedule A of your Amended April Quarterly Report (pertinent portion attached) discloses a \$4,250 contribution from Santa Fe Ltd. Schedule A of your amended July Quarterly Report (pertinent portion attached) discloses a \$27,450 contribution from Don Moon whose name of employer is listed as Santa Fe Ltd. The aggregate year-to-date total for Don Moon appears to include the \$4,250 contribution from Santa Fe Ltd. The Act precludes a committee from receiving contributions from a person in excess of \$5,000 per calendar year. (2 U.S.C. §461a(f)) For your information, a partnership is included in the definition of "person" under 2 U.S.C. §431(l). If you have received a contribution that exceeds the limits, the Commission recommends that you refund the amount in excess of \$5,000 to the donor in accordance with 11 CFR 103.3(b). If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor of your intent and provide the contributor with the option of receiving a refund. Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In addition, the disbursement of the amount in excess should be disclosed on a supporting Schedule B for Line 26 or 27 of your next report.

If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps concerning the acceptance of an excessive

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contribution(s), your prompt refund or transfer-out of the excessive amount will be taken into consideration.

For future reporting, please be advised that contributions to Federal candidates and political committees should be itemized on a separate Schedule B supporting Line 21 of the Detailed Summary Page. Contributions to non-Federal candidates and committees should be itemized on Schedule B supporting Line 27.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Alva E. Smith

Alva E. Smith
Reports Analyst
Reports Analysis Division

98040583524
104571703

ANALYST: Alva E. Smith

CONVERSATION WITH: Kathy Queen, Accountant

COMMITTEE: Home Builders Association of Central Arizona Political
Action Committee (602) 956-4932

DATE: September 22, 1986

SUBJECT(S): RFAI

Ms. Queen and I discussed the problems listed in the RFAI for the July Quarterly Report. As a result of discussing the possible cash discrepancies, I discovered the cause of the problem (a change in the coverage dates for the April Quarterly Report subsequently changed the order of reports listed on the index) and explained that an amendment wasn't necessary

Ms. Queen explained that the contributions received from Santa Re Ltd. and Don Moon were one and the same. I then stated that the contributions are excessive and the amount over \$5,000 must be refunded. She stated that she will look into the matter of making the refund, but in the meantime, she will amend the report to disclose the contributions as being from Santa Re Ltd/Don Moon.

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SCHEDULE A **ITEMIZED RECEIPTS** (Rec'd
1986 Amended July Quarterly Report 9/25/86)

By each employer of the
Contributing Party

PAGE NUMBER

11

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

BONEBUILDERS ASSOCIATION OF CENTRAL ARIZONA POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
DANIEL R LEWIS 2702 N 44th ST #207B PHOENIX, AZ 85008	GLOBAL VILLAGE CORP	5/28/86	28.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 28.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
DON MOON Santa Fe LTD (Don Moon) 4041 N CENTRAL AVE #2001 PHOENIX, AZ 85012	SANTA FE LTD	5/30/86	27450.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 31700.00	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
HOWARD J PAYNTER 4820 S HILL AVE TEMPE, AZ 85282	UDC HOMES	5/8/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 100.00	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
BUD CLIFFORD 3030 N CENTRAL AVE PHOENIX, AZ 85012	US LIFE TITLE	5/23/86	28.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation TITLE CO.	Aggregate Year-to-Date > \$ 28.00	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
DALE BAILEY 4820 S HILL AVE TEMPE, AZ 85282	UDC HOMES	6/10/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 100.00	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
VINCENT M HUNTER 4820 S HILL AVE TEMPE, AZ 85282	UDC HOMES	5/8/86	100.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 100.00	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
R C MOORE 4203 E INDIAN SCHOOL RD #120 PHOENIX, AZ 85018	R C MOORE	6/24/86	250.00
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify): GENERAL FUND	Occupation BUILDER	Aggregate Year-to-Date > \$ 250.00	

SUBTOTAL of Receipts This Page (optional)

28056.00

TOTAL This Period (last page this line number only)

38371.00

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Amended 1985 Year End Report (Rec'd 4/7/86)

March 13, 1986

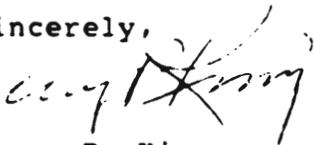
Mr. Richard E. Mettler
Homebuilders Association of
Central Arizona
4620 N. 16th Street, Suite 118
Phoenix, AZ 85016

Dear Mr. Mettler:

Pursuant to section 104.8 (D), Title 11, CFR and section 10.1,
Title 11, CFR, contributions made to date to HACA by Santa Re
Ltd, should be apportioned 50% each as follows: Contributing
partners of Santa Re Ltd. are the King Family Trust and the
Parents Irrevocable Trust. All contributions should be
apportioned equally to the following members of the two above-
entitled trust: Jerome P. King
Byron Lacey

Please do not hesitate to call should you have any questions or
comments.

Sincerely,



Jerry P. King

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Any information contained from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Home Builders Association of Central Arizona Political Action Committee

A. Full Name, Mailing Address and ZIP Code Santa Re, Ltd 10651 N 21st Avenue P O Box 9158 Phoenix, Az 85068-9158	Name of Employer CONTRACTING	Date (month, day, year)	Amount of Each Receipt this Period
	Occupation Contracting	7/19/85	11,250.00
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) General Fund Aggregate Year-to-Date-\$ 11,200.00		

B. Full Name, Mailing Address and ZIP Code Daniel A Robledo, Sr. 3306 Wst Palo Verde Dr Phoenix, Az 85017	Name of Employer Title Co	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation Sales	12/31/85	100.00
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) General Fund Aggregate Year-to-Date-\$ 100.00		

C. Full Name, Mailing Address and ZIP Code [Blank]	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

D. Full Name, Mailing Address and ZIP Code [Blank]	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

E. Full Name, Mailing Address and ZIP Code [Blank]	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

F. Full Name, Mailing Address and ZIP Code [Blank]	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

G. Full Name, Mailing Address and ZIP Code [Blank]	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	Occupation		
	Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

SUBTOTAL of Receipts This Page (optional) **11,350.00**

TOTAL This Period (last page this line number only) **14,180.00**



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

80-2

OCT 22 1986

Richard E. Nettler, Treasurer
Home Builders Association of
Central Arizona Political
Action Committee
4621 N. 16th Street
Suite #118
Phoenix, AZ 85016

Identification Number: C00111682

Reference: Amended Year End Report (7/1/85-12/31/85) File #
(4/7/86)

Dear Mr. Nettler:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a committee from receiving contributions from a person in excess of \$5,000 per calendar year. (2 U.S.C. 5441a(f)) For your information, a partnership is included in the definition of "person" under 2 U.S.C. 5431(11). If you have received a contribution that exceeds the limits, the Commission recommends that you refund the amount in excess of \$5,000 to the donor in accordance with 11 CFR 103.3(b). If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor of your intent and provide the contributor with the option of receiving a refund. Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In addition, the disbursement of the amount in excess should be disclosed on a supporting Schedule B for Line 26 or 27 of your next report.

If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps concerning the acceptance of an excessive

contribution(s), your prompt refund or transfer-out of the excessive amount will be taken into consideration.] AS

-Line 21 of the Detailed Summary Page of your report discloses a total of \$31,300 in contributions to federal candidates and other political committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$31,350. Please amend your report to clarify the discrepancy.

-For future reporting, please be advised that contributions to Federal candidates and political committees should be itemized on a separate Schedule B supporting Line 21 of the Detailed Summary Page. Contributions to non-Federal candidates and committees should be itemized on Schedule B supporting Line 27.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Alva E. Smith
Reports Analyst
Reports Analysis Division

89040583430
36 141397

ANALYST Alva E. Smith

CONVERSATION WITH: Kathy Queen

COMMITTEE: Home Builders Association of Central Arizona PAC

DATE: 11/5/86

SUBJECT(S): 1985 441(a) violation

Ms. Queen called in response to the 1985 Year End RFAI. She explained that Home Builders has one account for both federal and non-federal activity. The funds received from Santa Re were intended for local elections. I explained the options under 11 CFR 102.5 and then suggested that she establish a second account for non-federal activity. I also suggested that the excessive amount received from Santa Re be transferred into the second account. If, however, the funds are not available to transfer, the Committee should disclose a debt owed to the non-federal account until the debt is repaid.

99040583631



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

EQ-3

November 13, 1986

Richard B. Kettler, Treasurer
Home Builders Association of
Central Arizona Political
Action Committee
4621 N. 16th Street
Suite #118
Phoenix, AZ 85016

Identification Number: C00111e02

Reference: Amended Year End Report (7/1/85-12/31/85) Filed
(4/7/86)

Dear Mr. Kettler:

This letter is to inform you that as of November 12, 1986, the Commission has not received your response to our request for additional information, dated October 22, 1986. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Alva E. Smith on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

1009 740583632

TELECON

ANALYST: Tony Raymond

ATTACHMENT 17

CONVERSATION WITH: Kathy Queen

COMMITTEE: Home Builders Association of Central Arizona PAC

DATE: 11/18/86

SUBJECT(S): Response to an RFAI

Ms. Queen called to ask about a reporting problem concerning her committee. Ms. Queen stated that she had received an RFAI from Alva Smith questioning possible receipt of prohibited funds. The committee representative stated that she had spoken to Alva earlier about this topic and was unsure as to how to proceed with Alva's direction in reporting the problem. Ms. Queen told me that the PAC had commingled Federal and non-Federal funds in one account and had made expenditures to both Federal and non-Federal elections. She said that approximately \$71,000 had been spent on non-Federal elections and \$10,000-\$11,000 was contributed to Federal candidates. Ms. Queen acknowledged that a violation had occurred, that she intended to set up a separate non-Federal account and would transfer the remaining \$1,400 in the Federal account to the new account.

Ms. Queen stated that she had spoken to Alva concerning the new account but did not understand the RAD analyst's directions to begin reporting a debt owed to the non-Federal account for the amount of impermissible funds which were commingled in the Federal account.

I told Ms. Queen that I was unfamiliar with the approach that Alva had suggested, that I would speak to Alva concerning this conversation and that I would have Alva contact her to discuss the specifics.

99040683633

TELECON

ATTACHMENT 18

ANALYST: Alva E. Smith

CONVERSATION WITH: Richard Mettler

COMMITTEE: Home Builders Association of Central Az., PAC

DATE: November 18 and 20, 1986

SUBJECT(S): Excessive contributions

I called Ms. Queen to discuss the conversation she had with Mr. Raymond. Mr. Mettler explained that she was unavailable. I left a message for her to return the call.

88040583634



Home Builders Association of Central Arizona

4621 North 16th Street, Suite A-118,
Phoenix, Arizona 85016
Telephone: 274-6545

RECEIVED AT THE FEC

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ATTACHMENT 19 page 1 of 2

November 18, 1986

1985 Amended Year End
Report

Ms. Alva E. Smith
Federal Election Committee
999 E. Street N.W.
Washington, D.C. 20463

(rec'd 11/24/86)

Dear Ms. Smith:

We had previously been under the mistaken impression that if we updated the funds received and disbursed for federal candidates separately from those for local or state candidates we, could have the fund comingled in one account.

Upon further conversations with you, we now understand these funds must be in a separate account and only funds received and disbursed for federal candidates are reported to the Commission. We further understand that amounts that were received and placed in the comingled account must be transferred out to another account.

As funds have come in, they have been placed in this comingled account, then distributed to state and local candidates. For the years ending December 31, 1985, we received from Santa Re, LTD. (Don Moon) \$11,250.00 all of which was then distributed to state and local candidates. Further, for the reporting period ending September 30, 1986, we find ourselves in a similar situation. Again, Santa Re, LTD. (Don Moon) has made political contributions totaling \$71,450.00.

We have transferred all the funds, \$6,809.00, out of the federal account into a separate account for state and local candidates. Enclosed is a copy of the check to transfer out the funds that were available and a copy of the deposit slip depositing the funds into a separate state and local account.

If this does not meet your satisfaction, please let us know.

Sincerely,

Richard E. Mettler
Executive Vice President

REM/kee

Enclosures

8603444619

ANALYST: Alva Smith

CONVERSATION WITH: Kathy Queen

COMMITTEE: Home Builders Association of Central Arizona PAC

DATE: 11/26/86

SUBJECT(S): Amended 1985 Year End Report

Ms. Queen returned my call(s). She asked if I had received the response to the 1985 Year End Report (a letter dated 11/18/86). I stated yes, however, the response failed to mention owing a debt to the non-federal account. Ms. Queen stated that she will disclose the debt on an amended 30 Day Post - General Report. She then asked how Home Builders will pay off the debt to the non-federal account in light of the fact that the PAC has no funds. I suggested sponsoring fundraising events.

I told Ms. Queen that another RFAI concerning the same matter will be forthcoming. This letter, however, will refer to the 1986 October Quarterly Report. She will respond by referring to the November 18th letter.

38040683637



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

DEC 3 1986

Richard E. Mettler, Treasurer
Home Builders Association of
Central Arizona Political
Action Committee
4621 N. 16th Street, Suite A-118
Phoenix, AZ 85016

Identification Number: C00111682

Reference: October Quarterly Report (7/1/86-9/30/86)

Dear Mr. Mettler:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a committee from receiving contributions from a person in excess of \$5,000 per calendar year. (2 U.S.C. §441a(f)) For your information, a partnership is included in the definition of "person" under 2 U.S.C. §431(11). If you have received a contribution that exceeds the limits, the Commission recommends that you refund the amount in excess of \$5,000 to the donor in accordance with 11 CFR 103.3(b). If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor of your intent and provide the contributor with the option of receiving a refund. Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. In addition, the disbursement of the amount in excess should be disclosed on a supporting Schedule B for Line 26 or 27 of your next report.

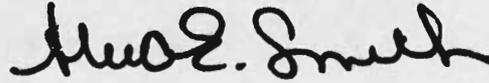
If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps concerning the acceptance of an excessive contribution(s), your prompt refund or transfer-out of the excessive amount will be taken into consideration.

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An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Alva E. Smith
Reports Analyst
Reports Analysis Division

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SCHEDULE B

ITEMIZED DISBURSEMENTS

THE ABOVE INDICATED DISBURSEMENTS ARE FOR THE YEAR ENDING 12/31/86	PAGE 1 OF 2 ON LINE NUMBER 37
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Amended 1986 30 Day Post-General (rec'd 12/8/86)

Any information copied from such filings and documents may not be sold or used by any person for any purpose other than using the name and address of any political committee to solicit contributions to such committee.

NAME OF COMMITTEE TO FILE
NEW ENGLAND ASSOCIATION OF CRIMINAL JUSTICE POLITICAL ACTION COMMITTEE

3 3 7 4 0 6 0 3 3 9 4 1

A. Full Name, Mailing Address and ZIP Code	NAME OF POLITICAL ENTITY FOR WHICH MADE	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
INDIANA BANK - STATE INC 54 WEST CHICKLACK ROAD INDIANAPOLIS, IN 46202	FOR STATE & LOCAL Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (Specify) FOR STATE & LOCAL	11/20/86	6000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: <input type="checkbox"/> Salary <input type="checkbox"/> General <input type="checkbox"/> Other (Specify)	Date Disbursed (Mo. Year)	Amount of Each Disbursement This Period

DISBURSED BY: _____ DATE: _____	RECEIVED BY: _____ DATE: _____
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SCHEDULE D
(Revised 2/86)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 1 for
 LINE NUMBER 10
(Use separate schedules for each numbered line)

Amended 1986 30 Day Post-General (rec'd 12/8/86)

83040683642

Name of Debtor (in Full)	Outstanding Balance Beginning This Period	Amount Received This Period	Payments This Period	Outstanding Balance at Close of This Period
HOME BUILDERS ASSOCIATION OF POLITICAL ACTION COMMITTEE A. Full Name, Mailing Address and Zip Code of Debtor or Creditor NRIZ. HOME-BUILDER/LOCAL INC 51 EAST CHELSEA ROAD INDIANAPOLIS, IN 46202	72,700.00			72,700.00
Nature of Debt (Purpose): FUNDS RECEIVED IDEO FEDERAL INC DISTRIBUTED LOCALLY				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
11 SUBTOTALS This Period This Page (amount)				72,700.00
12 TOTAL This Period (See page one line only)				
13 TOTAL OUTSTANDING LOANS from Schedule C (See page only)				
14 ADD 11 and 13 and carry forward to appropriate line of Summary Page (See page only)				72,700.00

Amended October Quarterly Report (Rec'd 1/12/87)

RECEIVED: : MP PEL



Home Builders Association of Central Arizona

27 JAN 12 1987

4671 North 16th Street, Suite A-102,
Phoenix, Arizona 85016
Telephone 274-6545

January 8, 1987

Ms. Alva E. Smith
Federal Election Committee
999 E. Street N.W.
Washington, D.C. 20463

Dear Ms. Smith:

In response to your letter regarding the 7/1/86-9/30/86 quarterly report, we have dealt with this issue in our 11/24/86 amended report and letter. We have transferred all the commingled funds and set up a debt to the state and local fund.

We have enclosed a copy of our November 18, 1986, letter and the amended 11/24/86 report showing the debt to the state fund.

Sincerely,

Richard E. Nettler
Executive Vice President

REM/dmj

Enclosures

0798054.045490643

Amended 30 Day Post-General Report (Revised 11/87)

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate schedule for each category of the following Summary Page

PAGE 2 OF 2

FOR LINE NUMBER 27

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions for or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

HOME BUILDERS ASSOCIATION OF CENTRAL ARIZONA POLITICAL ACTION COMMITTEE

37704D 548439674 A

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
ARIZONA BANK - STATE INC 51 EAST CAMELBACK ROAD PHOENIX, AZ 85012	TO SET UP SEPARATE ACCOUNT FOR STATE & LOCAL Disbursement for <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) SET UP ACCOUNT	11/18/86	6809.70
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month day, year)	Amount of Each Disbursement This Period

SUBTOTAL

TOTAL

SCHEDULE D

DEBTS AND OBLIGATIONS

Page 1 of 1 for
 LINE NUMBER 10
 This schedule is required
 for each numbered line

(Amended 1986 30 Day Post-General Excluding Loans (rec'd 1/12/87))

Name of Committee (or Full Name of Debtor or Creditor)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
DE. BUILDERS ASSOCIATION OF POLITICAL ACTION COMMITTEE Full Name, Mailing Address and Zip Code of Debtor or Creditor 112. BANK-STATE/LOCAL PAC EAST CAMELBACK ROAD PHOENIX, AZ 85012	72,700.00			72,700.00
Type of Debt (Purpose): FUNDS RECEIVED INTO FEDERAL PAC DISTRIBUTED LOCALLY Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
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Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Type of Debt (Purpose): Full Name, Mailing Address and Zip Code of Debtor or Creditor				

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ASB
DEBTS AND OBLIGATIONS
 Amended 1986 30 Day Post-General Excluding Loans
 (rec'd 2/26/87)

Name of Contributor (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
HOM. BUILDERS ASSOCIATION OF POLITICAL ACTION COMMITTEE A Full Name, Mailing Address and Zip Code of Debtor or Creditor ARIZ. BANK-STATE/LOCAL PAC 51 EAST CAMELBACK ROAD PHOENIX, AZ 85012	72,700.00		6890.00	65810.00
Nature of Debt (Purpose): FUNDS RECEIVED INTO FEDERAL PAC DISTRIBUTED LOCALLY				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				65810.00
2) TOTAL This Period (last page this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				65810.00

89040563646

SENSITIVE

**FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463**

FIRST GENERAL COUNSEL'S REPORT

**RAD REFERRAL # 87L-10
STAFF MEMBER
Celia Jacoby**

87 MAY 1
June
P4:15
COMPTROLLER SECRETARY
REC
ED

SOURCE OF MUR: INTERNALLY GENERATED

**RESPONDENTS: Home Builders Association of Central
Arizona PAC and Richard E. Mettler,
treasurer; Don Moon; Santa Re Ltd.**

**RELEVANT STATUTES: 2 U.S.C. § 434(a)(4)(A)(ii)
2 U.S.C. § 441a(a)(1)(C)
2 U.S.C. § 441a(f)
11 C.F.R. § 102.5(a)(1)
11 C.F.R. § 104.5(c)(1)(ii)
11 C.F.R. § 110.9(a)**

INTERNAL REPORTS CHECKED: Public Records

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

Based on information obtained in the normal course of its supervisory duties under the Federal Election Campaign Act of 1971, as amended (the "Act"), the Report Analysis Division ("RAD") referred this matter to the Office of the General Counsel.

II. FACTUAL AND LEGAL ANALYSIS

A. Failure to File a 12 Day Pre-Election Report

An unauthorized political committee is required to file a pre-election report no later than twelve (12) days before any election in which such committee made a contribution to or an expenditure on behalf of a candidate. The report must be complete as of the twentieth (20th) day prior to the election.

2 U.S.C. § 434(a)(4)(A)(ii) and 11 C.F.R. § 104.5(c)(1)(ii).

99040583647

On September 29, 1986, Home Builders Association of Central Arizona PAC (the "Committee") was notified that a 12 Day Pre-Election Report would be due on October 23, 1986, if contributions or expenditures in connection with the general election were made on or before October 15, 1986. No pre-election report was filed.

The Committee's 30 Day Post-General Election Report filed on November 28, 1986 disclosed a \$5,000 contribution made to a federal candidate during the pre-election reporting period. Accordingly there is reason to believe that the Committee and its treasurer, Richard E. Mettler, violated 2 U.S.C. § 434(a)(4)(A)(ii) by the failure to file the 1986 12 Day Pre-Election Report.

B. Knowing Receipt of Excessive Contributions

Under the Act an individual may contribute no more than \$5,000 per election to a political committee. 2 U.S.C. § 441a(a)(1)(C). Additionally a political committee is prohibited from receiving a contribution in excess of the Act's limitations. Nor may an officer or employee of a political committee knowingly accept a contribution in violation of the limitations on contributions. 2 U.S.C. § 441a(f) and 11 C.F.R. § 110.9(a).

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The reports of the Committee disclose that during calendar years 1985-1986 the Committee received \$72,700 in apparent excessive contributions 1/ from Don Moon-Santa Re Ltd. 2/ These apparent excessive contributions were disclosed on the 1985 Year End, 1986 April, July and October Quarterly Reports. The Committee has subsequently transferred \$6,089 of that total, and established a debt for the remainder, to its non-federal fund. Summarized below are the apparent excessive contributions received, notices sent, and the responses given by the Committee.

The Committee's 1985 Year End report disclosed an \$11,250 contribution from an apparent partnership, Santa Re Ltd. ("SRL"). On March 3, 1986, RAD notified the Committee that if SRL is a partnership, its \$11,250 contribution should be proportionately allocated to its constituent partners based on percentage of ownership or another approved formula. Following a second notice

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1/ The questioned contributions are:

<u>Report</u>	<u>Contributor</u>	<u>Amount</u>	<u>Aggregate Amounts</u>	<u>Excess Amount</u>
1985 Year End (amended)	Santa Re Ltd.	\$11,250.00	\$11,200.00	\$ 6,250
1986 April Quarterly (amended)	Santa Re Ltd.	\$ 4,250.00	(not stated)	-0-
1986 July Quarterly (amended)	Don Moon Santa Re Ltd. (Don Moon)	\$27,450.00	\$31,700.00	\$26,700
1986 October Quarterly	Santa Re Ltd. (Don Moon)	\$29,750.00 \$10,000.00	\$71,450.00	<u>\$39,750</u> <u>\$72,700</u>

2/ RAD was advised by Ms. Queen, an accountant for the Committee, that Santa Re Ltd. and Don Moon were the same entity. This information conflicts with the letter to Mr. Mettler from Jerry P. King dated March 13, 1986.

(dated March 27, 1986) the Committee amended its 1985 Year End Report to allocate the contribution between two equal partners in SRL.

The receipt of \$4,250 from SRL was disclosed on the Amended 1986 April Quarterly Report, and of \$27,450 from Don Moon, an employee of SRL, on the Amended 1986 July Quarterly Report filed by the Committee. The aggregate year-to-date total contribution for Don Moon (\$31,700) appeared to include the \$4,250 contribution from SRL. On September 10, 1986, RAD sent a Request for Additional Information ("RFAI") inquiring about the aggregation of contributions from SRL and Don Moon. The Committee was also advised of the \$5,000 per individual contribution limit in the RFAI. RAD further recommended that sums in excess of \$5,000 be refunded to the contributor or transferred out, with the contributor's consent, to an account not used for federal political activity. The Committee responded that Don Moon and SRL constituted the same contributor, and amended this and other reports to reflect this identity.

RAD reconsidered the Committee's 1985 Year End Report, and advised the Committee by RFAI notices dated October 22 and November 13, 1986 that the SRL's 1985 contribution was excessive. The Committee filed a 1985 Year End Amendment on November 24, 1986, to report the transfer of \$6,809 of the excess contributions to a non-federal account. In a telephone conversation the Committee indicated that the remaining excess contributions would be reflected as a debt to the non-federal account on an amended 1986 30 Day Post-General Report.

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The October 1986 Quarterly Report disclosures of contributions in excess of \$5,000 annually were also questioned by RAD in its December 3, 1986 RFAI to the Committee. By letter dated January 8, 1987, the Committee acknowledged its receipt of excessive contributions from Don Moon - Santa Re Ltd. Rather than refund these sums, the Committee has established a separate account to which the excess contributions shall be transferred as indicated in the 1986 30 Day Post-General Report. To date of the total excess contributions, the sum of \$6,809.00 has been transferred, and a debt of \$72,700.00^{3/} has been shown, to the non-federal account. The Committee subsequently amended its prior reports to reflect this transfer of excess contributions from its federal account.

Based on the foregoing circumstances, there is reason to believe that the Committee knowingly accepted contributions in violation of 2 U.S.C. § 441a(f).

C. Deposit of Impermissible Funds

An organization which finances both federal and non-federal elections must either establish a separate federal account which is treated as a "political committee" subject to the Act, 11 C.F.R. §102.5(a)(1)(i), or limit itself to receiving only

^{3/} To avoid possible further violations, we propose advising the Respondent that any funds used to repay or to secure the debt to the non-federal account must also be derived from permissible sources. The outstanding balance on this debt was reported to be \$65,810; however, RAD calculates the correct amount to be \$65,891.

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those contributions that are subject to the prohibitions and limitations of the Act, regardless of whether the contributions will be used in connection with federal or non-federal elections, 11 C.F.R. §102.5(a)(1)(ii).

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The Committee financed activity related to both federal and non-federal elections. According to statements made on behalf of the Committee,^{4/} funds received from all sources were placed in a single account. Because it did not establish a separate federal account, the Committee was limited to receiving only those funds which conformed to the prohibitions and limitations of the Act. However, the Committee reported and acknowledged the receipt of funds in excess of statutory contribution limits. Mr. Mettler, treasurer of the Committee, also confirmed that funds for non-federal purposes were deposited in the same account as its federal funds. The Committee has, however, subsequently established and transferred improper funds to a separate non-federal account. Based on the foregoing facts, there is reason to believe that Home Builders of Central Arizona PAC and its treasurer, Richard E. Mettler, violated 11 C.F.R. § 102.5(a)(1) by financing activities in connection with federal and non-federal elections, but failing either to establish separate accounts or to limit the receipt of contributions to those subject to the restrictions and limitations of the Act.

^{4/} Letter from Mr. Mettler dated November 18, 1986 to the Commission, and telephone conversations between Ms. Queen and RAD analysts.

D. Excessive Contributions

Section 431(11) of Title 2, United States Code defines "person" to include both an individual and a partnership. A person may contribute to a political committee (other than a national political party committee or a candidate authorized political committee) up to \$5,000 in any calendar year. 2 U.S.C. § 441a(a)(1)(C). During 1985 Santa Re Ltd. contributed \$11,250 to the Committee, or \$6,250 in excess of the statutory limit. During 1986 Santa Re Ltd. and Don Moon contributed \$71,450 to the Committee, or \$66,450 in excess of the statutory limit. Accordingly, there is reason to believe that Santa Re Ltd. and Don Moon violated 2 U.S.C. § 441a(a)(1)(C).

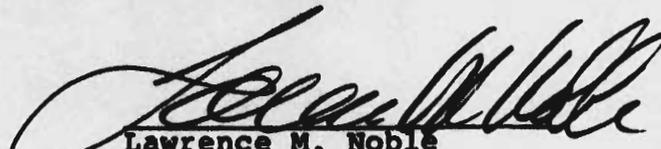
III. RECOMMENDATIONS

1. Open a Matter Under Review.
2. Find reason to believe that Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii).
3. Find reason to believe that Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 2 U.S.C. § 441a(f).
4. Find reason to believe that Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 11 C.F.R. §102.5(a)(1).
5. Find reason to believe that Santa Re Ltd. and Don Moon violated 2 U.S.C. § 441a(a)(1)(C).

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6. Approve and send the attached letters and Factual and Legal Analyses.

6/1/87
Date


Lawrence M. Noble
Acting General Counsel

Attachments

1. Referral Materials
2. Proposed Letters (2) and Factual and Legal Analysis (2)

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / JOSHUA MCFADDEN *JM*

DATE: JUNE 4, 1987

SUBJECT: OBJECTION TO RAD Ref. 87L-10: FIRST G. C. REPORT
SIGNED JUNE 1, 1987

The above-captioned document was circulated to the Commission on Tuesday, June 2, 1987 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the Executive Session agenda for June 9, 1987.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Home Builders Association of)
Central Arizona PAC and)
Richard E. Mettler, treasurer;))
Don Moon; Santa Re Ltd.)

RAD Referral 87L-10

(MUR
246B)

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session on June 9, 1987, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in RAD Referral 87L-10:

1. Open a Matter Under Review (MUR).
2. Find reason to believe the Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii).
3. Find reason to believe that Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 2 U.S.C. § 441a(f).
4. Find reason to believe that Home Builders of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 11 C.F.R. § 102.5(a)(1).
5. Find reason to believe that Santa Re Ltd. and Don Moon violated 2 U.S.C. § 441a(a)(1)(C).
6. Approve and send the letters and factual and legal analyses attached to the First General Counsel's Report dated June 1, 1987.

Commissioners Aikens, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision. Commissioner Elliott dissented.

Attest:

Mary W. Dove

Mary W. Dove
Administrative Assistant

6-10-87

Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1987

Don Moon
Santa Re Ltd.
4041 N. Central Avenue # 2001
Phoenix, Arizona 85012

RE: MUR 2466
Don Moon; Santa Re Ltd.

Dear Mr. Moon:

On June 9, 1987, the Federal Election Commission found that there is reason to believe Santa Re Ltd. and you violated 2 U.S.C. § 441a(a)(1)(C), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Santa Re Ltd. and you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against Santa Re Ltd. and you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or

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recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Celia Jacoby, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 12, 1987

Richard E. Mettler
Executive Vice President
Home Builders Association
of Central Arizona
4621 North 16th Street
Suite A-118
Phoenix, Arizona 85016

RE: MUR 2466
Home Builders Association
of Central Arizona PAC and
Richard E. Mettler,
treasurer

Dear Mr. Mettler:

On June 9, 1987, the Federal Election Commission found that there is reason to believe Home Builders Association of Central Arizona PAC ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(ii) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and 11 C.F.R. § 102.5(a)(1) of the Commission's regulations. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office, within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or

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recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel is not authorized to give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Celia Jacoby, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Scott E. Thomas
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form

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A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1110 VERMONT AVENUE, N.W. • WASHINGTON, D.C. 20005 • (202) 687-9030

July 7, 1987

Hand Delivered

Ms. Celia Jacoby
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attn: Ms. Celia Jacoby

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RECEIVED
GENERAL COUNSEL

Dear Ms. Jacoby:

Enclosed you will find a properly executed Designation of Counsel in this Matter Under Review, No 2466.

As I advised you by telephone on July 2, 1987, I was contacted only the day before and asked by respondents to assume their representation in this matter. This request came through the offices of an attorney for Mr. Moon in Phoenix who, occupied in recent weeks with a demanding trial preparation schedule, was travelling outside the country for this purpose and could not contact me earlier. This attorney, Michael D. Hawkins of Phoenix, Arizona, was continuously in depositions from the 21st-27th of June in Vancouver, British Columbia and Edmonton, Alberta; and those depositions resumed again from the 29th of June through the 3rd of July. Over this period Mr. Hawkins evidently had little opportunity to identify, much less retain, Washington, D.C. counsel for purposes of the representation of Mr. Moon and Santa Re.

Mr. Hawkins did, however, make diligent inquiry for purposes of identifying counsel and by July 2, 1987, he had my name and called my office to reach me and make the necessary arrangements. I was not available on that day, only on the next. It was immediately on this next day, when I heard from Mr. Hawkins, that I called your office and explained the circumstances surrounding the delay in the Respondent's response.

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Ms. Celia Jacoby
July 7, 1987
Page 2

It is in these circumstances that I would ask your assistance in seeking from the Commission an appropriate extension of time within which to reply to the Commission's finding of "reason to believe" in this matter. I do not believe that an extension of any more than 10 days from the date of this letter would be required, that is, until July 18, 1987.

I would like to assure you and through you the Commission that we are already actively assembling the information that will be required for the reply of the respondents.

Respectfully submitted,



Robert F. Bauer
Counsel for Respondents Santa
Rae, Ltd. and Mr. Don Bennett Moon

RFB/sos

Enclosure

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2466

NAME OF COUNSEL: Robert Bauer

ADDRESS: Perkins, Coie
1110 Vermont Ave NW.

Suite 1200
Washington, D.C.
20005

TELEPHONE: (202) 857-9030

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

Date 7/6/87

Signature Don Bennett Moon

RESPONDENT'S NAME: ~~Bob~~ Don Moon

ADDRESS: 4041 n. Central
Suite 2001
Phoenix, Az 85012

HOME PHONE: (602) 943-3671

BUSINESS PHONE: (602) 263-7812

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 8, 1987

Robert Bauer, Esquire
Perkins Cole
1110 Vermont Avenue, N.W.
Suite 1200
Washington, D.C. 20005

RE: MUR 2466
Don Moon, Santa Re Ltd.

Dear Mr. Bauer:

This is in response to your letter dated July 7, 1987, which we received on July 7, 1987, requesting an extension of 10 days from the date of your letter to respond to the determinations in this matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on Monday, July 20, 1987.

If you have any questions, please contact Celia Jacoby, the attorney assigned to this matter, at (202) 378-6-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Lois G. Lerner (RLH)
By: Lois G. Lerner
Associate General Counsel

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CCC# 3972

CARMICHAEL & POWELL

ATTORNEYS AT LAW
PROFESSIONAL CORPORATION
4150 NORTH 12TH STREET
PHOENIX, ARIZONA 85014-4932

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

AREA CODE 602
TELEPHONE 241-0777

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SIDNEY G. McCLUE, JR.
LAURENS L. HENDERSON
OF COUNSEL

RONALD W. CARMICHAEL
DONALD W. POWELL
CLAUDIA J. KROMAN
LAURENCE B. STEVENS
SID A. HORWITZ
STEPHEN MANES
THERESA GAZZOLA
KIM E. HUTCHINSON

July 16, 1987

Mr. Scott E. Thomas
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2466
Home Builders Association of Central Arizona PAC
Richard E. Mettler, Treasurer

Dear Mr. Thomas:

Pursuant to my conversation with Kathy Queen of the general counsel's office this date, this letter is to inform you that the undersigned is the designated counsel for the Home Builders Association of Central Arizona PAC and Richard E. Mettler, it's Treasurer, and in connection therewith, have enclosed the request for designation of counsel. Pursuant to your correspondence of June 12, 1987, this letter is to express our pre-probable cause conciliation and is intended to request the same.

I enclose for your information in connection with this matter, the memorandum of Katherine Queen, CPA, who was charged by the committee to handle the reporting process to the Federal Elections Commission. In addition, I am sure your files show a great effort on behalf of the Home Builders Association of Central Arizona PAC to comply with the FEC statutes and regulations as soon as the persons charged with those regulations became knowledgeable with the requirements. Most specifically, the Home Builders Association were advised by the FEC their allocation process did not have separate accounts and separate accounts were established. The Home Builders at this point is prepared in the future to maintain totally separate PAC accounts relating to its Federal contributions and expenditures. We feel that the process that was used in the past provided a clear allocation of contributions and expenses between Federal and State and Local PACS but we have now complied with the request of your staff to make totally separate accounts.

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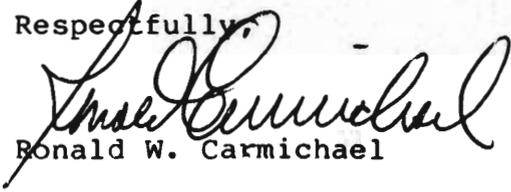
OFFICE OF THE
GENERAL COUNSEL

CARMICHAEL & POWELL
ATTORNEYS AT LAW

Mr. Scott E. Thomas
July 16, 1987
Page Two

After you have had a chance to review this further, I would propose that a meeting by phone be held and if we can have some advance notice, I would be pleased to have Richard Mettler and Kathy Queen in my office where we could utilize a speaker phone to discuss the terms of an agreement in settlement of the entire matter.

Respectfully,



Ronald W. Carmichael

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MEMORANDUM

TO: Ron Carmichael
FROM: Katherine Queen, CPA
DATE: June 22, 1987
RE: Federal Election Commission letter dated June 12, 1987

As you are aware, two issues are addressed in this correspondence from the Federal Election Commission, failure to file a required report and receipt of excessive contributions.

The letter indicates that on September 29, 1986 the PAC was notified that a 12 day pre-election report would be due on October 23, 1986. I am not aware of such notification. By the PAC's record of submitting all required reports, it should be apparent that if such a notification had been received, the 12 day pre-election report would have been filed.

Regarding the matter of knowingly receiving excessive contributions, the PAC did not accept excessive contributions. The contributions that were in excess of the federal regulations were contributions for state and local candidates that were deposited to and then disbursed from the federal PAC checking account.

The first time I was made aware of the possible problem of receiving excessive contributions or commingling of funds was in the letter from the FEC dated September 10, 1986. At that time I called Ms Alva Smith, a reports analyst, and explained to her that although the contributions were deposited into and disbursed from the one account they could be accounted for separately. I also explained to her that we had not been previously aware of a problem with having all the contributions go through one account as long as they could be accounted for individually. At that time Ms. Smith said that we should show the federal contributions and disbursements on separate sheets from the state/local contributions and disbursements on the PAC report. I told her this would not be a problem.

On October 22, 1986 the PAC received another correspondence from the FEC regarding the same issue. In this letter it was suggested that the "excessive" contributions be refunded. Again, I called Ms Smith and explained to her that the contributions which had been received were predominately for state/local candidates and had been disbursed for that purpose, therefore there were no funds available to refund. Ms Smith told me at

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Federal Election Committee letter dated June 12, 1987

that time all state/local funds would have to be transferred to a non-federal account. Further, the remainder contributed in excess of federal regulations would have to be shown as a debt from the federal account to the state/local. This is exactly what was done as indicated by Mr. Mettler's letter dated November 18, 1986. I have included a copy of the letter for your convenience. My concern with setting up a debt obligation between the two accounts is that the obligation will never be reduced since federal contributions can be used only to support federal candidates. Where will the funds come from to reduce the "obligation"? You see there really is no debt owed between the two accounts. The contributions were for state/local candidates and were used to support state/local candidates. There were no excessive contributions because these contributions were for state/local candidates.

As you can see from Mr. Mettler's letter of November 18, 1986, nothing has been done to try to hide anything from the FEC. We have done everything we can to correct the misunderstanding about contributions.

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A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1110 VERMONT AVENUE, N.W. • WASHINGTON, D.C. 20005 • (202) 687-9030

July 21, 1987

HAND DELIVERED

Ms. Celia Jacoby
Federal Election Commission
Office of the General Counsel
Room 657
999 E Street, N.W.
Washington, D.C. 20463

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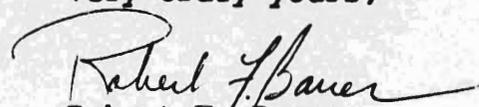
RECEIVED
GENERAL COUNSEL

Dear Ms. Jacoby:

Enclosed is the reply of Respondents Don Moon and Santa Re to the Commission's "Reason to Believe Finding" in this matter.

As I advised you by telephone, I regret the unexpected delay in the arrival of the affidavit of Mr. Moon which caused, in turn, late-filing, by less than twenty-four hours, of this Reply. On behalf of the Respondents, I much appreciate the Commission's acceptance of this delayed filing in the interest of fairness to the Respondents and a resolution on the merits of their position.

Very truly yours,


Robert F. Bauer

Encls.

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PERKINS COIE

A LAW PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
1110 VERMONT AVENUE, N.W. • WASHINGTON, D.C. 20005 • (202) 887-9030

July 21, 1987

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Madam/Sir:

This is the reply of Respondents Don Moon and Santa Re Limited to the Commission's Reason To Believe Finding in this matter. Respondents received notice of this Finding in a letter from the Commission dated June 12, 1987 and are replying under an extension of time for such reply granted by the Commission by letter dated July 8, 1987.

The Commission's Findings are based on the publicly-filed reports of the Home Builders' Association of Central Arizona PAC ("the PAC"), which show certain apparently excessive contributions received from Santa Re Limited. Santa Re, an Arizona Partnership, appears on those reports as a contributor of \$11,250 in 1985 and \$71,450 in 1986.^{1/} Because the Act limits partnership contributions to any political committee to \$5,000 in the aggregate in any calendar year, the Commission has charged Santa Re with the making and the PAC with the acceptance of excessive contributions in violations of § 441a(a).

Neither Santa Re nor Mr. Moon may or should be held liable in this matter. The Respondents Moon and Santa Re sought and received confirmation of the PAC's belief that the contributions it accepted from Respondents, intended for use only in state elections, were applied solely for this purpose. The Respondents relied on these confirmations. The PAC's deposit of these contributions into a federal account, possibly triggering application of the federal limits, occurred without Respondents' knowledge and consent, and outside their control.

^{1/} The General Counsel's analysis suggests that "Don Moon and Santa Re Ltd. constituted the same contributor." This reply demonstrates that Santa Re alone contributed funds to the PAC.

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FACTUAL BACKGROUND

Mr. Moon, a former prosecuting and now practicing attorney in the state of Arizona, represents Santa Re Limited. From time to time, in the course of his professional duties, he undertook to arrange for the distribution of Santa Re funds for the benefit of Arizona state and local candidates and committees. The checks he distributed were Santa Re checks representing Santa Re funds, and it was his responsibility to assure that the distribution of the funds comported with any and all requirements of state law.

Moon sought to meet this responsibility on the occasion of Santa Re's contributions to the PAC. He consulted the Office of the Secretary of State to determine the legal restrictions, if any, which might apply under state law to partnership contributions and relayed the result of this conversation, by letter, to the PAC director. Moon Aff. ¶ 9 (and related Exhibit "B").

Mr. Moon was careful. He also knew that the PAC might be active in federal as well as non-federal elections, and he knew that at the time the requirements of federal and Arizona law were different on material points. In the affidavit prepared on this matter, which is submitted in support of this reply, Moon relates his inquiry into the impact of the Act on a political committee with a dual federal and non-federal purpose. A phone call he placed to the Commission produced information about the operation by a federal committee of non-federal accounts. Moon Aff. ¶ 8. Moon brought this information, on the same day, to the attention of the PAC Director, and in Mr. Moon's words: "[He] assured me that, to the best of his knowledge, the Home Builders' PAC was doing everything it should and could to ensure compliance with both state and federal laws and regulations." Ibid.

For one year nothing occurred to disturb Moon's confidence that the PAC had processed the Santa Re contributions for use in state elections. In September of 1986, he came across an article in a newspaper which focused his attention, yet again, on this issue. This article suggested that the PAC had satisfied its state reporting requirements by filing, with the Secretary of State, a copy of the federal report prepared and filed under the Act. Moon Aff. ¶ 10.

Moon then called the PAC Director, obtained additional assurances about the management of the Santa Re contributions, and confirmed this understanding in a letter dated September 23, 1986 (attached to the Moon affidavit as Exhibit "C"). Having taken this additional precaution, Moon "continued to assume that [the Santa Re contributions] had been properly accounted for and segregated for state use in accordance with Federal Elections Commission regulations." Moon Aff. ¶ 11.

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LIABILITY ISSUES

Respondent Moon, an attorney, made a reasonable inquiry for the benefit of his client, Santa Re, into the compliance procedures of the PAC in accounting separately for federal and non-federal Arizona activity in accordance with the Act's requirements. This inquiry included one contact with the Commission and several exchanges, oral and written, with the PAC.

The Commission may now question the PAC's compliance with the relevant requirements, but it cannot fairly hold responsible either Santa Re or Mr. Moon. Moon has made clear Santa Re's intent to support the PAC's non-federal Arizona activities, Aff. ¶ 4 and ¶ 11, and Moon's contacts with the Arizona Secretary of State's Office, confirmed in writing at the time, corroborates this stated intent. If the PAC, by whatever error, made use of these funds for federal purposes, this was done without Santa Re's (or Moon's) knowledge or consent.

The Act prohibits the "known" making or receipt of excessive contributions. § 441a(f). Generally, the General Counsel and the Commission have treated the requirement of "knowledge" as nothing more than knowledge that money was donated -- not knowledge that the donation violated the law; not "mens rea." Yet the prohibition does unmistakably apply only to "contributions", which are defined under the Act as funds or "anything of value" donated "for the purpose of influencing any election for Federal office." § 431(8)(A)(i). Santa Re funds were not donated to the PAC with this purpose; they were not intended in any way to be "contributions" under the Act.

Santa Re is a by-stander. It is in a position no different from that of any charitable donor who discovers, too late, that its funds were not applied to the agreed purpose, and perhaps to an unlawful one. The liability in such cases is the recipient's, not the donor's; for only the recipient could take the actions necessary to avoid the violation.

Such is the case here. Section 102.5 of the Commission's regulations, which addresses the requirements for non-federal activity, involve matters of internal committee accounts structure and management. These are matters over which a contributor has no control. Santa Re could, as it did, make diligent inquiry about the PAC's compliance with these .

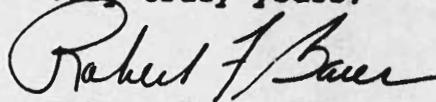
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requirements. It could not, once it received assurances, do more.^{1/}

CONCLUSION

Respondents Moon and Santa Re request that the General Counsel recommend, and the Commission vote, a clear finding of "no probable cause to believe" that they committed any violation of the Act as a result of the PAC contributions in question.

Very truly yours,



Robert F. Bauer

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^{1/}

Nothing in the statute, regulations or Commission enforcement decisions requires or even suggests that contributors to political committees are automatically liable for errors made by those committees in the use of their contributed funds. As an example, the regulations require that an authorized committee, accepting properly designated general election contributions before the primary, must account for such funds separately to avoid their use in the primary. 11 C.F.R. § 102.9(e). Should a committee default on this obligation, it could place a contributor whose funds are misapplied in the position of exceeding the primary contribution limit. Under no theory would this failure to comply with the Act expose the contributor to liability. The General Counsel's analysis in enforcement actions under § 102.9 supports this view. See, e.g. July 1984). By the same reasoning, in a case such as this, a committee's apparent failure to manage its non-federal accounts under the terms of § 102.5 should have no adverse impact on the liability of a contributor of funds to those accounts.

Attachments

2541B

AFFIDAVIT OF DON BENNETT MOON

Don Bennett Moon, on oath, states:

1. I am a resident of and attorney licensed to practice in Arizona, maintaining my principal office in Phoenix, Arizona. A summary resume is attached hereto as Exhibit "A." From 1983 through 1984, I served as the elected County (District) Attorney for La Paz County, one of 15 counties in the State of Arizona. As such, I acted as the chief law enforcement and legal officer for that governmental subdivision.

2. As an attorney, I am associated as of counsel with the firm of Molloy, Jones, Donahue, Trachta, Childers and Mallamo, P. C., an Arizona law firm with offices in Tucson and Phoenix.

3. Santa Re Limited, an Arizona limited partnership ("Santa Re") is a client to which I have provided professional legal services in connection with the carrying on of its business or that of entities related to it. I am not a partner, shareholder, participant, officer or director of Santa Re.

4. Sometime in 1985, Santa Re wished to make political contributions to the Home Builders Association of Central Arizona PAC ("Home Builders PAC") for its program of support for state and local candidates in Arizona. Santa Re asked me to transmit these contributions to ensure that they were made in compliance with applicable laws concerning political contributions.

5. All contributions to the Home Builders PAC by Santa Re consisted of checks drawn on its account and signed by a principal of the limited partnership. None of these funds

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involve my own personal funds or those of my law practice or law firm.

6. At the time the contributions were made to the Home Builders PAC, Arizona had no contribution limits for state political campaigns or to state political committees.

7. I am not a member of the Home Builders PAC Board, had nothing to do with depositing/segregating funds, did not supervise or participate in the preparation or filing of its reports and never reviewed those reports before they were filed.

8. Sometime in the Summer or early Fall of 1985, I placed a telephone call to the Federal Elections Commission in Washington, D. C. and spoke with a woman whose name I do not presently recall. I had a conversation with this individual about the subject of contributions to a PAC which might, in turn, make contributions to both state and federal campaigns. I was aware that the Home Builders had contributed to at least one federal campaign in the past. I was particularly interested in how the FEC regulations might impact such a PAC, since Arizona was, at the time, a state without political contribution limits. The individual at the FEC told me that it was perfectly appropriate to make contributions to such a PAC, provided the PAC maintained separate, segregated funds and accounting records to reflect which of its contributions went to either state or federal campaigns and that, in the case of federal campaigns, campaign contribution limitations were properly observed. On the same day as this telephone conversation, I had a conversation with the Executive Director of the Home Builders PAC in which I reported the content of my conversation with the individual at

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the FEC. The Executive Director assured me that, to the best of his knowledge, the Home Builders PAC was doing everything it should and could do to ensure compliance with both state and federal laws and regulations.

9. As a further part of my effort to ensure that the contributions to the Home Builders state PAC were proper and lawful, I sent a letter dated August 23, 1985 (Exhibit "B" attached) to the Executive Director of the Home Builders PAC. That letter confirms my efforts to ensure that a contribution from an Arizona limited partnership did not run afoul of Arizona campaign contribution prohibitions against direct corporate or labor union contributions. Exhibit "B" reflects that, prior to the sending of it, I checked with the Secretary of State's office in Arizona - the principal campaign regulatory office in Arizona for state contributions -- to ensure the contribution was proper.

10. Sometime in September 1986, I read a local newspaper article about campaign contributions in general. The article reported that the Home Builders PAC had, for the purpose of state reporting requirements, simply filed a photocopy of its federal report with the Arizona Secretary of State. Based on earlier conversations with the Executive Director of the Home Builders PAC, I had believed, in connection with the making of the Santa Re contributions, that the PAC maintained separate, segregated funds for contributions and expenditures between state and federal campaigns. To confirm that, I wrote a letter dated September 23, 1986 (Exhibit "C" attached) to the Home Builders PAC to confirm the understanding earlier reached: that the Home Builders PAC was doing what should lawfully be done in connection

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with the segregation of these funds. Exhibit "C" confirms a telephone conversation I had with Mr. Mettler in which he told me that this was the case. During the conversation, Mr. Mettler told me that the Home Builder PAC's accountant or CPA had been in contact with the Federal Elections Commission (FEC) and that their recordkeeping was in all respects proper.

11. As a result of my telephone conversation with Mr. Mettler and receiving no response to the confirming letter of September 23, 1986 (Exhibit "C"), I continued to assume that contributions made by my client Santa Re had been properly accounted for and segregated for state use in accordance with Federal Election Commission regulations.

Don Bennett Moon
Don Bennett Moon

SUBSCRIBED AND SWORN to before me this 20th day of July, 1987.

Karen L. Kelly
Notary Public

My Commission Expires:
9-25-87

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DON BENNETT MOON
 243 East Glenn
 Phoenix, Arizona 85012
 Phone:
 Office: (602) 263-7812
 Home: (602) 943-3671

Born: December 11, 1954
 Phoenix, Arizona

Biographical Data:

Graduated University of Maryland	1976
Graduated University of Arizona College of Law	1979
Law Clerk, United States Attorney (District of Arizona)	1977-78
Law Clerk, Federal Public Defender (Tucson)	1979
Admitted to State Bar of Arizona	1979
Attorney, Kemper & Henze (Phoenix)	1979-82
Elected La Paz County Attorney (served two year term as chief prosecutor for La Paz County)	1982 1983-84
Member, Arizona Prosecuting Attorneys Advisory Council	1983-84
Member, legislative committee, Arizona County Attorneys and Sherriffs Association	1984
Attorney, Winston & Strawn (Phoenix)	11/84
Attorney, Molloy, Jones & Donahue (Phoenix) from June 1985 to present	6/85

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EXHIBIT "B"

LAW OFFICES OF
MOLLOY, JONES, DONAHUE,
TRACHTA, CHILDERS
& MALLAMO, P. C.

GREAT WESTERN BANK PLAZA
4041 NORTH CENTRAL AVENUE
SUITE 2001
PHOENIX, ARIZONA 85012

JOHN F. MOLLOY
STANLEY W. TRACHTA
HERBERT MALLAMO
RICHARD T. COOLIDGE
ROBERT E. KAUL
LEO N. SMITH
PAUL D. SLOSSER
ROY W. KYLE
GARY F. HOWARD
DONALD J. OPPENHEIM
SUSAN G. BOSWELL
D. MICHAEL MANDIG
JEANNETTE K. GEISER
TERRY L. TEDESCO
MARY C. AMELN
ARDNER R. CHESHIRE, JR.

RUSSELL E. JONES
JOHN L. DONAHUE, JR.
DONALD S. ROBINSON
MYLES C. STEWART
PETER JOHNSON
MICHAEL J. MEEHAN
PETER VOEVODSKY
SARAH R. SIMMONS
FRED LUTTIES
LARRY D. CLARK
THOMAS W. ROUSE
EARL P. DANIELS, III
MARK S. SIFFERMAN
DAVID A. MEEVOY
WILBUR M. ROADHOUSE
KENNETH R. MOELLER

THOMAS H. CHILDERS
VICTOR H. VERITY
OF COUNSEL
TUCSON OFFICE
ARIZONA BANK PLAZA
33 NORTH STONE
P. O. BOX 2266
TUCSON, AZ 85702
(602) 622-3631
GREEN VALLEY OFFICE
1181 SOUTH LA CANADA DRIVE
SUITE 210
GREEN VALLEY, AZ 85614
(602) 646-0822
DON BENNETT MOON
COUNSEL

Writer's Direct Line:
263-7812

August 22, 1985

Mr. Richard E. Mettler
Home Builder's Association of Central Arizona
4621 North 16th Street
Suite 118
Phoenix, Arizona 85016

Dear Dick:

Enclosed herewith are Santa Re Ltd. checks. Santa Re is a limited partnership. ARS Sec. 16-919 is entitled "Prohibition of Contributions by Corporations or Labor Organizations". Nothing is ARS Sec. 16-919 prohibits contributions by partnerships, nor can I find any provision of Chapter 6 (campaign contributions and expenses) which prohibits contributions by partnerships. In addition, I spoke this afternoon with Jim Shumway, attorney for the Secretary of State's office, and Jim was unaware of any statutory prohibition on partnership contributions.

Please do not hesitate to call should you have any questions or comments.

Yours very truly,

MOLLOY, JONES, DONAHUE,
TRACHTA, CHILDERS & MALLAMO, P.C.

Don Bennett Moon

DBM/ty

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EXHIBIT "C"

(c)

LAW OFFICES OF

MOLLOY, JONES, DONAHUE,
TRACHTA, CHILDERS
& MALLAMO, P. C.

TUCSON OFFICE
ARIZONA BANK PLAZA
33 NORTH STONE
P. O. BOX 2200
TUCSON, AZ 85702
(602) 622-3531

THOMAS H. CHILDERS
VICTOR H. VERITY
OF COUNSEL
DON BENNETT MOON
COUNSEL

GREAT WESTERN BANK PLAZA
4041 NORTH CENTRAL AVENUE
SUITE 2001
PHOENIX, ARIZONA 85012

DON BENNETT MOON
(602) 263-7612

GREEN VALLEY OFFICE
1151 SOUTH LA CANADA DRIVE
SUITE 210
GREEN VALLEY, AZ 85614
(602) 648-0222

September 23, 1986

Richard E. Mettler
Homebuilders Association of
Central Arizona
4621 North 16th Street, Suite 118
Phoenix, AZ 85016

Dear Dick:

I wanted to confirm our conversation yesterday relative to the question of State vs. Federal Political Action Committees. You indicated that your CPA had discussed proper bookkeeping procedures with the Federal Elections Commissions and I wanted to reiterate my understanding of the law that there is no limit on how much a member can give an Arizona PAC or an Arizona candidate but that unless accounting is kept separately, federal rules can control even where the vast majority of money goes to State candidates. You might want to double check with your CPA just to make sure he has a clear understanding.

Very truly yours,

MOLLOY, JONES, DONAHUE, TRACHTA,
CHILDERS & MALLAMO, P.C.

Don Bennett Moon

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	
Home Builders Association)	MUR 2466
of Central Arizona PAC and)	
Richard E. Mettler, as)	
treasurer)	

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87 SEP -9 AM 11:28

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was initiated by the Federal Election Commission (the "Commission") in the course of carrying out its supervisory responsibilities under the Federal Election Campaign Act of 1971, as amended (the "Act"). On June 9, 1987, the Commission found that there was reason to believe that Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer (the "Respondents"), had violated 2 U.S.C. § 434(a)(4)(A)(ii) by the failure to file the 1986 12 Day Pre-Election Report, 2 U.S.C. § 441a(f) by the receipt of excessive contributions, and 11 C.F.R. § 102.5(a)(1) by the receipt and commingling of federal and non-federal funds.

The Home Builders Association of Central Arizona PAC (the "PAC") is a political committee registered with, and files quarterly reports to, the Commission. The PAC is not the authorized committee of any candidate. Until late 1986, the PAC maintained a single account to finance its political activity, both federal and non-federal. However, according to the Respondents, each deposit was separately recorded, by the purpose of the contribution, as federal or non-federal.

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will be used in connection with federal or non-federal elections, 11 C.F.R. § 102.5(a)(1)(ii).

The Respondents financed activity related to both federal and non-federal elections. Because the Respondents maintained a single depository for both federal and non-federal purposes, the PAC was limited to receiving only those funds which conformed to the prohibitions and limitations of the Act.

During 1985 and 1986, the Respondents reported and acknowledged the PAC's receipt of funds in excess of the statutory contribution limitations. At the time the PAC received these contributions, it maintained a single account to finance both federal and non-federal activity. Accordingly, all contributions deposited in that account had to comply with the limitations of the Act. The failure to restrict the PAC's receipt to contributions which complied with the Act constitutes a violation of 11 C.F.R. § 102.5(a)(1).

C. Receipt of Excess Contributions

Under the Act a person may contribute no more than \$5,000 per year to a political committee (other than a candidate's or national political party's committee). 2 U.S.C. § 441a(1)(C). Additionally, a political committee is prohibited from receiving a contribution in excess of the Act's limitation. Nor may an officer or employee of a political committee knowingly accept a contribution in violation of the limitations on contributions. 2 U.S.C. § 441a(f). The term "contribution" under the Act means any gift, subscription, loan, advance or deposit of money or

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the Respondents maintained a unitary depository for federal and non-federal activity and received contributions which exceeded the statutory limitation under 2 U.S.C. § 441a(a)(1)(C), the Respondents violated 2 U.S.C. § 441a(f).

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

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IV. RECOMMENDATIONS

1. Enter into conciliation with Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer, prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

Date

9/8/57


Lawrence M. Noble
Acting General Counsel

Attachments

1. Request for conciliation
2. Proposed Conciliation Agreement and letter



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / JOSHUA MCFADDEN *JM*

DATE: SEPTEMBER 11, 1987

SUBJECT: OBJECTIONS TO MUR 2466 - General Counsel's Report
Home Builders Association of Central Arizona
Signed September 8, 1987

The above-captioned document was circulated to the Commission on Wednesday, September 9, 1987 at 4:00 P.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Josefiak	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____ X _____

This matter will be placed on the Executive Session agenda for September 15, 1987.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Home Builders Association of)
Central Arizona PAC and) MUR 2466
Richard E. Mettler, as)
treasurer)

CERTIFICATION

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I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session of September 15,
1987, do hereby certify that the Commission took the following
actions in MUR 2466:

1. Decided by a vote of 6-0 to amend page four
of the conciliation agreement attached to
the General Counsel's report as follows:

Commissioners Aikens, Elliott, Josefiak,
McDonald, McGarry, and Thomas voted
affirmatively for the decision.

(continued)

2. Decided by a vote of 6-0 to amend the conciliation agreement attached to the General Counsel's report

3. Decided by a vote of 6-0 to

- a) Enter into conciliation with Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer, prior to a finding of probable cause to believe.
- b) Approve the proposed conciliation agreement and letter recommended in the FEC General Counsel's report, subject to the amendments noted above in the agreement.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

9-18-87

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 22, 1987

Ronald W. Carmichael, Esquire
Carmichael & Powell
4150 North 12th Street
Phoenix, Arizona 85014-4932

RE: MUR 2466
Home Builders
Association of
Central Arizona PAC
and Richard E. Mettler,
as treasurer

Dear Mr. Carmichael:

On June 9, 1987, the Federal Election Commission found reason to believe that your clients, Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(ii) and 441a(f), and 11 C.F.R. § 102.5(a)(1). At your request, on September 15, 1987, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you and your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Don Moon and Santa Re Ltd.) MUR 2466

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SECRETARIAT

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On June 9, 1987, the Federal Election Commission (the "Commission") found reason to believe that Don Moon and Santa Re Ltd. ("Santa Re") violated 2 U.S.C. § 441(a)(1)(C) by making excessive contributions to the Home Builders Association of Central Arizona PAC (the "PAC"), a political committee registered with the Commission. Don Moon and Santa Re are hereinafter collectively referred to as the "Respondents".

By letter dated July 7, 1987, counsel for the Respondents requested an extension of time to reply to the Commission's finding. That extension until July 20, 1987, was granted. On July 21st, the Respondents filed their answer (Attachment 1).

II. ANALYSIS

Reports of receipts and disbursements filed by the PAC disclosed the PAC's receipt of \$11,250 in 1985 and of \$71,450 in 1986 from Don Moon-Santa Re Ltd. Further the PAC stated that Don Moon and Santa Re Ltd. constituted the same contributor. Because Section 441a(a)(1)(C) limits a person's contributions to a political committee to an aggregate sum of \$5,000 per year, the Commission found reason to believe that Don Moon and Santa Re had made and the PAC had accepted excessive contributions.

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In their reply, the Respondents declare that only Santa Re Ltd., an Arizona limited partnership, had contributed funds to the PAC. Mr. Moon, as counsel for Santa Re, transmitted his client's contributions to the PAC. Those funds were apparently transferred by checks drawn on the Santa Re account and signed by a principal of the limited partnership. Photocopies of the checks, however, were not provided to the Commission.

Respondents further state that these funds were contributed solely for use in state and local elections. 1/ The Respondents assert that they did not violate 2 U.S.C. § 441a(a)(1)(C), because no contributions within the meaning of 2 U.S.C. § 431(8)(A)(i), i.e., funds donated "for the purpose of influencing any election for Federal office," were given to the PAC. Respondents further argue that the non-federal purpose of its contributions is demonstrated by Mr. Moon's communications with the PAC. See Exhibits B and C to Attachment 1. In those letters, Mr. Moon expressed his understanding that partnerships may make contributions without limit under Arizona law and that without separate accounting federal rules may control. These letters, written in 1985 and 1986, according to the Respondents, corroborate the non-federal purpose of contributions by Santa Re to the PAC.

1/ In its reply the PAC corroborates this assertion that the sums contributed by Santa Re were donated for state and local election campaigns and were used only for non-federal purposes.

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Respondents also state that they made "reasonable inquiry" into the procedures of the PAC to ensure that the Santa Re contributions were "properly accounted for and segregated for state use." These efforts included contacts with the Arizona Office of the Secretary of State and the Federal Election Commission, as well as assurances from the PAC.

According to the PAC, funds for federal and non-federal purposes were deposited into a single account, but accounted for individually. The failure of the PAC to properly segregate federal and non-federal funds, the Respondents argue, cannot be the basis for a violation by the donor. Having made inquiry into the PAC's compliance procedures, the Respondents state that they should not be held liable for the PAC's failure to comply with 11 C.F.R. § 102.5.

In view of Mr. Moon's sworn affidavit and letters demonstrating that the PAC's contributions were intended for state activity and illustrating Mr. Moon's endeavors to ensure that Santa Re's contributions to the PAC for State activity were permissible, the Office of the General Counsel recommends that the Commission take no further action against Don Moon and Santa Re Ltd. in this matter.

III. RECOMMENDATIONS

1. Take no further action against Don Moon and Santa Re Ltd.
2. Close the file as it pertains to Don Moon and Santa Re Ltd.

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3. Approve the attached letter.

Date 9/8/87

Lawrence M. Noble (JF)
Lawrence M. Noble
Acting General Counsel

Attachments

1. Response obtained
2. Letter to Respondents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Don Moon and Santa Re Ltd.) MUR 2466

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on September 11, 1987, the Commission decided by a vote of 6-0 to take the following actions in MUR 2466:

1. Take no further action against Don Moon and Santa Re Ltd., as recommended in the General Counsel's report signed September 9, 1987.
2. Close the file as it pertains to Don Moon and Santa Re Ltd.
3. Approve the letter, as recommended in the General Counsel's report signed September 9, 1987.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

9-11-87
Date

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

Received in the Office of Commission Secretary:	Wed., 9-9-87,	11:28
Circulated on 48 hour tally basis:	Thurs., 9-9-87,	4:00
Deadline for vote:	Fri., 9-11-87,	4:00

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 16, 1987

Robert F. Bauer, Esquire
Perkins Coie
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 2466
Don Moon, Santa Re Ltd.

Dear Mr. Bauer:

On June 12, 1987, your clients, Don Moon and Santa Re Ltd., were notified that the Federal Election Commission found reason to believe that your clients violated 2 U.S.C. § 441a(a)(1)(C). On July 21, 1987, you submitted a response to the Commission's reason to believe finding in this matter.

After considering the circumstances of the matter, the Commission determined on September 9, 1987, to take no further action against Don Moon and Santa Re Ltd., and closed its file as it pertains to your clients. The file will be made part of the public record within 30 days after the matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

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.

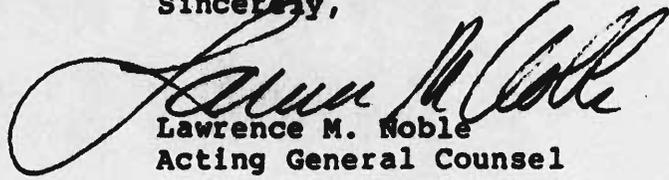
The Commission reminds you that the contribution of sums in excess of the statutory limitations appears to be a violation of 2 U.S.C. § 441a(a)(1)(C). Your clients should take immediate steps to insure that this activity does not occur in the future.

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mem

If you have any questions, please contact Celia L. Jacoby,
the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
Acting General Counsel

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RECEIVED
FEDERAL ELECTION COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION

NOV 24 AM 10:05

In the Matter of)	
)	
Home Builders Association of)	MUR 2466
Central Arizona PAC and)	
Richard E. Mettler,)	
as treasurer)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Richard E. Mettler, the treasurer of the Home Builders Association of Central Arizona PAC.

On June 9, 1987, the Federal Election Commission (the "Commission") found reason to believe that Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer (the "Respondents"), had violated 2 U.S.C. § 434(a)(4)(A)(ii) by the failure to timely file the 1986 12 Day Pre-Election Report, 2 U.S.C. § 441a(f) by the receipt of excessive contributions and 11 C.F.R. § 102.5(a)(1) by the failure to limit its receipts to those subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended (the "Act").

On September 15th, the Commission approved the Respondents' request to settle this matter prior to a finding of probable cause to believe. A conciliation agreement was sent on September 21st, but was returned by the postal service. That agreement was forwarded to the Respondents again on October 6, 1987.

(P. 2 deleted)

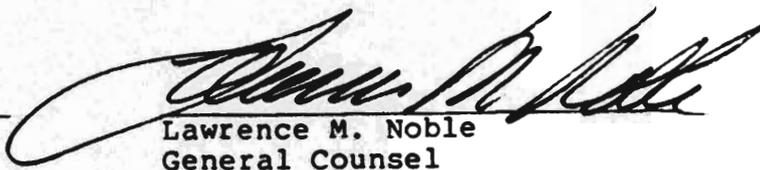
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II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer.
2. Close the file.
3. Approve the attached letters.

Date 11/23/87


Lawrence M. Noble
General Counsel

Attachments

1. Conciliation Agreement
2. Photocopy of civil penalty check
3. Letters to Respondents (2)

CARMICHAEL, MC CLUE & POWELL, P.C.
TRUST ACCOUNT
ATTORNEYS AT LAW
4150 N. 12TH STREET PH. 241-0777
PHOENIX, ARIZONA 85014

1993

91-283/1221

10-21-1987

PAY TO THE FEDERAL ELECTION COMMISSION
ORDER OF

THE SUM 2500 DOLLARS 00 CTS

\$ 2,500.00

DOLLARS



Phoenix Downtown Office
UNITED BANK
OF ARIZONA
100 W. Van Buren Street, Phoenix, AZ 85003

FOR Home Builders Assn. Central Arizona
Civil
Penalty

⑈001993⑈ • ⑆12210283⑆

⑈6272901029⑈

BCA#4653

MEMORANDUM

TO: DEBRA A. TRIMIEW

TO: CECILIA LIEBER

FROM: CECILIA LIEBER

FROM: Michele Broussard
~~DEBRA A. TRIMIEW~~

CHECK NO. 1993 { A COPY OF WHICH IS ATTACHED } RELATING TO

MUR 2466 AND NAME Home Builders Association of Central Arizona PAC et al.

(Jacoby)
WAS RECEIVED ON 10/29/87. PLEASE INDICATE THE ACCOUNT INTO

WHICH IT SHOULD BE DEPOSITED:

- / X / BUDGET CLEARING ACCOUNT { 95F3875.16 }
- / / CIVIL PENALTIES ACCOUNT { 95-1099.160 }
- / / OTHER _____

SIGNATURE Michele Broussard

DATE 10/29/87

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
87 OCT 29 AM 10:42

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Home Builders Association of)
Central Arizona PAC and) MUR 2466
Richard E. Mettler,)
as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 27, 1987, the Commission decided by a vote of 6-0 to take the following actions in MUR 2466:

1. Accept the conciliation agreement with Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer, as recommended in the General Counsel's report signed November 23, 1987.
2. Close the file.
3. Approve the letters, as recommended in the General Counsel's report signed November 23, 1987,

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

11-27-87

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary: Mon., 11-24-87, 10:0
Circulated on 48 hour tally basis: Mon., 11-24-87, 4:0
Deadline for vote: Fri., 11-27-87, 4:0

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Reun



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

02 December 1987

Robert F. Bauer, Esquire
Perkins Coie
1110 Vermont Avenue, N.W.
Washington, D.C. 20005

RE: MUR 2466
Don Moon, Santa Re Ltd.

Dear Mr. Bauer:

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 30 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 ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, please contact Celia L. Jacoby, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
Lawrence M. Noble
General Counsel

83040683703



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

02 December 1987

Ronald W. Carmichael, Esquire
Carmichael & Powell
4150 North 12th Street
Phoenix, Arizona 85014-4932

RE: MUR 2466
Home Builders Association
of Central Arizona PAC
and Richard E. Mettler,
as treasurer

Dear Mr. Carmichael:

On November 27, 1987, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on behalf of your clients, Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer, in settlement of a violation of 2 U.S.C. §§ 434(a)(4)(A)(ii) and 441a(f), provisions of the Federal Election Campaign Act of 1971, as amended and 11 C.F.R. § 102.5(a)(1) of the Commission's Regulations. Accordingly, the file has been closed in this matter. This matter will become a part of the public record within 30 days. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

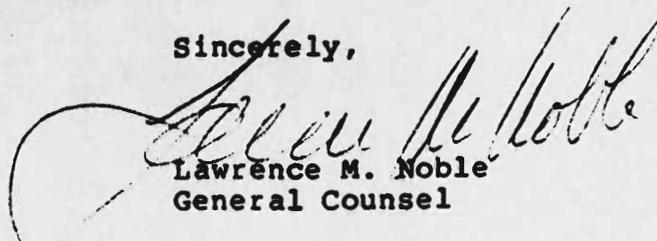
Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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RAM

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Celia L. Jacoby, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Home Builders Association) MUR 2466
of Central Arizona PAC and)
Richard E. Mettler, as)
treasurer)

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission (the "Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. On June 9, 1987, the Commission found reason to believe that Home Builders Association of Central Arizona PAC and Richard E. Mettler, as treasurer (the "Respondents"), violated 2 U.S.C. §§ 434(a)(4)(A)(ii) and 441a(f), and 11 C.F.R. § 102.5(a)(1).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

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IV. The pertinent facts in this matter are as follows:

1. Respondent, Home Builders Association of Central Arizona PAC, is a political committee within the meaning of 2 U.S.C. § 431(4) and is registered with the Commission.

2. Respondent, Richard E. Mettler, is the treasurer of Home Builders Association of Central Arizona PAC.

3. Section 434(a)(4)(A)(ii), Title 2, United States Code provides that the treasurer of an unauthorized political committee must file a pre-election report no later than twelve (12) days before any election in which such committee makes a contribution to or expenditure on behalf of a candidate in such election.

4. Respondent, Home Builders Association of Central Arizona PAC, is not the authorized political committee of any federal candidate and files reports with the Commission on a quarterly basis. On October 1, 1986, a contribution to a federal candidate was made by Respondents.

5. Respondents were required to file the 1986 Pre-Election Report on October 23, 1986. Respondents filed on November 28, 1986, the 1986 Post-General Election Report which covered the period (October 1 to October 15, 1986) required to be disclosed on the 1986 Pre-Election Report. The information required to be reported in the pre-election report was accordingly submitted thirty-six (36) days late.

6. Section 102.5(a)(1) of the Commission's

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regulations provides that an organization which finances both federal and non-federal elections must either establish a separate federal account which is treated as a "political committee", or limit itself to receiving only contributions that are subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended (the "Act"), regardless of whether the contributions will be used in connection with federal or non-federal elections.

7. Respondents maintained a single account into which funds for federal and non-federal purposes were deposited.

8. Because the Respondents did not establish a separate federal account, they were limited to receiving only those funds that conformed to the prohibitions and limitations of the Act.

9. Section 441a(a)(1)(C), Title 2, United States Code provides that a person may contribute no more than \$5,000 per calendar year to a political committee (other than a candidate's committee or national political party's committee).

10. Section 441a(f) of Title 2, United States Code provides that no political committee shall receive a contribution in excess of the statutory limitations, and no officer or employee of a political committee shall knowingly accept a contribution in violation of the statutory limitations on contributions.

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11. The Respondents accepted funds of \$11,200, or \$6,250 in excess of the statutory limit, in 1985, and of \$71,450, or \$66,450 in excess of the statutory limit, in 1986 from a person.

12. For the 1985-1986 reporting cycle, the Respondents reported a total of \$132,412 in receipts, or \$59,712 more than the excessive funds referred to in the preceding paragraph. During that same reporting cycle, the Respondents disclosed approximately \$20,000 in contributions or expenditures on behalf of federal candidates out of a total of \$135,520 in disbursements.

V. Respondents failed to file the 1986 Pre-Election Report in violation of 2 U.S.C. Sec. 434(a)(4)(A)(ii).

VI. Respondents financed activities in connection with federal and non-federal elections, but failed to establish a separate federal account or to limit its receipt of contributions to those subject to the restrictions and limitations of the Act in violation of 11 C.F.R. Sec. 102.5(a)(1).

VII. Respondents received funds which exceeded the statutory limitations on contributions in violation of 2 U.S.C. Sec. 441a(f).

VIII. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two Thousand Five Hundred Dollars (\$2,500), pursuant to 2 U.S.C. Sec. 437g(a)(5)(A).

IX. The Commission, on request of anyone filing a complaint under 2 U.S.C. Sec. 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

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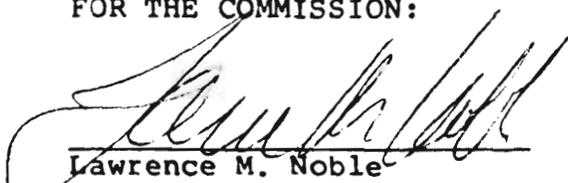
requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

X. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

XI. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

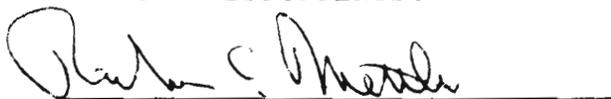
XII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

FOR THE COMMISSION:


Lawrence M. Noble
General Counsel

12/1/87
Date

FOR THE RESPONDENTS:


Richard E. Mettler
Treasurer

10/21/87
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2466

DATE FILMED 3/23/88 CAMERA NO. 3

CAMERAMAN AS

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