FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2553

DATE FILMED _____ CAMERA NO. _____

CAMERAMAN _____

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A87-17
December 1, 1987

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: ROBERT J. COSTA
ASSISTANT STAFF DIRECTOR
AUDIT DIVISION

SUBJECT: REFERRAL OF A MATTER IN THE AUDIT OF THE CALIFORNIANS FOR A STRONG AMERICA POLITICAL ACTION COMMITTEE

On November 30, 1987, the Commission approved the final audit report on Californians For A Strong America Political Action Committee which included referral of the attached matter to your office.

If you have any questions regarding this matter, please contact Joseph Watts or Joseph Stoltz at 376-5320.

Attachment as stated

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A. Independent Expenditures Reported Incorrectly

Section 431(17) of Title 2 of the United States Code states that the term "independent expenditure" means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

Section 434(b)(6)(B)(iii) of Title 2 of the United States Code states, in part, that each political committee, other than an authorized committee, shall report the name and address of each person who receives any disbursement during the reporting period in an aggregate amount or value in excess of $200 within the calendar year in connection with an independent expenditure by the reporting committee, together with the date, amount, and purpose of any such independent expenditure and a statement which indicates whether such independent expenditure is in support of, or in opposition to, a candidate, as well as the name and office sought by such candidate, and a certification, under penalty of perjury, whether such independent expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee.

The Custodian of the Records for the Committee stated that the Committee's intended purpose during the audit period was to make independent expenditures to defeat Senator Alan Cranston in the November, 1986 Senatorial Election. In addition, a review of Committee records showed that:

- 6 fundraising letters used during the audit period by the Committee stated that contributions received by the Committee would be used to launch television and radio advertising campaign to defeat Senator Cranston. Further, 3 of the fundraising letters described the Committee's plan to defeat Senator Cranston as an "independent expenditure campaign".

- Committee media scripts, intended to be aired on television, advocated the defeat of Senator Cranston.

The Audit staff reviewed all of the Committee's reported disbursements for the audit period. With the exception of one item relating to a payable incurred prior to the audit

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period,2/ Committee disbursements, totaling $58,647.67, can be categorized as administrative expenses, consulting fees, fundraising costs, media production, and miscellaneous. This review did not disclose any expenditures for the purchase of media time or space.

None of the Committee expenditures were reported as independent expenditures.

In the interim audit report the Audit Division recommended that within 30 days of receipt of the report the Committee file a comprehensive amendment reporting, as independent expenditures, those disbursements directly related to communications to defeat Senator Alan Cranston. To date, the Committee has not responded to the interim audit report.

Recommendation

Since the Committee did not respond to the interim audit report, the Audit staff recommends that this matter be referred to the Office of General Counsel.

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2/ The nature and purpose of this item was an independent expenditure expressly advocating the defeat of 3 clearly identified congressional candidates relative to the 1984 election cycle.

SENSITIVE

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
88 FEB -4 AM 11:23

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

FIRST GENERAL COUNSEL'S REPORT

MUR # 2553
STAFF MEMBER
Phillip L. Wise

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENTS: Californians for a Strong America Political Action Committee and Albert Cook, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 431(17)
2 U.S.C. § 434(b)(6)(B)(iii)
2 U.S.C. § 441d(a)(3)

INTERNAL REPORTS CHECKED: Audit Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Californians for A Strong America Political Action Committee and Albert Cook, as treasurer, were referred to the Office of the General Counsel by the Audit Division for failure to properly disclose independent expenditures, in violation of 2 U.S.C. § 434(b)(6)(B)(iii). (Attachment 1.)

II. FACTUAL AND LEGAL ANALYSIS

An audit of the Californians for a Strong America Political Action Committee ("the Committee"), was undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to 2 U.S.C. § 438(b).

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The audit covered the period January 1, 1985 through December 31, 1986. The Committee reported an opening cash balance on January 1, 1985 of $118.94; total receipts of $57,702.50; total disbursements of $51,628.64 and a cash on hand balance October 15, 1986, of ($488.20).[1/]

The audit included such tests as verification of total reported receipts and disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances.

The Custodian of the Records for the Committee stated that the Committee's intended purpose during the audit period was to make independent expenditures to defeat Senator Alan Cranston in the November 1986 Senatorial Election. In addition, a review of Committee records showed that six fundraising letters used during the audit period by the Committee stated that contributions received by the Committee would be used to launch television and radio advertising campaign to defeat Senator Cranston. Further, three of the fundraising letters described the Committee's plan to defeat Senator Cranston as an "independent expenditure campaign". (Attachment 2.)[2/] Committee media scripts, intended

1/ It was determined that the Committee had overreported receipts by $6,681.00 on the 1986 October Quarterly report.

2/ Only one of the six solicitation letters stated that the communication is not authorized by any candidate or candidate's committee.

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to be aired on television, advocated the defeat of Senator Cranston. (Attachment 3.)

The Audit staff reviewed all of the the Committee's reported disbursements for the audit period. Committee disbursements, totalling $58,647.67, can be categorized as administrative expenses, consulting fees, fundraising costs, media production, and miscellaneous. This review did not disclose any expenditures for the purchase of media time or space.

None of the Committee expenditures were reported as independent expenditures; however during an interim conference on May 20, 1987, Nick Sorokin (Executive Director), indicated that all expenditures made in 1985 and 1986 were independent expenditures. In addition the Audit Division asserts that the funds used to circulate and author the fundraising letters should be listed as independent expenditures, because the letters advocated the defeat of Senator Cranston.

In the interim audit report the Audit Division recommended that within 30 days of receipt of the report the Committee file a comprehensive amendment reporting, as independent expenditures, those disbursements directly related to communications to defeat Senator Cranston. To date, the Committee has not responded to the interim audit report.

Pursuant to 2 U.S.C. § 431(17):

> The term "independent expenditure" means an expenditure by a person expressly advocating the election or defeat of a clearly identified

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> candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

2 U.S.C. § 434(b)(6)(B)(iii) states, in part, that each political committee, other than an authorized committee, shall report:

> ...[t]he name and address of each person who receives any disbursement during the reporting period in an aggregate amount or value in excess of $200 within the calendar year in connection with an independent expenditure by the reporting committee, together with the date, amount, and purpose of any such independent expenditure and a statement which indicates whether such independent expenditure is in support of, or in opposition to, a candidate, as well as the name and office sought by such candidate, and a certification, under penalty of perjury, whether such independent expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee.

The review by the Audit staff revealed documentation of fundraising letters and media scripts all advocating the defeat of Senator Cranston. Yet, there was no expenditure reported as an independent expenditure in the Committee's reports on file. Clearly these six letters and media scripts advocate the defeat of Senator Cranston. Each letter ends with a short paragraph requesting financial help to "retire" or "defeat" the Senator.

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The television and radio scripts all end with the phrase "Defeat Alan Cranston." This language is "expressly advocating" the defeat of a particular candidate as defined by 11 C.F.R. § 109.1(b)(2).

Pursuant to 2 U.S.C. § 441d(a)(3):

> Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising such communication if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

As the Committee's disclosure reports failed to list independent expenditures, when it clearly made such expenditures, and five of the six solicitation letters failed to disclaim authorization by a candidate or a candidate's committee, the Californians for a Strong Political Action Committee and Albert Cook, as treasurer, have apparently violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

III. RECOMMENDATIONS

1. Find reason to believe that the Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

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2. Approve the attached letter(s) and Factual and Legal Analysis.

Lawrence M. Noble
General Counsel

2/4/88
Date

By: Lois G. Lerner
Lois G. Lerner
Associate General Counsel

Attachments:
1-Referral Materials
2-Fundraising Letters
3-Media Script
4-Proposed Letter and Factual and Legal Analysis

Staff person: Phillip L. Wise

93040930539

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America Political Action Committee and Albert Cook, as treasurer	)	MUR 2553

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 8, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2553:

1. Find reason to believe that the Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

2. Approve the letter(s) and Factual and Legal Analysis, as recommended in the First General Counsel's report signed February 4, 1988.

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

Attest:

2-9-88
Date

Mary W. Dove
for Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs.,	2-4-88,	11:23
Circulated on 48 hour tally basis:	Thurs.,	2-4-88,	4:00
Deadline for vote:	Mon.,	2-8-88,	4:00

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phm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 11, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Albert Cook, Treasurer
Californians for a Strong America
Political Action Committee
737 North Robinson Street
Los Angeles, CA 90026

RE: MUR 2553
Californians for a Strong America Political Action Committee and Albert Cook, as treasurer

Dear Mr. Cook:

On February 8, 1988, the Federal Election Commission found that there is reason to believe the Californians for a Strong America Political Action Committee ("Committee") and you, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii) and 441d(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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

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

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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.

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.

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.

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

Sincerely,

Thomas J. Josefiak
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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FEDERAL ELECTION COMMISSION
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88 APR 11 PM 1:49

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

April 9, 1988

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

SUBJECT: MUR #2553
Californians for a Strong America Political Action Committee and Albert Cook, as treasurer

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondent of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe was mailed on April 9, 1988. Following receipt of the respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments
1-Brief
2-Letter to respondents

93040930543

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 9, 1988

Albert Cook, Treasurer
Californians for a Strong America
Political Action Committee
737 North Robinson Street
Los Angeles, CA 90026

RE: MUR 2553
Californians for a Strong
America Political
Action Committee
Albert Cook, as treasurer

Dear Mr. Cook:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on February 8, 1988, found reason to believe that Californians for a Strong America Political Action Committee and you, as treasurer, violated 2 U.S.C. §§ 434(b)(B)(iii) and 441d(a)(3), and instituted an investigation in 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 a violation has 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

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

Should you have any questions, please contact Phillip L. Wise, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America	)	MUR 2553
Political Action Committee and	)	
Albert Cook, as treasurer	)	

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

The Californians for a Strong America Political Action Committee and Albert Cook, as treasurer (hereinafter, "Respondents"), were referred to the Office of the General Counsel by the Audit Division for failure to properly disclose independent expenditures in violation of 2 U.S.C. § 434(b)(6)(B)(iii).

On February 8, 1988, the Commission found reason to believe that Respondents violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3). A letter notifying Respondents of the Commission's finding was mailed on February 11, 1988. On March 17, 1988 this notification was returned undelivered, therefore this Office on March 21, 1988 remailed the notification by both certified and regular mail. To date no response has been received to this latest mailing of the notification.

II. ANALYSIS

Pursuant to 2 U.S.C. § 431(17):

> The term "independent expenditure" means an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

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2 U.S.C. § 434(b)(6)(B)(iii) states, in part, that each political committee, other than an authorized committee, shall report:

> ...[t]he name and address of each person who receives any disbursement during the reporting period in an aggregate amount or value in excess of $200 within the calendar year in connection with an independent expenditure by the reporting committee, together with the date, amount, and purpose of any such independent expenditure and a statement which indicates whether such independent expenditure is in support of, or in opposition to, a candidate, as well as the name and office sought by such candidate, and a certification, under penalty of perjury, whether such independent expenditure is made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee.

The review by the Audit staff revealed documentation of fundraising letters and media scripts all advocating the defeat of Senator Cranston. Yet, there was no expenditure reported as an independent expenditure in the Respondents' reports on file. Clearly these six letters and media scripts advocate the defeat of Senator Cranston. Each letter ends with a short paragraph requesting financial help to "retire" or "defeat" the Senator. The television and radio scripts all end with the phrase "Defeat Alan Cranston." This language is "expressly advocating" the defeat of a particular candidate as defined by 11 C.F.R. § 109.1(b)(2).

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Pursuant to 2 U.S.C. § 441d(a)(3):

> Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising such communication if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

The Respondents' disclosure reports failed to list independent expenditures and five of the six solicitation letters failed to disclaim authorization by a candidate or a candidate's committee. Accordingly, the Office of the General Counsel recommends that the Commission find probable cause to believe that the Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

III. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause to believe that Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iiii), and 441d(a)(3).

4/7/88
Date

Lawrence M. Noble
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America	)	MUR 2553
Political Action Committee and	)	
Albert Cook, as treasurer	)	

SENSITIVE
EXECUTIVE SESSION
AUG 03 1988

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Californians for a Strong America Political Action Committee and Albert Cook, as treasurer (hereinafter, "Respondents"), were referred to the Office of the General Counsel by the Audit Division.

On February 8, 1988, the Commission found reason to believe that Respondents violated 2 U.S.C. §§ 434(b)(6)(B)(iii) for failure to properly disclose independent expenditures, and 441d(a)(3) for failure to include the correct disclaimer on a communication advocating the defeat of a clearly identified candidate. A letter notifying Respondents of the Commission's finding was mailed on February 11, 1988. On March 17, 1988 this notification was returned undelivered, therefore this Office on March 21, 1988 remailed the notification by both certified and regular mail. On May 3, 1988 the certified letter was again returned undelivered, however, the notification by regular mail was not returned. To date no response has been received to this latest mailing of the notification.

On April 9, 1988, this Office mailed the Respondents a brief stating the position of the General Counsel on the legal and factual issues of the case by certified and regular mail. This brief also informed the Respondents that the General Counsel was

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prepared to recommend that there was probable cause to believe that respondents violated the Act. To date no response has been received to this brief, nor has there been a receipt for the certified letter returned to this Office.[1/]

II. **ANALYSIS** (See General Counsel's Brief of April 9, 1988)

The review by the Audit staff revealed documentation of fundraising letters and media scripts all advocating the defeat of Senator Cranston. Yet, there was no expenditure reported as an independent expenditure in the Respondents' reports on file. Clearly these six letters and media scripts advocate the defeat of Senator Cranston. Each letter ends with a short paragraph requesting financial help to "retire" or "defeat" the Senator. The television and radio scripts all end with the phrase "Defeat Alan Cranston." This language is "expressly advocating" the defeat of a particular candidate as defined by 11 C.F.R. § 109.1(b)(2).

The Respondents' disclosure reports failed to list these independent expenditures and five of the six solicitation letters

1/ The certified letters to the Respondents in this matter were returned because they were unclaimed at the Post Office; however not one of the letters mailed by regular first class mail have ever been returned as undelivered by the Post Office. In MUR 2568, using the same address as in this present matter, on April 22, 1988 by certified mail, Respondents were mailed a probable cause to believe notification. As indicated on the green Return Receipt, Respondent, Albert Cook, received this letter on June 4, 1988. In view of this fact it is the opinion of this Office that Respondents address is valid, that Respondents' have received all notifications mailed by regular mail in this matter, and that Respondents failed to claim the certified letters from the Commission.

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failed to disclaim authorization by a candidate or a candidate's committee. Accordingly, the Office of the General Counsel recommends that the Commission find probable cause to believe that the Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

III. **DISCUSSION OF CONCILIATION AND CIVIL PENALTY**

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IV. RECOMMENDATION

1. Find probable cause to believe that Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii), and 441d(a)(3).

2. Approve the attached conciliation agreement and letter.

7/25/81
Date

Lawrence M. Noble
General Counsel

Attachments
1. Proposed Conciliation Agreement
2. Letter

Staff Person: Phillip L. Wise

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America	)	MUR 2553
Political Action Committee and	)	
Albert Cook, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of August 2, 1988, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2553:

1. Find probable cause to believe that Californians for a Strong America Political Action Committee and Albert Cook, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii) and 441d(a)(3).

2. Approve the conciliation agreement and letter attached to the General Counsel's report dated July 25, 1988.

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

Attest:

8/2/88
Date

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

93040930553

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 5, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Albert Cook, Treasurer
Californians for a Strong America
Political Action Committee
737 North Robinson Street
Los Angeles, CA 90026

RE: MUR 2553
Californians for a Strong
America Political
Action Committee
Albert Cook, as treasurer

Dear Mr. Cook:

On August 2, 1988, the Federal Election Commission found that there is probable cause to believe Californians for a Strong America Political Action Committee and you, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii) and 441d(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended, in connection with the failure to properly disclose independent expenditures and failure to have a statement that the communication advocating the defeat of Senator Alan Cranston was not authorized by any candidate or candidate's committee.

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.

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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 agreement, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

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FEDERAL ELECTION COMMISSION
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88 OCT -7 AM 10: 06

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America	)	MUR 2553
Political Action Committee and	)	
Albert Cook, as treasurer	)	

EXECUTIVE SESSION
OCT 18 1988
SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Californians for a Strong America Political Action Committee and Albert Cook, as treasurer (hereinafter, "Respondents"), were referred to the Office of the General Counsel by the Audit Division.

On August 2, 1988, the Commission found probable cause to believe that Respondents violated 2 U.S.C. §§ 434(b)(6)(B)(iii) for failure to properly disclose independent expenditures, and 441d(a)(3) for failure to include the correct disclaimer on a communication advocating the defeat of a clearly identified candidate. A letter notifying Respondents of the Commission's findings was mailed on August 5, 1988. Mr. Cook has not responded to this notice nor to any of the other notifications he has received throughout this matter. Nevertheless, a staff member from the litigation division of this Office, in a telephone conversation regarding pending litigation, explained this matter point by point to the Respondents, and informed them prior to the Commission's probable cause finding that this Office had requested that the Commission find probable cause to believe.[1/]

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1/ In MUR 2265 U.S. Marshalls personally served process on Albert Cook at the address to which the Commission's probable cause notice was mailed. In MUR 2568 Albert Cook personally
(continued)

Respondents have given no indication that a conciliation of this matter is desired; therefore, the Office of the General Counsel recommends that the Commission authorize the filing of a suit for civil relief.

II. **RECOMMENDATIONS**

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against Californians for a Strong America Political Action Committee and Albert Cook, as treasurer.

2. Approve the attached letter.

10/6/88
Date

Lawrence M. Noble
General Counsel

Attachment
1. Letter

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1/ (continued)
signed the certified receipt for the Commission's probable cause notification in that matter, which was mailed to the same address as in this present matter. In view of these facts, it is the opinion of this Office that Respondents' address is valid, and that Respondents' have received the Commission's probable cause notification in this present matter.

Staff Assigned: Phillip L. Wise

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Californians for a Strong America	)	MUR 2553
Political Action Committee and	)	
Albert Cook, as treasurer	)	

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 2553:

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against Californians for a Strong America Political Action Committee and Albert Cook, as treasurer.

2. Approve the letter attached to the General Counsel's report dated October 6, 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

93040930558

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 24, 1988

Albert Cook, Treasurer
Californians for a Strong America
737 North Robinson Street
Los Angeles, CA 90026

RE: MUR 2553
Californians for a Strong America
Political Action Committee and
Albert Cook, as treasurer

Dear Mr. Cook:

You were previously notified that on August 2, 1988, the Federal Election Commission found probable cause to believe that Californians for a Strong America Political Action Committee, and you, as treasurer, violated 2 U.S.C. §§ 434(b)(6)(B)(iii) and 441d(a)(3), provisions of the Federal Election Campaign Act of 1971, as amended, in connection with the captioned matter.

As a result of our inability to settle this matter through conciliation within the allowable time period, the Commission has authorized the General Counsel to institute a civil action for relief in the United States District Court.

Should you have any questions, or should you wish to settle this matter prior to suit, please contact Ivan Rivera, Assistant General Counsel at (202)376-8200, within five days of your receipt of this letter.

Sincerely,

LM Noble (JR)

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE END OF MUR # 2553

DATE FILMED _____ CAMERA NO. ___

CAMERAMAN _____

9304093050560

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

✓ Microfilm

_____ Public Rcds

_____ Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2553.

1/26/93

9304093120 9

RECEIVED FEDERAL ELECTION COMMISSION
88 NOV 18 PM 5:14
RECEIVED FEDERAL ELECTION COMMISSION
88 NOV 18 AM 11:06

Lawrence M. Noble
General Counsel

Richard B. Bader
Associate General Counsel

Ivan Rivera
Assistant General Counsel

Robert W. Bonham, III
Attorney

FOR THE PLAINTIFF
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463
(202) 376-5690

ENTERED
CLERK, U.S. DISTRICT COURT
NOV 14 1988
CENTRAL DISTRICT OF CALIFORNIA
BY DEPUTY

FILED
NOV - 9 1988
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
BY DEPUTY

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

FEDERAL ELECTION COMMISSION, Plaintiff,	)	No. CV-88-1554-AWT
v.	)	FINAL ORDER AND DEFAULT JUDGMENT
CALIFORNIANS FOR A STRONG AMERICA, et al., Defendants.	)	

1988 NOV 10 PM 2:39

FINAL ORDER AND DEFAULT JUDGMENT

Upon consideration of the plaintiff Federal Election Commission's motion for default judgment against defendants Californians For A Strong America and Albert J. Cook, as treasurer,

IT IS HEREBY ORDERED that the plaintiff's motion be and the same hereby is granted.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that:

THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(d).

6. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, shall pay the plaintiff Federal Election Commission, within fifteen (15 days) from the date of entry of this order and judgment, the additional sum of $28.20. This amount represents the total costs which have been incurred to date by or on behalf of the Commission in this action.

NOV - 9 1988
Date

A. Wallace Tashima
United States District Judge

Copies to:

Robert W. Bonham, III
Office of the General Counsel
FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463
(Counsel for plaintiff),

and

CALIFORNIANS FOR A STRONG AMERICA
(Albert J. Cook, Treasurer)
737 North Robinson Street
Los Angeles, CA 90026,

and

ALBERT J. COOK, AS TREASURER OF
CALIFORNIANS FOR A STRONG AMERICA
737 North Robinson Street
Los Angeles, CA 90026.

1. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, violated 2 U.S.C. § 434(a)(4)(a)(iv) by failing to file CSA's 1985 Year-End Report on or before January 31, 1986;

2. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, violated 2 U.S.C. § 434(a)(4)(a)(i) by failing to file CSA's 1986 April Quarterly Report on or before April 15, 1986;

3. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, violated 2 U.S.C. § 434(a)(4)(a)(i) by failing to file CSA's 1986 July Quarterly Report on or before July 15, 1986;

4. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, are permanently enjoined from similar future violations of the Federal Election Campaign Act of 1971, as amended;

5. Defendants Californians For A Strong America and Albert J. Cook, as treasurer, shall pay to the plaintiff Federal Election Commission, within fifteen days from the date of entry of this default judgment, a civil penalty in the total amount of fifteen thousand dollars ($15,000) for which defendants shall be jointly and severally liable. This amount represents civil penalties of five thousand dollars ($5,000) for each of the three foregoing violations by defendants. See 2 U.S.C. § 437g(a)(6)(B); and

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES — GENERAL

Case No. CV 88-1554-AWT Date 11/9/88

Title Federal Election Commission v. Californians for a Strong America, et al.

DOCKET ENTRY

=

PRESENT:

HON. A. WALLACE TASHIMA, JUDGE

Shelley Keir
Deputy Clerk

None
Court Reporter

ATTORNEYS PRESENT FOR PLAINTIFFS:

None

ATTORNEYS PRESENT FOR DEFENDANTS:

None

PROCEEDINGS: PLAINTIFF'S MOTION FOR DEFAULT JUDGMENT
MINUTE ORDER (IN CHAMBERS)

The motion having been submitted for decision without oral argument and the time within which to file opposition having expired and no opposition having been filed, Local Rule 7.9, the motion is granted and judgment shall be entered accordingly.

cc: Robert W. Bonham, III
Albert J. Cook

Initials of Deputy Clerk

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