FEDERAL ELECTION COMMISSION
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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

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In the matter of:

Tom Carter for Congress Committee, a principal campaign committee, 513 Blanco, Mesquite, Texas 75150

v.

John Bryant Campaign Fund, a principal campaign committee, 8035 E. R.L. Thornton, Suite 212, Dallas, Texas 75228, and Congressman John Bryant, 412 Cannon House Office Building, Washington, D.C. 20515

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FEDERAL ELECTION COMMISSION
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COMPLAINT

The Tom Carter for Congress Committee ("TCC Committee") files this complaint, pursuant to 2 U.S.C. 437g(a), against the John Bryant Campaign Fund and Mr. John Wylie Bryant personally (collectively referred to herein as "Bryant Campaign Fund"), challenging the following Bryant Campaign Fund violations:

1) Illegally copying the TCC Committee donor lists for Bryant Campaign Fund solicitations;

2) Illegally using Bryant Campaign Fund monies for activities not attributable to a bona fide campaign purpose;

3) Illegally receiving personal contributions in excess of $1,000 per election; and,

4) Illegally concealing the total amount of monies received by the Bryant Campaign Fund from political action committees.

COUNT I

ILLEGAL USE OF FEC REPORTS
FOR BRYANT CAMPAIGN FUND SOLICITATIONS

A. Facts

The TCC Committee, since its inception in 1986, has always complied with the Federal Election Campaign Act (the "Act") requirement that it file with the Federal Election Commission ("FEC") those portions of its contribution lists reflecting donors who contributed more than $200.00 in a calendar year. 2 U.S.C. 434 (1982). Those lists are on file with the FEC.

The Act requires that the FEC make the lists filed by the TCC Committee available for public inspection and copying. Id., 438(a)(4). The Act, in requiring that the names and information be made public, also recognizes that political committees such as the TCC Committee have associational interests on their own behalf and on behalf of their contributors.

Accordingly, the Act specifies that the content of the reports filed with the FEC may not be copied or sold or used "for the purpose of soliciting contributions or for commercial purposes." (emphasis added). The TCC Committee has submitted its reports under the explicit statutory protection that its lists would not be used, offered or sold in a manner that facilitated their use for purposes of solicitations.

The TCC Committee filed quarterly reports with the FEC on April 15, 1986; July 15, 1986; and October 15, 1986. The reports filed on April 15, 1986 and July 15, 1986, included itemized contributions by Ray Van Buskirk. The report filed on October 15, 1986, included an itemized contribution by the Prestoncrest Republican Women's Club. Copies of the TCC Committee reports showing these contributions are Exhibits A-1, A-2, and A-3.

The Bryant Campaign Fund could only have obtained Ray Van

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Buskirk's name and address from the TCC Committee FEC reports because: Ray Van Buskirk lives outside the Fifth Congressional District of Texas; Ray Van Buskirk contributed to the TCC Committee and appears twice on the TCC Committee FEC reports; Ray Van Buskirk received two identical hand-addressed solicitations from the Bryant Campaign Fund using the exact name and address that appear on the TCC Committee FEC reports; and Ray Van Buskirk has never contributed to the Bryant Campaign Fund.

The Bryant Campaign Fund could only have obtained the Prestoncrest Republican Women's Club name and that of Cathy Palmer from the TCC Committee FEC report because it was incorrectly listed as "Prestoncrest Republican Women" in the TCC Committee's FEC report and the Bryant Campaign Fund addressed its solicitation in the same manner; also, the Bryant Campaign Fund solicitation was hand-addressed to the attention of Cathy Palmer in the same form as it appeared on the TCC Committee FEC report.

Copies of affidavits concerning these facts are attached as Exhibits B-1 and B-2.

On or about August 14, 1986, and again on or about October 23, 1986, the Bryant Campaign Fund sent mailings called "The Bryant Bulletin." See copies of said mailings attached as Exhibit C-1 and C-2. These mailings solicited political contributions for "Congressman John Bryant, 8035 East R.L. Thornton, Suite 212, Dallas, Texas 75228.") Id.

These Bryant Campaign Fund mailings were sent to names and addresses unique to the TCC Committee FEC list for the purpose of soliciting contributions. See Affidavits attached as Exhibits B-1

and B-2.

B. Violation

Congressman John Bryant and the John Bryant Campaign Fund knowingly and willfully violated 2 U.S.C. 438(a)(4) which states that information contained in FEC reports shall be made "available for public inspection and copying . . . except that any information copied from such reports or statements may not be sold or used by any other person for the purpose of soliciting contributions." As the FEC itself has held, the intent of this statutory provision centers "on protecting the privacy of the 'public spirited citizens' who make contributions to campaigns." FEC Advisory Opinion 1980-78, Fed. Election Camp. Fin. Guide (CCH) para. 5530 (1980).[1]

Congressman John Bryant and the Bryant Campaign Fund irrefutably used the campaign contributors' list for the Tom Carter for Congress Committee to solicit contributions. The Bryant mailings, attached as Exhibits C-1 and C-2, were sent to the names and addresses of contributors unique to Carter for Congress FEC filings.

The Bryant Campaign Fund could only have obtained these names by improperly copying them from reports filed with the FEC. See Affidavits attached as Exhibits B-1 and B-2. Congressman Bryant and

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[1] The Supreme Court has stated that "compelled disclosure, in itself, can seriously infringe on privacy of association and belief guaranteed by the First Amendment." Buckley v. Valeo, 424 U.S. 1, 64 (1976). In sustaining the Act's mandatory disclosure of contributions, the Court emphasized the continuing constitutional protection accorded these individuals. In fact, political parties "need show only a reasonable probability that the compelled disclosure of a party's contributors' names will subject them to threats, harassment or reprisals from either Government officials or private parties" in order to qualify for an exemption from the Act's disclosure provisions. Id. at 74.

his Bryant Campaign Fund improperly compiled the list of names and addresses which were then used for the solicitation of contributions.

COUNT II

ILLEGAL USE OF BRYANT CAMPAIGN FUND MONIES FOR
ACTIVITIES NOT ATTRIBUTABLE TO A BONA FIDE CAMPAIGN PURPOSE

A. Facts

The Bryant Campaign Fund on March 6, 1986 and again on March 25, 1986 expended campaign monies to pay for improvements to Congressman John Bryant's Congressional Office. On those days, monies were expended from the Bryant Campaign Fund to pay for "locks for campaign and Congressional office" and "reimbursement for gas and keys for Congressional office", respectively. This was revealed in a remarkable filing with the Clerk of the House on April 15, 1986, in which Mr. Bryant's campaign chose to inform the Clerk of this illegal use of campaign funds. A copy of the applicable portion of the Bryant Campaign Fund's filing is attached as Exhibits D-1 and D-2.

The Bryant Campaign Fund, on April 14, 1986, expended campaign monies to pay for what appears on its face to be a $210 maximum speeding violation fine to the City of Dallas Police Department. Someone in the Bryant Campaign was apparently seized with a crisis of conscience because this payment was reported in the Bryant Campaign Fund's April 20, 1986, primary election report, the applicable portion of which is attached as Exhibit D-3.

B. Violation

Congressman John Bryant and the Bryant Campaign Fund violated House Rule XLIII, Clause 6, which prohibits a member of Congress from expending funds from his campaign account for activities other than

those with a "bona fide campaign purpose."

The use of campaign funds for the purpose of improving official U.S. Congressional facilities (See Exhibits D-1 and D-2) and payment of speeding ticket fines (See Exhibit D-3) are not bona fide campaign purposes and constitute a violation of House Rules.

COUNT III

ILLEGAL RECEIPT OF PERSONAL
CONTRIBUTIONS IN EXCESS OF $1,000 PER ELECTION

A. Facts

The Bryant Campaign Fund 1985 year-end FEC report shows the Bryant Campaign Fund had no debt remaining from the 1984 election or from any previous election.

The Bryant Campaign Fund received a $1,000 contribution from Mr. Bob Hayes and a $1,000 contribution from Mrs. Bob Hayes on February 8, 1985. (See attached Exhibit E-1).

The Bryant Campaign Fund received a $1,000 contribution from Mr. Bob Hayes and a $1,000 contribution from Mrs. Bob Hayes on February 26, 1986. The February 26, 1986, contributions were reported as "primary" contributions on the Bryant Campaign Fund April 15, 1986, quarterly FEC report. (See attached Exhibit E-2)

B. Violation

Since the Bryant Campaign Fund had no debt to retire and the February 8, 1985, $1,000 contributions from Mr. and Mrs. Bob Hayes were undesignated in the Bryant Campaign Fund FEC report, they should apply to John Bryant's May 3, 1986, Democrat Primary Election. The February 26, 1986, $1,000 contributions from Mr. and Mrs. Bob Hayes were also made prior to John Bryant's 1986 primary and were designated as "primary" contributions in the April 15, 1986, Bryant

Campaign Fund FEC report. Therefore, the Bryant Campaign Fund received an aggregate of $2,000 from Mr. Bob Hayes for the May 1986 Democrat primary and an aggregate of $2,000 from Mrs. Bob Hayes for the May 1986 Democrat primary. Title 2 U.S.C. 441a(a)(1)(A) makes it a violation for a candidate to receive, in the aggregate, more than $1,000 from any individual for any federal election. Therefore, John Bryant has violated said statute.

COUNT IV

ILLEGAL CONCEALMENT OF THE TOTAL AMOUNT OF MONIES RECEIVED BY THE BRYANT CAMPAIGN FUND FROM POLITICAL ACTION COMMITTEES

A. Facts

The Bryant Campaign Fund misreported its year-to-date receipts from political action committees ("PACs") on its April 20, 1986, primary election FEC report. In that report, the Bryant Campaign Fund improperly listed $55,500 of PAC money (which should have been listed on Line 11(c) of the detailed summary page) as contributions from Political Party Committees (See Line 11(b) of Exhibit E-1). In the July 15, 1986, quarterly FEC report the Bryant Campaign Fund continues to misreport $55,500 of PAC receipts as money coming from Political Party Committees. (See Exhibit E-2). In the October 15, 1986, quarterly report, the Bryant Campaign Fund corrected the year-to-date Political Party Committee contributions, but continued to conceal its year-to-date PAC contributions by leaving Column B, Line 11(c) totally blank. (See Exhibit E-3).

B. Violation

Title 2 U.S.C. 434(b)(2)(D) requires congressional candidates to report to the FEC "the total amount of all receipts" from political action committees. The Bryant Campaign Fund concealed its

total receipts from PACs during 1986 by cleverly misfiling PAC receipts under Political Party Committee contributions in a number of reports (See Exhibits ~~E~~ F-1 TDC and ~~E~~ F-2 TDC) and by failing to aggregate year-to-date PAC receipts as required by FEC Form 1 (3/80) in another FEC report. (See Exhibit ~~E~~ F-3 TDC). This came at a time when the huge volume of PAC receipts gathered in by the Bryant Campaign Fund had become an issue in the campaign. These PAC receipts, if properly reported would been particularly embarrassing to John Bryant in light of his official support of legislation in Congress which would have limited PAC receipts to an amount significantly lower than the total PAC contributions which the Bryant Campaign Fund had already solicited and received. This motive to conceal and to affirmatively mislead the press and others about the total amount of PAC monies received, together with systematic errors and omissions in the Bryant Campaign Fund FEC reports, which had the effect of concealing the total PAC monies received by the Bryant Campaign Fund, are sufficient to show a willful failure to meet the reporting requirements of 2 U.S.C. 434(b)(2)(D).

PRAYER FOR RELIEF

The Tom Carter for Congress Committee requests that the FEC conduct a complete and thorough investigation of the Bryant Campaign Fund's FEC reports and the myriad of amendments thereto; verify these violations; and, enforce all applicable federal election laws and FEC regulations.

The Tom Carter for Congress Committee further requests that the FEC seek the maximum fines of each violation as set forth in 2 U.S.C. 437g, and take all steps necessary, including civil and

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injunctive action, to prevent the Bryant Campaign Fund from continuing their illegal activity.

VERIFICATION

The undersigned swears that the allegations and facts set forth in this complaint are true to the best of knowledge, information and belief.

Thomas B. Carter

Subscribed and sworn before this 14th day of October 1986.

Kathy M. Davis
Notary Public

My Commission Expires: 3-17-90

SCHEDULE A — ITEMIZED RECEIPTS — for Line Number 11(A)

Full Name of Committee: Tom Carter for Congress

| Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. Ray Van Buskirk<br>2413 Vista Glen<br>Carrollton, TX 75007 | T.R.W. | P | 03/27/86 | 100.00 |
| | Total YTD: $ 100.00 | | | |
| Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
| Mr. Ross E. Brannian<br>2525 Turtle Creek Blvd.<br>Dallas, TX 75205 | Information Requested | P | 03/27/86 | 50.00 |
| | Total YTD: $ 50.00 | | | |
| Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
| Mr. Hugh M. Briggs<br>C2076 Tavel Circle<br>Dallas, TX 75230 | Self-Employed<br>Industrial Oil Operat. | P | 02/26/86 | 500.00 |
| | Total YTD: $ 500.00 | | | |
| Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
| CTC. William N. Brown, II<br>214 Ashville Drive<br>Garland, TX 75041 | Retired | P | 03/07/86 | 25.00 |
| | Total YTD: $ 25.00 | | | |
| Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
| Mrs. Cecil C. Burns<br>3310 Vancouver Circle<br>Dallas, TX 75229 | Housewife | P | 03/03/86 | 100.00 |
| | Total YTD: $ 100.00 | | | |

TOTAL THIS PAGE: 775.00

SCHEDULE A ITEMIZED RECEIPTS

Full Name of Committee: Tom Carter for Congress

| A. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. Jack L. Burrell<br>2301 Cedar Springs Rd.<br>Suite 400<br>Dallas, TX 75201 | Self-Employed<br>Investor | G | 05/16/86 | 500.00 |
| | Total YTD: $ 500.00 | | | |

| B. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. Joe W. Russell<br>7010 Delrose<br>Dallas, TX 75214 | E-Systems, Inc.<br>VP, Corp. Relations | G<br>P | 06/16/86<br>04/24/86 | 100.00<br>100.00 |
| | Total YTD: $ 200.00 | | | |

| C. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. John F. Eulich<br>Vantage Companies<br>2777 Stemmons Freeway<br>Dallas, TX 75207 | Vantage Companies<br>Chairman & Founder | G | 06/16/86 | 500.00 |
| | Total YTD: $ 500.00 | | | |

| D. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. N.B. Hunt<br>Thanksgiving Tower<br>Dallas, TX 75201 | Self<br>Investments | G | 05/16/86 | 1000.00 |
| | Total YTD: $ 1000.00 | | | |

| E. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mr. Ray Van Buskirk<br>2413 Vista Glen<br>Carrollton, TX 75007 | T.R.W. | G | 06/23/86 | 100.00 |
| | Total YTD: $ 200.00 | | | |

TOTAL THIS PAGE: 2300.00

SCHEDULE A ITEMIZED RECEIPTS for Line Number 11(b)

Full Name of Committee: Tom Carter for Congress

| A. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| First Republican Women's Club of Dallas, Campaign Committee<br>10007 Woodlake Drive<br>Dallas, TX 75243 | | G | 09/26/86 | 200.00 |
| | Total YTD: $ 200.00 | | | |

| B. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Lakewood Republican Womens Club<br>Attn. Patricia A. Howell<br>P.O. Box 140940<br>Dallas, TX 75214 | | G | 09/30/86 | 50.00 |
| | Total YTD: $ 50.00 | | | |

| C. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Mesquite Conservative Rep. Club<br>Attn.: Mrs. Linda Kagy<br>1834 Ridgeview Street<br>Mesquite, TX 75149 | | G | 09/26/86 | 300.00 |
| | Total YTD: $ 300.00 | | | |

| D. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| Prestoncrest Republican Women<br>Attn.: Cathy Palmer<br>P.O. Box 670293<br>Dallas, TX 75367 | | G | 09/09/86 | 200.00 |
| | Total YTD: $ 200.00 | | | |

| E. Full Name, Address, Zip | Employer/Occupation | P/G | Date | Receipts |
|---|---|---|---|---|
| National Republican<br>Congressional Committee<br>320 First Street, SE, Rm 307<br>Washington, DC 20003 | | G<br>G | 09/08/86<br>09/08/86 | 4000.00<br>60.07 * |
| | Total YTD: $ 8955.93 | | | |

TOTAL THIS PAGE: 4810.07

* IN-KIND

EXHIBIT B-1

AFFIDAVIT OF RAY VAN BUSKIRK

RAY VAN BUSKIRK for his affidavit deposes and says:

1. I have personal knowledge of the facts contained herein and am competent to testify thereto.

2. I was a contributor to the Tom Carter for Congress Committee. I made a $100 contribution that was recorded on the Tom Carter for Congress Committee's April 15 quarterly report. I contributed an additional $100 to Tom Carter for Congress Committee that was recorded on the Tom Carter for Congress Committee's July 15 quarterly report.

3. On or about August 18, 1986, I received two mailings from Congressman John Bryant and his John Bryant Campaign Fund. These mailings solicited me to make a contribution to Congressman John Bryant and were paid for by the John Bryant Campaign Fund.

4. Congressman Bryant and his Fund could only have obtained my name from the Tom Carter for Congress Committee FEC reports because: I live outside his congressional district; I contributed to Carter and appear twice on Carter's FEC reports; I received two identical hand addressed solicitations from Bryant using the exact name and address that appear on Carter's reports; I have never contributed to Bryant.

Ray Van Buskirk

Subscribed and sworn before me this 12th day of October 1987.

STATE OF TEXAS
COUNTY OF DALLAS

Graciela M Flores
Notary Public

My Commission Expires: 6-4-91

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Exhibit B-2

AFFIDAVIT OF BRUCE LOTT

BRUCE LOTT for his affidavit deposes and says:

1. I am the former campaign manager for the 1986 Carter for Congress campaign and I have personal knowledge of the facts contained herein and am competent to testify thereto.

2. The Prestoncrest Republican Women's Club (Club) was a contributor to the Tom Carter for Congress Committee. The Club made a $200 contribution that was recorded incorrectly under the name "Prestoncrest Republican Women" on the Tom Carter for Congress Committee's October 15 quarterly FEC report.

3. On or about November 1, 1986, I received a letter from Cathy Palmer, the treasurer of the Prestoncrest Republican Women's Club. Enclosed with her letter was a copy of a mailing she had received from Congressman John Bryant and his John Bryant Campaign Fund. The Bryant mailing was paid for by the John Bryant Campaign Fund and was postmarked October 23, 1986. It was addressed to "Prestoncrest Republican Women" and solicited a campaign contribution to the John Bryant Campaign Fund. A copy of said mailing is attached hereto.

4. Congressman Bryant and his Fund could only have obtained the Club name and address in the form which was used from the Tom Carter for Congress Committee FEC report because the Club is a Republican organization located outside his Congressional District and the Bryant solicitation was hand-addressed to the Club and to the attention of Cathy Palmer in the same incorrect form as it appeared on Carter's FEC report.

Bruce Lott

Bruce Lott

Subscribed and sworn before me this 15th day of October 1987.

Carla G. Headen

Notary Public

My Commission Expires: 11-18-89

CARLA G. HEADEN Notary Public
In and For ... of Texas
My Commission Expires 11-18-89

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Congressman
**John Bryant**
Putting America first!

8035 E. R.L. Thornton, Suite 212
Dallas, Texas 75228

Independent Republican Citizens
Attn: Cathy Palmer
P.O. Box 670293
Dallas, TX 75267

# 450 Bryant Backers Kick Off Campaign

An enthusiastic crowd of more than 450 backers joined John and Janet Bryant and their family in opening John's Congressional re-election headquarters August 25, and heard their Congressman promise to intensify his "Putting America First" crusade.

Fifteen elected officials were among the Bryant backers from throughout the Fifth Congressional District and other parts of Dallas County who converged on the Headquarters at 8035 East R.L. Thornton in the heart of the East and Central Dallas County district.

"I've heard you say you're concerned about our trade imbalance, about the illegal alien invasion, about rising crime and the drug problem," Bryant said in a short, informal talk. "I agree with your concerns. For the first time, I'm encouraged this Administration and Congress seems to be ready to take strong steps in fighting illegal drugs. We've got to keep after this problem and the unfair trade practices of other countries, as well as the heavy influx of illegal aliens, to put and keep America first."

**JOHN AND JANET BRYANT**
**greet one of more than 450 backers.**

Also attending the two-hour social gathering were the Bryants' three children - Amy, 12, John Jr., 10 and Jordan, 3 - as well as many of Dallas' political activists and long-time Bryant family friends, fellow church members and neighbors.

Bryant reminded his supporters that an ultra-right-wing faction of the Republican Party is determined to fund an expensive campaign for his oil-lobbyist opponent, who has been endorsed by Pat Robertson,, Jerry Falwell, several heavily funded ultra-right-wing political action committees, and individuals who push those political ideas.

Bryant campaign staffers reminded backers that volunteers are needed for a variety of office chores through election day Nov. 4. Campaign manager John Pouland asked potential workers to call 328-8600 for assignments.

Efforts for the remainder of the campaign include distribution of yard signs and other election material and telephoning to remind Bryant backers of upcoming events.

## I WANT TO HELP
## CONGRESSMAN JOHN BRYANT PUT AMERICA FIRST

☐ You may use my name in support of John's campaign.

☐ Put a John Bryant sign in my yard.

☐ Enclosed is my contribution of
$25____ $50____ $100____ other ____

☐ Contact me to volunteer time to work on John's re-election.

☐ Send me a bumper sticker for my car.

Signature _____

Print Name _____

Street Adress _____

City, State, Zip _____

Home Phone/Office Phone,
Occupation _____

Please Return To:
Congressman John Bryant
Campaign Phone 214 - 328 - 8600

8035 East R.L. Thornton
Suite 212
Dallas, Texas 75228

EXHIBIT B-2

September 1986

8035 R.L. Thornton
Suite 212
Dallas TX 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# September Poll a Stampede

## John Convincing Undecided Voters 5 - 1 Over Lobbyist

The latest telephone poll of voters in the Fifth Congressional District show Congressman John Bryant, a three-to-one favorite little more than a month ago, is picking up previously-undecided voters at a five-to-one pace over his right-wing lobbyist opponent.

"This poll is even more encouraging than the first one," Bryant said, "not only because my margin is getting bigger, but because voters are coming over faster as the campaign intensifies and they get a much closer look at the difference between the candidates."

Last opposed in 1982 before an ultra right-wing splinter group of Republicans recruited an oil-company lobbyist named Tom Carter for this race, Bryant increased his support to 67.7 in the September poll after receiving 56.7 per cent backing in July.

Undecided voters dropped by eight per cent in the month between polls with Bryant getting seven shares of the newly-decided voters and his opponent 1.3 shares, a ratio of five votes to one in Bryant's favor.

After serving five terms in the Texas Legislature, Bryant got 65 per cent of the vote in 1982 to capture his first Congressional race. He was unopposed in 1984, even though Republicans made strong inroads on other Democrats around Texas and the nation.

Just as was the case in the late July poll, Bryant was again a big winner in all other aspects of the September poll (see chart at bottom of page). The first poll reached 1,129 registered Fifth District voters, the second 416. In both polls, telephone interviewers indicated no partiality toward any of the six candidates for various offices that they named and asked only for a direct response from the voter, to insure the most accurate results.

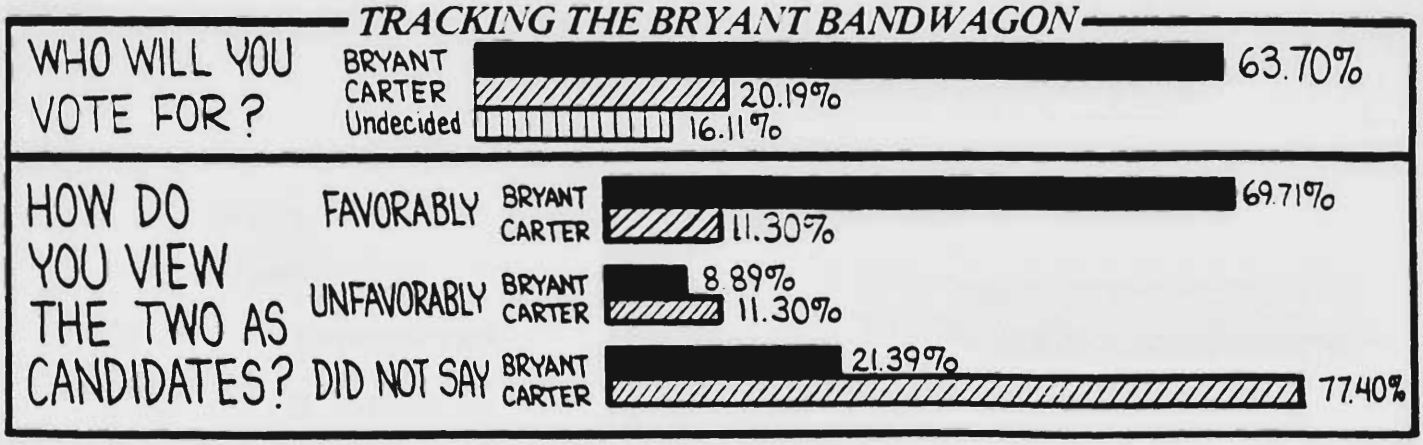
In addition to asking voters whether they would vote for Bryant or Carter in the Congressional race, pollsters asked what opinion voters had of the two.

Bryant was a runaway winner in the latter category with seven out of ten giving him ratings ranging from favorable to very favorable and less than one out of ten having a negative reaction. The challenger, on the other hand, drew exactly the same favorable and unfavorable response (11.30 per cent) as more than three-fourths of the voters said he had not impressed them enough to form any sort of opinion.

"I think this is an accurate reflection of the mood of the people who live in the Fifth Congressional District," Bryant said of the poll's results. "They aren't interested in being represented by a person who only recently moved into the district, and then only for the purpose of going to Washington to represent a handful of ultra-right-wingers from North Dallas.

"What they are interested in is getting some positive results in the fight against crime and illegal drugs, in seeing America get a fair shake in the international business and manufacturing market, and in getting a dollar's worth of government for a dollar's worth of taxes.

"That's the message I'm getting from my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Lancaster, Irving, and Dallas-and that's the message I'm taking to Congress.




Paid for John Bryant Campaign Fund. Not printed at Government expense.

EXHIBIT C-1

August 1986

8035 R.L. Thornton
Suite 212
Dallas TX 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# Polls, Backing Point to Landslide

## BRYANT INCREASING LEAD OVER LOBBYIST FOE

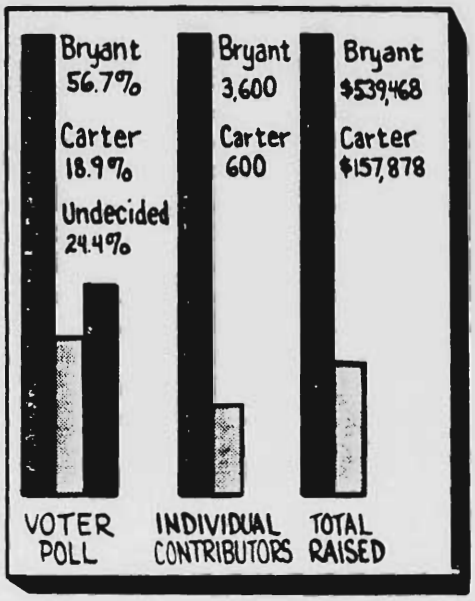
### *Survey Margin 3-1 for Bryant*

Three of the main barometers of campaign fortunes — polls, funds raised, and the number of individual contributions — indicate John Bryant is headed toward a landslide victory over his right wing, lobbyist-turned-candidate opponent.

A poll of registered voters in the Fifth Congressional District showed that fewer than two out of ten plan to vote for recent lobbyist Tom Carter and that Bryant has a lead of exactly three to one among the citizens most likely to go to the polls Nov. 7.

Bryant's advantage in total money raised is approaching $400,000 and his individual contributors outnumber Carter's by six to one. The Bryant campaign has raised $539,468.26 through the June 30 reporting date, with Carter totaling $157,878.46.

Even more telling: Bryant's campaign contributors have included 3,600 individuals to about 600 for Carter. More than two-thirds of Bryant's contributors live in the Fifth Congressional District. That is financial backing from 2,500 Fifth District residents. Carter has not disclosed how many of his 600 contributors actually live in the district he hopes to represent, but several of his largest individual contributors include Nelson Bunker Hunt (Hunt Oil Co.) and other interests from outside the Congressional district.




"One of the most gratifying aspects of this campaign is where I'm finding my support," Bryant said of the fund-raising lead. "I'm excited about the fact that literally thousands of my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Irving and Dallas believe that my record and my work in their behalf has not only earned their support, but their campaign contributions, too."

Bryant noted that his large number of small contributions is contrary to Carter's list, which primarily includes money funneled from a small group of North Dallas corporate executives.

The telephone poll, completed in early July, is the result of polling 1,129 registered Fifth District voters. The telephone interviewers indicated no favoritism toward either candidate and asked only who the voter supported, insuring the most realistic results possible.

### *Current Funds Reach 7-1 Edge*

Final results of the poll showed Bryant with 56.7 per cent, Carter with 18.9 per cent (exactly one-third), and 24.4 per cent of the voters undecided. Even with an exact split of the undecided vote in the traditionally Democratic district, Bryant would win with more than two-thirds of the vote.

Bryant's financial lead of almost four to one swells to seven to one when measuring funds on hand.

As of the June 30 reporting deadline, the Bryant campaign had $298,9[illegible] unspent funds on hand, seven t[illegible] the resources available to his lobbyist opponent ($41,262.39).

"It sounds good at this point," Bryant conceded, "but we've heard the Republican Party, the far right wing and the lobbyist himself say that almost a million dollars will be poured into the effort to get him in Congress to vote their desires—and we have to be prepared to take on a big money push by early fall."

Bryant said his staff and volunteers are already intensifying fund-raising and volunteer solicitation to offset the attempt by outsiders to buy the Fifth Congressional seat in November.

**CAMPAIGN HEADQUARTERS OPENING**

Join us for the opening of John's campaign headquarters, with snacks, refreshments, the Bryant family, old and new friends. It's in Suite 222, 8035 East R.L. Thornton at Jim Miller.

**MONDAY, AUG. 25**
**5:30 - 7:30 P.M.**
**8035 E. R.L. Thornton**

Paid for John Bryant Campaign Fund. Not paid at Government expense.

EXHIBIT C-2

September 1986

8035 R. L. Thornton
Suite 212
Dallas TX 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# September Poll a Stampede

## John Convincing Undecided Voters 5 - 1 Over Lobbyist

The latest telephone poll of voters in the Fifth Congressional District show Congressman John Bryant, a three-to-one favorite little more than a month ago, is picking up previously-undecided voters at a five-to-one pace over his right-wing lobbyist opponent.

"This poll is even more encouraging than the first one," Bryant said, "not only because my margin is getting bigger, but because voters are coming over faster as the campaign intensifies and they get a much closer look at the difference between the candidates."

Last opposed in 1982 before an ultra right-wing splinter group of Republicans recruited an oil-company lobbyist named Tom Carter for this race, Bryant increased his support to 67.7 in the September poll after receiving 56.7 per cent backing in July.

Undecided voters dropped by eight per cent in the month between polls with Bryant getting seven shares of the newly-decided voters and his opponent 1.3 shares, a ratio of five votes to one in Bryant's favor.

After serving five terms in the Texas Legislature, Bryant got 65 per cent of the vote in 1982 to capture his first Congressional race. He was unopposed in 1984, even though Republicans made strong inroads on other Democrats around Texas and the nation.

Just as was the case in the late July poll, Bryant was again a big winner in all other aspects of the September poll (see chart at bottom of page). The first poll reached 1,129 registered Fifth District voters, the second 416. In both polls, telephone interviewers indicated no partiality toward any of the six candidates for various offices that they named and asked only for a direct response from the voter, to insure the most accurate results.

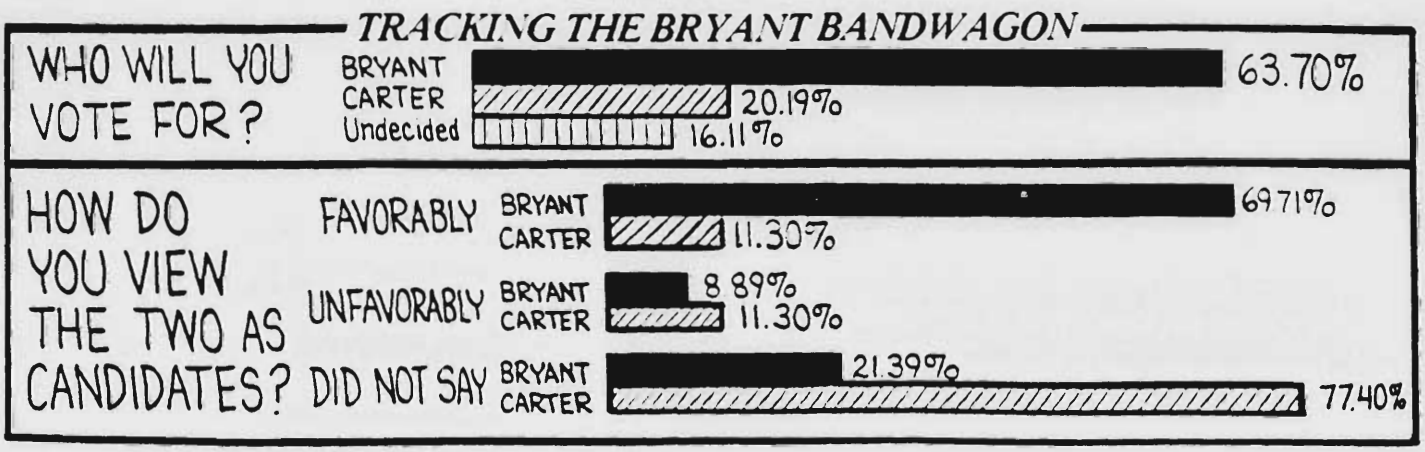
In addition to asking voters whether they would vote for Bryant or Carter in the Congressional race, pollsters asked what opinion voters had of the two.

Bryant was a runaway winner in the latter category with seven out of ten giving him ratings ranging from favorable to very favorable and less than one out of ten having a negative reaction. The challenger, on the other hand, drew exactly the same favorable and unfavorable response (11.30 per cent) as more than three-fourths of the voters said he had not impressed them enough to form any sort of opinion.

"I think this is an accurate reflection of the mood of the people who live in the Fifth Congressional District," Bryant said of the poll's results. "They aren't interested in being represented by a person who only recently moved into the district, and then only for the purpose of going to Washington to represent a handful of ultra-right-wingers from North Dallas.

"What they are interested in is getting some positive results in the fight against crime and illegal drugs, in seeing America get a fair shake in the international business and manufacturing market, and in getting a dollar's worth of government for a dollar's worth of taxes.

"That's the message I'm getting from my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Lancaster, Irving, and Dallas-and that's the message I'm taking to Congress.




Paid for by John Bryant Campaign Fund. Not printed at Government expense.

EXHIBIT D-1

Page 10 of ____ for
LINE NUMBER ____
(Use separate schedule(s) for each category of the Detailed Summary Page)

**SCHEDULE B** — **ITEMIZED DISBURSEMENTS**

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): John Bryant Campaign Committee

| A. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| Town East Trophies<br>130 Town East Blvd.<br>Mesquite, TX 75150 | ID name tags | 3/6/86 | $25.23 |
| **B. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Frances Dirks<br>2654 Anderson<br>Dallas, TX | reimbursement for developing film | 3/10/86 | $6.46 |
| **C. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Tha Main Event<br>6120 Mockingbird<br>Dallas, TX 75214 | newspaper ad | 3/5/86 | $125.00 |
| **D. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Seagoville Chamber<br>107 Hall Road<br>Seagoville, TX 75159 | annual banquet | 3/5/86 | $25.00 |
| **E. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Golden's Casa Linda<br>363 Casa Linda<br>Dallas, TX 75218 | locks for campaign & congressional ofc. | 3/6/86 | $129.66 |
| **F. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Ft. Knox<br>5621 Parkdale<br>Dallas, Texas 75228 | campaign storage | 3/18/86 | $89.00 |
| **G. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| U.S. Postmaster<br>Parkdale Station<br>Dallas, Texas 75227 | stamps | 3/12/86 | $110.00 |
| **H. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| Norma Minnis<br>6211 Prospect<br>Dallas, Texas 75216 | contract labor | 3/13/86 | $800.00 |
| **I. Full Name, Mailing Address and ZIP Code** | **Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify):** | **Date (month, day, year)** | **Amount of Each Disbursement This Period** |
| U.S. Postmaster<br>Bulk Mail Center<br>Dallas, TX | business reply envelope & accounting fee costs | 3/13/86 | $210.00 |

**SUBTOTAL** of Disbursements This Page (optional) . . . . . 1520.35

**TOTAL** This Period (last page this line number only) . . . . . .

EXHIBIT D-2

Page 1 of ____ for LINE NUMBER _____
(Use separate schedule(s) for each category of the Detailed Summary Page)

**SCHEDULE B** — **ITEMIZED DISBURSEMENTS**

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)
John Bryant Campaign Committee

| Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. Sharon Jenkins<br>6704 Wofford<br>Dallas, TX 75227 | reimbursement for dinner for Constituent<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 2/17/86 | $31.67 |
| B. Norma Minnis<br>6211 Prospect<br>Dallas, TX | reimbursement for gas<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/17/86 | $8.00 |
| C. Democratic Women<br>8035 E.R.L. Thorton<br>Dallas, TX 75228 | ad in yearbook<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/17/86 | $200.00 |
| D. Sally Hansen<br>5372 Bedford<br>Alexandria, VA 22309 | contract labor<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/17/86 | $200.00 |
| E. U.S. Postmaster<br>Parkdale Station<br>Dallas, TX 75227 | overnight mail<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/18/86 | $10.75 |
| F. Norma Minnis<br>6211 Prospect<br>Dallas, TX | reimbursement for cab fare $13.00 & gas $7.<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/21/86 | $20.00 |
| G. John Pouland Campign<br>2429 Reagan #216<br>Dallas, TX 75219 | contribution<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/21/86 | $25.00 |
| H. Frances Dirks<br>2654 Anderson<br>Dallas, TX 75215 | reimbursement for supplies for office<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/25/86 | $24.88 |
| I. Anna Martinez<br>9920 Castle Bay<br>Dallas, TX 75227 | reimbursement for gas & keys for Cong. Off.<br>Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | 3/25/86 | $16.05 |
| **SUBTOTAL** of Disbursements This Page (optional) | | | 536.35 |
| **TOTAL** This Period (last page this line number only) | | | |

**SCHEDULE B** **ITEMIZED DISBURSEMENTS**

EXHIBIT D-3
LINE NUMBER _____
(Use separate schedule(s) for each category of the Detailed Summary Page)

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)
JOHN BRYANT CAMPAIGN COMMITTEE

| Full Name, Mailing Address and ZIP Code | Purpose of Disbursement / Disbursement for: ☑ Primary ☐ General ☐ Other (specify): | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. One Hour Photo Moto<br>Town East Mall<br>Mesquite, Texas 75150 | developing of film | 4/9/86 | $53.33 |
| B. Sharon Jenkins<br>6704 Wofford Drive<br>Dallas, Texas 75227 | contract labor | 4/9/86 | $100.00 |
| C. U.S. Postmaster<br>Parkdale Station<br>Dallas, Texas 75227 | stamps | 4/11/86 | $220.00 |
| D. Sharon Jenkins<br>6704 Wofford<br>Dallas, Texas 75227 | reimbursement for gas | 4/11/86 | $19.00 |
| E. Sally Hansen<br>5372 Bedford<br>Alexandria, VA | contract labor | 4/14/86 | $150.00 |
| F. City of Dallas<br>P.O. Box 6600241<br>Dallas, Texas | ticket | 4/14/86 | $210.00 |
| G. | | | |
| H. | | | |
| I. | | | |
| SUBTOTAL of Disbursements This Page (optional) | | | 752.33 |
| TOTAL This Period (last page this line number only) | | | |

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EXHIBIT E-1

Campaign Contribution

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt This Period |
|---|---|---|---|
| Mrs. Edwin Cox, Jr.<br>4100 Interfirst One<br>Dallas, Texas 75202<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Occupation: homemaker<br>Aggregate Year-to-Date-$ 1000.00 | 2-8-85 | $1,000.00 |
| Bob Hayes<br>5607 Palomar<br>Dallas, Texas<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer: Bob Hayes Chevrolet<br>Occupation: car dealer<br>Aggregate Year-to-Date-$ [illegible] | 2-8-85 | $1,000.00 |
| Mrs. Bob Hayes<br>5607 Palomar<br>Dallas, Texas 75229<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer:<br>Occupation: homemaker<br>Aggregate Year-to-Date-$ [illegible] | 2-8-85 | $1,000.00 |
| Lawrence E. Steinberg<br>600 Carillon Tower West<br>13601 Preston Rd.<br>Dallas, TX 75240<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer: Steinberg & Moser<br>Occupation: attorney<br>Aggregate Year-to-Date-$ [illegible] | 2-8-85 | $500.00 |
| M. W. Carr<br>5930 Desco<br>Dallas, Texas 75225<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer: self<br>Occupation: investor<br>Aggregate Year-to-Date-$ 200.00 | 2-8-85 | $ 200.00 |
| Alfred Ellis<br>2322 Republic Bank Tower<br>DAllas, TX 75201<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer: self<br>Occupation: attorney<br>Aggregate Year-to-Date-$ 500.00 | 2-8-85 | $ 500.00 |
| Mr. Lynn Phillips<br>3709 Marquette<br>Dallas, TX 75225<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer: Parkway Financial Corp.<br>Occupation: attorney<br>Aggregate Year-to-Date-$ 100.00 | 2-8-85 | $ 100.00 |
| SUBTOTAL of Receipts This Page (optional) | | | 4300.00 |
| TOTAL This Period (last page this line number only) | | | |

EXHIBIT E-2

Page 4 of ____ for LINE NUMBER _____
(Use separate schedule(s) for each category of the Detailed Summary Page)

SCHEDULE A

ITEMIZED RECEIPTS

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)
John Bryant Campaign Committee

| Full Name, Mailing Address and ZIP Code | Name of Employer / Occupation | Date (month, day, year) | Amount of Each Receipt this Period |
|---|---|---|---|
| A. Robert Hayes<br>5607 Palomar<br>Dallas, Texas 75229<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Bob Hayes Chevrolet<br>Occupation: owner<br>Aggregate Year-to-Date—$ 1000.00 | 2/26/86 | $1,000.00 |
| B. Mrs. Robert Hayes<br>5607 Palomar<br>Dallas, Texas 75229<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Occupation: Housewife<br>Aggregate Year-to-Date—$ 1000.00 | 2/26/86 | $1,000.00 |
| C. Paul S. Quinn<br>1735 New York Avenue, NW<br>Washington, D.C. 20006<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Wilkinson, Barker Knauer, & Quinn<br>Occupation:<br>Aggregate Year-to-Date—$ 250.00 | 2/26/86 | $250.00 |
| D. Anthony Roffino<br>3927 Fairlake Drive<br>Dallas, Texas 75228<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Roffino Construction<br>Occupation: Owner<br>Aggregate Year-to-Date—$ 100.00 | 2/26/86 | $100.00 |
| E. Elaine Gross<br>3529 Rankin<br>Dallas, Texas 75205<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Occupation: housewife<br>Aggregate Year-to-Date—$ 100.00 | 3/18/86 | $100.00 |
| F. Jan Sanders<br>7326 Malabar Lane<br>Dallas, Texas 75230<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Warner Amex<br>Occupation: Executive<br>Aggregate Year-to-Date—$ 250.00 | 3/18/86 | $250.00 |
| G. C. N. Townsend<br>2704 Purdue<br>Dallas, Texas 75225<br>Receipt For: ☑ Primary ☐ General ☐ Other (specify): | Retired<br>Occupation:<br>Aggregate Year-to-Date—$ 100.00 | 3/18/86 | $100.00 |
| SUBTOTAL of Receipts This Page (optional) | | | 2800.00 |
| TOTAL This Period (last page this line number only) | | | |

EXHIBIT F-1

John Bryant Campaign

| | 4-1-86 | 4-15-86 | |
|---|---|---|---|
| | 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 (Memo Entry Unitemized $ 0.00) | 5,190.00 | 25,520.00 | 11 |
| (b) Political Party Committees | 0.00 | 55,500.00 | 11 |
| (c) Other Political Committees | 0.00 | | 11 |
| (d) The Candidate | 0.00 | | 11 |
| (e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d)) | 5,190.00 | 81,020.00 | 11 |
| 12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES | 0.00 | 0.00 | 12 |
| 13. LOANS: | | | |
| (a) Made or Guaranteed by the Candidate | 0.00 | 0.00 | 13 |
| (b) All Other Loans | 0.00 | 0.00 | 13 |
| (c) TOTAL LOANS (add 13 (a) and 13 (b)) | 0.00 | 0.00 | 13 |
| 14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) | 0.00 | [illegible] | 14 |
| 15. OTHER RECEIPTS (Dividends, Interest, etc.) | | [illegible] | 15 |
| 16. TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15) | 5,190.00 | 84,732.47 | 16 |
| **II. DISBURSEMENTS** | | | |
| 17. OPERATING EXPENDITURES | 8,455.00 | 38,370.89 | 17 |
| 18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES | 0.00 | 0.00 | 18 |
| 19. LOAN REPAYMENTS: | | | |
| (a) Of Loans Made or Guaranteed by the Candidate | 0.00 | 150,000.00 | 19 |
| (b) Of All Other Loans | 0.00 | 0.00 | 19 |
| (c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b)) | 0.00 | 150,000.00 | 19 |
| 20. REFUNDS OF CONTRIBUTIONS TO: | | | |
| (a) Individuals/Persons Other Than Political Committees | 0.00 | 0.00 | 20 |
| (b) Political Party Committees | 0.00 | 0.00 | 20 |
| (c) Other Political Committees | 0.00 | 0.00 | 20 |
| (d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c)) | 0.00 | 0.00 | 20 |
| 21. OTHER DISBURSEMENTS | | 1,955.84 250.00 | 21 |
| 22. TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21) | 8,455.00 | 189,676.73 | 22 |

**III. CASH SUMMARY**

| | | |
|---|---|---|
| 23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD | $ 232,253.49 | 23 |
| 24. TOTAL RECEIPTS THIS PERIOD (From Line 16) | $ 5,190.00 | 24 |
| 25. SUBTOTAL (Add Line 23 and Line 24) | $ 237,443.49 | 25 |
| 26. TOTAL DISBURSEMENTS THIS PERIOD (From Line 22) | $ 8,455.00 | 26 |
| 27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25) | $ 228,988.49 | 27 |

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2

Sam Bryant Campaign

| | | |
|---|---|---|
| **I. RECEIPTS** | | |
| 11. CONTRIBUTIONS (other than loans) FROM: | | |
| (a) Individuals/Persons Other Than Political Committees | | 11(a) |
| Itemized Only Contributions $ 14,524.42 | | |
| (b) Political Party Committees | | 11(b) |
| (c) Other Political Committees | | 11(c) |
| (d) The Candidate | | 11(d) |
| (e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b), 11(c) and 11(d)) | | 11(e) |
| 12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES | | 12 |
| 13. LOANS: | | |
| (a) Made or Guaranteed by the Candidate | | 13(a) |
| (b) All Other Loans | | 13(b) |
| (c) TOTAL LOANS (add 13 (a) and 13 (b)) | | 13(c) |
| 14. OFFSETS TO OPERATING EXPENDITURES (refunds, rebates, etc.) | | 14 |
| 15. OTHER RECEIPTS (dividends, interest, etc.) | | 15 |
| 16. TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15) | 375. | 150,000.00 |
| **II. DISBURSEMENTS** | | |
| 17. OPERATING EXPENDITURES | 151.28 | 215,548.12 | 17 |
| 18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES | 0.00 | 0.00 | 18 |
| 19. LOAN REPAYMENTS: | | |
| (a) Of Loans made or Guaranteed by the Candidate | 0.00 | 150,000.00 | 19(a) |
| (b) Of All Other Loans | 0.00 | 0.00 | 19(b) |
| (c) TOTAL LOAN REPAYMENTS | 0.00 | 150,000.00 | 19(c) |
| 20. REFUNDS OF "EXCESS" CONTRIBUTIONS TO: | | |
| (a) Individuals/Persons Other Than Political Committees | 0.00 | 0.00 | 20(a) |
| (b) Political Party Committees | 0.00 | 0.00 | 20(b) |
| (c) Other Political Committees | 0.00 | 0.00 | 20(c) |
| (d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), (b) and (c)) | | | 20(d) |
| In-kind | 41.60 | 15,958.08 | |
| 21. OTHER DISBURSEMENTS | | 300.00 | 21 |
| 22. TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21) | [illegible] | [illegible] | 22 |

**III. SUMMARY**

| | | |
|---|---|---|
| 23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD | $ 216,789.49 | 23 |
| 24. TOTAL RECEIPTS THIS PERIOD (from Line 16) | 246,375.69 | 24 |
| 25. SUBTOTAL (add Line 23 and Line 24) | 463,165.18 | 25 |
| 26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22) | 241,206.88 | 26 |
| 27. CASH ON HAND AT CLOSE OF THIS REPORTING PERIOD (subtract Line 26 from 25) | 221,958.30 | 27 |

[illegible]

EXHIBIT F-3

Name of Committee (in Full)
JOHN BRYANT CAMPAIGN COMMITTEE

Report Covering the Period
From 7/1/86 To 9/30/86

| | 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 | $115,064.39 | $278,912.31 |
| (Memo Entry Unitemized $ 17,520.11 ) (762 contributors) | | |
| (b) Political Party Committees | | 9,951.40 |
| (c) Other Political Committees | 93,575.00 | |
| (d) The Candidate | | |
| (e) TOTAL CONTRIBUTIONS (other than loans (add 11(a), 11(b), 11(c) and 11(d)) | 208,639.39 | 535,046.48 |
| 12 TRANSFERS FROM OTHER AUTHORIZED COMMITTEES | | |
| 13 LOANS: | | |
| (a) Made or Guaranteed by the Candidate | | |
| (b) All Other Loans | | |
| (c) TOTAL LOANS (add 13 (a) and 13 (b)) | | |
| 14 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) | 2,027.73 | 2,027.73 |
| 15 OTHER RECEIPTS (Dividends, Interest, etc.) | 3,276.70 | 8,621.59 |
| 16 TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15) | 213,943.82 | 545,695.80 |
| **II. DISBURSEMENTS** | | |
| 17 OPERATING EXPENDITURES | 187,323.18 | 385,599.22 |
| 18 TRANSFERS TO OTHER AUTHORIZED COMMITTEES | | |
| 19 LOAN REPAYMENTS: | | |
| (a) Of Loans Made or Guaranteed by the Candidate | | 150,000.00 |
| (b) Of All Other Loans | | |
| (c) TOTAL OF LOAN REPAYMENTS (add 19 (a) and 19 (b)) | | 150,000.00 |
| 20 REFUNDS OF CONTRIBUTIONS TO: | | |
| (a) Individuals/Persons Other Than Political Committees | | |
| (b) Political Party Committees | | |
| (c) Other Political Committees | | |
| (d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c)) | | |
| 21 OTHER DISBURSEMENTS | | 1,445.89 |
| 22 TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21) | $187,323.18 | $537,045.11 |

**III. CASH SUMMARY**

| | | |
|---|---|---|
| 23 CASH ON HAND AT BEGINNING OF REPORTING PERIOD | $ | 298,965.15 |
| 24 TOTAL RECEIPTS THIS PERIOD (From Line 16) | $ | 213,943.82 |
| 25 SUBTOTAL (Add Line 23 and Line 24) | $ | 512,908.97 |
| 26 TOTAL DISBURSEMENTS THIS PERIOD (From Line 22) | $ | 187,323.18 |
| 27 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25) | $ | 325,585.79 |

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Plum

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 October 1987

Mr. Tom Carter
Tom Carter For Congress Committee
513 Blanco
Mesquite, TX 75150

RE: MUR 2540

Dear Mr. Carter:

This letter acknowledges receipt of your complaint, received on October 19, 1987, alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Congressman John Bryant, the John Bryant Campaign Committee and Ken Molberg, as treasurer, Mr. Robert Hayes, and Mrs. Robert Hayes. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2540. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

8904070029

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 October 1987

The Honorable John Bryant
412 Cannon House Office Building
Washington, DC 20515

RE: MUR 2547
Congressman John Bryant

Dear Congressman Bryant:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2547. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

8 2 0 4 0 7 7 0 0 3 0

If you have any questions, please contact Gerard Trainer, the staff member assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

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

cc: Ken Molberg, Treasurer
John Bryant Campaign Committee
8035 E. R.L. Thornton
Suite 516
Dallas, TX 75228

9994077003 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 October 1987

Ken Molberg, Treasurer
John Bryant Campaign Committee
8015 E. R.L. Thornton
Suite 516
Dallas, TX 75228

RE: MUR 2547
John Bryant Campaign
Committee
Ken Molberg, Treasurer

Dear Mr. Molberg:

The Federal Election Commission received a complaint which alleges that the John Bryant Campaign Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2547. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and the John Bryant Campaign Committee in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

9904007 0032

If you have any questions, please contact Beverly Kramer, the staff member assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

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

cc: The Honorable John Bryant
412 Cannon House Office Building
Washington, DC 20515

2904077003 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

26 October 1987

Mr. Robert Hayes
Mrs. Robert Hayes
5607 Palomar
Dallas, TX 75229

RE: MUR 2543
Mr. and Mrs. Robert Hayes

Dear Mr. and Mrs. Hayes:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2543. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

3 9 0 4 0 7 7 0 0 3 4

If you have any questions, please contact Beverly Kramer, the staff member assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

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

33044071003 5

FEDERAL ELECTION COMMISSION
MAIL ROOM
87 NOV 13 AM 10:25

5607 Pelham
Dallas, Texas 75225

November 12, 1987

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2[illegible]
Mr. and Mrs. Robert T. Hayes
Complaint regarding John Bryant

Dear Mr. Noble:

The contribution dated 2-12-86 to John Bryant campaign from Robert T. and JoAnn Hayes was intended for a general election campaign. We were assured by members of John Bryant's campaign staff that this contribution would be handled appropriately. It is clear that the Bryant campaign has made a clerical error in designating the campaign to which this check applies. We have been assured recently that they will correct this inaccurate reporting of this general campaign contribution.

Attached to this letter is the statement of designation of counsel in which I name Harry Crutcher III to represent us in this matter.

Very truly yours,

Robert T. Hayes

RTH:shm

Attachment (1)

2 2 0 4 0 7 1 1 0 3 6

# STATEMENT OF DESIGNATION OF COUNSEL

**MUR** 2543

**NAME OF COUNSEL:** Harry Crutcher III

**ADDRESS:** One Turtle Creek Village, Suite 514
Dallas, Texas 75219

**TELEPHONE:** (214) 521 0185

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.

November 9, 1987
Date

Robert T. Hayes
Signature

**RESPONDENT'S NAME:** Robert T. Hayes

**ADDRESS:** 5607 Palomar
Dallas, Texas 75229

**HOME PHONE:** (214) 750 7330

**BUSINESS PHONE:** (214) 869 2400

8004071007

RCC#4759

PERKINS COIE

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

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
87 NOV 13 PM 5:00

November 13, 1987

Lawrence Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RE: MUR 2543 - John Bryant Campaign Committee
Ken Molberg, Treasurer

Dear Mr. Noble:

The following response is submitted on behalf of the John Bryant Campaign Committee and its treasurer, Ken Molberg ("the Bryant respondents"), to the Federal Election Commission's ("FEC") notification of a complaint filed against the Bryant respondents by the Tom Carter for Congress Committee ("Carter"). Try as it does, Carter fails to make any claim which would support FEC action against the Bryant respondents. Accordingly, the Bryant respondents request that the FEC close the file on this matter.

1. Count I: Alleged Bryant Use of FEC Reports to Solicit Contributions.

Bryant is a Democrat, Carter is a Republican, and the two competed against each other in the general election to the House of Representatives in the Fiftn Congressional District of Texas. Carter would now have the FEC believe that Bryant directed mailings to dyed-in-the-wool Republican Carter supporters for the purposes of soliciting contributions to Bryant's own campaign; and that in furtherance of this unlikely effort, he copied information from reports filed by Carter. On this basis, Carter seeks to make out a violation of §438(a)(4) of the Federal Election Campaign Act ("FECA"), which prohibits the use of FEC individual contributor information by any person for the purpose of soliciting contributions or for any commercial purpose.

TELEX: 44-0277 PCSO UI • FACSIMILE (GP I,II,III): (202) 223-2088
OTHER OFFICES: ANCHORAGE, ALASKA • BELLEVUE, WASHINGTON • PORTLAND, OREGON • SEATTLE, WASHINGTON

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As a background matter, the statutory prohibition in question turns on a "purpose" to use FEC contributor information to solicit contributions. 2 U.S.C.§ 438(a)(4); 11 C.F.R. § 104.15(a). The FEC has affirmed that where the use made of contributor information is political, and not related to the solicitation of contributions, this prohibition is not violated. See e.g. FEC Advisory Opinion 1981-5, Fed. Elec. Camp. Fin. guide (CCH) ¶ 5590 (Feb. 9, 1981). It is, in this case, precisely a political purpose of the Bryant respondents, and by no means a purpose of soliciting contributions, which motivated the mailings in question to Republican Carter supporters. Congressman Bryant obviously had no hope of encouraging demonstrated Carter supporters, confirmed Republicans, to contribute to his own campaign. The Bryant respondents did find it useful, however, to distribute to those supporters copies of Bryant mailings which made it abundantly clear that their candidate stood no chance in the general election -- and which could be expected, therefore, to have a dispiriting effect on their partisan morale.

The absence of any intent on the part of the Bryant respondents to solicit contributions is obvious from the surrounding facts and circumstances. Carter points out, for example, that one of the Carter contributors contacted by the Bryant respondents, a Mr. Ray Van Buskirk, had twice appeared on Carter reports as a contributor of $100. This two-time contributor to the Carter cause was hardly a plausible recruit to contribute to the Bryant campaign in the closing days of the general election. Similarly, the Bryant mailings received by the Prestoncrest Republican's Women's Club (emphasis added) plainly represented a political gambit -- not the expectation that a Republican Women's Club would make a contribution to the Democratic nominee for the House in this election.

The mailing selected by the Bryant respondents for the purpose of making a point with Carter contributors constituted in principle part a "progress report" on the Bryant campaign. In political terms, these reports made an impression with their bold headlines making clear that a Bryant landslide victory was developing. Each of these mailings, which had been prepared for more general campaign use, included a clip-out response card which an interested supporter could use to forward a contribution to the Bryant campaign or to enlist in that campaign in some voluntary personal capacity. But the facts and circumstances make plain the sole and exclusive intent of the Bryant people in sending this mailing to Carter supporters, that is, not to seek contributions from those who clearly would not make them, but to engage in time-honored political gamesmanship by promoting to Carter's ardent supporters the inevitability of a sweeping Bryant victory.

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Accordingly, Carter cannot sustain the case that these mailings were directed to his supporters for the purpose of soliciting contributions in violation of § 438(a)(4) of the FECA.[1]

2. Count II: Claim Relating to Bryant Use of Campaign Funds.

This claim states no basis for legal liability under the FECA.[2]

3. Count III: Alleged Acceptance of Personal Contributions in Excess of $1,000 for the Primary Election.

Carter claims that the Bryant respondents accepted excessive contributions toward the primary election from Mr. and Mrs. Bob Hayes. The Carter claim is concerned, in particular, with $1,000 contributions from both Mr. and Mrs. Hayes in February of 1985 which appear undesignated in the mid-year reports filed by respondents in July of 1985. Because they are followed in February of 1986 by (duly reported) additional $1,000 contributions from both Mr. and Mrs. Hayes (designated on the Bryant report for the primary), Carter joyously concludes that the Bryant respondents received $4,000 toward the primary from the Hayes's -- $2,000 in the aggregate over the lawful limit which applies to contributions by the Hayes's as a couple.

---

1/ The Bryant respondents recognize that in other circumstances the delivery of these mailings to addresses appearing on opposition reports could well present the appearance of a prohibited solicitation in genuine pursuit of campaign money. For this reason, Congressman Bryant and his treasurer have established a policy that no further use of opposition reports will be made for mailings of any kind. However, the Bryant respondents emphasize that this action was undertaken voluntarily to avoid problems which might arise in the future and certainly not any which have occurred in the past. It remains their position that the mailings directed toward the Carter supporters identified in Carter's complaint could not possibly be viewed as having been made for the purpose of soliciting contributions.

2/ The "ticket" appearing on the Bryant report in question was issued to a volunteer in the campaign, not Congressman Bryant who had no personal involvement in the matter.

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In fact, the first contributions from the Hayes's in February of 1985 were made in support of the Bryant primary election campaign; but the second set of $1,000 contributions in February of 1986 were made with the different understanding, on the part of the same contributors, that the Bryant respondents would reserve these additional monies for use in the general election. It was an inadvertent error on the part of those preparing the reports to have failed to properly mark the February 1985 contributions as primary contributions and further to have marked the second pair of $1,000 contributions in February 1986 as primary election, not general election, contributions.

Carter has, therefore, made out no case greater than a minor reporting inaccuracy. The Bryant respondents plainly knew the contribution limits which apply to individuals. They were unlikely to overlook or forget that two individuals offering to make maximum contributions of $1,000 apiece in February 1986 had already done so only one year earlier. The Bryant respondents accepted the second pair of contributions in full recognition that general election contributions may be accepted before the primary, 11 C.F.R. § 102.9(e), provided that they are accepted with a designation for the general election and are reserved for general election purposes only. The Bryant respondents accepted contributions from the Hayes's on this correct understanding of the law, and Carter cannot, therefore, sustain any claim that Bryant received excessive contributions toward the primary from these contributors.

4. Bryant Did Not Willfully Or in Any Other Manner "Conceal" the Total Amount of PAC Contributions Received.

Carter seeks to build a complex case on the thin evidence of a minor reporting error. As Carter notes, the Bryant campaign inadvertenly reported as political party contributions some $55,000 in political action committee receipts. Carter surmises that this was a "clever" maneuver by the Bryant respondents to conceal the level of PAC support for Bryant at a time when the revelation of that support might have been politically embarrassing.

Carter's reconstruction of what happened has no basis in fact. Had the Bryant respondents been concerned about support from PACs, they presumably would have declined this support; or, alternatively, if inclined toward concealment, concealed in some fashion the various individual PAC contributions received. Of course, this they did not do, because they had no intention of concealing PAC support.

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In fact, the Bryant respondent's records reflect that this error was corrected on an amended report for the period in question filed with the Clerk of the House on August 15, 1986. See Attachments "A" (amended report) and "B" (proof of filing). The claim made by Carter is stale indeed.

In any event, it was hardly "clever," much less effective, to "conceal" the level of PAC support by misrepresenting a portion as political party contributions. Any enterprising reporter examining the issue would have turned to the schedules to total up the PAC contributions to arrive at the grand total. This, too, would have been the approach, indeed was the approach, taken in unfriendly quarters as Carter's discovery" of this error demonstrates.3/

CONCLUSION

All told, the different claims asserted by Mr. Carter in the different "counts" of his complaint do not justify FEC action. For this reason, the Bryant respondents respectfully request that the FEC vote to take no further action on the Carter complaint and close the file.

Respectfully submitted,

Robert F. Bauer
Counsel to the Bryant Respondents

Attachments

---

3/ It was also a poor ruse to "conceal" the PAC figures by treating them as political party committee contributions. This number leaps off the page because political party contributions to a House campaign could not reach the level of $55,000.00 without presenting obvious questions about possible violations of legal limitations on party contributions. So this error drew attention to itself, which is hardly characteristic of a scheme to "conceal."

2730B

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# STATEMENT OF DESIGNATION OF COUNSEL

**MUR** 2543

**NAME OF COUNSEL:** Robert F. Bauer

**ADDRESS:** 1110 Vermont Avenue, N.W.
Suite 1200
Washington, D.C. 20005

**TELEPHONE:** (202) 887-9030

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.

11-12-87
Date

Signature

**RESPONDENT'S NAME:** John Bryant Campaign Committee

**ADDRESS:** 8035 East R.L. Thornton
Suite 516
Dallas, Texas 75228

**HOME PHONE:**

**BUSINESS PHONE:** (214) 328-8600

8904007709045

**REPORTS OF RECEIPTS AND DISBURSEMENTS**
**For Authorized Committee**

Attachment "A"

(Summary Page)

ALIGN AREA

1. Name of Committee (In Full)
John Bryant Campaign
Address (Number and Street)
8035 East R.L. Thornton
City, State and Zip Code
Dallas, TX 75228
☐ Check if address is different than previously reported.

2. FEC Identification Number
C00151951

3. Is this Report an Amendment?
☒ YES ☐ NO

4. **TYPE OF REPORT**

- ☐ April 15 Quarterly Report
- ☒ July 15 Quarterly Report
- ☐ October 15 Quarterly Report
- ☐ January 31 Year End Report
- ☐ July 31 Mid Year Report (Non-election Year Only)
- ☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
- ☐ Thirtieth day report following the General Election on _____ in the State of _____
- ☐ Termination Report

This report contains activity for ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

**SUMMARY**

| | | COLUMN A This Period | COLUMN B Calendar Year-to-Date |
|---|---|---|---|
| 5 | Covering Period 4-16-86 through 6-30-86 | | |
| 6 | Net Contributions (other than loans) | | |
| | (a) Total Contributions (other than loans) (From Line 11 (e)) | 245,379.09 | 326,407.09 |
| | (b) Total Contribution Refunds (from Line 20 (d)) | 0.00 | 0.00 |
| | (c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a)) | 245,379.09 | 326,407.09 |
| 7 | Net Operating Expenditures | | |
| | (a) Total Operating Expenditures (from Line 17) | 241,158.28 | 279,549.12 |
| | (b) Total Offsets to Operating Expenditures (from Line 14) | 0.00 | 0.00 |
| | (c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a)) | 241,158.28 | 279,549.12 |
| 8 | Cash on Hand at Close of Reporting Period (from Line 27) | 222,410.72 | |
| 9 | Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D) | 0.00 | |
| 10 | Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D) | 0.00 | |

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

KEN MOLBERG
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

8-15-86
Date

For further information, contact:
Federal Election Commission
Toll Free 800 424 9530
Local 202 523 4068

NOTE: Submission of false erroneous or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)

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Adjust.

# DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in Full): John Bryant Campaign

Report Covering the Period: From: 4-16-86 To: 6-30-86

| | 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 | 123,759.00 | 149,287.00 | 11( |
| (Memo Entry Unitemized $ 14,560.92) | 14,560.92 | 14,560.92 | |
| (b) Political Party Committees | 9,951.40 | 9,951.40 | 11( |
| (c) Other Political Committees | 97,107.77 | 152,607.77 | 11( |
| (d) The Candidate | | | 11( |
| (e) TOTAL CONTRIBUTIONS (other than loans (add 11(a), 11(b), 11(c) and 11(d). | 245,379.09 | 326,407.09 | 11( |
| 12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES | 0.00 | 0.00 | 12 |
| 13. LOANS: | | | |
| (a) Made or Guaranteed by the Candidate | 0.00 | 0.00 | 13( |
| (b) All Other Loans | 0.00 | 0.00 | 13( |
| (c) TOTAL LOANS (add 13 (a) and 13 (b)) | 0.00 | 0.00 | 13( |
| 14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) In-Kind | 48.60 | 2843.75 | 14 |
| (Interest on CD+ mm accts.) | 1400.42 | 2349.74 | |
| 15. OTHER RECEIPTS (Dividends, Interest, etc.) | | | 15 |
| 16. TOTAL RECEIPTS (add 11 (e), 12, 13 (c), 14 and 15) | 246,828.11 | 331,600.58 | 16 |
| **II. DISBURSEMENTS** | | | |
| 17. OPERATING EXPENDITURES unitemized | 147,686.20 ~~241,158.28~~ 6,537.92 | 279,549.12 | 17 |
| 18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES | 0.00 | 0.00 | 18 |
| 19. LOAN REPAYMENTS: | | | |
| (a) Of Loans Made or Guaranteed by the Candidate | 0.00 | 150,000.00 | 19 |
| (b) Of All Other Loans | 0.00 | 0.00 | 19 |
| (c) TOTAL LOAN REPAYMENTS (add 19 (a) and 19 (b)) | 0.00 | 150,000.00 | 19 |
| 20. REFUNDS OF CONTRIBUTIONS TO: | | | |
| (a) Individuals/Persons Other Than Political Committees | 0.00 | 0.00 | 20 |
| (b) Political Party Committees | 0.00 | 0.00 | 20 |
| (c) Other Political Committees | 0.00 | 0.00 | 20 |
| (d) TOTAL CONTRIBUTION REFUNDS (add 20 (a), 20 (b), and 20 (c)) | 0.00 | 0.00 | 20 |
| 21. OTHER DISBURSEMENTS In-Kind | 48.60 | 1344.49 | 21 |
| 147,734.20 | | 250.00 | |
| 22. TOTAL DISBURSEMENTS (add 17, 18, 19 (c), 20 (d) and 21) | ~~241,158.28~~ | 431,043.61 | 22 |

**III. CASH SUMMARY**

| | | | |
|---|---|---|---|
| 23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD | $ | 199,871.54 ~~216,789.49~~ | 23 |
| 24. TOTAL RECEIPTS THIS PERIOD (From Line 16) | $ | 246,828.11 | 24 |
| 25. SUBTOTAL (Add Line 23 and Line 24) 446,699.95 | $ | ~~463,617.60~~ | 25 |
| 26. TOTAL DISBURSEMENTS THIS PERIOD (From Line 22) 147,734.20 | $ | 241,206.88 | 26 |
| 27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 26 from 25) | $ | 222,410.72 | 27 |

3 2 2 4 0 7 7 0 0 4 5

ATTACHMENT "B"

**NOTICE OF RECEIPT**

This is to acknowledge receipt of the document(s) listed below, filed pursuant to the provisions of the Federal Election Campaign Act, as amended.

[illegible] AS YOUR IDENTIFICATION NUMBER.
PLEASE USE IT ON ALL CORRESPONDENCE
AND REPORTS SUBMITTED TO THIS OFFICE.

| TYPE OF DOCUMENT (as specified by submitting candidate or committee) | DATE RECEIVED |
|---|---|
| APRIL 1ST REPORT | 04-21-[illegible] |
| APRIL 1TH REPORT | 08-27-[illegible] |
| APRIL 1TH REPORT | 08-28-86 |
| JULY 1TH REPORT | 07-18-86 |
| JULY 1TH REPORT | 07-22-86 |
| JULY 1TH REPORT | 08-2[illegible]-86 |
| PRE-PRIMARY REPORT | 08-25-86 |

amended

**Office of the Clerk**
**Office of Records and Registration**
U.S. House of Representatives
Washington, DC 20515

Benjamin J. Guthrie
Clerk of the House of Representatives

JIM BRYANT CAMPAIGN COMMITTEE
KEN MULDROW, TREAS.
3030 EAST [illegible] THORTON, [illegible]
DALLAS, TX [illegible]

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

RECEIVED
FEDERAL ELECTION COMMISSION
88 FEB -5 AM 9:35

SENSITIVE

EXECUTIVE SESSION
FEB 23 1988

# FIRST GENERAL COUNSEL'S REPORT

MUR: 2543
Date Complaint Received By OGC: 10/19/87
Date of Notifications to Respondents: 10/26/87
Staff Member: Reilly

COMPLAINANTS: Thomas Carter
Tom Carter for Congress Committee

RESPONDENTS: John Bryant Campaign Fund and Ken Molberg, as treasurer
Robert Hayes
JoAnn Hayes

RELEVANT STATUES: 2 U.S.C. § 438(a)(4)
2 U.S.C. § 441a(f)
2 U.S.C. § 434(b)(2)(D)

FEDERAL AGENCIES CHECKED: NONE

## I. GENERATION OF THE MATTER

The Office of the General Counsel received a complaint on October 19, 1987, from Thomas Carter on behalf of the Tom Carter for Congress Committee. Named as respondents are Congressman John Bryant, the John Bryant Campaign Fund and Ken Molberg, as treasurer, ("the Committee"); Robert Hayes; and JoAnn Hayes.1/ The four allegations in this complaint are discussed separately below.

## II. FACTUAL AND LEGAL ANALYSIS

### A. Use of Commission Materials for Solicitations

The complaint alleges that reports of the Tom Carter for Congress Committee were copied by the Bryant Committee for the purpose of

1/ The complaint alleges the candidate violated the Act in his personal capacity. As discussed below, because no specific allegations are made regarding the Congressman, this Office makes no recommendations concerning him.

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soliciting contributions. In support of this allegation, the complaint noted two contributors to the Carter Committee who were also solicited by the Bryant Committee. It is alleged that the Bryant Committee could only have obtained these names from the reports of the Carter Committee. 2/

Pursuant to 2 U.S.C. § 438(a)(4), information contained on reports and statements filed with the Commission 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. The Regulations define "soliciting contributions" to include soliciting any type of contribution or donation, such as political or charitable contributions. 11 C.F.R. § 104.15(b). Additionally, in its advisory opinions, the Commission has concluded that a candidate may use information copied from the reports of his opponent to communicate to persons in order "to set the record straight" on issues in a prior election. However, this advisory opinion request stated that no solicitations for contributions or support would be made to such contacted persons. See A.O. 1981-5.

2/ The Carter Committee did not file a list of pseudonyms to protect against unauthorized use of information filed with the Commission. See 2 U.S.C. § 438(a)(4). In support of its allegation, the Carter Committee included affidavits from persons outside the congressional district who stated they had only contributed to the Carter Committee and never to his opponent. The complaint also relied upon the fact that one solicitation made by the Bryant Committee was incorrectly addressed in the same form as used on the Carter Committee's reports to the Commission. As discussed in the text, the weakness of the evidence supporting this allegation is irrelevant because the Bryant Committee admits using the Carter Committee's reports.

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Responding to the complaint, the Bryant Committee does not deny that it used names on the Carter Committee's reports for the mailings in question. However, the Committee asserts that its mailings were not made for the purpose of seeking contributions. Rather the Bryant Committee asserts that the mailings were conducted for a political purpose - i.e. to communicate to Carter supporters "that their candidate stood no chance in the general election... [and thus were intended to have] a dispirting effect on their partisan morale." Bryant Committee Response at 2.

The Bryant Committee acknowledges, however, that "[e]ach of these mailings, which had been prepared for more general campaign use, included a clip-out response card which an interested supporter could use to forward contributions to the Bryant Campaign or to enlist in that campaign in some voluntary personal capacity." Response at 2. The response states, however, that the "sole and exclusive intent" in sending the mailers was "not to seek contributions from those who clearly would not make them, but to engage in time-honored political gamesmanship by promoting to Carter's ardent supporters the inevitability of a sweeping Bryant victory." Id.

It is the opinion of this Office that respondents' assertion that these mailings were for political purposes and not for solicitations cannot stand in light of the undisputed fact that each mailing contained a clip-out card soliciting contributions. It is irrelevant that the Bryant Committee did not expect that many persons solicited would contribute.

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Therefore, this Office recommends that the Commission find reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 438(a)(4).

**B. Alleged Improper Use of Campaign Funds**

The complaint alleges that the Committee violated House Rule XLIII, Clause 6, which is said to prohibit "a member of Congress from expending funds from his campaign account for activities other than those with a 'bona fide campaign purpose.'" Complaint at 5-6. The complaint notes two disbursements on the Committee's federal reports to pay for "locks for campaign & congressional Ofc." and "reimbursement for gas & keys for Con. Off.," as well as a payment for an apparent speeding ticket.

Although not specifically alleged in the complaint, this factual scenario raises the question whether campaign funds were used for personal uses. Pursuant to 2 U.S.C. § 439a, amounts received by a candidate as contributions that are in excess of any amount necessary to defray expenditures, may be used to defray any ordinary and necessary expenses in connection with holding a federal office, may be contributed to any organization described in section 170(c) of title 26 [charitable organizations], or may be used for any other lawful purpose, except that persons not a member of Congress on January 8, 1980 may not convert campaign funds for personal uses.

In the instant case, the described purposes of the first two disbursements appear to be ordinary and necessary expenses in connection with holding a federal office. Additionally, as noted

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in the Bryant Committee's response, the speeding ticket was issued to a campaign worker, and thus appears to be campaign related. 3/ Therefore, this Office recommends that the Commission find no reason to believe the Bryant Committee violated 2 U.S.C. § 439a.4/

**C. Alleged Excessive Contributions**

The Bryant Committee is alleged to have accepted excessive contributions from two individuals. Pursuant to 2 U.S.C. § 441a(a)(1)(A), persons are limited to contributing $1,000 per election to an authorized committee of a candidate. Additionally, political committees are prohibited from accepting contributions exceeding the Act's limitations. 2 U.S.C. § 441a(f). An election is defined to include a primary or a general election. 2 U.S.C. § 431(1)(A). Former 11 C.F.R. § 110.1 (in effect at the time the contributions in question were

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3/ This is consistent with Pre-MUR 183 where this Office recommended that the Commission find no reason to believe any section of the Act had been violated by the Ackerman for Congress Committee's payment of parking tickets. The Commission did not approve this recommendation, however, because it determined that other allegations made regarding the Committee's petty cash disbursements failed to meet the threshold for a reason to believe finding, and thus declined to open a MUR.

4/ The Complaint specifically alleges that the Bryant Committee violated the House Ethics Rules by making these disbursements. As noted in the Bryant Committee's response, however, these allegations are not within the Commission's jurisdiction and thus this Office makes no recommendations regarding possible violations of the House Ethics Rules.

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made) provides, in relevant part, that contributions not designated in writing for a particular election must be applied to the primary election if made before the primary election, or must be applied to the general election if made after the primary election. Additionally, the Regulations permitted committees to accept contributions for the general election prior to the date of the primary provided the contributions were so designated in writing and the committee used an acceptable accounting method to distinguish between primary and general election contributions. See former 11 C.F.R. § 102.9(e).

In the instant case the Committee reported the following contributions:

| Contributor | Amount | Date | Designation |
|---|---|---|---|
| Robert T. Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |
| JoAnn Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |

Because the Bryant Committee had no outstanding debts from the 1984 general election, the complaint asserts that the 1985 contributions, reported as undesignated, must be attributed to the 1986 primary election. The February 1986 contributions, designated on the Committee's Reports as for the primary election, are said to have resulted in two $2,000 primary contributions, thus exceeding the limitations of 2 U.S.C. § 441a(a)(1)(A).

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Responding to the complaint, Robert Hayes asserts that his and his wife's 1986 contributions were intended for the general election and that they were assured by members of the committee "that this contribution would be handled appropriately." He states that it is clear that the Bryant Committee made a "clerical error" in designating the campaign t which this check applies." Hayes Response at 1.

Similarly, the Bryant Committee states that the 1985 contributions were intended for the primary and "the second set of $1,000 contributions in February of 1986 were made with a different understanding, on the part of the same contributors, that the Bryant Respondents would reserve these additional monies for use in the general election." Bryant Committee Response at 4. Thus, the Committee asserts that because the Hayes contributions were reported inaccurately the Commission should find no reason to believe violations of the Act occurred.

Although all of the respondents note an apparent common "understanding" as to how these contributions were to be treated, none of the respondents has presented any evidence that the 1986 Hayes' contributions were accompanied by a written designation as required by former section 110.1. 5/ Indeed, neither the Hayes' nor the Bryant Committee assert that such written designations

5/ The new Regulations at 11 C.F.R. § 110.1 permit a committee to obtain a redesignation of a contribution within 60 days of the treasurer's receipt of an excessive contribution. In this instance, timely redesignations, as contemplated by the new Regulations, have not been made.

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were made. In the absence of such a signed writing, this Office recommends that the Commission find reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 441a(f). Similarly, this Office recommends that the Commission find reason to believe Robert Hayes and JoAnn Hayes violated 2 U.S.C. § 441a(a)(1)(A).

**D. Alleged Concealment of Contributions Received from Political Action Committees**

Finally, the complaint alleges that the Bryant Committee misreported its total contributions from political action committees on its 1986 Pre-Primary Report by reporting this amount on line 11b (contributions from political party committees), instead of on line 11c (other party committees). Moreover, the complaint alleges this mistake was repeated on the year-to-date totals on the 1986 July Report and that the 1986 October Quarterly Report failed to report any amount as a year-to-date figure on line 11c. Additionally, when this latter report was corrected as to the year-to-date amount contributed from political parties, no year-to-date amount was reported as from "other committees." These inaccuracies are said to have been a deliberate attempt by the Bryant Committee to conceal its total amount of contributions from political action committees.

The Act and Regulations require political committees to report the total amount of all receipts that are contributions received from committees, excluding from this figure total contributions from party committees. 2 U.S.C. § 434(b)(2)(D)

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and 11 C.F.R. § 104.3(a)(3)(iv). The forms approved by the Commission require the total of such receipts to be reported on line 11c of the detailed summary page and to include totals for the reporting period and calendar year.

The Bryant Committee admits reporting contributions from political action committees on the incorrect line in its 1986 Pre-Primary Report. However, it asserts that a corrective amendment was filed. This Office has reviewed the reports in question and has determined that the Committee had filed corrective amendments to the 1986 Pre-Primary and July Quarterly Reports more than a year before this complaint was filed and all totals on these reports have been corrected. However, the Committee's 1986 October Quarterly has not reported a year-to-date total for contributions from political committees. The next report, the 1986 Pre-General Report, does contain the correct year to date figure. 6/ Moreover, all the underlying contributions were fully disclosed on Schedule B. Accordingly, this Office recommends that the Commission find reason to believe the John Bryant Campaign Committee violated 2 U.S.C. § 434(b)(2)(D), but take no further action as to this violation.

6/ The Committee initially misreported these contributions on its 1986 Pre-Primary Report in Column B (Calendar Year to Date). A corrective amendment was filed for this report on August 28, 1986. The initial 1986 July Quarterly Report also contained an incorrect figure in Column B due to this initial reporting error. The Committee also filed a corrective amendment to report on August 28, 1986. The October Quarterly Report still contains a blank on Column B for line 11c, however, the $246,182.77 in contributions from other political committees which should have been reported in Column B is included in the figure for total contributions year to date on line 11e.

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## III. SUMMARY

As previously discussed, this Office recommends that there is no reason to believe the Bryant Committee violated 2 U.S.C. 439a. This Office further recommends that the Commission find reason to believe Robert Hayes and JoAnn Hayes violated 2 U.S.C. § 441a(a)(1)(A). Additionally, we recommend that the Commission find reason to believe the Bryant Committee violated 2 U.S.C. § 434(b)(2)(D), but take no further action as to this violation. Finally, this Office recommends that the Commission find reason to believe the Bryant Committee violated 2 U.S.C. §§ 438(a)(4) and 441a(f).

### RECOMMENDATIONS

1. Find no reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 439a.

2. Find reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 434(b)(2)(D), but take no further action.

3. Find reason believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4).

4. Find reason to believe Robert Hayes violated 2 U.S.C. § 441a(a)(1)(A).

5. Find reason to believe JoAnn Hayes violated 2 U.S.C. § 441a(a)(1)(A).

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6. Approve the attached interrogatories and request for production of documents and letters.

Lawrence M. Noble
General Counsel

2/4/88
Date

Lois G. Lerner
Associate General Counsel

Attachments
1. Hayes' Response
2. Bryant Response
3. Interrogatories
4. Proposed letters (2)

Staff Person: Patty Reilly

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Fund | ) | |
| and Ken Molberg, as | ) | |
| treasurer | ) | MUR 2543 |
| Robert Hayes | ) | |
| JoAnn Hayes | | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of February 23, 1988, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2543:

1. Find no reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 439a

2. Find reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 434(b)(2)(D), but take no further action.

3. Find reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4).

4. Find reason to believe Robert Hayes violated 2 U.S.C. § 441a(a)(1)(A), but take no further action.

5. Find reason to believe JoAnne Hayes violated 2 U.S.C. § 441a(a)(1)(A), but take no further action.

(continued)

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6. Direct the Office of the General Counsel to send the appropriate interrogatories and request for production of documents and the appropriate letters.

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

Attest:

2/24/88
Date

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

89040710057

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 26, 1988

Harry Crutcher, III
One Turtle Creek Village
Suite 514
Dallas, Texas 75219

RE: MUR 2543
JoAnn Hayes
Robert Hayes

Dear Mr. Crutcher:

On February 23, 1988, the Federal Election Commission found reason to believe that your clients, JoAnn Hayes and Robert Hayes, violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, it appears that your clients may have each made a primary election contribution to the John Bryant Campaign Committee after they had already exceeded their limitations for this election, and in the absence of signed writings designating these contributions for the general election. See former 11 C.F.R. § 110.1 (in effect at the time these contributions were made). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file as it pertains to your clients. The Commission reminds you, however, that contributing more than $1,000 per election to an authorized committee of a candidate appears to be a violation of 2 U.S.C. § 441a(a)(1)(A). Your clients should take immediate steps to insure that this activity does not occur in the future.

The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Please send such materials to the General Counsel's Office.

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.

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If you have any questions, please direct them to Patty Reilly, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Thomas J. Joseliak
Chairman

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 26, 1988

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

RE: MUR 2543
John Bryant
Campaign Committee
and Ken Molberg,
as treasurer

Dear Mr. Bauer:

On October 26, 1987, the Federal Election Commission notified your clients, the John Bryant Campaign Committee and Ken Molberg, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission on February 23, 1988, found that there is no reason to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 439a, a provision of the Act. Additionally, on this date the Commission found reason to believe your clients violated 2 U.S.C. §§ 441a(f) and 438(a)(4), provisions of the Act. Specifically, it appears that your clients may have accepted contributions from Robert Hayes and JoAnn Hayes at a time when these individuals had already contributed their limits for the primary election and without any evidence of a signed writing that these contributions were intended for the general election. See former 11 C.F.R. § 110.1 (in effect at the time these contributions were made). Additionally, it appears your clients used materials on file at the Federal Election Commission to solicit persons in possible violation of 2 U.S.C. § 438(a)(4).

Also, on February 23, 1988, the Commission found reason to believe your clients violated 2 U.S.C. § 434(b)(2)(D). After considering the circumstances in the matter, the Commission further determined to take no further action as to this latter possible violation.

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Under the Act, you have an opportunity to demonstrate that no action should be taken against your clients. 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, along with answers to the enclosed questions and request for production of documents, 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 your clients, 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 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 ordinarily will not give extensions beyond 20 days.

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

If you have any questions, please contact Patty Reilly, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Thomas J. Josefiak
Chairman

Enclosures
Questions

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-CC# 1761
RECEIVED
FEDERAL ELECTION COMMISSION
88 MAR 23 PM 5:49
- MUR 2543

PERKINS COIE

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

March 23, 1988

Lawrence Noble, Esq.
General Counsel
Federal Election Commission
Room 657
999 E Street, N.W.
Washington, DC 20463

Attention: Patty Reilly

Dear Mr. Noble:

Enclosed you will find the Response of the John Bryant Campaign Committee ("Bryant Committee") and Ken Molberg, as Treasurer ("Bryant Respondents"), to the Commission's Reason to Believe notification dated February 26, 1988. The Commission has concluded that the Bryant Respondents may have violated §§ 441a(f) and 438a(a)(4) of the Act.[1]

This Response is divided into two parts: 1) a response to "Questions and Requests for Production of Documents"; and 2) a narrative conclusion in which the Bryant Respondents set out the basis of their view that the Commission should take no further action in this matter.

1. Questions and Requests for Production of Documents

1a. A copy of the Carter report obtained by the Bryant Committee was obtained shortly after the Carter report was filed with the FEC, and it was obtained from the Records and Registration Office in the Longworth House Office Building.

2b. Mr. Randy White.

1c. The Bryant Committee did not obtain any specific "number" of names from the Carter Committee report; rather, it

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1/ At the same time, the Commission found no reason to believe that the Bryant Respondents violated U.S.C. § 439(a) and, while finding reason to believe of a violation of § 434(b)(2)(D), the Commission determined to take no further action.



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obtained the entire report and thus, necessarily, all the names included in it. Not one of the individuals whose contributions appear on the Carter report made a contribution to the Bryant Committee.

2. To the best of the knowledge and recollection of responsible Bryant campaign officials, only one mailing was made to individuals appearing on the Carter FEC reports.

3. None.

4. The brochures mailed to individuals appearing on the Carter campaign reports were leftover stock, some 600 in number, from a larger number of brochures produced generally for the Bryant campaign. The only costs directly attributable to these mailings was the cost of postage, which results in a total estimated cost for the mailing of $132.00 (600 brochures multiplied by .22 cents per brochure).

5. A representative sample copy of the brochure mailed to persons whose names appeared on the Carter Committee reports is attached. The Committee also has included copies of the February 12, 1986 check representing a contribution from Mr. and Mrs. Robert Hayes in the amount of $2,000, accompanied by a letter of the same date, signed by Mr. Hayes identifying this check as one "for your upcoming campaigns."

2. Narrative Conclusion

The Bryant Committee stands by its Response to the Commission of November 13, 1987. The Bryant Respondents had absolutely no intent to solicit contributions from hardcore supporters of the Congressman's opponent in the general election. Nowhere in the political community is such a scheme considered a sensible means of generating campaign funds. In fact, as the Bryant Committee has stated here, these contacts with Carter supporters did not produce a single contribution.

To restate the obvious point, the Bryant mailings were made in the time-honored tradition of scoring points against the opposition by mailing to its ardent supporters a brochure heralding an upcoming landslide in favor of Congressman Bryant. This is politics, and nothing more than politics; it did not, by the appearance of the clip-out coupon, become a solicitation. This coupon was included in the main stock of brochures previously mailed to likely Bryant supporters who could, unlike Carter supporters, be expected to make a contribution to Bryant.

Also, as stated previously in the November 13 Response, the Bryant Respondents and Mr. and Mrs. Hayes knew fully well the contribution limits which applied to their support of the

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primary and general election campaign respectively. The Bryant Respondents accepted the February 1986 contribution on the understanding that it was donated toward the general election and would be used only for that purpose.

You will note that the Hayes letter of February 12, 1986 accompanying the check refers to the donation of this money by Mr. and Mrs. Hayes "for your [Congressman Bryant's] upcoming campaigns." The use of the word "upcoming" reveals precisely the intent here to contribute toward the general election which was pending but not yet in progress. The check, in fact, was made during the primary election which was considered, for all intents and purposes, concluded and in support of which the Hayes's had already donated.2/

On the basis of the foregoing, the Bryant Respondents request that the Commission close the file on this matter.

Very truly yours,

Robert F. Bauer,
Counsel

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2/ It is also noted that while Commission regulations have since changed to impose additional technical requirements on the "reattribution" of a spousal contribution, and also on "designation" for an upcoming election, see 52, Fed. Reg. 760 (Jan. 9, 1987), these regulations were not in effect at the time that Mr. and Mrs. Hayes made and the Bryant Respondents accepted this contribution. Thus, the failure of the Bryant Respondents to comply with regulations not yet in effect cannot be fatal to their legal position. This is particularly the case where, as here, the intent is otherwise clear to make a contribution toward a future election, the general election.

Encl.

2897B

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ROBERT T. HAYES
P.O. BOX 470407
DALLAS, TEXAS 75247

February 12, 1986

The Honorable John Bryant
Congress of the United States
8035 East R. L. Thornton, Suite 520
Dallas, Texas 75228

Dear John:

Enclosed is a check for $2,000.00 for your upcoming campaigns.

I am very proud of your record of service in Congress and I want you to know that you have my total support.

Sincerely,

Bob

Bob Hayes

RTH:mr
Enclosure

ROBERT T OR JoANN HAYES
5607 PALOMAR
DALLAS, TEXAS 75229

1681

2-12 1986

PAY TO THE ORDER OF John Bryant, Congressman $ 2,000.00

DOLLARS

Bank of Las Colinas, N.A.
(214) 258-6700
300 E. Carpenter Freeway
Irving, Texas 75062-2712

FOR Political

⑈001681⑈ ⑆111913484⑆ 50 0082 3⑈

September 1986

8035 R.L. Thornton
Suite 212
Dallas TX 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# September Poll a Stampede

## John Convincing Undecided Voters 5 - 1 Over Lobbyist

The latest telephone poll of voters in the Fifth Congressional District show Congressman John Bryant, a three-to-one favorite little more than a month ago, is picking up previously-undecided voters at a five-to-one pace over his right-wing lobbyist opponent.

"This poll is even more encouraging than the first one," Bryant said, "not only because my margin is getting bigger, but because voters are coming over faster as the campaign intensifies and they get a much closer look at the difference between the candidates."

Last opposed in 1982 before an ultra right-wing splinter group of Republicans recruited an oil-company lobbyist named Tom Carter for this race, Bryant increased his support to 67.7 in the September poll after receiving 56.7 per cent backing in July.

Undecided voters dropped by eight per cent in the month between polls with Bryant getting seven shares of the newly-decided voters and his opponent 1.3 shares, a ratio of five votes to one in Bryant's favor.

After serving five terms in the Texas Legislature, Bryant got 65 per cent of the vote in 1982 to capture his first Congressional race. He was unopposed in 1984, even though Republicans made strong inroads on other Democrats around Texas and the nation.

Just as was the case in the late July poll, Bryant was again a big winner in all other aspects of the September poll (see chart at bottom of page). The first poll reached 1,129 registered Fifth District voters, the second 416. In both polls, telephone interviewers indicated no partiality toward any of the six candidates for various offices that they named and asked only for a direct response from the voter, to insure the most accurate results.

In addition to asking voters whether they would vote for Bryant or Carter in the Congressional race, pollsters asked what opinion voters had of the two.

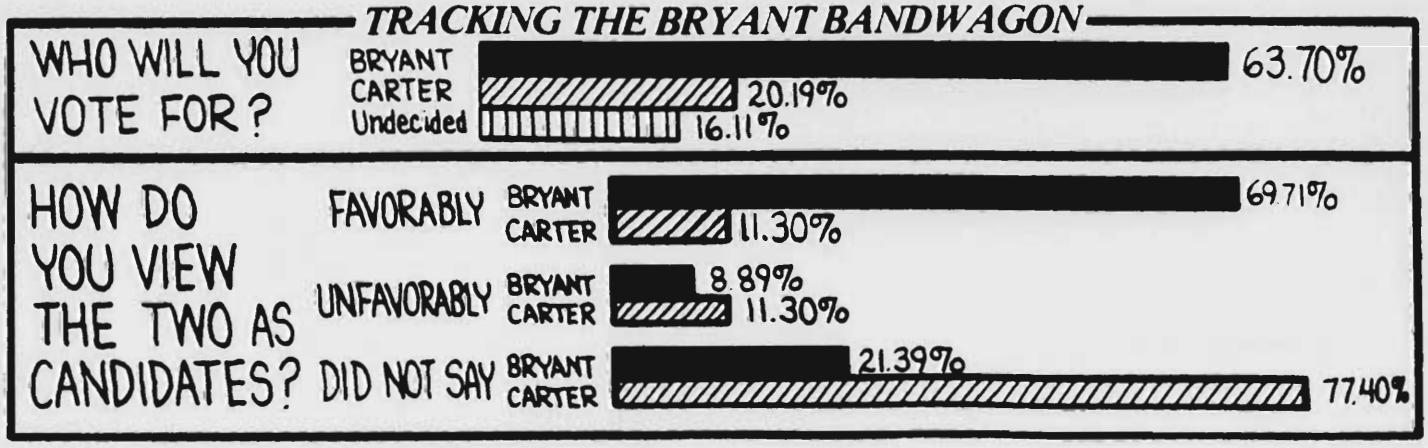
Bryant was a runaway winner in the latter category with seven out of ten giving him ratings ranging from favorable to very favorable and less than one out of ten having a negative reaction. The challenger, on the other hand, drew exactly the same favorable and unfavorable response (11.30 per cent) as more than three-fourths of the voters said he had not impressed them enough to form any sort of opinion.

"I think this is an accurate reflection of the mood of the people who live in the Fifth Congressional District," Bryant said of the poll's results. "They aren't interested in being represented by a person who only recently moved into the district, and then only for the purpose of going to Washington to represent a handful of ultra-right-wingers from North Dallas.

"What they are interested in is getting some positive results in the fight against crime and illegal drugs, in seeing America get a fair shake in the international business and manufacturing market, and in getting a dollar's worth of government for a dollar's worth of taxes.

"That's the message I'm getting from my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Lancaster, Irving, and Dallas-and that's the message I'm taking to Congress.

### TRACKING THE BRYANT BANDWAGON

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John Bryant
Congressman
Putting America First
8035 E. R.L. Thornton, Suite 212
Dallas, Texas 75228

Bulk Rate
U.S. Postage
PAID
Dallas, Texas
Permit No. 4034

# 450 Bryant Backers Kick Off Campaign

An enthusiastic crowd of more than 450 backers joined John and Janet Bryant and their family in opening John's Congressional re-election headquarters August 25, and heard their Congressman promise to intensify his "Putting America First" crusade.

Fifteen elected officials were among the Bryant backers from throughout the Fifth Congressional District and other parts of Dallas County who converged on the Headquarters at 8035 East R.L. Thornton in the heart of the East and Central Dallas County district.

"I've heard you say you're concerned about our trade imbalance, about the illegal alien invasion, about rising crime and the drug problem," Bryant said in a short, informal talk. "I agree with your concerns. For the first time, I'm encouraged this Administration and Congress seems to be ready to take strong steps in fighting illegal drugs. We've got to keep after this problem and the unfair trade practices of other countries, as well as the heavy influx of illegal aliens, to put and keep America first."

**JOHN AND JANET BRYANT**
**greet one of more than 450 backers.**

Also attending the two-hour social gathering were the Bryants' three children - Amy, 12, John Jr., 10 and Jordan, 3 - as well as many of Dallas' political activists and long-time Bryant family friends, fellow church members and neighbors.

Bryant reminded his supporters that an ultra-right-wing faction of the Republican Party is determined to fund an expensive campaign for his oil-lobbyist opponent, who has been endorsed by Pat Robertson,, Jerry Falwell, several heavily funded ultra-right-wing political action committees, and individuals who push those political ideas.

Bryant campaign staffers reminded backers that volunteers are needed for a variety of office chores through election day Nov. 4. Campaign manager John Pouland asked potential workers to call 328-8600 for assignments.

Efforts for the remainder of the campaign include distribution of yard signs and other election material and telephoning to remind Bryant backers of upcoming events.

## I WANT TO HELP
## CONGRESSMAN JOHN BRYANT PUT AMERICA FIRST

☐ You may use my name in support of John's campaign.

☐ Put a John Bryant sign in my yard.

☐ Enclosed is my contribution of
$25____, $50____, $100____, other _____

☐ Contact me to volunteer time to work on John's re-election.

☐ Send me a bumper sticker for my car.

Signature _____

Print Name _____

Street Adress _____

City, State, Zip_____

Home Phone/Office Phone,
Occupation _____

Please Return To:
Congressman John Bryant
Campaign Phone 214 - 328 - 8600

8035 East R.L. Thornton
Suite 212
Dallas, Texas 75228

GCC # 9076

RECEIVED
FEDERAL ELECTION COMMISSION
88 APR 18 PM 2:53

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

April 18, 1988

Ms. Patty Reilly
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

RE: MUR 2543

Dear Patty:

I am pleased to respond to certain additional questions that you have posed about the Bryant respondents' reply to the Commission's Reason to Believe finding.

1. The total stock of brochures, from which the brochures for Carter contributor mailings were taken, came to approximately $280.00 (determined from an invoice which included other unrelated printing costs). It is repeated that this was the production cost of the entire stock; and the Bryant respondents maintain no record of the number which were used for the Carter mailing.

2. The Bryant respondents have no record of an additional mailing to Carter contributors in September of 1986; and committee officials do not recall, but cannot categorically reject, the possibility that such an additional mailing was made.

3. The Committee has been unable to locate a copy of the check from the Hayes's received in 1985.

Finally, the Bryant respondents would like to reply at this time to the possibility of pre-probable cause conciliation. They cannot accept this course. It appears to them inconceivable that the Commission could find a "solicitation" when none was obviously intended and when not a penny was received. The Bryant Committee sent off these brochures to Carter contributors without any thought of a solicitation: how then could it have been a solicitation which is, after all, an active search for funds? No solicitation was intended when the "market" tapped for these contributions consisted of supporters of his opponent and when the result, predictably, was no

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money. It does not appear in these circumstances that the Commission will have achieved anything by finding probable cause to believe and then seeking conciliation on this issue with payment of a civil penalty.

Very truly yours,

Robert F. Bauer

Robert F. Bauer

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FEDERAL ELECTION COMMISSION
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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |

**GENERAL COUNSEL'S REPORT**

The Office of the General Counsel is prepared to close the investigation in this matter as to the John Bryant Campaign Committee and Ken Molberg, as treasurer, based on an assessment of the information presently available.

5/20/88
Date

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 26, 1988

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

RE: MUR 2543
John Bryant Campaign
Committee and Ken
Molberg, as treasurer

Dear Mr. Bauer:

Based on a complaint filed with the Federal Election Commission on October 26, 1987, and information supplied by your clients, the John Bryant Campaign Committee and Ken Molberg, as treasurer, the Commission, on February 23, 1988, found that there was reason to believe your clients violated 2 U.S.C. §§ 441a(f) and 438(a)(4), and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less

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than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Patty Reilly, the attorney assigned to handle this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
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GENERAL COUNSEL'S BRIEF

## I. STATEMENT OF THE CASE

On February 23, 1988, the Commission found reason to believe the John Bryant Campaign Fund and Ken Molberg, as treasurer, ("the Committee") violated 2 U.S.C. §§ 441a(f) and 438(a)(4).[1/] Underlying the Commission's determination was the Committee's use of names on the reports of the Tom Carter for Congress Committee to solicit contributions for the Bryant Committee. Additionally, based on the Bryant Committee reports, it appeared the Committee accepted excessive contributions from two individuals. As discussed below, this Office recommends that the Commission find probable cause to believe the Committee and its treasurer violated 2 U.S.C. §§ 441a(f) and 438(a)(4).

## II. ANALYSIS

### A. Receipt of Excessive Contribution

The complaint in this matter alleged the Committee accepted excessive primary contributions from Robert Hayes and JoAnn Hayes. Pursuant to 2 U.S.C. § 441a(a)(1)(A), persons are limited to contributing $1,000 per election to an authorized committee of

1/ The Commission also found no reason to believe the Committee violated 2 U.S.C. § 439a. Additionally, the Commission found reason to believe the Committee violated 2 U.S.C. § 434(b)(2)(D), but further determined to take no further action as to this violation.

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a candidate. Additionally, political committees are prohibited from accepting contributions exceeding the Act's limitations. 2 U.S.C. § 441a(f). An election is defined to include a primary and a general election. 2 U.S.C. § 431(1)(A). Former 11 C.F.R. § 110.1 (in effect at the time the contributions in question were made) provides, in relevant part, that contributions not designated in writing for a particular election must be applied to the primary election if made before the primary election, or must be applied to the general election if made after the primary election. Additionally, the Regulations permitted committees to accept contributions for the general election prior to the date of the primary provided the contributions were so designated in writing and the committee used an acceptable accounting method to distinguish between primary and general election contributions. See former 11 C.F.R. § 102.9(e). Moreover, a contribution which represents contributions by more than one person shall indicate on the written instrument, or on accompanying written statement signed by all contributors, the amount to be attributed to each contributor. 11 C.F.R. § 104.8(d).

In the instant case, the Committee reported the following contributions:

| Contributor | Amount | Date | Designation |
|---|---|---|---|
| Robert T. Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |
| JoAnn Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |

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Because the Bryant Committee had no outstanding debts from the 1984 general election, the complaint asserted that the 1985 contributions, reported as undesignated, must be attributed to the 1986 primary election. The February 1986 contributions, designated on the Committee's reports as for the primary election, were said to have resulted in two $2,000 primary contributions from Robert and JoAnn Hayes.

Responding to the Commission's request for production of documents, the Committee provided a copy of a $2,000 check dated February 12, 1986 representing the 1986 contributions . The check is signed by "Robert T. Hayes; the accompanying letter is signed by "Bob" and states that the "[e]nclosed is a check for $5,000 for your upcoming campaigns." This check and letter, received before the 1986 primary election, did not contain a designation for the general election and therefore must be attributed to the primary election.2/ Moreover, although this contribution was said to be from both JoAnn and Robert Hayes, JoAnn Hayes did not sign either the check or any accompanying documentation. Therefore, this entire $2,000 contribution must be attributed to Robert Hayes' primary election limitation. When coupled with Mr. Hayes' previous $1,000 contribution, it appears the Committee accepted $3,000 in primary contribution's from Mr. Hayes, thus exceeding the Act's limitation at 2 U.S.C. § 441a(a)(1)(A) by $2,000.

2/ There is no basis for determining that the reference to "upcoming campaigns" constitutes a designation for the general election. Because the primary had not occurred at the time of the contributions, reference to future campaigns cannot refer to the general election. Moreover, the pluralization of the word "campaign" is not a sufficient election designation within the Commission's Regulations.

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B. Use of Commission Materials for Solicitations

The complaint alleged that reports of the Tom Carter for Congress Committee, the Bryant Committee's opponent, were copied by the Bryant Committee for the purpose of soliciting contributions. The Bryant Committee did not dispute that it sent Carter contributors newsletters, that included a clip-out coupon for contributions.3/

Pursuant to 2 U.S.C. § 438(a)(4), information contained on reports and statements filed with the Commission 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. The Regulations define "soliciting contributions" to include soliciting any type of contribution or donation, such as political or charitable contributions. 11 C.F.R. § 104.15(b).

In the instant case the Bryant Committee copied a report of the Carter Committee and sent out at least 600 August Bulletins that included solicitation cards. It is undisputed that the Committee incurred at least $132 in postage costs for the August mailing.4/ Moreover, although the Committee has not provided

3/ The complaint alleges that the Bryant Committee made two mailings to Carter contributors of the Bryant Bulletin; one in August and the other in September. The Bryant Committee initially stated that only one such mailing was made. In response to further inquiries, the Bryant Committee states that it has no record of a September 1986 mailing to Carter contributors, "but cannot categorically reject.... the possibility that such an additional mailing was made."

4/ If a September mailing occurred, as alleged in the complaint, presumably an additional $132 would have been expended.

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the cost per brochure of the mailers,[5/] it is known that the Committee spent a total of $280 for the entire amount of August bulletin mailing. Therefore, this Office recommends that there is probable cause to believe the John Bryant Campaign Committee violated 2 U.S.C. § 438(a)(4).

**RECOMMENDATION**

Find probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4).

Lawrence M. Noble
General Counsel

Date 6/9/88

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5/ Counsel states the cost of the August mailer was included in an invoice as part of other unrelated mailings and that only the total cost of $280 for all brochures is available. While it is known that 600 mailers were sent to the Carter contributors, it is unknown how many other brochures were sent to Bryant supporters.

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BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
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RESPONDENT'S BRIEF

I. STATEMENT OF THE CASE

The facts of this case are no doubt well known to the Commission, and certainly to the General Counsel, but a brief restatement can provide a useful perspective on what is truly at issue. Accordingly, this is what happened, leading to the Commission's determination of reason to believe, and eventually, to the General Counsel's most recent recommendation of "probable cause to believe."

A. The Hayes Checks

First, there is the matter of "excessive contributions." JoAnn and Robert Hayes have been active supporters of the candidacy of Congressman John Bryant. In February of 1985 Mr. and Mrs. Hayes each made contributions, without designation, in the amount of $1,000. These were duly reported by the Bryant Committee as made for the 1986 primary election. In February of 1986, another check from the Hayes was received, this time in the amount of $2,000. Signed by Mr. Hayes, it was accompanied by a letter bearing his signature and stating that it was "for your upcoming campaigns." The Committee reported this 1986 contribution in the names of Mr. and Mrs. Hayes, in amounts of $1,000 a piece, and identified them as "primary" contributions.

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The Committee treated the contributions as appropriate under the lawful limitations. The 1985 contributions were deemed allocable to the Hayes' primary election limits; the 1986 check of $2,000, to the general election limits. For both elections, Mr. and Mrs. Hayes were believed to have each properly contributed the individual maximum of $1,000 per election.

This belief was founded on the expectation of the Hayes' which was, in turn, consistent with the Respondents' understanding of the law. The reasonableness of this understanding can be observed in its particulars:

1. The Committee was aware that the Hayes could draw on the income of only one spouse to make contributions in the name of both. Thus, there appeared nothing questionable about a check signed by Mr. Hayes made both on his own behalf and his spouse's.

2. The Respondents' were also aware that contributions for the general election could be received before the primary; and that for candidates like Bryant, who had no serious primary opposition, this was a significant opportunity for early well-planned fundraising.

3. Both the Respondents and the Hayes knew that the total cash support that the Hayes could provide for the entire election cycle was $4,000.00; and this was the amount provided, to the penny, and no more.

4. Finally, because the Bryant Committee had no significant primary opposition, it could have shown at the time, and can show still today, that at least $2,000 of the $4,000 contributed by the Hayes (and perhaps more) was reserved for expenditure until <u>after</u> the primary election.

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The "per election" limit was, therefore, observed in every practical sense.

B. The Brochures

In the general election, the Bryant Committee waged a vigorous and, in the end, successful campaign. This included the tactic of duplicating a left-over or surplus stock of promotional brochures, which heralded a landslide by Bryant, and mailing it to supporters of his opponent. This mailing, costing the Committee approximately $280, was meant to stir up partisan irritation.

The Commission is now irritated, claiming that the brochure's content included a clip-out solicitation coupon which represented a "solicitation" of funds. Because the Bryant Committee utilized FEC public records to identify individual supporters of Bryant's opponent, the General Counsel has claimed a violation of the statutory provision prohibiting the use of information copied or obtained from reports filed with the FEC lists for the purpose of soliciting contributions.

The Bryant Committee has disclaimed any intention of soliciting contributions, much less any realistic expectation of obtaining any, from known supporters of Bryant's opponent. It has stated that it received no money as a result of the mailing, precisely as it expected. It has ventured the suggestion that if the Commission was concerned over this episode it would, in the future, screen any mailing to

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opponents and their supporters to assure that no "solicitation", intended originally for its own supporters, is inadvertently included.

## II. ANALYSIS

### A. The Hayes Contributions

The Bryant Committee does not dispute the Commission's intention to resist sloppy practice in the business of accepting checks representing contributions from more than one person, and general election contributions before the primary. The Commission has taken decisive steps in this direction with its Part 110 rulemaking. The political community, including the Bryant respondents, are now on notice about the requirements that the Commission will enforce in this area and surely, compliance will now be widespread.

In the factual context, and certainly under the law of the time, the Committee's handling of the Hayes' contributions was not unreasonable. To be sure, the Committee misreported the contributions, omitting a designation for the 1985 contributions and supplying the wrong ones for those made in 1986. The Bryant respondents accept responsibility for that error; they will amend their reports and supply the Commission with whatever additional reassurance is required that additional errors of this nature will be avoided.

There is, beyond this, no reason for pursuing the Bryant respondents on this "violation." The Bryant respondents and

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the Hayes knew that Mr. Hayes could draw on personal income to make possible, with his wife's consent, contributions to Congressman Bryant in the name of both; and that these contributions, from both husband and wife, could not exceed an aggregate of $4,000 for the Bryant's 1986 election cycle. They knew, too, that contributions for use in the general election could be made before the primary. So, too, is there some evidence that this was the understanding in the letter of Mr. Hayes which confirms that the 1986 checks for the $2,000 were "for your [Bryant's] upcoming campaigns."

The General Counsel replies that "there is no basis for determining that the reference to 'upcoming campaigns' constitutes a designation for the general election." This suggestion replies to an argument which was not made. The term "upcoming campaigns" reflects the Hayes' general understanding that their contributions will support Bryant's efforts in more than one election -- more than only the primary election. The "pluralisation", as the General Counsel calls it, must mean something. It means, as plurals normally do, "more than one" and, in this instance, more than one campaign. The General Counsel adds for good measure the additional objection, that the pluralisation of the word campaign "is not a sufficient election designation within the Commission's regulations." This averment, made in a footnote and without additional explanation, hardly answers the Bryant's respondents position.

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As the General Counsel's brief notes, the regulations which have clarified how contributions of this nature should be handled were not in effect at that time.[1/] Check processing practice may have been less precise, less "by the book", than it is today. Still, in fairness, the law was not all together clear on critical points. For example the General Counsel suggests that the regulations

> "permitted committees to accept contributions for the general election prior to the date of the primary provided the contributions were so designated in writing and the committee used an acceptable accounting method to distinguish between primary and general election contributions. See former 11 C.F.R. § 102.9(e)."

General Counsel's Brief, at p. 2.

It is not accurate that former § 102.9(e) required that general election contributions collected before the primary be "so designated in writing." In fact this old regulation appeared to permit the candidate to accept an undesignated contribution, normally treated as made for the primary, and redesignate it to

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1/ There was in effect § 104.8(d), setting out the requirements for contributions by more than one person through a single written instrument. This regulation, however, is not widely appreciated to control contributions by a husband and wife which are thought to be a "special case" under the law. Specifically 104.8(d) appears directed toward contributions from a number of individuals who are each in turn putting up a share of the total with their own funds. In this respect the requirement relates to the prohibition on contributions in the name of another and to the requirements of the "earmarking" regulations. Husbands and spouses are not thought to be concerned with these requirements because they may draw for their separate contributions on the income of only one.

general election limits on his own initiative. The Commission has said before that this was a drafting error; but as an error, it may have reflected as much confusion within the Commission as prevailed outside of it. On these grounds there appears little reason to compel the execution of a conciliation agreement and the payment of a civil penalty to rectify a "violation" of none but purely academic import. The Bryant Respondents' request that the previously voted "reason to believe" finding be followed now by determination that no action be taken.

B. "Solicitations"

The Bryant respondents strongly object to the General Counsel's position on this issue. It makes no sense.

The General Counsel's brief does not suggest because it cannot, that there was any "purpose" of the Bryant Committee to "solicit" contributions from supporters of Congressman Bryant's opponent. It is presumably appropriate to take this omission as indication that the General Counsel's Office accepts the completely truthful representation of the Respondents that this was political posturing and nothing more. It was in effect a form of political "hazing."

Nevertheless the General Counsel's Office has supplied the view informally that "intent" cannot be a standard in determining the scope of 2 U.S.C. § 438(a)(4). What the General Counsel has effectively crafted is a slippery slope

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argument under which he posits the possibility that all sorts of ingenious devices will be utilized by future respondents to obscure the true intent to solicit contributions in violation of this provision.

The General Counsel's Office has not however suggested how this will happen. It is doubtful that it ever will. In any event it is required to decide fairly and properly the case before it, not a problem of pure conjecture.

On the facts presented there is absolutely no question that the Bryant Committee did not intend to solicit contributions from individuals appearing on his opponent's public FEC reports as major contributors. It is undisputed also that, as would have been expected, not a single one of these individuals, contributed to the Bryant campaign. The Bryant Committee has also supplied a perfectly understandable explanation for the mailing: baiting Carter and his supporters with a brochure proclaiming the results of a poll indicating a Bryant landslide.

The statute and regulations in question turn on a "purpose" of soliciting contributions. This "purpose" test is present in other portions of the statute and controls its application on other issues. See, e.g., 2 U.S.C. §§ 431(8)(A)(i) and 431(9)(A)(i); see also FEC Advisory Opinions 1978-15 and 1980-89 Fed. Election Camp. Fin. Guide (CCH) ¶¶ 5304, 5537. Congress is presumed in a legislative

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enactment to mean what it says and not something else.[2/] The word "purpose" has clear and accepted meaning: it suggests that there must be some genuine effort or intent on the part of a person to accomplish what the statute prohibits. The only scholarship required on this point is plain meaning, suggested by any dictionary in good standing:

> pur-pose . . . n.1. The object for which one strives . . . goals, aim. 2. A result or effect that is intended or desired; intention. 3. Determination; resolution."

The American Heritage Dictionary of the English Language (American Heritage, 1975).

There was no prohibited "purpose" here.

The Bryant Committee cannot accept the suggestion that it violated the statute. It has offered to avoid even the appearance of a problem in the future by carefully screening materials sent to Bryant's opponents and their supporters to assure that nothing which could even be remotely construed as a solicitation was included. This is a concession in excess of what the Bryant Committee should as a matter of law, have to offer. It is offered nonetheless out of respect for the Commission's concerns about future activities which may raise more troublesome questions than these.

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2/ Where Congress intended a standard difference from "purpose", it has so stated. See 2 U.S.C. § 441b(a) (prohibition on corporate and labor treasury contributions "in connection with" a federal election). See also FEC Advisory Opinion 1978-102, Fed. Elec. Camp. Fin. Guide (CCH ¶ 5397).

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The Bryant Committee respectfully urges the Commission to reject the counterintuitive and utterly unreasonable position of the General Counsel's Office and hold in its favor on the issue that that Office contrived under § 438(a)(4).

**CONCLUSION**

The Bryant respondents do not believe that this case presents substantial issues or the need to enforce the statute against even marginal violations of core provisions or even policies. Unnecessary expense to both parties can be spared by a determination on the part of the Commission that there is no probable cause and that no further action need be taken. The Bryant respondents for their part can assure the Commission that all technical requirements of Part 110 will be carefully followed and that its future actions will raise no additional questions under § 438(a)(4). This offers appears fully consistent with any reasonable disposition of the case and particularly the statutory emphasis on encouraging "voluntary compliance" that remains essential to efficient enforcement of the campaign finance laws.

Robert F. Bauer
Counsel for Respondents

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Robert F. Bauer
Counsel for Respondents

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BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
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| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
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EXECUTIVE SESSION
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GENERAL COUNSEL'S REPORT

## I. BACKGROUND

This matter arose from a complaint filed by Thomas B. Carter on behalf of the Tom Carter for Congress Committee. Named as respondents were the John Bryant Campaign Committee and Ken Molberg, as treasurer, ("the Committee") and Robert and JoAnn Hayes. The complaint alleged the Committee copied reports on file at the Commission in violation of 2 U.S.C. § 438(a)(4), improperly used campaign funds, accepted excessive contributions from the two named individuals, and violated the Act's reporting requirements.

On February 23, 1988, the Commission determined that there was reason to believe the Committee violated 2 U.S.C. §§ 441a(f) and 438(a)(4). 1/ Underlying the Commission's determinations was evidence that the Bryant Committee had copied the reports of its opponent from the public record and had sent these contributors copies of the Bryant newsletter that included a clip-out

1/ Also on that date the Commission found no reason to believe the Committee violated 2 U.S.C. § 439a. Additionally, the Commission determined that there was reason to believe the Committee violated 2 U.S.C. § 434(b)(2)(D), but took no further action as to this violation. The Commission also determined that there was reason to believe Robert and JoAnn Hayes violated 2 U.S.C. § 441a(a)(1)(A), but took no further action as to these respondents.

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solicitation card. Additionally, it appeared that the Committee accepted contributions from two individuals that exceeded the Act's limitation at 2 U.S.C. § 441a(a)(1)(A).

## II. ANALYSIS

The analysis of this matter is contained in the General Counsel's Brief dated May 26, 1988. As discussed separately below, respondents disagree with the position of the Office of the General Counsel on both of the probable cause recommendations.

### A. Excessive Contributions

The Bryant Committee reported accepting the following contributions from Robert and JoAnn Hayes:

| Contributor | Amount | Date | Original Designation |
|---|---|---|---|
| Robert Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |
| JoAnn Hayes | $1,000 | 02/08/85 | None |
| | $1,000 | 02/26/86 | P |

At the time the 1985 contributions were made, the Committee did not have a debt from the 1984 election cycle and respondents have offered no evidence that the contributions were designated for that cycle. Thus, the two 1985 contributions from Mr. and Mrs. Hayes were for the 1986 primary election. The Bryant Committee failed to report them as primary election contributions.

It is further undisputed that the 1986 contributions were in the form of a single $2,000 check, dated before the date of the primary election, drawn on the account of "Robert T. or JoAnn Hayes" and signed by Robert T. Hayes. The letter accompanying

this check stated that the check was for the Congressman's "upcoming campaigns." (Attachment #1) The General Counsel's Brief took the position that the $2,000 check did not contain a designation for the general election and thus must be attributed to the primary election (noting that the pluralization of "campaigns" was not a significant designation for the Act or the Regulations). Moreover, because JoAnn Hayes had not signed either the check or the accompanying letter, the General Counsel's Brief concluded that the entire amount must be attributed to Robert Hayes' 1986 primary contribution limitation.

Respondents' brief argues that "in every practical sense" the Act's limitations were observed in that the $4,000 contributed represented Robert and JoAnn Hayes' maximum combined contributions to the primary and general elections. See, Respondents' Reply Brief at 2-3. The Committee states, however, that it merely failed to report properly the 1986 contributions as the Hayes' general election contributions. Id. at 4. Respondents further assert that the Committee's handling of the Hayes' contribution was not unreasonable because both spouses could have contributed to the Bryant Committee using a single check. Respondents reply raises three issues. First, whether the fact that Robert and JoAnn Hayes could have contributed a combined total of $2,000 to the general election obviates the fact that Mrs. Hayes did not sign either check or an accompanying writing; second, whether a sufficient election designation was

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made; and whether the Committee is within the Commission's limited exception to former 11 C.F.R. § 102.9(e). Each of these issues is discussed separately.

1. Requirement Of A Signed Writing

Respondents argue that because Mr. and Mrs. Hayes could have jointly contributed on a single check to the Bryant Committee, one half of this $2,000 contribution should be attributed to Mrs. Hayes. As noted in the General Counsel's Brief, however, where a single instrument is used to represent contributions by more than one person, the instrument or an accompanying writing must be signed by all contributors. See 11 C.F.R. § 104.8(d). This did not occur in the instant case. Moreover, although respondents assert that husbands and wives are thought not to be controlled by this Regulation because they may make separate contributions from a single income, they have furnished no support for this proposition. See, Repondents' Brief at p.6.n.1. In fact, in A.O. 1980-67 the Commission concluded that contributions from a husband and wife must also conform to this rule.[2/] Therefore, because respondents have presented no evidence that at the time the contribution was made it was accompanied by a signed writing of JoAnn Hayes as required, the entire $2,000 must be attributed to Robert Hayes.

2/ New regulations at 11 C.F.R. § 110.1(k)(3)(ii) would now permit the Committee to obtain a reattribution of this contribution if the treasurer obtained a signed reattribution statement within 60 days from the date of the receipt of the original contribution.

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**2. Election Designations**

The General Counsel's Brief stated that Robert Hayes' letter's reference to the Congressman's "upcoming campaigns" was not sufficient for a general election designation. Respondents' Brief notes the General Counsel's Brief "replies to an argument that was not made." Nevertheless, respondents assert that this notation is evidence that the contributors understood the 1986 contribution check would apply to "more than only the primary election." Reply Brief at 5.

In the opinion of this Office, the check does not designate the contributions in question. The Regulations in effect at that time specified that "no person shall make contributions to any candidate, his or her authorized political committees or agents with respect to any election to Federal office which in the aggregate exceed $1,000." former 11 C.F.R. § 110.1(b)(1). The Regulations provided, in relevant part, that "'with respect to any election' means in the case of a contribution designated in writing for a particular election, the election so designated..." former 11 C.F.R. § 110.1(b)(2)(i). The Hayes' pluralization of the word "campaign" is not a sufficient designation for a particular election. Therefore, in the absence of a designation for the general election, the $2,000 contribution by Mr. Hayes must be attributed to the primary.

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3. **Alleged Regulatory Confusion**

Respondents' further argue that no further action should be taken in this matter because the Regulations were not clear at the time of the violation. Respondents point to former 11 C.F.R. § 102.9(e) (which appeared to permit recipient committees to assign contributions to a particular election) as evidence of such confusion.

In addressing concerns regarding former 11 C.F.R. § 102.9(e), the Office of the General Counsel has maintained the position that absent a written designation, the recipient committee cannot treat a contribution received before the primary as a general election contribution or after the primary as a primary contribution. In applying former 11 C.F.R. § 102.9(e), however, the Commission has declined to proceed against recipient committees that accepted contributions for the primary or general elections in a manner that ensured compliance with 2 U.S.C. § 441a. Thus, in instances where a committee designated a contribution for the general election in order to avoid receipt of a facially excessive primary contribution, the Commission generally found reason to believe a violation occurred, but took no further action. See, e.g. MURs 1637, 1648 and 1696.

Because respondents did not report the receipt of the $2,000 contribution in a manner indicating they sought to avoid an excessive contribution, they are not within this limited exception. The Committee attributed this $2,000 contribution

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to the $1,000 primary election limitations of both Mr. and Mrs. Hayes. They did not attribute this contribution to the primary and general limitations of one individual (as recognized by the exception); rather the Committee reported this contribution as from two different persons. Therefore, their argument regarding regulatory confusion fails.

As demonstrated above, respondents have failed to show that Mrs. Hayes made a portion of this contribution, that the contribution was designated, and that they are within the Commission's limited exception regarding former 11 C.F.R. § 102.9(e). Thus, consistent with the Regulations (see former 11 C.F.R. § 110.1) and the Commission's past practice in MURs 2110 (Hunt) and MUR 1648 (Reigle), a contribution that fails to designate an election must be attributed to the next election.3/

The Commission's Advisory Opinions have also taken the position that, in the absence of a designation, contributions received after the date of an election must be applied towards the next election. See, e.g. A.O.s 1984-32 and 1986-12. Thus, Mr. Hayes' $2,000 in contributions must be attributed to the general election. Therefore, this Office recommends that there is probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 441a(f) by accepting excessive contributions.

**B. USE OF COMMISSION MATERIALS FOR SOLICITATIONS**

The complaint alleged that the reports of the Tom Carter for Congress Committee, the Bryant Committee's opponent, were copied

3/ The Commission recently deviated from this rule in MUR 2663 (Dronenberg).

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by the Bryant Committee for the purpose of soliciting contributions. The investigation in this matter revealed that the Bryant Committee copied a report from the public record and sent 600 contributors whose names appeared on this report copies of the August 1986 Bryant Bulletin. 4/ This bulletin was a two-sided mailer folded into thirds. The bottom third of the second page included a clip out coupon headed "I WANT TO HELP CONGRESSMAN JOHN BRYANT PUT AMERICA FIRST" and included five boxes for readers to check. One box lists:

Enclosed is my contribution of

$25_____ $50_____ $100_____ other

The Bryant Committee does not dispute that it sent the August Bulletins containing solicitation cards to Carter contributors. They assert, however, that they did not intend to solicit contributions, had no "realistic expectation" of obtaining contributions from Carter contributors, and did not receive any money as a result of the mailing. Reply Brief at 3. Rather, the Bryant Committee asserts that copying the names of

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4/ The complaint alleges that the Bryant Committee made two mailings of the Bryant Bulletin to Carter contributors; one in August and the other in September. The Bryant Committee initially stated that only one such mailing was made. In response to further inquiries, the Bryant Committee states that it has no record of a September 1986 mailing to Carter contributors, "but cannot categorically reject...the possibility that such an additional mailing was made." The Committee incurred $132 in postage for the August mailing, and if a September mailing was made, another $132 would have been expended. The entire cost for the production of the August Bulletin was $280. It was sent to the 600 Carter contributors, as well as an unknown number of Bryant contributors.

the Carter contributors and sending them copies of the August Bulletin "was a form of political 'hazing.'" Reply Brief at 7. Rather, respondents argue that the Commission must look to the intent behind a solicitaion.

Respondents further argue that because the Act and Regulations prohibit copying of reports on file at the Commission "for the purpose of soliciting contributions", the Act can only be violated if there is "some genuine effort or intent on the part of a person to accomplish what the statute prohibits." Id. at 9. Citing The American Heritage Dictionary of the English Langauge, respondents define "purpose" as:

> pur-pose . . . n.1. The object for which one strives . . . goals, aim. 2. A result or effect that is intended or desired; intention. 3. Determination; resolution."

Respondents conclude that because the Bryant Bulletins were intended to "haze" their opponents, the Committee did not copy reports with the intention of soliciting their opponents.

Although respondents might not have intended to solicit contributions, the Bryant August Bulletin did, in fact and on its face, solicit contributions. Moreover, respondents have not advanced any authority for the proposition that the Act requires a determination whether persons who are soliciting contributions are doing so for the purpose of collecting funds.

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Therefore, in light of the undisputed fact that respondents used materials copied from the public record to solicit contributions, the Office of the General Counsel recommends that the Commission find probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. § 438(a)(4).

## III. DISCUSSION OF CONCILIATION AGREEMENT

## IV. RECOMMENDATIONS

1. Find probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 434(a)(4) and 441a(f).

2. Approve the attached letter and conciliation agreement.

Date 10/5/98

Lawrence M. Noble
General Counsel

Attachments
1. Response
2. Conciliation Agreement
3. Proposed Letter

Staff Person: Patty Reilly

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
| | ) | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 18, 1988, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2543

1. Find probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 438(a)(4) and 441a(f).

2. Approve the letter and conciliation agreement attached to the General Counsel's report dated October 5, 1988.

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

Attest:

Oct. 19, 1988
Date

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

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tlm

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

October 24, 1988

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

RE: MUR 2543
John Bryant Campaign
Committee and Ken
Molberg, as treasurer

Dear Mr. Bauer:

On October 18, 1988, the Federal Election Commission found that there is probable cause to believe your clients, John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4), provisions of the Federal Election Campaign Act of 1971, as amended, in connection with receipt of excessive contributions and using materials on file with the Federal Election Commission to solicit contributions.

The Commission has a duty to attempt to correct such violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within 10 days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

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

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agreement, please contact Patty Reilly, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

LM Noble (JJ)

Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

November 15, 1988

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

RE: MUR 2543
John Bryant Campaign
Committee and Ken Molberg,
as treasurer

Dear Mr. Bauer:

On October 24, 1988, you were notified that the Federal Election Commission found probable cause to believe that your clients, the John Bryant Campaign Committee and Ken Molberg, as treasurer violated 2 U.S.C. §§ 441a(f) and 438(a)(4). On that same date, you were sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), the conciliation period in this matter may not extend for more than 90 days, but may cease after 30 days. Insofar as more than 30 days have elapsed without a response from you, a recommendation concerning the filing of a civil suit will be made to the Commission by the Office of the General Counsel unless we receive a response from you within 15 days.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
| | ) | MUR 2543 |
| John Bryant Campaign Committee and Ken Molburg, as treasurer | ) | |

GENERAL COUNSEL'S REPORT

On October 18, 1988, the Commission found probable cause to believe the John Bryant Campaign Committee and Ken Molberg, as treasurer, violated 2 U.S.C. SS 441a(f) and 438(a)(4). Respondents were notified of the Commission's determination by letter dated October 24, 1988. On November 16, 1988, this Office informed respondents that civil suit authorization would be sought unless a response was received.

Under this circumstance, this Office will continue conciliation negotiations for an additional thirty days.

Lawrence M. Noble
General Counsel

12-9-88
Date

BY: Lois G. Lerner
Associate General Counsel

Staff Person: Patty Reilly

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
| | ) | MUR 2543 |
| John Bryant Campaign Committee and | ) | |
| Ken Molberg, as treasurer | ) | |

GENERAL COUNSEL'S REPORT

## I. BACKGROUND

On October 18, 1988, the Commission found probable cause to believe the John Bryant Campaign Committee ("the Committee") and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4). Underlying the Commission's determination was evidence that the Committee had copied the reports of its opponent from the public record and had sent the listed contributors copies of a Bryant Committee newsletter that included a clip-out solicitation card. Additionally, respondents accepted an excessive primary contribution from Robert Hayes.1/

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1/ Robert and Joanne Hayes were also named respondents in this matter. On February 23, 1988, the Commission found reason to believe these two respondents violated 2 U.S.C. § 441a(a)(1)(A) and took no further action.

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III. RECOMMENDATIONS

1.

2. Approve the attached proposed counteroffer and letter.

Lawrence M. Noble
General Counsel

1-25-89
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments:
1. Counteroffer
2. Proposed Agreement
3. Proposed Letter

BEFORE THE FEDERAL ELECTION COMMISSIC

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
| | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 30, 1989, the Commission decided by a vote of 5-1 to take the following actions in MUR 2543:

1.

2. Approve the proposed counteroffer and letter, as recommended in the General Counsel's Report signed January 25, 1989.

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

Attest:

Jan. 31, 1989
Date

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

| | | |
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| Received in the Office of Commission Secretary: | Thurs., 01-26-89, | 10:36 |
| Circulated on 48 hour tally basis: | Thurs., 01-26-89, | 4:00 |
| Deadline for vote: | Mon., 01-30-89, | 4:00 |

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BEFORE THE FEDERAL ELECTION COMMISSION

EXECUTIVE SESSION
MAY 02 1989
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| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee and Ken Molberg, as treasurer | ) | MUR 2543 |
| | ) | |

GENERAL COUNSEL'S REPORT

## I. BACKGROUND

On October 18, 1988, the Commission found probable cause to believe the John Bryant Campaign Committee ("the Committee") and Ken Molberg, as treasurer, violated 2 U.S.C. §§ 441a(f) and 438(a)(4). Underlying this determination was evidence that the Committee had copied the reports of its opponent from the public record and had sent the listed contributors copies of a Bryant Committee newsletter that included a clip-out solicitation card. Additionally, respondents accepted an excessive primary contribution from Robert Hayes.1/

1/ Robert and Joanne Hayes were also named respondents in this matter. On February 23, 1988, the Commission found reason to believe these two respondents violated 2 U.S.C. § 441a(a)(1)(A) and took no further action.

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## II. ANALYSIS OF COUNTERPROPOSAL

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## III. EXTENSION OF CONCILIATION FOR TEN MORE DAYS AND CIVIL SUIT AUTHORIZATION

It is also the recommendation of this Office that the Commission authorize civil suit in the event an acceptable agreement is not reached within ten days from respondents' receipt of this letter. Accordingly, this Office will report to the Commission at the expiration of this ten day period.

## IV. RECOMMENDATIONS

1.

2. Approve the attached letter and agreement.

3. Authorize the Office of the General Counsel to file a civil suit for relief in the United States District Court against the John Bryant Campaign Committee and Ken Molberg, as treasurer.

4/12/89
Date

Lawrence M. Noble
General Counsel

Attachments
1. Counter-offer
2. Letter
3. Proposed Agreement

Staff Person: Patty Reilly

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| John Bryant Campaign Committee | ) | MUR 2543 |
| and Ken Molberg, as treasurer | ) | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 2, 1989, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions in MUR 2543:

1.

2. Approve the letter and agreement recommended in the FEC General Counsel's report dated April 12, 1989.

3. Authorize the Office of the General Counsel to file a civil suit for relief in the United States District Court against the John Bryant Campaign Committee and Ken Molberg, as treasurer.

Commissioners Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Elliott dissented; Commissioner Aikens was not present at the time of the vote.

Attest:

May 3, 1989
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 8, 1989

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

RE: MUR 2543
John Bryant Campaign Committee
and Ken Molberg, as treasurer

Dear Mr. Bauer:

This letter is to confirm the Federal Election Commission's receipt of the proposed conciliation agreement submitted on behalf of the John Bryant Campaign Committee and Ken Molberg, as treasurer on March 21, 1989.

Enclosed herewith is a conciliation agreement incorporating these changes which we submit for your client's signature. I note that the Commission has been willing to include a number of your proposed changes in the agreement. Although I am hopeful that this matter can be settled through a conciliation agreement, please be advised that in the absence of your client's acceptance of the enclosed agreement within 10 days, the Commission has authorized this Office to institute a civil suit in the U.S. District Court.

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

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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Reilly

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
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WILSON, WILLIAMS & MOLBERG
*Attorneys and Counselors*
2214 MAIN STREET
DALLAS, TEXAS 75201-4324

JOHN B. WILSON, P.C. *
ROGER G. WILLIAMS, P.C. *
KENNETH H. MOLBERG, P.C.
CARMEN S. MITCHELL
S. LYNN BLAKEMAN
MARK DARROW WILSON
WILLIAM C. ISBELL **

* BOARD CERTIFIED—PERSONAL INJURY TRIAL SPECIALIST
TEXAS BOARD OF LEGAL SPECIALIZATION

** LICENSED IN OKLAHOMA

FAX (214) 7487965
(214) 748-5276

September 11, 1989

Mr. Lawrence M. Noble
General Counsel
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

**Re: MUR 2543**

Dear Mr. Noble:

In order to make the record perfectly clear, I submit the following with respect to the above-referenced matter.

Because of a simple clerical error, the April 15, 1986, campaign finance report of the John Bryant for Congress campaign erroneously reported that one person contributed $2,000 to the general election campaign, when, in fact, that person contributed $1,000 to the primary election campaign and $1,000 to the general election campaign.

By simply placing a check mark in the correct box on the report, this error could have been avoided. As filed, however, the report reflects this as a $2,000 contribution, which is $1,000 in excess of the amount which may be contributed for a single election campaign. For this reason, the campaign committee reluctantly accepts the FEC decision to impose a token $500 civil penalty.

The campaign, however, disagrees strongly with the interpretation of the FEC and its staff that the campaign violated the prohibition on mailing fundraising solicitation letters to the contributors of an opponent. The campaign mailed leftover campaign newsletters focusing on poll results which indicated our candidate held a huge lead over his opponent. Copies of the newsletters are attached.

As is plain to anyone, these were not fundraising letters or solicitations. They were mailed to help get the word out that our candidate was way ahead. The commission instead has chosen to focus on the routine volunteer return form on the newsletter, which invites recipients to volunteer, accept a bumper sticker or yard sign, or make a campaign contribution, and is

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interpreting this as a violation. We believe the FEC has reached an impossible conclusion based on the facts, and that it has misread the intention of the election law.

It strains reason to suggest that any candidate would be attempting to raise campaign contributions by mailing a newsletter to his opponent's most enthusiastic supporters--those who are paying for his campaign.

Sincerely,

Ken Molberg,
Treasurer

km/kj

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August 1986

8035 R.L. Thornton
Suite 212
Dallas TX 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# Polls, Backing Point to Landslide

## BRYANT INCREASING LEAD OVER LOBBYIST FOE

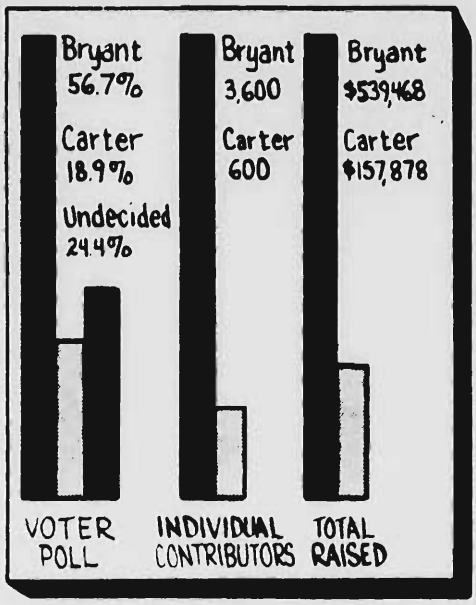
### *Survey Margin 3-1 for Bryant*

Three of the main barometers of campaign fortunes — polls, funds raised, and the number of individual contributions — indicate John Bryant is headed toward a landslide victory over his right wing, lobbyist-turned-candidate opponent.

A poll of registered voters in the Fifth Congressional District showed that fewer than two out of ten plan to vote for recent lobbyist Tom Carter and that Bryant has a lead of exactly three to one among the citizens most likely to go to the polls Nov. 7.

Bryant's advantage in total money raised is approaching $400,000 and his individual contributors outnumber Carter's by six to one. The Bryant campaign has raised $539,468.26 through the June 30 reporting date, with Carter totaling $157,878.46.

Even more telling: Bryant's campaign contributors have included 3,600 individuals to about 600 for Carter. More than two-thirds of Bryant's contributors live in the Fifth Congressional District. That is financial backing from 2,500 Fifth District residents. Carter has not disclosed how many of his 600 contributors actually live in the district he hopes to represent, but several of his largest individual contributors include Nelson Bunker Hunt (Hunt Oil Co.) and other interests from outside the Congressional district.




"One of the most gratifying aspects of this campaign is where I'm finding my support," Bryant said of the fund-raising lead. "I'm excited about the fact that literally thousands of my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Irving and Dallas believe that my record and my work in their behalf has not only earned their support, but their campaign contributions, too."

Bryant noted that his large number of small contributions is contrary to Carter's list, which primarily includes money funneled from a small group of North Dallas corporate executives.

The telephone poll, completed in early July, is the result of polling 1,129 registered Fifth District voters. The telephone interviewers indicated no favoritism toward either candidate and asked only who the voter supported, insuring the most realistic results possible.

### *Current Funds Reach 7-1 Edge*

Final results of the poll showed Bryant with 56.7 per cent, Carter with 18.9 per cent (exactly one-third), and 24.4 per cent of the voters undecided. Even with an exact split of the undecided vote in the traditionally Democratic district, Bryant would win with more than two-thirds of the vote.

Bryant's financial lead of almost four to one swells to seven to one when measuring funds on hand.

As of the June 30 reporting deadline, the Bryant campaign had $298,965.15 unspent funds on hand, seven times the resources available to his lobbyist opponent ($41,262.39).

"It sounds good at this point," Bryant conceded, "but we've heard the Republican Party, the far right wing and the lobbyist himself say that almost a million dollars will be poured into the effort to get him in Congress to vote their desires—and we have to be prepared to take on a big money push by early fall."

Bryant said his staff and volunteers are already intensifying fund-raising and volunteer solicitation to offset the attempt by outsiders to buy the Fifth Congressional seat in November.

**CAMPAIGN HEADQUARTERS OPENING**

Join us for the opening of John's campaign headquarters, with snacks, refreshments, the Bryant family, old and new friends. It's in Suite 222, 8035 East R.L. Thornton at Jim Miller.

**MONDAY, AUG. 25**
**5:30 - 7:30 P.M.**
**8035 E. R.L. Thornton**

Paid for by Bryant Campaign - Not authorized by any candidate or officer of any committee

# Meet John Bryant's Campaign Staff

**JOHN POULAND, Campaign Manager** — Former member of John's Texas Legislature staff and manager of John's first Congressional campaign in 1982 that resulted in John winning 65 per cent of the vote against his Republican opponent.

**NORMA MINNIS, Finance Director** — A well-known civic activist in Dallas, she has worked in several statewide Democratic campaigns.

**BILLY HORTON, Organization Director** — A UT Austin graduate, he brings to the job experience working with Gov. Mark White, former Congressman Tom Vandergriff and Atty. Gen. Jim Mattox.

**FRANCES DIRKS, Office Manager** — On leave from her job with John's Congressional staff, she is a long-time Democratic Party precinct chairman and a leader in South and East Dallas political and civic endeavors.

**CHARLOTTE VAUGHTER, Data Processing Manager** — A member of the Bryants' church family (White Rock United Methodist), she is a long-time resident of the Fifth Congressional District.

**BILL ASHFORD, Volunteer Coordinator** — Youngest American veteran of Korean Conflict, he entered service at age 14, had two Purple Hearts by 15. He's now a computer programmer and business consultant.

**GRAY McBRIDE, Special Projects** — Bryant's campaign field coordinator in 1982, he is taking time from his management consultation practice to assist the 1986 campaign.

## I WANT TO HELP
## CONGRESSMAN JOHN BRYANT PUT AMERICA FIRST

☐ You may use my name in support of John's campaign.

☐ Put a John Bryant sign in my yard.

☐ Enclosed is my contribution of
$25____, $50____, $100____, other ____

☐ Contact me to volunteer time to work on John's re-election.

☐ Send me a bumper sticker for my car.

Signature _____

Print Name _____

Street Adress _____

City, State, Zip _____

Home Phone/Officer Phone,
Occupation _____

Please Return To:
Congressman John Bryant
8035 East R.L. Thornton, Suite 212, Dallas, Texas
75228
Campaign Phone 214-328-8600


Congressman
**John Bryant**
**Putting America first!**
8035 E. R.L. Thornton, Suite 212
Dallas, Tx 75228



Bulk Rate
U.S. Postage
PAID
Dallas, Texas
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EXHIBIT C-2

September 1986

8035 E. Thornton
Suite 212
Dallas Tx 75228

# The Bryant Bulletin

A progress report from the re-election campaign of Congressman John Bryant

# September Poll a Stampede

## John Convincing Undecided Voters 5 - 1 Over Lobbyist

The latest telephone poll of voters in the Fifth Congressional District show Congressman John Bryant, a three-to-one favorite little more than a month ago, is picking up previously-undecided voters at a five-to-one pace over his right-wing lobbyist opponent.

"This poll is even more encouraging than the first one," Bryant said, "not only because my margin is getting bigger, but because voters are coming over faster as the campaign intensifies and they get a much closer look at the difference between the candidates."

Last opposed in 1982 before an ultra right-wing splinter group of Republicans recruited an oil-company lobbyist named Tom Carter for this race, Bryant increased his support to 67.7 in the September poll after receiving 56.7 per cent backing in July.

Undecided voters dropped by eight per cent in the month between polls with Bryant getting seven shares of the newly-decided voters and his opponent 1.3 shares, a ratio of five votes to one in Bryant's favor.

After serving five terms in the Texas Legislature, Bryant got 65 per cent of the vote in 1982 to capture his first Congressional race. He was unopposed in 1984, even though Republicans made strong inroads on other Democrats around Texas and the nation.

Just as was the case in the late July poll, Bryant was again a big winner in all other aspects of the September poll (see chart at bottom of page). The first poll reached 1,129 registered Fifth District voters, the second 41[illegible]. In both polls, telephone interviewers indicated no partiality toward any of the six candidates for various offices that they named and asked only for a direct response from the voter, to insure the most accurate results.

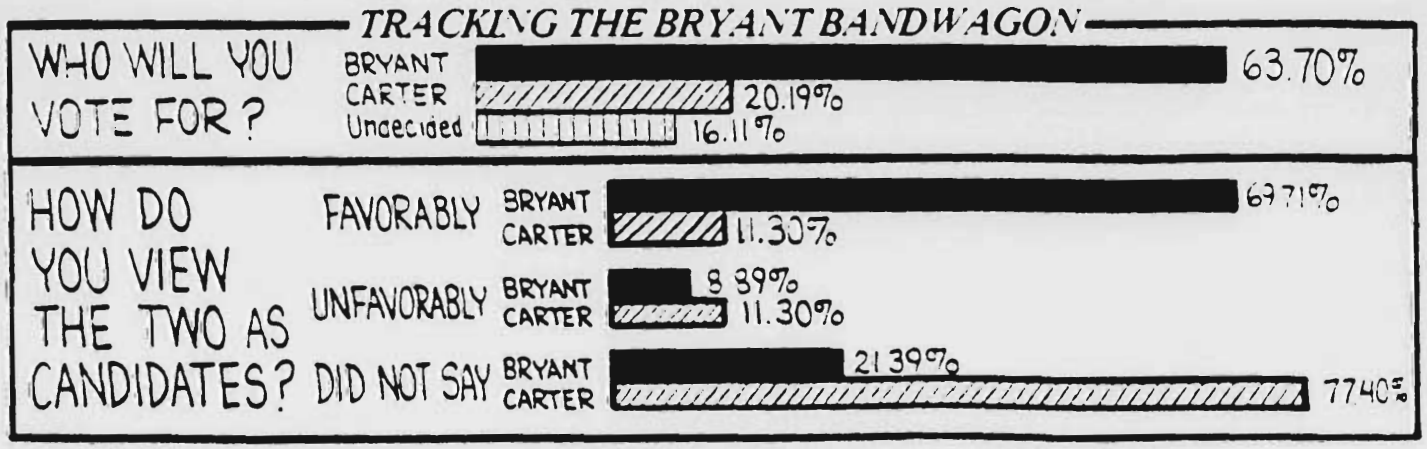
In addition to asking voters whether they would vote for Bryant or Carter in the Congressional race, pollsters asked what opinion voters had of the two.

Bryant was a runaway winner in the latter category with seven out of ten giving him ratings ranging from favorable to very favorable and less than one out of ten having a negative reaction. The challenger, on the other hand, drew exactly the same favorable and unfavorable response (11.30 per cent) as more than three-fourths of the voters said he had not impressed them enough to form any sort of opinion.

"I think this is an accurate reflection of the mood of the people who live in the Fifth Congressional District," Bryant said of the poll's results. "They aren't interested in being represented by a person who only recently moved into the district, and then only for the purpose of going to Washington to represent a handful of ultra-right-wingers from North Dallas.

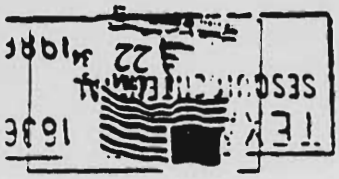
"What they are interested in is getting some positive results in the fight against crime and illegal drugs, in seeing America get a fair shake in the international business and manufacturing market, and in getting a dollar's worth of government for a dollar's worth of taxes.

"That's the message I'm getting from my neighbors in Mesquite, Garland, Sunnyvale, Balch Springs, Wilmer, Hutchins, Lancaster, Irving, and Dallas-and that's the message I'm taking to Congress.




Paid for by John Bryant Campaign, Fred Hofheinz, Treasurer

Independent Republican Women
Attn: Judy Palmer
P.O. Box 670293
Dallas, TX 75267




John Bryant
Congressman
Putting America first!
8035 E. R.L. Thornton, Suite 212
Dallas, Texas 75228


# 450 Bryant Backers Kick Off Campaign

An enthusiastic crowd of more than 450 backers joined John and Janet Bryant and their family in opening John's Congressional re-election headquarters August 25, and heard their Congressman promise to intensify his "Putting America First" crusade.

Fifteen elected officials were among the Bryant backers from throughout the Fifth Congressional District and other parts of Dallas County who converged on the Headquarters at 8035 East R.L. Thornton in the heart of the East and Central Dallas County district.

"I've heard you say you're concerned about our trade imbalance, about the illegal alien invasion, about rising crime and the drug problem," Bryant said in a short, informal talk. "I agree with your concerns. For the first time, I'm encouraged this Administration and Congress seems to be ready to take strong steps in fighting illegal drugs. We've got to keep after this problem and the unfair trade practices of other countries, as well as the heavy influx of illegal aliens, to put and keep America first."

**JOHN AND JANET BRYANT**
**greet one of more than 450 backers.**

Also attending the two-hour social gathering were the Bryants' three children - Amy, 12, John Jr., 10 and Jordan, 3 - as well as many of Dallas' political activists and long-time Bryant family friends, fellow church members and neighbors.

Bryant reminded his supporters that an ultra-right-wing faction of the Republican Party is determined to fund an expensive campaign for his oil-lobbyist opponent, who has been endorsed by Pat Robertson,, Jerry Falwell, several heavily funded ultra-right-wing political action committees, and individuals who push those political ideas.

Bryant campaign staffers reminded backers that volunteers are needed for a variety of office chores through election day Nov. 4. Campaign manager John Pouland asked potential workers to call 328-8600 for assignments.

Efforts for the remainder of the campaign include distribution of yard signs and other election material and telephoning to remind Bryant backers of upcoming events.

## I WANT TO HELP
## CONGRESSMAN JOHN BRYANT PUT AMERICA FIRST

☐ You may use my name in support of John's campaign.

☐ Put a John Bryant sign in my yard.

☐ Enclosed is my contribution of
$25____ $50____ $100____ other ____

☐ Contact me to volunteer time to work on John's re-election.

☐ Send me a bumper sticker for my car.

Signature _____

Print Name _____

Street Adress _____

City, State, Zip _____

Home Phone/Office Phone.
Occupation _____

Please Return To:
Congressman John Bryant
Campaign Phone 214 - 328 - 8600

8035 East R.L. Thornton
Suite 212
Dallas, Texas 75228

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
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NANCY DOHERTY, CLERK
By Deputy

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

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| FEDERAL ELECTION COMMISSION, | ) | |
| | ) | |
| Plaintiff, | ) | |
| | ) | Civil Action No. CA3-89-1694-G |
| v. | ) | |
| | ) | FINAL CONSENT ORDER |
| JOHN BRYANT CAMPAIGN | ) | AND JUDGMENT |
| COMMITTEE, et al., | ) | |
| | ) | |
| Defendants. | ) | |

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OFFICE OF GENERAL COUNSEL
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**FINAL CONSENT ORDER AND JUDGMENT**

WHEREAS, this action for declaratory, injunctive and other appropri te relief was instituted by the plaintiff Federal Election Commission (the "Commission") pursuant to the express authority granted the Commission by sections 307(a)(6) and 309(a)(6)(A) of the Federal Election Campaign Act of 1971, as amended (the "Act"), codified at 2 U.S.C. §§ 437d(a)(6) and 437g(a)(6)(A), against the defendants John Bryant Campaign Committee (the "Bryant Committee") and Ken Molberg ("Molberg"), as treasurer; and

WHEREAS, this Court has original jurisdiction over this suit pursuant to 28 U.S.C. § 1345 as an action brought by an agency of the United States government expressly authorized to sue by an Act of Congress, and venue is properly found in the United States District Court for the Northern District of Texas, Dallas Division, in accord with 2 U.S.C. § 437g(a)(6)(A), as both defendants can be found, reside or transact business in this district;

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NOW, THEREFORE, the parties agree to entry of this Court's Judgment and consent to the issuance of this Order, as evidenced by the signatures of defendants' counsel and plaintiff's counsel affixed hereto;

Accordingly, it is ORDERED, ADJUDGED and DECREED as follows:

I. The Commission has met all of the jurisdictional prerequisites to and requirements for filing Civil Action No. CA3-89-1694-G;

II. Defendant Bryant Committee was and is a "political committee" within the meaning of 2 U.S.C. § 431(4), was and is a "principal campaign committee" within the meaning of 2 U.S.C. § 431(5) and is registered with the Commission;

III. Defendant Molberg was and is the treasurer of the Bryant Committee, see 2 U.S.C. §§ 432(a), 432(c) and 434(a)(1);

IV. Pursuant to 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to contribute more than $1,000 in the aggregate, to any candidate or authorized political committee of a candidate with respect to any single federal election;

V. Pursuant to 2 U.S.C. § 441a(f), it is unlawful for any candidate, political committee or treasurer of a political committee to accept any contribution prohibited by 2 U.S.C. § 441a(a)(1)(A);

VI. Defendants Bryant Committee and Molberg, as treasurer, accepted a $2,000 contribution prior to the date of the 1986 primary election from an individual who had previously made the maximum permitted contribution to this election. This

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contribution was not attributed to the general election and was signed by only this contributor. Defendant John Bryant Campaign Committee and defendant Kenneth H. Molberg, as treasurer, accepted a primary election contribution exeeding the limitation at 2 U.S.C. § 441a(a)(1)(A), in violation of 2 U.S.C. § 441a(f).

VII. Pursuant to 2 U.S.C. § 438(a)(4), information copied from reports or statements filed with the Federal Election Commission cannot be lawfully used by any person for the purpose of soliciting contributions from any person other than a political committee;

VIII. Defendants Bryant Committee and Molberg, as treasurer, made political use of a report of the Tom Carter for Congress Committee to mail surplus brochures, advocating the election of Bryant, to contributors of that Committee. However, the brochure also contained a clip-out solicitation card that defendants contend was intended for the original audience of Bryant supporters. Defendants' transmittal of this solicitation along with the brochure to Carter Committee supporters identified on committee reports is in violation of 2 U.S.C. § 438(a)(4). Defendants contend said violation was not knowing and willful;

IX. Defendant John Bryant Campaign Committee and defendant Kenneth H. Molberg, as treasurer shall pay to the Federal Election Commission within twenty (20) days of the entry of this Final Consent Order and Judgment a civil penalty of Five Hundred Dollars ($500), pursuant to 2 U.S.C. § 437g(a)(6)(B), for which defendants shall be jointly and severally liable;

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X. Defendant John Bryant Campaign Committee and defendant Kenneth H. Molberg, as treasurer, are permanently enjoined from violating 2 U.S.C. § 441a(f) by accepting contributions in excess of prescribed limits and 2 U.S.C. 438(a)(4) by copying information from reports on file at the Commission for the purposes of soliciting contributions;

XI. The parties shall bear their own costs and fees in this matter.

Dated: September 1, 1989
Dallas, Texas

United States District Judge

We hereby consent to the entry of the foregoing Final Consent Order and Judgment.

So Stipulated:

Robert F. Bauer, Esquire
Perkins Coie
1110 Vermont Avenue, N.W.
Washington, D.C. 20005
(202) 887-9030

FOR THE DEFENDANTS
JOHN BRYANT CAMPAIGN COMMITTEE
and KENNETH H. MOLBERG,
as Treasurer

Lawrence M. Noble
General Counsel

Richard B. Bader
Associate General Counsel

Ivan Rivera
Assistant General Counsel

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Michael A. Dymersky
Attorney

August 29, 1989

FOR THE PLAINTIFF
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463
(202) 376-8200

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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

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|---|---|---|
| FEDERAL ELECTION COMMISSION, | ) | |
| | ) | |
| Plaintiff, | ) | |
| | ) | |
| v. | ) | Civil Action No. CA3-89-1694-C |
| | ) | |
| JOHN BRYANT CAMPAIGN COMMITTEE, et al., | ) | CERTIFICATE OF SERVICE |
| | ) | |
| | ) | |
| Defendants. | ) | |

**CERTIFICATE OF SERVICE**

I hereby certify that on the 29th day of August, 1989, I caused to be served by first-class mail, postage prepaid, a copy of the parties' Final Consent Order and Judgment in the above-captioned litigation to the following counsel for defendants:

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

August 29, 1989

Michael A. Dymersky
Attorney
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.c. 20463
(202) 376-8200

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2543

DATE FILMED 10/2/89 CAMERA NO. 3

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