FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2649

DATE FILMED Nov. 15, 1993 CAMERA NO. 2

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BEFORE THE
FEDERAL ELECTION COMMISSION
OF THE
UNITED STATES OF AMERICA

In the Matter of: JAMES C. WRIGHT, JR. TONY COELHO DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE WILLIAM CARLOS MOORE and DON DIXON, Defendants.	MUR 2649

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COMPLAINT

Citizens for Reagan, a Virginia corporation having its principal place of business at 1156 Fifteenth Street, N.W., Washington, D.C., 20005, hereby files this Complaint against the Speaker of the House of Representatives, **James C. Wright, Jr.**; the Majority Whip of the House of Representatives, **Tony Coelho**; the **Democratic Congressional Campaign Committee**, of Washington, D.C.; **William Carlos Moore**, of Forth Worth, Texas; and, **Don Dixon**, of Vernon, Texas. This Complaint is filed pursuant to the provisions of Section 437g(a) of Title 2 of the United States Code based upon information and belief that the defendants have

conspired to violate and have violated the provisions of the Federal Election Campaign Act of 1971, as amended. 2 U.S.C. 431, et seq.

COUNT ONE

Violations by Defendant Wright and Defendant Moore of the Statutory Limitations on Contributions to Candidates

The financial arrangements surrounding the publication and sale of Defendant Wright's book, "Reflections of a Private Man," indicate an intentional disregard for and willful violation of the statutorily imposed limitations on the amounts which may be contributed to and be received by candidates.

Section 441a(a)(1)(A) of Title 2 of the United States Code provides:

> No person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $1,000.

Section 441a(a)(2)(A) of Title 2 provides:

> No multicandidate political committee shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $5,000.

Section 441a(a)(7)(B)(i) of Title 2 provides:

> Expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate.

Further, Section 441a(a)(8) provides:

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> For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate.

Finally, Section 441a(e) provides:

> No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

In the 1985-86 election cycle, when Defendant Wright was a candidate for Federal office, Defendant Wright reportedly received $54,642[1] in what appear to have been concealed, unreported contributions as part of a scheme which was designed as a wily subterfuge of the foregoing quoted sections of the Federal Election Campaign Act.

The book, referred to by its publisher as "a two-bit book with very little fresh stuff"[2], consists of a 117 page compilation of previously published articles, books and speeches. The "pages of drivel"[3] include chapter titles such as "Old Magazines", "A Fourth Grader's View of the P.T.A." and "Church Manners." It was the <u>only</u> book published by Madison Publishing Co. of Forth Worth, Texas, headed by Defendant Wright's friend and campaign advisor, William Carlos Moore.4

The relationship between Defendant Moore and Defendant Wright, while unseemly, is highly relevant in understanding the scheme the two conspired to develop. As succinctly reported in

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The Washington Times on June 9, 1988:

> "The two men have a long relationship, which has withstood tests of hardship. Mr. Moore was convicted in 1975 of tax evasion and spent six months in federal detention after admitting in federal court that he embezzled Teamsters' union political funds in 1968-70, under orders from Teamsters' president Jimmy Hoffa to make illegal payments to politicans. Jimmy Hoffa and Mr. Wright both intervened on Mr. Moore's behalf. The former Teamsters' boss verified by affidavit that Mr. Moore had created a slush fund not for his own use but for funneling money to politicans at Hoffa's behest. The future speaker sent a letter to the judge, saying he was 'aware of the basic facts and circumstances of the case' but hoped the judge would not send his aide to jail because of 'the obvious value to us all of Mr. Moore's continued presence in our communities.'
>
> "Within three months of his release from the federal penitentiary Mr. Moore began working for Mr. Wright as a campaign contractor. Between 1976-87, Mr. Wright's campaign committees paid five different Moore-owned 'companies' more than $650,000. Only one of the companies, Madison Systems Corporation, is legally incorporated in the State of Texas. The others - Madison Printing, Madison Public Relations and Advertising, W.C. Moore, and National Ballot Computers - all appear in Jim Wright's Federal Election Commission reports as operating out of a single office in Fort Worth. Mr. Moore moved his operations to a new facility last year."

This intimate relationship between Defendant Wright and Defendant Moore led to a most curious arrangement.

Defendant Wright and Defendant Moore entered into a contract that paid Defendant Wright $3.25 for every copy of the $5.95 book which was sold.[5] This royalty arrangement has been questioned extensively, it being universally concluded that it

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was far in excess of the norm. "At 55 percent, the royalty is unusually high and roughly three times the rate received by best-selling authors." Washington Post, June 6, 1988, p.A6. According to authoritative sources at Simon & Schuster, the norm is 8%.[6] Royalties go as high as 40%, but such royalties can be commanded only if the author pays for the publishing.[7] Did Defendant Moore pay the publishing costs or were they paid by Defendant Wright's authorized campaign committee?

Defendant Moore is quoted as saying that he advanced $16,000 of his own money, including $10,000 from a bank loan, to publish the book.[8] "He said he borrowed the money from Central Bank of Texas in Fort Worth even though he was already in debt. He said he had paid only a small portion of a $148,713 tax debt to the Internal Revenue Service relating to a 1975 conviction for income tax evasion."[9] On the other hand, in the year Defendant Moore published the book, Defendant Wright's campaign committees paid Defendant Moore $68,864, "more than a third of it for a vague item described as 'professional services'."[10] Why? Defendant Wright was unopposed for re-election in 1984. It appears that Defendant Wright's authorized campaign committees may have underwritten the book; and, evidence suggests that the book was used to evade the contribution limitations of the Federal Election Campaign Act.

The book was essentially unavailable in bookstores and was never listed in Books in Print.[11] Most of the 20,000 copies printed were sold at political events[12] by campaign workers.[13]

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At least two individual contributors to Defendant Wright's campaign have been honest enough to confess that they bought the books to evade the contribution limitations:

> "One friend of Mr. Wright's said he bought $6,000 worth of the paperbacks at $5.95 a piece. The friend, S. Gene Payte, a developer, said he did so to help Mr. Wright without violating Federal election laws. Those laws allowed him to contribute no more than $1,000 to the Speaker's Congressional campaign."
>
> * * *
>
> "Another friend, Gene Wood, said that to 'help Jim', he bought $1,000 worth of the books because he, too, wanted to go beyond the $1,000 contribution he had already made to Mr. Wright's campaign fund."[14]

Mr. Wood was also quoted as saying: "There's no big money here . . . It's a little $1,000 contribution."[15] It was not a little contribution. Those purchases by Messrs. Payte and Wood put $3,850 into Defendant Wright's pocket and it was done so because Payte and Wood wanted to evade the contribution limitations they knew existed.

It is also reported that the Teamster's PAC bought 1,000 copies of the book on February 22, 1985 and another 1,000 copies on February 19, 1986. For those 2,000 copies, the PAC paid $12,200. (At the $5.95 list price, the Teamsters should have paid only $11,900, not $12,200.) The first purchase came only two days after the PAC contributed $10,000 to one of Defendant Wright's authorized campaign committees, The Wright Appreciation Fund.[16] The generosity of the Teamsters put another

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$6,500 into candidate Wright's pocket and it was done so because the Teamsters PAC wanted to evade the contribution limitation it knew existed.

Based on the foregoing, it is suggested that Defendant Wright and Defendant Moore violated and conspired with each other and with others to violate the contribution limitations of 2 U.S.C. 441a. Defendant Wright was prophetic in 1975, when he told the judge about the obvious value of Mr. Moore's continued presence in the community. He turned out to be of real value to Defendant Wright.

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COUNT II

Acceptance of Excessive Honorariums

The books were also apparently used to avoid the honorarium limitations of 2 U.S.C. 441i(a), as well as the contribution limitations of 2 U.S.C. 441a. Section 441i(a) provides:

> No person while an elected or appointed officer or employee of any branch of the Federal Government shall accept any honorarium of more than $2,000 (excluding amounts accepted for actual travel and subsistence expenses for such person and his spouse or an aide to such person, and excluding amounts paid or incurred for any agents' fees or commissions) for any appearance, speech or article.

Among the bulk purchasers of Defendant Wright's book was The New England Life Insurance Company. One of the

executives of that Company, Gordon D. MacKay, reportedly confessed that "the firm paid $2,000 for copies of the book in lieu of paying Wright an honorarium for speaking to a group of the company's employees."[17] This report suggests that book sales may have been used as a way to violate the provisions and limitations of 2 U.S.C. 441i(a). The Commission should thus examine all bulk sales to groups before whom Defendant Wright spoke to determine whether the amounts paid for the books alone or in conjunction with other payments to Defendant Wright exceeded the statutory limitation.

The Commission should also examine the "book" itself. Perhaps it is not a book; but, a "two-bit" "pamphlet" as described by Defendant Moore and The New York Times.[18] If an elected official is prohibited under 2 U.S.C. 441i(a) from receiving more than a $2,000 honorarium for an "article," what justification can there be for pasting two or three articles together and receiving $54,642. What is in a name? If it's a "book", the $54,642 is called a "royalty"; if it's an "article", the $54,642 is called an "unlawful honorarium." The Commission should not permit the law to be evaded by conspirators who camouflage their activities with artificial titles.

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COUNT THREE

Conspiracy By Defendants Wright, Coelho, Democratic Congressional Campaign Committee and Dixon to Make Unlawful Expenditures By a Corporation

As Chairman of the Democratic Congressional Campaign Committee, Defendant Coelho hosted eight political fund-raising events in the summer of 1986 on a 100-foot yacht, High Spirits. The cost of the eight gatherings came to $25,184, all of which was charged to Vernon Savings and Loan, of Vernon, Texas. The evidence for this was contained in the yacht's logs, which were made public by the Federal Savings and Loan Insurance Corporation (FSLIC).[19] FSLIC took over Vernon Savings and Loan and sued its owner, Defendant Dixon, and others for racketeering and for allegedly defrauding the thrift of $40 million.[20] Defendant Dixon owned the yacht used by Defendant Coehlo.[21] It was not until after the FSLIC revelations in 1987 that Defendant Coehlo's campaign committee and Defendant Democratic Congressional Campaign Committee reimbursed Vernon Savings and Loan for the extensive use of the yacht in the previous year.[22]

Section 441b of Title 2 makes it unlawful for any corporation to make an expenditure in connection with a Federal election and for any candidate or political committee to consent to any such prohibited expenditure. The fact that Defendant Coehlo arranged to have Vernon Savings and Loan reimbursed a year later, only after the violation was publicly revealed, does not make the transactions lawful. Further, it can be no excuse that

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it was believed Defendant Dixon paid the $25,184 for the high living on High Spirits, because Dixon himself is subject to the contribution limitations of 2 U.S.C. 441a(a)(1).

How did Defendant Coelho, from California, come to meet and enjoy the largess of Defendant Dixon, from Vernon, Texas? The answer may be found in an article in the December, 1987, issue of Regardies entitled, "The Speaker and the Sleaze." In that article, the author describes in detail how Defendant Wright personally interceded - on behalf of Defendant Dixon - in an effort to delay the Federal foreclosure of Vernon Savings and Loan. Coming between the time Defendant Coelho had free use of the yacht in the summer of 1986 and the time the yacht's records were subsequently revealed, these efforts included meetings with the Chairman and the counsel of FSLIC and with members of the Dallas Home Loan Bank. Such extraordinary intervention on behalf of the thrift, whose entire loan portfolio was in default, indicates that Defendant Dixon was more than a passing acquaintance. Was this a show of appreciation for a man who buried a $25,184 political contribution in his expense account? The Federal Election Commission has an obligation to find out and the public has a right to know.

CONCLUSION

The allegations contained in this Complaint are based upon information, belief, reason and logic. They are derived

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from numerous articles by investigative reporters and editorials in national publications. Those calling for an investigation of these allegations by the Committee on Standards of Official Conduct of the House or Representatives include Common Cause, the New York Times, the Washington Post, the Wall Street Journal, the Washington Times, the Atlanta Constitution, the Dallas Morning News and the Fort Worth Star-Telegraph. This investigation, which the Committee on Standards has agreed to undertake, relate to possible violations of the House Code of Official Conduct. The issues are also framed to warrant an immediate investigation by the Federal Election Commission to determine whether there have been violations of the Federal Election Campaign Act.

Was the deal between Defendant Wright and his campaign consultant, Defendant Moore, really an intentional circumvention of the law limiting campaign contributions? This was a deal which paid Defendant Wright an unheard of royalty of between 250% and 500% more than the standard royalty. This was a deal which resulted in the publication of a "two-bit book," according to Defendant Moore, which sold for $5.95. A book consisting of "117 pages of drivel," according to the Wall Street Journal, which "maxed out" contributors like S. Gene Payte, Gene Wood and the Teamsters PAC found worthy enough to buy for $19,200. This all worked out by a man, Defendant Moore, who Jimmy Hoffa swore was in charge of a secret cash slush fund for politicans. The Federal Election Commission must use its full investigatory powers, including its subpoena power, to investigate whether and

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in what way Defendant Wright's campaign committees and campaign workers were involved in financing, printing, distributing and selling the book.

Was the deal between Defendant Wright and Defendant Moore really an intentional circumvention of the law limiting honoraria? The Federal Election Commission must use its full investigatory powers, including its subpoena power, to investigate whether the $54,600 paid to Defendant Wright were royalties or an unlawful honorarium. It must also investigate who else, like The New England Life Insurance Company, bought books in lieu of or in addition to paying Defendant Wright an honorarium.

Was the $25,184 spent on political events aboard "High Spirits" an unlawful corporate expenditure received by Defendant Coehlo and Defendant Democratic Congressional Campaign Committee or an unlawful excessive contribution made by Defendant Dixon? The Federal Election Commission must use its full investigatory powers, including its subpoena power, to investigate the full extent of this subterfuge, including the extent to which Defendant Wright was part of the original deal and attempted cover-up.

It is beyond dispute that the public needs and deserves an explanation for this highly questionable conduct. Therefore, Citizens for Reagan again requests that the Federal Election Commission promptly investigate the aforedescribed activities.

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CITIZENS FOR REAGAN

By: _____
Peter T. Flaherty
Chairman

CITIZENS FOR REAGAN

By: _____
Kenneth F. Boehm
President

Peter T. Flaherty and Kenneth F. Boehm hereby swear under oath, under penalty of perjury and subject to the provisions of 18 U.S.C. 1001, that they have read the above Complaint and that, based on information and belief, the facts set forth therein are true and correct.

_____
Peter T. Flaherty

_____
Kenneth F. Boehm

DISTRICT OF COLUMBIA)
CITY OF WASHINGTON) to-wit:

Sworn to and declared before me by Peter T. Flaherty and Kenneth F. Boehm, this 15th day of July, 1988.

_____
Notary Public

My Commission Expires: 2-14-91.

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Footnotes

1. The Washington Times, June 9, 1988, p.F2
2. New York Times, June 12, 1988, p.1
3. Wall Street Journal, June 3, 1988, p.13
4. Wall Street Journal, June 3, 1988, p.18
5. Congressional Quarterly, June 4, 1988, p.1499
6. New York Times, June 12, 1988, p.32
7. New York Times, June 12, 1988, p.32
8. New York Times, June 12, 1988, p.32
9. New York Times, June 12, 1988, p.32
10. The Washington Times, June 9, 1988, p.F2
11. The Washington Times, June 9, 1988, p.F2
12. Congressional Quarterly, June 4, 1988, p.1499
13. The Washington Post, June 15, 1988, p.A11
14. New York Times, June 12, 1988, p.1
15. New York Times, June 12, 1988, p.1
16. The Washington Post, June 17, 1988, p.A6
17. The Washington Post, June 15, 1988, p.A1
18. New York Times, June 12, 1988, p.1
19. Newsweek, June 29, 1987
20. Congressional Quarterly, June 4, 1988, p.1501
21. Regardies, December, 1987, p.53
22. Congressional Quarterly, June 4, 1988, p.1501

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

Peter T. Flaherty, Chairman
Kenneth F. Boehm, President
Citizens For Reagan
1156 Fifteenth Street, NW
Washington, DC 20005

RE: MUR 2649

Gentlemen:

This letter acknowledges receipt of your complaint, received on July 18, 1988, alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer, the Honorable Tony Coelho, the Honorable James C. Wright, Jr., Mr. William Carlos Moore, and Mr. Don Dixon. 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 2649. 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) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

Richard M. Bates, Treasurer
Democratic Congressional
Campaign Committee
430 S. Capitol Street, SE
Second Floor
Washington, DC 20003

RE: MUR 2649
Democratic Congressional
Campaign Committee and
Richard M. Bates, as
treasurer

Dear Mr. Bates:

The Federal Election Commission received a complaint which alleges that the Democratic Congressional 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 2649. 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 Democratic Congressional 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.

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

93043511630

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

The Honorable Tony Coelho
403 Cannon House Office
Building
Washington, DC 20515

RE: MUR 2649
Honorable Tony Coelho

Dear Mr. Coelho:

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 2649. 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.

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93043511631

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

93043511632

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

The Honorable James C. Wright, Jr.
Speaker of the House of
Representatives
1236 Longworth Building
Washington, DC 20515

RE: MUR 2649
Honorable James C.
Wright, Jr.

Dear Mr. Speaker:

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 2649. 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.

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

93043511634

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

Mr. William Carlos Moore
c/o Madison Publishing Company
2005 White Settlement Road
Ft. Worth, Tx 76107

RE: MUR 2649
William Carlos Moore

Dear Mr. Moore:

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 2649. 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 relevent 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.

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

93043511636

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

Mr. Don Dixon
2566 Monaco
Laguna Beach, CA 92651

RE: MUR 2649
Don Dixon

Dear Mr. Dixon:

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 2649. 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.

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

93043511638

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1988

Federal Savings and Loan
Insurance Corporation, as
receiver for Vernon Savings
and Loan, F.S.A.
Attn: Charles B. McDonald
Trial Attorney
Office of General Counsel
Federal Home Loan Bank Board
1700 G Street, NW
Washington, DC 20552

RE: MUR 2649
Vernon Savings and
Loan, F.S.A.

Dear Mr. McDonald:

The Federal Election Commission received a complaint which alleges that Vernon Savings and Loan, F.S.A. 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 2649. 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 Vernon Savings and Loan, F.S.A. 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 U.S.C. 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.

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

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FEDERAL ELECTION COMMISSION

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649

NAME OF COUNSEL: Robert Bauer

ADDRESS: Perkins Coie
1110 Vermont Ave. NW, 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.

7/28/88
Date

Tony Coelho
Signature

RESPONDENT'S NAME: Tony Coelho

ADDRESS: 403 Cannon Building
Washington, D.C. 20515

HOME PHONE: 202/225-6131

BUSINESS PHONE:

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MANATT, PHELPS, ROTHENBERG & EVANS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
TELEPHONE (202) 463-4300

LOS ANGELES
11355 WEST OLYMPIC BOULEVARD
LOS ANGELES, CALIFORNIA 90064
(213) 312-4000

July 29, 1988

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

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG -2 AM 11:55

9304351164 2

Re: MUR 2649

Dear Larry:

Enclosed please find a Designation of Counsel Statement signed by the Honorable Jim Wright designating Manatt, Phelps, Rothenberg & Evans as counsel in MUR 2649.

Additionally, my representational duties on behalf of the Speaker make it necessary for me to seek a fifteen (15) day extension of time to respond to the complaint. I will be in Texas several days researching this matter.

Accordingly, I respectfully request that our response to the complaint be due on August 26, 1988.

Sincerely,

Bill

William C. Oldaker

Enc.

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649

NAME OF COUNSEL: William Oldaker, Esq.

ADDRESS: Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W., Suite 200
Washington, D.C. 20036

TELEPHONE: 463-4300

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.

July 27, 1988
Date

Signature

RESPONDENT'S NAME: James C. Wright, Jr.

ADDRESS: 1236 Longworth Building
Washington, D.C. 20515

HOME PHONE:

BUSINESS PHONE: 202 225-8040

9304351164 3

Flm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 5, 1988

William Oldaker, Esq.
Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W., Suite 200
Washington, D.C. 20036

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Oldaker:

This is in response to your letter dated July 29, 1988, which we received on August 2, 1988, requesting an extension of 15 days to respond to the complaint in MUR 2649. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on August 26, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304351164 4

#GCC #45

MUR 2649

Federal Home Loan Bank Board

1700 G Street, N.W.
Washington, D.C. 20552

Federal Home Loan Bank System
Federal Home Loan Mortgage Corporation
Federal Savings and Loan Insurance Corporation

August 4, 1988

Janice Lacy
Federal Election Commission
Washington, D. C. 20463

Dear Ms. Lacy:

The FSLIC as receiver for Vernon Savings and Loan F.S.A. respectfully requests an additional 20 days to respond to the (FEC) Federal Election Commission's letter of July 25. The additional time will allow us to make a more complete response to your inquiry. The additional 20 days by my calculation will make our response due on August 29th.

Sincerely,

Charles McDonald

Charles McDonald
Trial Attorney

93043511645

88 AUG -8 AM 9:39

flm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1988

Federal Savings and Loan
Insurance Corporation, as
Receiver for Vernon Savings
and Loan, F.S.A.
Attn: Charles B. McDonald
Trial Attorney
Office of General Counsel
Federal Home Loan Bank Board
1700 G Street, NW
Washington, D.C. 20552

RE: MUR 2649
Vernon Savings and
Loan, F.S.A.

Dear Mr. McDonald:

This is in response to your letter dated August 4, 1988, which we received on August 8, 1988, requesting an extension of 20 days to respond to the complaint in MUR 2649. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on August 29, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93043511646

GCC #52

PERKINS COIE

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

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG -9 AM 8:58

August 8, 1988

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

Re: MUR 2649 - The Honorable Tony Coelho

Attention: Janice Lacy

Dear Mr. Noble:

This is in response to your letter dated July 25, 1988, notifying the above-referenced Respondents that a complaint had been filed against them and giving them an opportunity to demonstrate that no action should be taken against them. Attached to this letter is the appropriate Statement of Designation of Counsel for this matter.

Respondents, through counsel, request an extension of time to prepare their response to this notification. Due to vacations scheduled prior to receipt of the notification, certain key individuals will not be available to assist in the preparation of the response.

The original notification was received by Respondents on July 27, 1988. A response, therefore, would be due on August 11. Respondents request an extension of approximately three weeks, with a new response due date of September 6, 1988. This will allow Respondents' counsel adequate time to prepare a response.

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

Robert F. Bauer
Counsel for Respondents

0120E

2304351116647

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

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649

NAME OF COUNSEL: Robert F. Bauer

ADDRESS: Perkins Coie
1110 Vermont Avenue, N.W.
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.

8/1/88
Date

Tony Coelho
Signature

RESPONDENT'S NAME: THE HONORABLE TONY COELHO

ADDRESS: 403 Cannon House Building
Washington, D.C. 20515

HOME PHONE:

BUSINESS PHONE:

93043511648

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1988

Robert Bauer, Esq.
Perkins, Coie
1110 Vermont Avenue, NW
Washington, D.C. 20005

RE: MUR 2649
The Honorable Tony Coelho

Dear Mr. Bauer:

This is in response to your letter dated August 8, 1988, which we received on August 9, 1988, requesting an extension of 26 days to respond to the complaint in MUR 2649. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 6, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304351 1649

GCC#53

PERKINS COIE

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

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG -9 AM 8:58

August 8, 1988

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

Re: MUR 2649 - Democratic Congressional Campaign Committee and Richard M. Bates, as Treasurer

Attention: Janice Lacy

Dear Mr. Noble:

This is in response to your letter dated July 25, 1988, notifying the above-referenced Respondents that a complaint had been filed against them and giving them an opportunity to demonstrate that no action should be taken against them. Attached to this letter is the appropriate Statement of Designation of Counsel for this matter.

Respondents, through counsel, request an extension of time to prepare their response to this notification. Due to vacations scheduled prior to receipt of the notification, certain key individuals necessary to the preparation of the response will not be available.

The original notification was received by Respondents on July 27, 1988. A response, therefore, would be due on August 11. Respondents request an extension of approximately three weeks, with a new response due date of September 6, 1988. This will allow Respondents' counsel adequate time to prepare a response.

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

Robert F. Bauer

0113E

9304351165 0

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

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649

NAME OF COUNSEL: Robert Bauer

ADDRESS: Perkins, Coie
1110 Vermont Avenue, NW
Washington, DC 20005

TELEPHONE: 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.

07/27/88
Date

Signature

RESPONDENT'S NAME: DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE AND RICHARD M. BATES AS TREASURER

ADDRESS: 430 South Capitol Street
Washington, DC 20003

HOME PHONE:

BUSINESS PHONE: 863-1500

93043511651

Pkm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1988

Robert Bauer, Esq.
Perkins, Coie
1110 Vermont Avenue, NW
Washington, D.C. 20005

RE: MUR 2649
Democratic Congressional
Campaign Committee and
Richard M. Bates as
treasurer

Dear Mr. Bauer:

This is in response to your letter dated August 8, 1988, which we received on August 9, 1988, requesting an extension of 26 days to respond to the complaint in MUR 2649. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 6, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93043511652

@CC#106

LAW OFFICES
MILLER, CASSIDY, LARROCA & LEWIN
2555 M STREET, N. W. SUITE 500
WASHINGTON, D. C. 20037
TELEPHONE
(202) 293-6400
TELECOPIER
(202) 293-1827

HERBERT J. MILLER, JR.
JOHN JOSEPH CASSIDY
RAYMOND G. LARROCA
NATHAN LEWIN
MARTIN D. MINSKER
WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS B. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
STEPHEN L. NIGHTINGALE
SETH P. WAXMAN
DAVID OVERLOCK STEWART
JONATHAN B. SALLET
RANDALL J. TURK

STEPHEN L. BRAGA
J. R. CALDWELL, JR.
SCOTT WEBERS
CYNTHIA A. THOMAS
DAVID G. WEBBERT*
JULIA E. GUTTMAN
NIMI KUCKES*
ANNE M. COUGHLIN*
JAY L. ALEXANDER
STEVAN E. BUNNELL*
DAVID I. GELFAND*

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D.C.

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG 12 PM 12:58

August 12, 1988

HAND-DELIVERED

Ms. Lois G. Lerner
Associate General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RE: MUR 2649 Don Dixon

Dear Ms. Lerner:

This letter is submitted in response to your letter of July 25, 1988, referencing a complaint (MUR 2649) submitted by Citizens for Reagan which alleges certain violations of the provisions of the Federal Election Campaign Act of 1971 and regulations thereunder by several individuals, including Don Dixon, and the Democratic Congressional Campaign Committee. With regard to the particular allegations concerning Mr. Dixon, they are in large part the same allegations contained in MUR 2555 which was the subject of your letter to Mr. Dixon of December 14, 1987, and my reply to you on his behalf on January 21, 1988. Mr. Dixon's position with regard to a response to MUR 2649 is the same as previously explained to you in my January 21 letter which I have attached hereto and incorporate by reference herein.

Sincerely,

R. Stan Mortenson

RSM:af

enclosures

9304351653

LAW OFFICES
MILLER, CASSIDY, LARROCA & LEWIN
2555 M STREET, N. W. SUITE 500
WASHINGTON, D. C. 20037

HERBERT J. MILLER, JR.
JOHN JOSEPH CASSIDY
RAYMOND G. LARROCA
NATHAN LEWIN
MARTIN D. MINSKER
WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS B. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
STEPHEN L. NIGHTINGALE
SETH P. WAXMAN
DAVID OVERLOCK STEWART
JONATHAN B. BALLET
RANDALL J. YORK
STEPHEN L. [illegible]
J. R. CALDWELL, JR.
CYNTHIA A. THOMAS

COURTNEY A. EVANS
OF COUNSEL
WILLIAM W. GREENHALGH
OF COUNSEL
TELEPHONE
(202) 293-6400
TELECOPIER
(202) 293-1827

January 21, 1988

Hand-Delivered

Mr. Lawrence M. Noble
Office of General Counsel
Federal Election Commission
999 E. Street N.W.
Washington, DC 20463

ATTN: Lois G. Lerner
Associate General Counsel

Dear Ms. Lerner:

This letter is submitted in response to your letter of December 14, 1987, referencing a complaint (MUR 2555) submitted by Daniel F. Kripke, M.D., which alleges that Congressman Bill Lowery, Mr. Don Dixon, "and assistants" violated certain provisions of the Federal Election Campaign Act of 1971 and regulations thereunder.

At present, Mr. Dixon is in the midst of a Chapter 11 re-organization bankruptcy proceeding in which a trustee has been appointed to oversee the marshalling and disbursement of all his assets. Also at present, Mr. Dixon is a party to major litigation involving the Federal Savings and Loan Insurance Corporation (FSLIC), in which FSLIC is attempting to recover from Mr. Dixon and others substantial sums of money which FSLIC alleges were improperly obtained from the assets and income of Vernon Savings and Loan in Texas. Finally, Mr. Dixon has been informed by Department of Justice attorneys that there is an ongoing criminal investigation which seeks to determine whether any federal laws were violated in connection with the operation of Vernon.

In view of these circumstances, Mr. Dixon is not prepared to respond on a point-to-point basis to the often rambling, sometimes facially defective, and generally speculative allegations in the referenced complaint. Furthermore, even if Mr. Dixon were in a position to expend his limited available resources to addressing these allegations, it would not be feasible for him to do so since the records relevant to each of the allegations are within the custody and control of FSLIC's representatives and Justice Department attorneys.

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Accordingly, at this point, Mr. Dixon must rely upon the exercise of the Commission's sound judgment in reaching its own determination that the Kripke allegations do not warrant the expenditure of the Commission's resources to pursue baseless allegations. Indeed, because there are currently at least two active investigations into activities at Vernon during the period of Mr. Dixon's ownership, it seems that it would be redundant for the Commission to begin a third inquiry at this time.

Sincerely,

R. Stan Mortenson

RSM:af

9304351165 5

CCC#123

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG 15 AM 11:02

MANATT, PHELPS, ROTHENBERG & EVANS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
TELEPHONE (202) 463-4300

LOS ANGELES
11355 WEST OLYMPIC BOULEVARD
LOS ANGELES, CALIFORNIA 90064
(213) 312-4000

August 8, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG 15 PM 3:10

93043511656

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

Re: MUR 2649, William Carlos Moore

Dear Larry:

We represent William Carlos Moore in MUR 2649. A Designation of Counsel Statement is enclosed.

As you know, we also represent the Honorable Jim Wright in the above-captioned MUR. Mr. Wright has previously been granted an extension of time to respond to the complaint. In order to enable the adequate preparation of responses on behalf of both of these individuals, we are requesting a similar extension of time to respond on behalf of Mr. Moore. This extension is further necessitated by Mr. Moore's responsibilities in responding to the Committee on Standards of Official Conduct of the House of Representatives.

Accordingly, we respectfully request an extension of time until August 26, 1988 to respond to the complaint on behalf of William Carlos Moore.

Sincerely,

William C. Oldaker

Enc.

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: William C. Oldaker

ADDRESS: Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W.
Suite 200
Washington, D.C. 20036

TELEPHONE: (202) 463-4300

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.

Aug 3, 1988
Date

William Carlos Moore
Signature

RESPONDENT'S NAME: William Carlos Moore

ADDRESS: 2005 White Settlement Road
Ft. Worth, TX 76109

BUSINESS PHONE: (817) 346-0007

93043511657

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 17, 1988

William C. Oldaker, Esq.
Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W.
Suite 200
Washington, D.C. 20036

RE: MUR 2649
William Carlos Moore

Dear Mr. Oldaker:

This is in response to your letter dated August 8, 1988, which we received on August 15, 1988, requesting an extension of 15 days. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on August 26, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304351658

GCC# 229

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of: The Honorable Jim Wright	)	MUR 2649

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG 26 PM 12:47

93043511659

RESPONSE TO COMPLAINT

Introduction

The Honorable Jim Wright, Speaker of the House of Representatives, hereby responds to the Complaint filed on July 15, 1988 by Citizens for Reagan and designated as Matter Under Review ("MUR") 2649 by the Federal Election Commission ("FEC" or "Commission"). In short, complainant has failed to support its allegations with or supply to the Commission even the barest minimum of evidence, and these unsubstantiated charges similarly fail to make out a prima facie case of any violation of the Federal Election Campaign Act of 1971, as amended ("Act") 2 U.S.C. § 431 et seq.

Factual Statement

Jim Wright first met William Carlos Moore in 1954 when the former was running for Congress for the first time and the latter was working for the Fort Worth Press. The two men initiated a personal and working relationship which would last until the present day.

In 1975, Mr. Moore, at that time a private businessman engaged in printing and campaign consulting, was first employed in Mr. Wright's re-election efforts. Among other activities, Mr. Moore organized a telephone bank and block worker program, and managed the production and distribution of a direct mail effort.

Because of Moore's efficient and timely work, Jim Wright's campaign committees have employed Carlos Moore and his corporation, Madison Systems Corporation ("Madison") for seven successive election cycles. Speaker Wright's committees have relied on Madison for a variety of services including printing, media, computer, telephone banks, organization of a block captain program, polling, mailing and consulting services. Among the items prepared for the campaign are letters, invitations, envelopes, business cards, postcards, brochures, pamphlets, posters, the printing and distribution of yard signs (more than 33,000 in 1986), and multiple thousands of bumper stickers. Mailing services including folding, stuffing and postage. Computer services such as district voter lists and labels were provided. Thus, Carlos Moore had an established vendor-vendee relationship with the Wright Appreciation Committee and the Wright Congressional Club.

In late 1983, Moore suggested to Mr. Wright that the latter author a book. The idea was to compile a book composed of short vignettes and to present to the public the essence of Jim Wright's political and professional philosophy, with each topic short enough to hold the reader's attention span and also self contained. This book was a distillate of many items written by Jim Wright, in speeches, articles, newsletters and in his private memoirs.

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After the book, Reflections of a Public Man, was written, Carlos Moore offered Jim Wright a specific royalty arrangement, whereby each book would be sold for $5.95, providing Mr. Wright a royalty of $3.25 per book and a return to Moore of $2.70 per book.[1/] Reflections of a Public Man was published in 1984. In the intervening years, this book has been sold at bookstores and various special events. Approximately 20,000 copies were sold during this period.

Legal Argument

Count I: Royalty Income Received By Jim Wright Does Not Constitute Excessive Contributions

Complainant is apparently alleging that Jim Wright and William Carlos Moore violated 2 U.S.C. § 441a, through Mr. Wright's receipt of book royalties generated by sales of Reflections of a Public Man. Such a claim is without merit, as demonstrated below.

Pursuant to the Federal Election Campaign Act, the term "contribution" means

> any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.

2 U.S.C. § 431(8)(A)(i) (emphasis added).

A "royalty," on the other hand, is generally defined as

> Compensation for the use of property, usually copyrighted material. . . expressed as a

---

1/ This was not the only royalty agreement offered to Jim Wright. A Fort Worth newspaper publisher offered to publish the book and provide Mr. Wright with a royalty of $2.98 per book.

9304351166

> percentage of receipts from using the property or as an account per unit produced.

Black's Law Dictionary at 691. A royalty is a payment made to an author by an assignee for each copy of the author's work which is sold. Id. Thus, each of these forms of payment has a specific purpose for which they are made: contributions are payments made to influence a (Federal) election, and royalties are payments made to compensate one for the use of a work.

Without question, Jim Wright's receipt of $54,642 in 1985 and 1986 constituted royalty payments rather than campaign contributions. Mr. Wright, in fact, authored a book and entered into an arm's-length publishing agreement with the Madison Publishing Company.[2/] See Attachment A. This agreement was drawn up by a reputable attorney known to both parties and provided for a royalty payment of $3.25 per book sold.

The book was, in fact, published, marketed and sold, and Mr. Moore collected all sales receipts prior to the disbursement of proceeds to Jim Wright. All sales receipts were deposited by Moore into a separate bank account established specifically for that purpose. No other deposits were made into this account.

Subsequently, from time to time, Mr. Moore disbursed the author's share of royalties to him. All royalty receipts from book sales were disclosed as royalty income by Mr. Wright on his yearly Financial Disclosure Statements for 1985 and 1986 filed with the Clerk of the House, pursuant to the Ethics in Government Act and House Ethics Rules. See Attachment B. Moreover,

---

2/ The book is copyrighted, and Mr. Wright is owner of that copyright.

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consistent with his treatment of the receipts as income, Mr. Wright paid income tax on that income for 1985 and 1986.

Thus, while all aspects of this book's publication meet the indicia of a royalty arrangement, none come close to resembling a campaign contribution. Clearly, Mr. Wright intended to receive income from the sale of his book and did not intend to receive anything for the purpose of influencing a Federal election. The two are entirely unrelated.[3/]

Similarly, Carlos Moore did not intend to influence a Federal election by transmitting royalties to Mr. Wright; he was merely the publisher engaged in an arm's-length commercial transaction. The royalty arrangement regarding Mr. Wright's book has always been separate, distinct and independent from the vendor-vendee relationship which existed between Mr. Wright's campaign committees and Madison.[4/] These committees had no role in the publication of Reflections of a Public Man. None of the publication costs were paid by the committees, nor were any books purchased by them. No campaign contributions were used to provide Mr. Wright with book royalties. Most importantly, no monies received by Madison from Mr. Wright's campaign committees for legitimate services rendered

---

3/ House Ethics Rules specifically permit the receipt of royalty income without limit. House Ethics Rule 47. In addition, the FEC has long recognized the unique nature of royalties in its Advisory Opinions. See e.g. FEC Advisory Opinion 1975-77, Fed. Election Camp. Fin. Guide ¶ 5134 (CCH) (November 5, 1975) (Royalties from the publication of a book are not honoraria and not subject to the limitation of 2 U.S.C. § 441i).

4/ All disbursements made to Madison by Mr. Wright's campaign committees were for duly rendered services; no campaign funds were disbursed for which a service was not performed. All services provided by Madison were invoiced and billed to the campaigns, and all bills were paid.

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were ever deposited into the same account into which receipts from the book sales were deposited.

Nothing in the Act or regulations promulgated by the FEC prohibits a candidate for Federal office from writing a book and receiving royalty income. In fact, this practice is commonplace. Where, as here, monies received by an author/officeholder as taxable income, rather than for the purpose of influencing a Federal election, those funds are not subject to the Act and as such, do not constitute campaign contributions.

Moreover, the suggestion that a scheme was in place to avoid the Act's limitations is totally without merit. Jim Wright did not contribute any of his personal funds to his campaign in 1985 and 1986.[5/] Thus, the royalty payments did not provide Mr. Wright with political contributions.[6/]

In order to violate the limitations of 2 U.S.C. § 441a, a gift or other form of payment must be made to influence a Federal election. Here, the royalty payments simply do not constitute contributions. Accordingly, because the allegations of Count I of the Complaint in MUR 2649 are without merit and fail to give rise to a violation of the Act, Jim Wright respectfully requests that the Commission find no reason to believe a violation of the Act occurred.

5/ Mr. Wright was fortunate enough to have a sufficient war chest that this was not necessary.

6/ Nor did these amounts defray Mr. Wright's personal living expenses.

9 3 0 4 3 5 1 1 6 6 4

Count II: Royalty Income Received By Jim Wright Does Not Constitute Excessive Honoraria

Complainant is apparently alleging that Jim Wright violated 2 U.S.C. § 441i(a) through the acceptance of excessive honoraria in the form of book royalty payments. Complainant fails to support its allegation other than by supposition and its claims are entirely without merit, as demonstrated below.

Complainant's charge that payments from the sales of Reflections of a Public Man were in some manner subject to the honoraria limitation of the Act are directly contrary to past FEC precedent. As long ago as 1975, the Commission recognized that royalties from the publication of a book are not honoraria and are not subject to the limitation of 2 U.S.C. § 441i. See Advisory Opinion 1975-77, ¶ 5134 (CCH) (November 5, 1975). The Commission's conclusion in that Opinion was based expressly on the uncontroverted intent of Congress with regard to honoraria, as stated by Senator Cannon:

> The intent is that the publishing of a book does not constitute an honorarium under the language used in the bill.

120 Cong. Rec. H10334 (daily ed., October 10, 1974). Thus, the FEC has long recognized the exemption of royalty income from the honoraria provision and continues to do so today. See Advisory Opinion 1984-56, (CCH) ¶ 5798 (December 6, 1984) (Any royalty paid on the basis of net proceeds from the sales of a book would not be considered an honorarium under the Act and would not be limited).

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Moreover, even where material has been previously published and is subsequently compiled and published in a book, the Commission recognizes and applies the exemption to the honoraria limitation for any income generated by sales of such a work. See Advisory Opinion 1978-59, (CCH) ¶ 5351 (September 20, 1978) (Payments resulting from the republication in a book of previously published material, will be treated as income from the publication of a book and thus will not be subject to the limitation on honoraria of 2 U.S.C. § 441i).

Similarly, complainant's charge that Reflections of a Public Man is not, in fact, a book is groundless. Reflections of a Public Man is clearly and conspicuously a book. The Commission has never opined on the particular characteristics a "book" must have to so be considered a book.7/ However, Mr. Wright's work has always been considered a book, and to consider it any other type of literary work defies logic. Even where, as here, the contents of a book have previously been presented to the public as part of a candidate's speeches or writings, their compilation in book form will not be subject to the honoraria limitation.

Moreover, the suggestion that the New England Life Insurance Company purchased $2,000 of books as a way to avoid the limitation of 2 U.S.C. § 441i is groundless and without merit. Jim Wright accepted no honorarium in connection with his appearance for that company. The books were not purchased either in addition to an

---

7/ A "book" is commonly defined as (1) a volume made up of written or printed pages fastened along one side and encased between protective covers or (2) any written or printed literary work. See The American Heritage Dictionary of the English Language at p. 151 (1976).

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honorarium or in lieu of one. He simply chose not to accept an honorarium for that appearance, as is commonplace.

Mr. Wright had no specific knowledge of any book purchasers, including the New England Life Insurance Company. He did not sell this book; the publisher was responsible for marketing and sales. As stated above, Carlos Moore established a separate bank account for the receipt of all proceeds from sales of this book, and all proceeds were, in fact, so deposited into that account. Mr. Wright never received payments directly from book purchasers. Instead, he was paid periodically by Mr. Moore, in sums governed by the publishing contract.

Accordingly, because the allegations of Count II of the Complaint in MUR 2649 are without merit and fail to give rise to a violation of 2 U.S.C. § 441i, Jim Wright respectfully requests that the Commission find no reason to believe that a violation of that provision has occurred.

Count III

Complainant makes no allegation in Count III with respect to Jim Wright.[8/] Accordingly, Mr. Wright respectfully requests that the Commission find no reason to believe a violation of the Act occurred.

8/ In its caption, the Complaint suggests that Jim Wright may have conspired with several other respondents "to Make Unlawful Expenditures By a Corporation." However, none of the allegations in Count III claim that Mr. Wright in any way received or made a corporate expenditure. Thus, nothing in Count III gives rise to a violation of any statute in the Commission's jurisdiction by Jim Wright.

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Conclusion

As demonstrated above, the complaint filed by Citizens for Reagan contains groundless and wholly unfounded charges based upon speculation in the news media and is completely devoid of any evidentiary support. Simply put, a book is a book and as such generates royalty income to the author. Reflections of a Public Man is such a book. The facts establish without dispute that neither campaign contributions not honoraria were generated through its sales. Accordingly, the Honorable Jim Wright respectfully requests that the Commission find no reason to believe that he violated the Federal Election Campaign Act of 1971, as amended.

Respectfully submitted,

William C. Oldaker
Eric F. Kleinfeld

Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Attorneys for
The Honorable Jim Wright

9304351168

JAMES A. McMULLEN
ATTORNEY AT LAW
5401 CAMP BOWIE BOULEVARD
SUITE A
FORT WORTH, T
76116-6409

Attachment A

THE STATE OF TEXAS ¶
¶
COUNTY OF TARRANT ¶

This Agreement, made this 12th day of December, 1984, between James C. Wright, Jr. hereinafter called the AUTHOR, and Madison Systems Corporation, d/b/a Madison Publishing Company, a Texas Corporation, hereinafter called the Publisher,

WITNESSETH THAT,

WHEREAS, The AUTHOR is the editor, author and proprietor of an unpublished manuscript the subject of title of which is Reflections of a Public Man, hereinafter called the Work, and desires the Publisher to publish and market said Work.

NOW THEREFORE, in consideration of the premises and the covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. The AUTHOR hereby grants to Publisher the sole and exclusive right to print, reprint, publish, republish, reproduce and sell the Work, or any part thereof, in all forms throughout the world during the full terms of copyright and all renewals thereof obtainable in any and all countries of the world, subject only to the terms and conditions expressed in this agreement, together with all copyright thereto, registered or unregistered, now or hereafter existing in THE AUTHOR.

2. AUTHOR agrees, at Author's expense, to use his best efforts to secure copyright protection for the work in the United States. Any additional copyright protection outside the United States shall be accomplished pursuant to mutual written agreement of the parties hereto. AUTHOR agrees to obtain copyright renewals in the United States if requested to do so in writing by Publisher throughout the term of this Agreement.

3. THE AUTHOR hereby covenants that he is the sole editor, author, and proprietor of the Work and has the sole and exclusive right to sell it; that the Work is original and does not infringe upon any statutory copyright or upon any right at common law, proprietary right, civil right, or any other right whatsoever; that the Work is innocent and contains no matter which is scandalous, obscene, libelous, or in any wise contrary to law; that he has not heretofore, pledged, or otherwise encumbered the Work; and that he has full powwer to enter into this agreement and make the grants herein contained. THE AUTHOR covenants that he will indemnify, defend, and hold harmless Publisher against any and all suits, claims, demands, or recoveries, whether groundless or otherwise, including (without limitation of the foregoing generality) damages, costs, losses, expenses, and counsel fees, which may be made, instituted, or incurred at any time

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by or against Publisher by reason of any failure of THE AUTHOR or of his representations, covenants, undertakings, or agreements herein contained.

4. It is acknowledged by the parties hereto that Publisher has already printed 20,000 copies of the Work in a form and content which is acceptable to both parties.

5. Publisher shall pay all expenses of publication of the Work including production, marketing, transportation, mailing, advertising and other miscellaneous expenses, and AUTHOR shall not be required to make any investment other than the expense of securing United States Copyright protection for the Work. It is agreed that the retail Sales price of the Work shall be $5.95 unless changed by mutual written amendment to this agreement. All proceeds from sales shall be initially paid to Publisher. It is agreed that the proceeds from the sales of the Work shall be divided between Publisher and Author as follows:

A. Bulk Sales - Publisher to receive $2.70 per book
Author to receive $3.25 per book

B. Single Sales - Publisher to receive $2.70 per book
Author to receive $3.25 per book
(Publisher shall have the right to add mailing or other extra handling expenses to the agreed Sales price and Publisher shall be entitled to receive these additional amounts as reimbursement)

C. Wholesale or Discount Sales - Publisher to receive $2.70 per book.
Author to receive $3.25 per book.
(The above amounts of $2.70 to Publisher and $3.25 to Author shall be reduced in the case of wholesale or discount sales by the amount of the discount given as follows:

The amount to be received by Publisher shall be reduced by the first $ .70 of the total discounted price per book and the balance

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of the discount given shall be deducted from the $3.25 per book to be received by Author. (For example if a discount sale is made with a total discount of $1.70 per book the Publisher shall receive $2.00 and Author shall receive $2.25.)

6. It is agreed that Publisher shall prepare an accounting of sales receipts every three (3) months and pay Author the amount agreed upon herein at that time. Author or his representative shall have the right upon reasonable request to inspect the books and records of Publisher to verify the amounts paid.

7. It is agreed that Publisher shall not assign or transfer any ownership rights granted to Publisher hereunder to any third party without the prior written approval of Author, however, Publisher shall have the right to pledge or mortgage his ownership rights hereunder in connection with obtaining financing related to carrying out the provisions of this Agreement. AUTHOR shall have the right to Assign his ownership rights or a part of them.

8. Publisher shall have the right, in Publisher's sole discretion, to determine how many additional copies of the work shall be published and at what times said additional copies shall be published. In this connection, in the event all published copies are sold and thereafter Publisher does not commence publishing additional copies (a minimum amount of an additional 5,000) of the Work for sale for a period of thirty (30) days, then AUTHOR shall have the right to give written notice to Publisher of termination of this Agreement. In the event Publisher does not commence publication of additional copies of the work (in a minimum amount of an additional 5,000) within thirty (30) days after receipt of such written notice of termination then this Agreement shall terminate, become null and void and be of no further force and effect, and AUTHOR shall be entitled to all Copyright interests in the Work.

9. Publisher agrees to pay all state sales taxes for which Publisher is liable in connection with the sales made pursuant to this Agreement and to indemnify AUTHOR from any liability therefor.

10. In the event at the end of the sales program there remain unsold copies of the Work, Publisher shall, at its option, have the right to sell said copies at a reduced rate and in such event the proceeds from such sale shall be paid 45.38% to Publisher and 54.62% to AUTHOR.

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11. In the event the Work is used or sold in connection with syndication, motion picture rights, Television Rights, dramatization rights or mechanical reproduction rights the parties shall be entitled to the proceeds as follows: 45.38% to Publisher and 54.62% to AUTHOR. The decision to sell any rights covered by this paragraph and the terms of any such agreement shall be made by mutual written amendment to this Agreement by the parties hereto.

12. THE AUTHOR agrees that as long as the Work shall be published by the Publisher, he will not publish, contract to publish, or furnish to any other publisher for sale or trade or otherwise, any work upon the same subject which in the opinion of the Publisher conflicts with the sale of the Work.

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, or assigns, and shall continue during the life of any and all copyrights of the Work and of all revisions or abridgments or other variations thereof subject to copyright, and of all renewals thereof, subject, however, to the provisions of Paragraph 8 hereof for the possible earlier termination of this Agreement.

14. This Agreement constitutes the entire agreement between the parties hereto and all prior agreements both oral and written are merged into this Agreement.

15. AUTHOR shall have the right to review and approve all advertising for the sale of the Work prior to the time it is used.

AUTHOR:

JAMES C. WRIGHT, JR.

PUBLISHER:

MADISON SYSTEMS CORPORATION
d/b/a MADISON PUBLISHING COMPANY

By: Carlos Moore

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UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1985

FORM A—For use by Members, officers, and employees

Attachment B

James C. Wright, Jr.
(Full Name)

1236 Longworth HOB
(Mailing Address)

Washington, D. C. 20515

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 12 . State Texas

☐ Officer or Employee—Employing Office _____

☐ Check if amended Statement.

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15, 1986 must file a Financial Disclosure Statement on or before May 15, 1986.

- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $61,296, as of January 1, 1985, for a period in excess of 60 days in calendar year 1985 shall file a Financial Disclosure Statement on or before May 15, 1986, if he or she continues to be such an officer or employee on May 15, 1986.

- Any employee of a Member who has been designated as a principal assistant for purposes of the Ethics in Government Act of 1978 and who performs the duties of his or her position for a period in excess of 60 days in calendar year 1985 shall file a Financial Disclosure Statement on or before May 15, 1986, if he or she continues to be such an employee on May 15, 1986.

WHERE TO OBTAIN ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

REPORTING INSTRUCTIONS

NOTE: Please read instructions carefully. Sign this form where indicated. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. For some categories of disclosure, a filer may attach a computer (or other) printout listing assets, such as investments, transactions, sales, etc. Such information may be obtained from financial investment (or other) organizations. In cases where such "printouts" are used, the material should be attached with an appropriate notation in the response area provided. Complete all parts. (If NONE, so indicate.) Please type or print.

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1985 unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

I. SPOUSE AND DEPENDENT DISCLOSURE EXEMPTION

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in RARE CIRCUMSTANCES, WHERE ONE OR MORE FINANCIAL INTERESTS of a spouse or dependent child meets the three standards listed below, such interest need not be disclosed. Non-disclosure MUST be indicated by checking the space marked "YES". If all spousal and dependent children's financial interests are disclosed, "NO" should be checked in the space marked.

STANDARDS FOR EXEMPTION

(1) The item is the sole interest or responsibility of the spouse or dependent child, and the reporting individual has NO KNOWLEDGE of the item; and

(2) The item was not in any way, past or present, DERIVED FROM THE INCOME, ASSETS, OR ACTIVITIES of the reporting individual; and

(3) The reporting individual neither DERIVES, NOR EXPECTS TO DERIVE, any financial or economic benefit from the item.

NOTE: Only financial interests meeting the standards are exempted from disclosure, all other interests must be reported.

ARE YOU AWARE OF ANY INTERESTS IN PROPERTY OR LIABILITIES OF A SPOUSE OR DEPENDENT CHILD OR PROPERTY TRANSACTIONS BY A SPOUSE OR DEPENDENT CHILD WHICH YOU HAVE NOT REPORTED BECAUSE THEY MEET THE THREE STANDARDS FOR EXEMPTION? YES ____ NO X

For more information, see detailed Instruction Booklet at page 7.

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II. INCOME

GENERAL GUIDELINES:

EARNED INCOME is represented by earnings from employment, or personal efforts; such income when it exceeds $100 from any one source must be disclosed at Part II-A, as to its SOURCE, TYPE, AND GROSS AMOUNT. In reporting honoraria, do not include amounts accepted for actual travel and subsistence expenses for yourself and your spouse, or aide, and amounts paid or incurred for any agent's fees or commissions; the DATE OF RECEIPT must be indicated. Earned income by Members is LIMITED to 30% of the Congressional salary they receive in a calendar year. THE 1985 LIMIT FOR INCUMBENTS IS $22,467.49, and for MEMBERS SWORN IN ON JANUARY 3, 1985, $20,527.31. Earned income in excess of the limitation may be donated to any organization described in 26 U.S.C. 170(c). ANY honorarium, or other earned income, assigned to a charity (in whole or part) should be noted under "DISPOSITION".

EXCLUSIONS: Income from current U.S. Government employment need not be reported. Report the SOURCE, AND TYPE, but not the AMOUNT, of a spouse's earned income which exceeds $1,000. Income of a dependent child need not be reported.

For more information, see detailed Instruction Booklet at page 7.

A SOURCE	TYPE	AMOUNT	DISPOSITION
Statement attached	Honoraria	$26,085	
Air Force	Retired pay	$6,098	
Spouse income - Pacific Institute, Inc.			
Honorarium-Asociacion de			
Industriales de P.R.			

UNEARNED INCOME includes, but is not limited to, earnings derived from assets or investments such as interest, rents and dividends. Unearned income must be disclosed at Part II-B when it exceeds $100 in value from any source during calendar year 1985. The unearned income of a spouse or dependent child must also be reported under this part. Filer may use a computer printout or similar listing, if so desired. Only the category of value of such income need be disclosed. Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

B SOURCE	TYPE	CATEGORY
Grace Petroleum	Oil & gas revenue	C
Southeastern Resources	Oil & gas revenue	E
RMM Drilling Fund	Oil & gas revenue	C
Burning Springs Partnership	Oil & gas revenue	D
Republic Bank of Ridglea	Interest	B
Madison Publishing Company	Book royalties	E

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

GENERAL GUIDELINES:

ASSETS: Stocks and bonds, real estate, savings accounts, and any other investment or property held for the production of income, during calendar year 1985, including business interests, that had a fair market value exceeding $1,000 as of the end of the year, must be reported by category of value. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See Instruction Booklet at page 9 for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. Filer may use a computer printout or similar listing, if so desired.

TRUSTS: Except for assets held in a Qualified Blind Trust, described below, the holdings of and income derived from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. (*See*, Exclusions)

EXCLUSIONS: Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported UNLESS any part of the residence produces rental income. The cash value of a life insurance policy need not be reported. The reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from; (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "QUALIFIED BLIND TRUST," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT before it will be deemed a qualified blind trust under the Act. (Check the appropriate box below.)

DO YOU, YOUR SPOUSE OR DEPENDENT CHILD RECEIVE INCOME FROM OR HAVE A BENEFICIAL INTEREST IN A TRUST OR OTHER FINANCIAL ARRANGEMENT WHOSE HOLDINGS WERE NOT REPORTED BECAUSE THE TRUST IS A "QUALIFIED BLIND TRUST" OR OTHER EXCEPTED TRUST? YES ____ NO X

For more information, see detailed Instruction Booklet at page 8.

IDENTITY	CATEGORY
See attached	

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IV. TRANSACTIONS

GENERAL GUIDELINES:

A brief description, the date, and category of value of any PURCHASE, SALE, OR EXCHANGE during calendar year 1985, which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities. The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is NOT related to any CAPITAL GAIN or LOSS on the transaction. INDICATE WHETHER THE PROPERTY WAS PURCHASED, SOLD, OR EXCHANGED.

EXCLUSIONS: Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

NOTE: A computer printout may be attached to this form if it contains the information requested.

For more information, see detailed Instruction Booklet at page 10.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase - Springhill Lake Investors Corp.	4/18	C

V. LIABILITIES

GENERAL GUIDELINES:

All personal obligations aggregating over $10,000 owed to one creditor AT ANY TIME during 1985, whether secured or not, and regardless of the repayment terms or interest rates, MUST be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed.

EXCLUSIONS: Any mortgage secured by the PERSONAL RESIDENCE of the reporting individual or spouse (including a second residence or vacation home) that is NOT held for the PRODUCTION OF INCOME; any loan secured by a PERSONAL MOTOR VEHICLE, or household furniture or appliances, provided such loan does not exceed the purchase price of the item; and any liability owed to a relative.

For more information, see detailed Instruction Booklet at page 10.

IDENTITY	CATEGORY
Mallightco, Inc.	D
American Bank of Arlington, Texas	D
Springhill Lake Investors Corp.	C
Republic Bank of Mineral Wells, Texas	D

VI. GIFTS

GENERAL GUIDELINES:

The term "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor.

EXCLUSIONS: Gifts from relatives, and gifts of personal hospitality of an individual, and political campaign contributions need not be reported. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold.

HOUSE RULE XLIII, clause 4, prohibits acceptance of gifts aggregating $100 or more in value from any source having a "direct interest in legislation" before the Congress, or from a foreign national. Thus, this disclosure requirement applies primarily to gifts from personal friends, constituents, and other individuals or groups that do not have a "direct interest in legislation".

For more information, see detailed Instruction Booklet at page 11.

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

9 3 0 4 3 5 1 1 6 7 5

VII. REIMBURSEMENTS

GENERAL GUIDELINES:

PART VII. includes items such as travel expenses provided in connection with a SPEAKING ENGAGEMENT or FACT-FINDING EVENT related to official duties, whether those expenses were REIMBURSED to the individual or PAID DIRECTLY by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses aggregating $250 or more in value received from any source during calendar year 1985, is required rather than exact dollar figures.

EXCLUSIONS: Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds, need not be reported.

For more information, see detailed Instruction Booklet at page 12.

The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION
National Association of Manufacturers	Airfare-Boca Raton, Fla to D. C.
Outdoor Advertising Association of America	Roundtrip airfare-San Diego/D.C.
	3 days food/lodging
Asociacion de Industrialas de P.R.	Roundtrip airfare-D.C./Puerto Rico
	3 days food/lodging

VIII. POSITIONS

GENERAL GUIDELINES:

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

For more information, see detailed Instruction Booklet at page 13.

POSITION	NAME OF ORGANIZATION
Partner	BMW Drilling Fund

IX. AGREEMENTS

GENERAL GUIDELINES:

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

For more information, see detailed Instruction Booklet at page 13.

DATE	PARTIES TO	TERMS OF AGREEMENT
None		

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. §701 et seq.). The Statements will be made available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (see 2 U.S.C. §706 and 18 U.S.C. §1001).

Signature	Date
[signature]	5/15/86

WHERE TO FILE:

RETURN COMPLETED STATEMENT (WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. An extension request must be in writing, and should state the reason the extension is necessary, and be directed to the Chairman of the Committee, Representative Julian C. Dixon.

U.S. GOVERNMENT PRINTING OFFICE: (986 - 37-463) (6)

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ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

James C. Wright, Jr.
(Name)

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)	
II-A	Honoraria	
	1/14 RCA	$2,000
	1/14 National Association of Manufacturers	2,000
	1/25 Ernest Wittenberg Asso., Inc.	2,000
	2/4 Competitive Telecommmunications Asso.	2,000
	2/7 Christian Science Monitor	85
	3/8 Independent Bankers Asso. of America	2,000
	3/23 Ackerley Airport Advertising Inc.	2,000
	3/21 National Parking Association	2,000
	3/22 AFSCME	2,000
	4/9 Asociacion de Industriales de P.R.	2,000
	4/22 Ernest Wittenberg Asso. Inc.	2,000
	4/23 National Ocean Industries Asso.	1,000
	5/1 Arthur Andersen & Co.	2,000
	5/2 Texas Christian University	2,000
	12/26 The Johns Hopkins University (contributed to First United Methodist Church)	1,000
III	Holdings	
	Mallightco (investment corporation)	E
	Grace Petroleum (investor)	C
	Southeastern Resources (investor)	E
	BMW Drilling Fund (partner)	C
	Western Company of North America (stock)	A
	Van Buren, Arkansas land (57 acres)	B
	Republic Bank of Ridgles (CD)	B
	Burning Springs Partnership (investor)	B
	Jewell Enterprises, Inc. (stock)	D
	Lodge of Granbury (investor)	B
	Central Texas Cable Television Co. (stock)	C
	Springhill Lake Investors Corp. (investor)	C

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UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1986

FORM A—For use by Members, officers, and employees

James C. Wright, Jr.
(Full Name)

H-204 Capitol Building
(Mailing Address)

Washington, D. C. 20515

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 12 State Texas

☐ Officer or Employee—Employing Office _____

☐ Check if amended Statement.

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

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- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $61,296, as of January 1, 1986, for a period in excess of 60 days in calendar year 1986 shall file a Financial Disclosure Statement on or before May 15, 1987, if he or she continues to be such an officer or employee on May 15, 1987, and receives compensation equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $63,135, as of May 15, 1987.
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WHERE TO OBTAIN ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

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I. SPOUSE AND DEPENDENT DISCLOSURE EXEMPTION

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STANDARDS FOR EXEMPTION

(1) The item is the sole interest or responsibility of the spouse or dependent child, and the reporting individual has NO KNOWLEDGE of the item; and

(2) The item was not in any way, past or present, DERIVED FROM THE INCOME, ASSETS, OR ACTIVITIES of the reporting individual; and

(3) The reporting individual neither DERIVES, NOR EXPECTS TO DERIVE, any financial or economic benefit from the item.

NOTE: Only financial interests meeting the standards are exempted from disclosure; all other interests must be reported.

ARE YOU AWARE OF ANY INTERESTS IN PROPERTY OR LIABILITIES OF A SPOUSE OR DEPENDENT CHILD OR PROPERTY TRANSACTIONS BY A SPOUSE OR DEPENDENT CHILD WHICH YOU HAVE NOT REPORTED BECAUSE THEY MEET THE THREE STANDARDS FOR EXEMPTION? YES ____ NO X NA ____

For more information, see detailed Instruction Booklet at page 7.

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II. INCOME

GENERAL GUIDELINES:

EARNED INCOME is represented by earnings from employment, or personal efforts; such income when it exceeds $100 from any one source must be disclosed at Part II-A, as to its SOURCE, TYPE, AND GROSS AMOUNT. In reporting honoraria, do not include amounts accepted for actual travel and subsistence expenses for yourself and your spouse, or aide, and amounts paid or incurred for any agent's fees or commissions; the DATE OF RECEIPT must be indicated. Earned income by Members is LIMITED to 30% of the Congressional salary they receive in a calendar year. THE 1986 LIMIT FOR MEMBERS IS $22,530. Earned income in excess of the limitation may be donated to any organization described in 26 U.S.C. 170(c). ANY honoraria, or other earned income, assigned to a charity (in whole or part) should be noted under "DISPOSITION". **IF NONE, SO STATE.**

EXCLUSIONS: Income from current U.S. Government employment need not be reported. Report the SOURCE, AND TYPE, but not the AMOUNT, of a spouse's earned income which exceeds $1,000. Income of a dependent child need not be reported.

For more information, see detailed Instruction Booklet at page 7

A. SOURCE	TYPE	AMOUNT	DISPOSITION
Statement attached	Honoraria	$32,650.00	$9,000 - charity
Air Force	Retired pay	6,108.12	
Spouse income - Pacific Institute, Inc.			

UNEARNED INCOME includes, but is not limited to, earnings derived from assets or investments such as interest, rents and dividends. Unearned income must be disclosed at Part II-B when it exceeds $100 in value from any source during calendar year 1986. The unearned income of a spouse or dependent child must also be reported under this part. Filer may use a computer printout or similar listing, if so desired. Only the category of value of such income need be disclosed. Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

B. SOURCE	TYPE	CATEGORY
Statement attached		

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

GENERAL GUIDELINES:

ASSETS: Stocks and bonds, real estate, savings accounts, and any other investment or property held for the production of income, during calendar year 1986, including business interests, that had a fair market value exceeding $1,000 as of the end of the year, must be reported by category of value. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See Instruction Booklet at page 9 for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. Filer may use a computer printout or similar listing, if so desired. **IF NONE, SO STATE.**

TRUSTS: Except for assets held in a Qualified Blind Trust, described below, the holdings of and income derived from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. (*See*, Exclusions)

EXCLUSIONS: Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported UNLESS any part of the residence produces rental income. The cash value of a life insurance policy need not be reported. The reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from; (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "QUALIFIED BLIND TRUST," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT before it will be deemed a qualified blind trust under the Act. (Check the appropriate box below.)

DO YOU, YOUR SPOUSE OR DEPENDENT CHILD RECEIVE INCOME FROM OR HAVE A BENEFICIAL INTEREST IN A TRUST OR OTHER FINANCIAL ARRANGEMENT WHOSE HOLDINGS WERE NOT REPORTED BECAUSE THE TRUST IS A "QUALIFIED BLIND TRUST" OR OTHER EXCEPTED TRUST? YES ____ NO X NA ____

For more information, see detailed Instruction Booklet at page 8

IDENTITY	CATEGORY
Statement attached	

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IV. TRANSACTIONS

GENERAL GUIDELINES:

A brief description, the date, and category of value of any PURCHASE, SALE, OR EXCHANGE during calendar year 1986, which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities. The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is NOT related to any CAPITAL GAIN or LOSS on the transaction. INDICATE WHETHER THE PROPERTY WAS PURCHASED, SOLD, OR EXCHANGED. IF NONE, SO STATE.

EXCLUSIONS: Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

NOTE: A computer printout may be attached to this form if it contains the information requested.

For more information, see detailed Instruction Booklet at page 10.

BRIEF DESCRIPTION	DATE	CATEGORY
Sold - Central Texas Cable TV	9/30/86	D
Sold - BMW Drilling Fund	9/30/86	A

V. LIABILITIES

GENERAL GUIDELINES:

All personal obligations aggregating over $10,000 owed to one creditor AT ANY TIME during 1986, whether secured or not, and regardless of the repayment terms or interest rates, MUST be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. IF NONE, SO STATE.

EXCLUSIONS: Any mortgage secured by the PERSONAL RESIDENCE of the reporting individual or spouse (including a second residence or vacation home) that is NOT held for the PRODUCTION OF INCOME; any loan secured by a PERSONAL MOTOR VEHICLE, or household furniture or appliances, provided such loan does not exceed the purchase price of the item; and any liability owed to a relative.

For more information, see detailed Instruction Booklet at page 10.

IDENTITY	CATEGORY
Mallightco, Inc.	C
Springhill Lake Investors Corp.	B
Republic Bank of Mineral Wells, Texas	D
Congressional Federal Credit Union	B

VI. GIFTS

GENERAL GUIDELINES:

The term "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor. IF NONE, SO STATE.

EXCLUSIONS: Gifts from relatives, and gifts of personal hospitality of an individual, and political campaign contributions need not be reported. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold.

HOUSE RULE XLIII, clause 4, prohibits acceptance of gifts aggregating $100 or more in value from any source having a "direct interest in legislation" before the Congress, or from a foreign national. Thus, this disclosure requirement applies primarily to gifts from personal friends, constituents, and other individuals or groups that do not have a "direct interest in legislation".

For more information, see detailed Instruction Booklet at page 12.

A. The source and a brief description of gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

9 3 0 4 3 5 1 1 6 8 0

VII. REIMBURSEMENTS

GENERAL GUIDELINES:

PART VII, includes items such as travel expenses provided in connection with a SPEAKING ENGAGEMENT or FACT-FINDING EVENT related to official duties, whether those expenses were REIMBURSED to the individual or PAID DIRECTLY by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses aggregating $250 or more in value received from any source during calendar year 1986, is required rather than exact dollar figures. IF NONE, SO STATE.

EXCLUSIONS: Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds, need not be reported.

For more information, see detailed Instruction Booklet at page 12.

The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION
Outdoor Advertising Association of America	Food/lodging-Palm Springs, CA
Foster & Kleiser	Food/lodging-San Diego, CA

VIII. POSITIONS

GENERAL GUIDELINES:

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution. IF NONE, SO STATE.

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

For more information, see detailed Instruction Booklet at page 13.

POSITION	NAME OF ORGANIZATION
Partner	BMW Drilling Fund

IX. AGREEMENTS

GENERAL GUIDELINES:

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer. IF NONE, SO STATE.

For more information, see detailed Instruction Booklet at page 13.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. §701 et seq.). The Statements will be made available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (see 2 U.S.C. §706 and 18 U.S.C. §1001).

Signature	Date
[signature]	5/15/87

WHERE TO FILE:

RETURN COMPLETED STATEMENT (WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. An extension request must be in writing, and should state the reason the extension is necessary, and be directed to the Chairman of the Committee, Representative Julian C. Dixon.

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ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

James C. Wright, Jr.
(Name)

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)		
II-A	Honoraria/writing fees		
	1/9 American Polygraph Association	$2,000	
	1/13 The Tobacco Institute	2,000	
	1/16 Gannett Outdoor Company	2,000	
	1/24 Senate Leadership Seminar	2,000	
	1/27 Greater Springfield Chamber of Commerce	2,000	
	2/3 New York Times	150	
	2/4 National Food Processors Association	2,000	
	2/24 GTE Service Corp.	1,000	
	2/27 Bell South, D.C. Inc. (contributed to Weatherford Library Fund)	1,000	
	3/3 National Association of Community Health Centers	500	
	3/14 I.P.A.C.E	2,000	
	3/16 National Cable Television Association	1,500	
	3/18 Federal National Mortgage Association	2,000	
	3/19 National Association for Home Care	2,000	
	3/27 American Vocational Association	500	
	4/7 Associated Milk Producers	2,000	
	6/5 Harris Corporation (contributed to First United Methodist Church)	2,000	
	7/3 Outdoor Advertising Association of America (contributed to Peace Links)	2,000	
	7/5 Foster & Kleiser (contributed to First United Methodist Church)	2,000	
	7/25 JACL-Legis. Education Committee (contributed to Loaves & Fishes, DC)	2,000	
II-B	Unearned Income		
	Grace Petroleum	Oil & gas revenue	A
	Southeastern Resources	Oil & gas revenue	B
	BMW Drilling Fund	Oil & gas revenue/sale	C
	Burning Springs Partnership	Oil & gas revenue	C
	Republic Bank of Ridgles	Interest	A
	Madison Publishing Company	Book royalties	B
	Connecticut Mutual/Liquid Acc't	Dividend	A
	Mallightco	Dividend	B
	Central Texas Cable TV	Stock sale	B
III	Holdings		
	Mallightco (investment corporation)		F
	Grace Petroleum (investor)		B
	Southeastern Resources (investor)		C
	BMW Drilling Fund (partner)		A
	Western Company of North America (stock)		A
	Van Buren, Arkansas land (57 acres)		B
	Republic Bank of Ridgles (CD)		B
	Burning Springs Partnership (investor)		B
	Lodge of Granbury (investor)		B
	Central Texas Cable Television Co (stock)		D
	Springhill Lake Investors Corp. (investor)		C
	Jewell Enterprises, Inc. (stock)		A

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GCC#230

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of: William Carlos Moore	)	MUR 2649

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FEDERAL ELECTION COMMISSION

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RESPONSE TO COMPLAINT

Introduction

William Carlos Moore, hereby responds to the Complaint filed on July 15, 1988 by Citizens for Reagan and designated as Matter Under Review ("MUR") 2649 by the Federal Election Commission ("FEC" or "Commission"). In short, complainant has failed to support its allegations with or supply to the Commission even the barest minimum of evidence, and these unsubstantiated charges similarly fail to make out a prima facie case of any violation of the Federal Election Campaign Act of 1971, as amended ("Act") 2 U.S.C. § 431 et seq.

Factual Statement

William Carlos Moore first met Jim Wright in 1954 when the former was working for the Fort Worth Press and the latter was running for Congress for the first time. The two men initiated a personal and working relationship which would last until the present day.

In 1975, Mr. Moore, at that time a private businessman engaged in printing and campaign consulting, was first employed in Mr.

Wright's re-election efforts. Among other activities, Mr. Moore organized a telephone bank and block worker program, and managed the production and distribution of a direct mail effort.

Carlos Moore and his corporation, Madison Systems Corporation ("Madison"), have been employed by Jim Wright's campaign committees for seven successive election cycles. Madison has performed a variety of services for Speaker Wright's committees including printing, media, computer, telephone banks, organization of a block captain program, polling, mailing and consulting services. Among the items prepared for the campaign are letters, invitations, envelopes, business cards, postcards, brochures, pamphlets, posters, the printing and distribution of yard signs (more than 33,000 in 1986), and multiple thousands of bumper stickers. Mailing services including folding, stuffing and postage. Computer services such as district voter lists and labels were provided. Thus, Carlos Moore had an established vendor-vendee relationship with the Wright Appreciation Committee and the Wright Congressional Club.

In late 1983, Moore suggested to Mr. Wright that the latter author a book. The idea was to compile a book composed of short vignettes and to present to the public the essence of Jim Wright's political and professional philosophy, with each topic short enough to hold the reader's attention span and also be self contained. This book was a distillate of many items written by Jim Wright, in speeches, articles, newsletters and in his private memoirs.

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After the book, Reflections of a Public Man, was written, Carlos Moore offered Jim Wright a specific royalty arrangement, whereby each book would be sold for $5.95, providing Mr. Wright a royalty of $3.25 per book and a return to Moore of $2.70 per book.[1/] Reflections of a Public Man was published in 1984. In the intervening years, this book has been sold at bookstores and various special events. Approximately 20,000 copies were sold during this period.

Legal Argument

Count I: Royalty Income Paid Out By William Carlos Moore Does Not Constitute Excessive Contributions

Complainant is apparently alleging that Jim Wright and William Carlos Moore violated 2 U.S.C. § 441a, through Mr. Moore's pay out of book royalties generated by sales of Mr. Wright's Reflections of a Public Man. Such a claim is without merit, as demonstrated below.

Pursuant to the Federal Election Campaign Act, the term "contribution" means

> any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.

2 U.S.C. § 431(8)(A)(i) (emphasis added).

A "royalty," on the other hand, is generally defined as

1/ This was not the only royalty agreement offered to Jim Wright. A Fort Worth newspaper publisher offered to publish the book and provide Mr. Wright with a royalty of $2.98 per book.

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> Compensation for the use of property, usually copyrighted material. . . expressed as a percentage of receipts from using the property or as an account per unit produced.

Black's Law Dictionary at 691. A royalty is a payment made to an author by an assignee for each copy of the author's work which is sold. Id. Thus, each of these forms of payment has a specific purpose for which it is made: contributions are payments made to influence a (Federal) election, and royalties are payments made to compensate one for the use of a work.

Without question, Jim Wright's receipt of $54,642 in 1985 and 1986 constituted royalty payments rather than campaign contributions. Mr. Wright, in fact, authored a book and entered into an arm's-length publishing agreement with the Madison Publishing Company.[2/] See Attachment A. This agreement was drawn up by a reputable attorney known to both parties and provided for a royalty payment of $3.25 per book sold.

The book was, in fact, published, marketed and sold, and Mr. Moore collected all sales receipts prior to the disbursement of proceeds to Jim Wright. All sales receipts were deposited by Moore into a separate bank account established specifically for that purpose. No other deposits were made into this account.

Subsequently, from time to time, Mr. Moore disbursed the author's share of royalties to him. All royalty receipts from book sales were disclosed as royalty income by Mr. Wright on his yearly Financial Disclosure Statements for 1985 and 1986 filed with the Clerk of the House, pursuant to the Ethics in Government

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2/ The book is copyrighted, and Mr. Wright is owner of that copyright.

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Act and House Ethics Rules. See Attachment B. Moreover, consistent with his treatment of the receipts as income, Mr. Wright paid income tax on that income for 1985 and 1986.

Thus, while all aspects of this book's publication meet the indicia of a royalty arrangement, none come close to resembling a campaign contribution. Clearly, Carlos Moore did not intend to influence a Federal election by transmitting royalties to Mr. Wright; he was merely the publisher engaged in an arm's-length commercial transaction. Mr. Wright intended to receive income from the sale of his book and did not intend to receive anything for the purpose of influencing a Federal election. The two are entirely unrelated.[3/]

The royalty arrangement regarding Mr. Wright's book has always been separate, distinct and independent from the vendor-vendee relationship which existed between Mr. Wright's campaign committees and Madison.[4/] These committees had no role in the publication of Reflections of a Public Man. None of the publication costs were paid by the committees, nor were any books purchased by them. No campaign contributions were used to provide Mr. Wright with book royalties. Most importantly, no monies

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3/ House Ethics Rules specifically permit the receipt of royalty income without limit. House Ethics Rule 47. In addition, the FEC has long recognized the unique nature of royalties in its Advisory Opinions. See e.g. FEC Advisory Opinion 1975-77, Fed. Election Camp. Fin. Guide ¶ 5134 (CCH) (November 5, 1975) (Royalties from the publication of a book are not honoraria and not subject to the limitation of 2 U.S.C. § 441i).

4/ All disbursements made to Madison by Mr. Wright's campaign committees were for duly rendered services; no campaign funds were disbursed for which a service was not performed. All services provided by Madison were invoiced and billed to the campaigns, and all bills were paid.

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received by Madison from Mr. Wright's campaign committees for legitimate services rendered were ever deposited into the same account into which receipts from the book sales were deposited.

Nothing in the Act or regulations promulgated by the FEC prohibits a candidate for Federal office from writing a book and receiving royalty income. In fact, this practice is commonplace. Where, as here, monies are received by an author/officeholder as taxable income, rather than for the purpose of influencing a Federal election, those funds are not subject to the Act and as such, do not constitute campaign contributions.

Moreover, the suggestion that a scheme was in place to avoid the Act's limitations is totally without merit. Jim Wright did not contribute any of his personal funds to his campaign in 1985 and 1986.[5/] Thus, the royalty payments did not provide Mr. Wright with political contributions.[6/]

In order to violate the limitations of 2 U.S.C. § 441a, a gift or other form of payment must be made to influence a Federal election. Here, the royalty payments simply do not constitute contributions. Accordingly, because the allegations of Count I of the Complaint in MUR 2649 are without merit and fail to give rise to a violation of the Act, Carlos Moore requests that the Commission find no reason to believe a violation of the Act occurred.

5/ Mr. Wright was fortunate enough to have a sufficient war chest so that this was not necessary.

6/ Nor did these amounts defray Mr. Wright's personal living expenses.

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Count II: Royalty Income Paid Out By Carlos Moore Does Not Constitute Excessive Honoraria

Complainant is apparently alleging that Carlos Moore violated 2 U.S.C. § 441i(a) through the making of excessive honoraria in the form of book royalty payments. Complainant fails to support its allegation other than by supposition and its claims are entirely without merit, as demonstrated below.

Complainant's charge that payments from the sales of Reflections of a Public Man were in some manner subject to the honoraria limitation of the Act are directly contrary to past FEC precedent. As long ago as 1975, the Commission recognized that royalties from the publication of a book are not honoraria and are not subject to the limitation of 2 U.S.C. § 441i. See Advisory Opinion 1975-77, ¶ 5134 (CCH) (November 5, 1975). The Commission's conclusion in that Opinion was based expressly on the uncontroverted intent of Congress with regard to honoraria, as stated by Senator Cannon:

> The intent is that the publishing of a book does not constitute an honorarium under the language used in the bill.

120 Cong. Rec. H10334 (daily ed., October 10, 1974). Thus, the FEC has long recognized the exemption of royalty income from the honoraria provision and continues to do so today. See Advisory Opinion 1984-56, (CCH) ¶ 5798 (December 6, 1984) (Any royalty paid on the basis of net proceeds from the sales of a book would not be considered an honorarium under the Act and would not be limited).

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Moreover, even where material has been previously published and is subsequently compiled and published in a book, the Commission recognizes and applies the exemption to the honoraria limitation for any income generated by sales of such a work. See Advisory Opinion 1978-59, (CCH) ¶ 5351 (September 20, 1978) (Payments resulting from the republication in a book of previously published material, will be treated as income from the publication of a book and thus will not be subject to the limitation on honoraria of 2 U.S.C. § 441i).

Similarly, complainant's charge that Reflections of a Public Man is not, in fact, a book is groundless. Reflections of a Public Man is clearly and conspicuously a book. The Commission has never opined on the particular characteristics a "book" must have to so be considered a book.7/ However, Mr. Wright's work has always been considered a book, and to consider it any other type of literary work defies logic. Even where, as here, the contents of a book have previously been presented to the public as part of a candidate's speeches or writings, their compilation in book form will not be subject to the honoraria limitation.

Mr. Wright had no specific knowledge of any book purchasers. He did not sell this book; Carlos Moore was responsible for marketing and sales. Moore was also responsible for delivering the books to the purchasers. No suggestion was made to any buyers that they would be making an honorarium. To the contrary, the

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7/ A "book" is commonly defined as (1) a volume made up of written or printed pages fastened along one side and encased between protective covers or (2) any written or printed literary work. See The American Heritage Dictionary of the English Language at p. 151 (1976).

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direct implication of any book sale was royalty income to Mr. Wright.[8/] As stated above, Moore established a separate bank account for the receipt of all proceeds from sales of this book, and all proceeds were, in fact, so deposited into that account. Mr. Wright never received payments directly from book purchasers. Instead, he was paid periodically by Mr. Moore, in sums governed by the publishing contract.

Accordingly, because the allegations of Count II of the Complaint in MUR 2649 are without merit and fail to give rise to a violation of 2 U.S.C. § 441i, Carlos Moore respectfully requests that the Commission find no reason to believe that a violation of the Act occurred.

Count III

Complainant makes no allegation in Count III with respect to Carlos Moore. Accordingly, Carlos Moore respectfully requests that the Commission find no reason to believe a violation of the Act occurred.

Conclusion

As demonstrated above, the complaint filed by Citizens for Reagan contains groundless and wholly unfounded charges based upon speculation in the news media and is completely devoid of any evidentiary support. Simply put, a book is a book and as

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8/ Moreover, the suggestion that the New England Life Insurance Company purchased $2,000 of books as a way to avoid the limitation of 2 U.S.C. § 441i is groundless and without merit. The books were not purchased either in addition to an honorarium or in lieu of one.

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such generates royalty income to the author. Reflections of a Public Man is such a book. The facts establish without dispute that neither campaign contributions not honoraria were generated through its sales. Accordingly, Carlos Moore respectfully requests that the Commission find no reason to believe that he violated the Federal Election Campaign Act of 1971, as amended.

Respectfully submitted,

William C. Oldaker
Eric F. Kleinfeld

Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W.
Washington, D.C. 20036

Attorneys for
William Carlos Moore

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JAMES A. McMULLEN III
ATTORNEY AT LAW
6401 CAMP BOWIE BOULEVARD
SUITE A
FORT W[illegible], TEX
76116-5409

Attachment A

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

This Agreement, made this 12th day of December, 1984, between James C. Wright, Jr. hereinafter called the AUTHOR, and Madison Systems Corporation, d/b/a Madison Publishing Company, a Texas Corporation, hereinafter called the Publisher.

WITNESSETH THAT,

WHEREAS, The AUTHOR is the editor, author and proprietor of an unpublished manuscript the subject of title of which is Reflections of a Public Man, hereinafter called the Work, and desires the Publisher to publish and market said Work.

NOW THEREFORE, in consideration of the premises and the covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. The AUTHOR hereby grants to Publisher the sole and exclusive right to print, reprint, publish, republish, reproduce and sell the Work, or any part thereof, in all forms throughout the world during the full terms of copyright and all renewals thereof obtainable in any and all countries of the world, subject only to the terms and conditions expressed in this agreement, together with all copyright thereto, registered or unregistered, now or hereafter existing in THE AUTHOR.

2. AUTHOR agrees, at Author's expense, to use his best efforts to secure copyright protection for the work in the United States. Any additional copyright protection outside the United States shall be accomplished pursuant to mutual written agreement of the parties hereto. AUTHOR agrees to obtain copyright renewals in the United States if requested to do so in writing by Publisher throughout the term of this Agreement.

3. THE AUTHOR hereby covenants that he is the sole editor, author, and proprietor of the Work and has the sole and exclusive right to sell it; that the Work is original and does not infringe upon any statutory copyright or upon any right at common law, proprietary right, civil right, or any other right whatsoever; that the Work is innocent and contains no matter which is scandalous, obscene, libelous, or in any wise contrary to law; that he has not heretofore, pledged, or otherwise encumbered the Work; and that he has full powwer to enter into this agreement and make the grants herein contained. THE AUTHOR covenants that he will indemnify, defend, and hold harmless Publisher against any and all suits, claims, demands, or recoveries, whether groundless or otherwise, including (without limitation of the foregoing generality) damages, costs, losses, expenses, and counsel fees, which may be made, instituted, or incurred at any time

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by or against Publisher by reason of any failure of THE AUTHOR or of his representations, covenants, undertakings, or agreements herein contained.

4. It is acknowledged by the parties hereto that Publisher has already printed 20,000 copies of the Work in a form and content which is acceptable to both parties.

5. Publisher shall pay all expenses of publication of the Work including production, marketing, transportation, mailing, advertising and other miscellaneous expenses, and AUTHOR shall not be required to make any investment other than the expense of securing United States Copyright protection for the Work. It is agreed that the retail Sales price of the Work shall be $5.95 unless changed by mutual written amendment to this agreement. All proceeds from sales shall be initially paid to Publisher. It is agreed that the proceeds from the sales of the Work shall be divided between Publisher and Author as follows:

A.	Bulk Sales -	Publisher to receive $2.70 per book Author to receive $3.25 per book
B.	Single Sales -	Publisher to receive $2.70 per book Author to receive $3.25 per book (Publisher shall have the right to add mailing or other extra handling expenses to the agreed Sales price and Publisher shall be entitled to receive these additional amounts as reimbursement)
C.	Wholesale or Discount Sales -	Publisher to receive $2.70 per book. Author to receive $3.25 per book. (The above amounts of $2.70 to Publisher and $3.25 to Author shall be reduced in the case of wholesale or discount sales by the amount of the discount given as follows: The amount to be received by Publisher shall be reduced by the first $ .70 of the total discounted price per book and the balance

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of the discount given shall be deducted from the $3.25 per book to be received by Author. (For example if a discount sale is made with a total discount of $1.70 per book the Publisher shall receive $2.00 and Author shall receive $2.25.)

6. It is agreed that Publisher shall prepare an accounting of sales receipts every three (3) months and pay Author the amount agreed upon herein at that time. Author or his representative shall have the right upon reasonable request to inspect the books and records of Publisher to verify the amounts paid.

7. It is agreed that Publisher shall not assign or transfer any ownership rights granted to Publisher hereunder to any third party without the prior written approval of Author, however, Publisher shall have the right to pledge or mortgage his ownership rights hereunder in connection with obtaining financing related to carrying out the provisions of this Agreement. AUTHOR shall have the right to Assign his ownership rights or a part of them.

8. Publisher shall have the right, in Publisher's sole discretion, to determine how many additional copies of the work shall be published and at what times said additional copies shall be published. In this connection, in the event all published copies are sold and thereafter Publisher does not commence publishing additional copies (a minimum amount of an additional 5,000) of the Work for sale for a period of thirty (30) days, then AUTHOR shall have the right to give written notice to Publisher of termination of this Agreement. In the event Publisher does not commence publication of additional copies of the work (in a minimum amount of an additional 5,000) within thirty (30) days after receipt of such written notice of termination then this Agreement shall terminate, become null and void and be of no further force and effect, and AUTHOR shall be entitled to all Copyright interests in the Work.

9. Publisher agrees to pay all state sales taxes for which Publisher is liable in connection with the sales made pursuant to this Agreement and to indemnify AUTHOR from any liability therefor.

10. In the event at the end of the sales program there remain unsold copies of the Work, Publisher shall, at its option, have the right to sell said copies at a reduced rate and in such event the proceeds from such sale shall be paid 45.38% to Publisher and 54.62% to AUTHOR.

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11. In the event the Work is used or sold in connection with syndication, motion picture rights, Television Rights, dramatization rights or mechanical reproduction rights the parties shall be entitled to the proceeds as follows: 45.38% to Publisher and 54.62% to AUTHOR. The decision to sell any rights covered by this paragraph and the terms of any such agreement shall be made by mutual written amendment to this Agreement by the parties hereto.

12. THE AUTHOR agrees that as long as the Work shall be published by the Publisher, he will not publish, contract to publish, or furnish to any other publisher for sale or trade or otherwise, any work upon the same subject which in the opinion of the Publisher conflicts with the sale of the Work.

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors, or assigns, and shall continue during the life of any and all copyrights of the Work and of all revisions or abridgments or other variations thereof subject to copyright, and of all renewals thereof, subject, however, to the provisions of Paragraph 8 hereof for the possible earlier termination of this Agreement.

14. This Agreement constitutes the entire agreement between the parties hereto and all prior agreements both oral and written are merged into this Agreement.

15. AUTHOR shall have the right to review and approve all advertising for the sale of the Work prior to the time it is used.

AUTHOR:

JAMES C. WRIGHT, JR.

PUBLISHER:

MADISON SYSTEMS CORPORATION
d/b/a MADISON PUBLISHING COMPANY

By: Carlos Moore

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UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1985

FORM A—For use by Members, officers, and employees

Attachment B

James C. Wright, Jr.
(Full Name)

1236 Longworth HOB
(Mailing Address)

Washington, D. C. 20515

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 12 State Texas

☐ Officer or Employee—Employing Office _____

☐ Check if amended Statement.

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15, 1986 must file a Financial Disclosure Statement on or before May 15, 1986.

- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $61,296, as of January 1, 1985, for a period in excess of 60 days in calendar year 1985 shall file a Financial Disclosure Statement on or before May 15, 1986, if he or she continues to be such an officer or employee on May 15, 1986.

- Any employee of a Member who has been designated as a principal assistant for purposes of the Ethics in Government Act of 1978 and who performs the duties of his or her position for a period in excess of 60 days in calendar year 1985 shall file a Financial Disclosure Statement on or before May 15, 1986, if he or she continues to be such an employee on May 15, 1986.

WHERE TO OBTAIN ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

REPORTING INSTRUCTIONS

NOTE: Please read instructions carefully. Sign this form where indicated. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. For some categories of disclosure, a filer may attach a computer (or other) printout listing assets, such as investments, transactions, sales, etc. Such information may be obtained from financial investment (or other) organizations. In cases where such "printouts" are used, the material should be attached with an appropriate notation in the response area provided. Complete all parts. (If NONE, so indicate.) Please type or print.

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1985 unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

I. SPOUSE AND DEPENDENT DISCLOSURE EXEMPTION

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in RARE CIRCUMSTANCES, WHERE ONE OR MORE FINANCIAL INTERESTS of a spouse or dependent child meets the three standards listed below, such interest need not be disclosed. Non-disclosure MUST be indicated by checking the space marked "YES". If all spousal and dependent children's financial interests are disclosed, "NO" should be checked in the space marked.

STANDARDS FOR EXEMPTION

(1) The item is the sole interest or responsibility of the spouse or dependent child, and the reporting individual has NO KNOWLEDGE of the item; and

(2) The item was not in any way, past or present, DERIVED FROM THE INCOME, ASSETS, OR ACTIVITIES of the reporting individual; and

(3) The reporting individual neither DERIVES, NOR EXPECTS TO DERIVE, any financial or economic benefit from the item.

NOTE: Only financial interests meeting the standards are exempted from disclosure, all other interests must be reported.

ARE YOU AWARE OF ANY INTERESTS IN PROPERTY OR LIABILITIES OF A SPOUSE OR DEPENDENT CHILD OR PROPERTY TRANSACTIONS BY A SPOUSE OR DEPENDENT CHILD WHICH YOU HAVE NOT REPORTED BECAUSE THEY MEET THE THREE STANDARDS FOR EXEMPTION? YES ____ NO X

For more information, see detailed Instruction Booklet at page 7.

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II. INCOME

GENERAL GUIDELINES:

EARNED INCOME is represented by earnings from employment, or personal efforts; such income when it exceeds $100 from any one source must be disclosed at Part II-A, as to its SOURCE, TYPE, AND GROSS AMOUNT. In reporting honoraria, do not include amounts accepted for actual travel and subsistence expenses for yourself and your spouse, or aide, and amounts paid or incurred for any agent's fees or commissions; the DATE OF RECEIPT must be indicated. Earned income by Members is LIMITED to 30% of the Congressional salary they receive in a calendar year. THE 1985 LIMIT FOR INCUMBENTS IS $22,467.49, and for MEMBERS SWORN IN ON JANUARY 3, 1985, $20,527.31. Earned income in excess of the limitation may be donated to any organization described in 26 U.S.C. 170(c). ANY honorarium, or other earned income, assigned to a charity (in whole or part) should be noted under "DISPOSITION".

EXCLUSIONS: Income from current U.S. Government employment need not be reported. Report the SOURCE, AND TYPE, but not the AMOUNT, of a spouse's earned income which exceeds $1,000. Income of a dependent child need not be reported.

For more information, see detailed Instruction Booklet at page 7.

A SOURCE	TYPE	AMOUNT	DISPOSITION
Statement attached	Honoraria	$26,685	
Air Force	Retired pay	$6,098	
Spouse income - Pacific Institute, Inc.			
Honorarium-Asociacion de			
Industriales de P.R.			

UNEARNED INCOME includes, but is not limited to, earnings derived from assets or investments such as interest, rents and dividends. Unearned income must be disclosed at Part II-B when it exceeds $100 in value from any source during calendar year 1985. The unearned income of a spouse or dependent child must also be reported under this part. Filer may use a computer printout or similar listing, if so desired. Only the category of value of such income need be disclosed. Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

B SOURCE	TYPE	CATEGORY
Grace Petroleum	Oil & gas revenue	C
Southeastern Resources	Oil & gas revenue	E
B&W Drilling Fund	Oil & gas revenue	C
Burning Springs Partnership	Oil & gas revenue	D
Republic Bank of Ridglea	Interest	B
Madison Publishing Company	Book royalties	E

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

GENERAL GUIDELINES:

ASSETS: Stocks and bonds, real estate, savings accounts, and any other investment or property held for the production of income, during calendar year 1985, including business interests, that had a fair market value exceeding $1,000 as of the end of the year, must be reported by category of value. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See Instruction Booklet at page 9 for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. Filer may use a computer printout or similar listing, if so desired.

TRUSTS: Except for assets held in a Qualified Blind Trust, described below, the holdings of and income derived from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. (See, Exclusions)

EXCLUSIONS: Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported UNLESS any part of the residence produces rental income. The cash value of a life insurance policy need not be reported. The reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from; (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "QUALIFIED BLIND TRUST," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT before it will be deemed a qualified blind trust under the Act. (Check the appropriate box below.)

DO YOU, YOUR SPOUSE OR DEPENDENT CHILD RECEIVE INCOME FROM OR HAVE A BENEFICIAL INTEREST IN A TRUST OR OTHER FINANCIAL ARRANGEMENT WHOSE HOLDINGS WERE NOT REPORTED BECAUSE THE TRUST IS A "QUALIFIED BLIND TRUST" OR OTHER EXCEPTED TRUST? YES ____ NO X

For more information, see detailed Instruction Booklet at page 9.

IDENTITY	CATEGORY
See attached	

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IV. TRANSACTIONS

GENERAL GUIDELINES:

A brief description, the date, and category of value of any PURCHASE, SALE, OR EXCHANGE during calendar year 1985, which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities. The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is NOT related to any CAPITAL GAIN or LOSS on the transaction. INDICATE WHETHER THE PROPERTY WAS PURCHASED, SOLD, OR EXCHANGED.

EXCLUSIONS: Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

NOTE: A computer printout may be attached to this form if it contains the information requested.

For more information, see detailed Instruction Booklet at page 10.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase - Springhill Lake Investors Corp.	4/18	C

V. LIABILITIES

GENERAL GUIDELINES:

All personal obligations aggregating over $10,000 owed to one creditor AT ANY TIME during 1985, whether secured or not, and regardless of the repayment terms or interest rates, MUST be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed.

EXCLUSIONS: Any mortgage secured by the PERSONAL RESIDENCE of the reporting individual or spouse (including a second residence or vacation home) that is NOT held for the PRODUCTION OF INCOME, any loan secured by a PERSONAL MOTOR VEHICLE, or household furniture or appliances, provided such loan does not exceed the purchase price of the item; and any liability owed to a relative.

For more information, see detailed Instruction Booklet at page 10.

IDENTITY	CATEGORY
Mallightco, Inc.	D
American Bank of Arlington, Texas	D
Springhill Lake Investors Corp.	C
Republic Bank of Mineral Wells, Texas	D

VI. GIFTS

GENERAL GUIDELINES:

The term "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor.

EXCLUSIONS: Gifts from relatives, and gifts of personal hospitality of an individual, and political campaign contributions need not be reported. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold.

HOUSE RULE XLIII, clause 4, prohibits acceptance of gifts aggregating $100 or more in value from any source having a "direct interest in legislation" before the Congress, or from a foreign national. Thus, this disclosure requirement applies primarily to gifts from personal friends, constituents, and other individuals or groups that do not have a "direct interest in legislation".

For more information, see detailed Instruction Booklet at page 11.

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

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VII. REIMBURSEMENTS

GENERAL GUIDELINES:

PART VII, includes items such as travel expenses provided in connection with a SPEAKING ENGAGEMENT or FACT-FINDING EVENT related to official duties, whether those expenses were REIMBURSED to the individual or PAID DIRECTLY by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses aggregating $250 or more in value received from any source during calendar year 1985, is required rather than exact dollar figures.

EXCLUSIONS: Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds, need not be reported.

For more information, see detailed Instruction Booklet at page 12.

The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1985.

SOURCE	BRIEF DESCRIPTION
National Association of Manufacturers	Airfare-Boca Raton, Fla to D. C.
Outdoor Advertising Association of America	Roundtrip airfare-San Diego/D.C. 3 days food/lodging
Asociacion de Industriales de P.R.	Roundtrip airfare-D.C./Puerto Rico 3 days food/lodging

VIII. POSITIONS

GENERAL GUIDELINES:

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

For more information, see detailed Instruction Booklet at page 13.

POSITION	NAME OF ORGANIZATION
Partner	BMW Drilling Fund

IX. AGREEMENTS

GENERAL GUIDELINES:

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

For more information, see detailed Instruction Booklet at page 13.

DATE	PARTIES TO	TERMS OF AGREEMENT
None		

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. §701 et seq.). The Statements will be made available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (see 2 U.S.C. §706 and 18 U.S.C. §1001).

Signature	Date
[signature]	5/15/86

WHERE TO FILE:

RETURN COMPLETED STATEMENT (WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. An extension request must be in writing, and should state the reason the extension is necessary, and be directed to the Chairman of the Committee, Representative Julian C. Dixon.

25 ZIMMERMAN PRINTING SPECS. INC. 9-443 (1)

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ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

James C. Wright, Jr.
(Name)

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)	
II-A	Honoraria	
	1/14 RCA	$2,000
	1/14 National Association of Manufacturers	2,000
	1/25 Ernest Wittenberg Asso., Inc.	2,000
	2/4 Competitive Telecommunications Asso.	2,000
	2/7 Christian Science Monitor	85
	3/8 Independent Bankers Asso. of America	2,000
	3/23 Ackerley Airport Advertising Inc.	2,000
	3/21 National Parking Association	2,000
	3/22 AFSCME	2,000
	4/9 Asociacion de Industriales de P.R.	2,000
	4/22 Ernest Wittenberg Asso. Inc.	2,000
	4/23 National Ocean Industries Asso.	1,000
	5/1 Arthur Andersen & Co.	2,000
	5/2 Texas Christian University	2,000
	12/26 The Johns Hopkins University (contributed to First United Methodist Church)	1,000
III	Holdings	
	Mallightco (investment corporation)	E
	Grace Petroleum (investor)	C
	Southeastern Resources (investor)	E
	RMW Drilling Fund (partner)	C
	Western Company of North America (stock)	A
	Van Buren, Arkansas land (57 acres)	B
	Republic Bank of Ridgles (CD)	B
	Burning Springs Partnership (investor)	B
	Jewell Enterprises, Inc. (stock)	D
	Lodge of Granbury (investor)	B
	Central Texas Cable Television Co. (stock)	C
	Springhill Lake Investors Corp. (investor)	C

GPO : 1985 - 43-135

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UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1986

FORM A—For use by Members, officers, and employees

James C. Wright, Jr.
(Full Name)

H-204 Capitol Building
(Mailing Address)

Washington, D. C. 20515

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 12 State Texas

☐ Officer or Employee—Employing Office _____

☐ Check if amended Statement.

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15, 1987 must file a Financial Disclosure Statement on or before May 15, 1987.
- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $61,296, as of January 1, 1986, for a period in excess of 60 days in calendar year 1986 shall file a Financial Disclosure Statement on or before May 15, 1987, if he or she continues to be such an officer or employee on May 15, 1987, and receives compensation equal to or in excess of the annual rate of basic pay in effect for grade GS-16, $63,135, as of May 15, 1987.
- Any employee of a Member who has been designated as a principal assistant for purposes of the Ethics in Government Act of 1978 and who performs the duties of his or her position for a period in excess of 60 days in calendar year 1986 shall file a Financial Disclosure Statement on or before May 15, 1987, if he or she continues to be such an employee on May 15, 1987.

WHERE TO OBTAIN ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

REPORTING INSTRUCTIONS

NOTE: Please read instructions carefully. Sign this form where indicated. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. For some categories of disclosure, a filer may attach a computer (or other) printout listing assets, such as investments, transactions, sales, etc. Such information may be obtained from financial investment (or other) organizations. In cases where such "printouts" are used, the material should be attached with an appropriate notation in the response area provided. **Complete all parts. (If NONE, so indicate.) Please type or print.**

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1986 unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

I. SPOUSE AND DEPENDENT DISCLOSURE EXEMPTION

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in RARE CIRCUMSTANCES, WHERE ONE OR MORE FINANCIAL INTERESTS of a spouse or dependent child meets the three standards listed below, such interest need not be disclosed. Non-disclosure MUST be indicated by checking the space marked "YES". If all spousal and dependent children's financial interests are disclosed, "NO" should be checked in the space marked.

STANDARDS FOR EXEMPTION

(1) The item is the sole interest or responsibility of the spouse or dependent child, and the reporting individual has NO KNOWLEDGE of the item; and

(2) The item was not in any way, past or present, DERIVED FROM THE INCOME, ASSETS, OR ACTIVITIES of the reporting individual; and

(3) The reporting individual neither DERIVES, NOR EXPECTS TO DERIVE, any financial or economic benefit from the item.

NOTE: Only financial interests meeting the standards are exempted from disclosure; all other interests must be reported.

ARE YOU AWARE OF ANY INTERESTS IN PROPERTY OR LIABILITIES OF A SPOUSE OR DEPENDENT CHILD OR PROPERTY TRANSACTIONS BY A SPOUSE OR DEPENDENT CHILD WHICH YOU HAVE NOT REPORTED BECAUSE THEY MEET THE THREE STANDARDS FOR EXEMPTION? YES _____ NO _____ NA _____

For more information, see detailed Instruction Booklet at page 7.

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II. INC

GENE UIDELINES:

EARNED INCOME is represented by earnings from employment, or personal efforts; such income when it exceeds $100 from any one source must be disclosed at Part II-A, as to its SOURCE, TYPE, AND GROSS AMOUNT. In reporting honoraria, do not include amounts accepted for actual travel and subsistence expenses for yourself and your spouse, or aide, and amounts paid or incurred for any agent's fees or commissions; the DATE OF RECEIPT must be indicated. Earned income by Members is LIMITED to 30% of the Congressional salary they receive in a calendar year. THE 1986 LIMIT FOR MEMBERS IS $22,500. Earned income in excess of the limitation may be donated to any organization described in 26 U.S.C. 170(c). ANY honorarium, or other earned income, assigned to a charity (in whole or part) should be noted under "DISPOSITION". IF NONE, SO STATE.

EXCLUSIONS: Income from current U.S. Government employment need not be reported. Report the SOURCE, AND TYPE, but not the AMOUNT, of a spouse's earned income which exceeds $1,000. Income of a dependent child need not be reported.

For more information, see detailed Instruction Booklet at page 7.

A. SOURCE	TYPE	AMOUNT	DISPOSITION
Statement attached	Honoraria	$32,650.00	$9,000 - charity
Air Force	Retired pay	6,108.12	
Spouse income - Pacific Institute, Inc.			

UNEARNED INCOME includes, but is not limited to, earnings derived from assets or investments such as interest, rents and dividends. Unearned income must be disclosed at Part II-B when it exceeds $100 in value from any source during calendar year 1986. The unearned income of a spouse or dependent child must also be reported under this part. Filer may use a computer printout or similar listing, if so desired. Only the category of value of such income need be disclosed. Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

B. SOURCE	TYPE	CATEGORY
Statement attached		

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

GENERAL GUIDELINES:

ASSETS: Stocks and bonds, real estate, savings accounts, and any other investment or property held for the production of income, during calendar year 1986, including business interests, that had a fair market value exceeding $1,000 as of the end of the year, must be reported by category of value. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See Instruction Booklet at page 9 for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. Filer may use a computer printout or similar listing, if so desired. IF NONE, SO STATE.

TRUSTS: Except for assets held in a Qualified Blind Trust, described below, the holdings of and income derived from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. (See, Exclusions)

EXCLUSIONS: Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported UNLESS any part of the residence produces rental income. The cash value of a life insurance policy need not be reported. The reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from: (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "QUALIFIED BLIND TRUST," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT before it will be deemed a qualified blind trust under the Act. (Check the appropriate box below.)

DO YOU, YOUR SPOUSE OR DEPENDENT CHILD RECEIVE INCOME FROM OR HAVE A BENEFICIAL INTEREST IN A TRUST OR OTHER FINANCIAL ARRANGEMENT WHOSE HOLDINGS WERE NOT REPORTED BECAUSE THE TRUST IS A "QUALIFIED BLIND TRUST" OR OTHER EXCEPTED TRUST? YES ____ NO __X__ NA ____

For more information, see detailed Instruction Booklet at page 8.

IDENTITY	CATEGORY
Statement attached	

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IV. TRANSACTIONS

GENERAL GUIDELINES:

A brief description, the date, and category of value of any PURCHASE, SALE, OR EXCHANGE during calendar year 1986, which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities. The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is NOT related to any CAPITAL GAIN or LOSS on the transaction. INDICATE WHETHER THE PROPERTY WAS PURCHASED, SOLD, OR EXCHANGED. IF NONE, SO STATE.

EXCLUSIONS: Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

NOTE: A computer printout may be attached to this form if it contains the information requested.

For more information, see detailed Instruction Booklet at page 10.

BRIEF DESCRIPTION	DATE	CATEGORY
Sold - Central Texas Cable TV	9/30/86	D
Sold - BMW Drilling Fund	9/30/86	A

V. LIABILITIES

GENERAL GUIDELINES:

All personal obligations aggregating over $10,000 owed to one creditor AT ANY TIME during 1986, whether secured or not, and regardless of the repayment terms or interest rates, MUST be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. IF NONE, SO STATE.

EXCLUSIONS: Any mortgage secured by the PERSONAL RESIDENCE of the reporting individual or spouse (including a second residence or vacation home) that is NOT held for the PRODUCTION OF INCOME; any loan secured by a PERSONAL MOTOR VEHICLE, or household furniture or appliances, provided such loan does not exceed the purchase price of the item, and any liability owed to a relative.

For more information, see detailed Instruction Booklet at page 10.

IDENTITY	CATEGORY
Mallighren, Inc.	C
Springhill Lake Investors Corp.	B
Republic Bank of Mineral Wells, Texas	D
Congressional Federal Credit Union	B

VI. GIFTS

GENERAL GUIDELINES:

The term "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor. IF NONE, SO STATE.

EXCLUSIONS: Gifts from relatives, and gifts of personal hospitality of an individual, and political campaign contributions need not be reported. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold.

HOUSE RULE XLIII, clause 4, prohibits acceptance of gifts aggregating $100 or more in value from any source having a "direct interest in legislation" before the Congress, or from a foreign national. Thus, this disclosure requirement applies primarily to gifts from personal friends, constituents, and other individuals or groups that do not have a "direct interest in legislation".

For more information, see detailed Instruction Booklet at page 11.

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

9304351170 4

VII. REIMBURSEMENTS

GENERAL GUIDELINES:

PART VII, includes items such as travel expenses provided in connection with a SPEAKING ENGAGEMENT or FACT-FINDING EVENT related to official duties, whether those expenses were REIMBURSED to the individual or PAID DIRECTLY by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses aggregating $250 or more in value received from any source during calendar year 1986, is required rather than exact dollar figures. IF NONE, SO STATE.

EXCLUSIONS: Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds, need not be reported.

For more information, see detailed Instruction Booklet at page 12.

The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1986.

SOURCE	BRIEF DESCRIPTION
Outdoor Advertising Association of America	Food/lodging-Palm Springs, CA
Foster & Kleiser	Food/lodging-San Diego, CA

VIII. POSITIONS

GENERAL GUIDELINES:

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution. **IF NONE, SO STATE.**

EXCLUSIONS: Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

For more information, see detailed Instruction Booklet at page 13.

POSITION	NAME OF ORGANIZATION
Partner	BMW Drilling Fund

IX. AGREEMENTS

GENERAL GUIDELINES:

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer. **IF NONE, SO STATE.**

For more information, see detailed Instruction Booklet at page 13.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. §701 et seq.). The Statements will be made available to any requesting person upon written application and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions (see 2 U.S.C. §706 and 18 U.S.C. §1001).

Signature	Date
[signature]	5/15/87

WHERE TO FILE:

RETURN COMPLETED STATEMENT (WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. An extension request must be in writing, and should state the reason the extension is necessary, and be directed to the Chairman of the Committee, Representative Julian C. Dixon.

U.S. GOVERNMENT PRINTING OFFICE

9304351170 5

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

James C. Wright, Jr.
Name

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)		
II-A	Honoraria/writing fees		
	1/9 American Polygraph Association	$2,000	
	1/13 The Tobacco Institute	2,000	
	1/16 Gannett Outdoor Company	2,000	
	1/24 Senate Leadership Seminar	2,000	
	1/27 Greater Springfield Chamber of Commerce	2,000	
	2/3 New York Times	150	
	2/4 National Food Processors Association	2,000	
	2/24 GTE Service Corp.	1,000	
	2/27 Bell South, D.C. Inc. (contributed to Weatherford Library Fund)	1,000	
	3/3 National Association of Community Health Centers	500	
	3/14 I.P.A.C.E	2,000	
	3/16 National Cable Television Association	1,500	
	3/18 Federal National Mortgage Association	2,000	
	3/19 National Association for Home Care	2,000	
	3/22 American Vocational Association	500	
	4/7 Associated Milk Producers	2,000	
	6/5 Harris Corporation (contributed to First United Methodist Church)	2,000	
	7/3 Outdoor Advertising Association of America (contributed to Peace Links)	2,000	
	7/5 Foster & Kleiser (contributed to First United Methodist Church)	2,000	
	7/25 IACI-Legis. Education Committee (contributed to Loaves & Fishes, FW)	2,000	
II-B	Unearned Income		
	Grace Petroleum	Oil & gas revenue	A
	Southeastern Resources	Oil & gas revenue	E
	BMW Drilling Fund	Oil & gas revenue/sale	C
	Burning Springs Partnership	Oil & gas revenue	C
	Republic Bank of Ridgles	Interest	A
	Madison Publishing Company	Book royalties	E
	Connecticut Mutual/Liquid Acc't	Dividend	A
	Mallightco	Dividend	E
	Central Texas Cable TV	Stock sale	E
III	Holdings		
	Mallightco (investment corporation)		E
	Grace Petroleum (investor)		B
	Southeastern Resources (investor)		C
	BMW Drilling Fund (partner)		A
	Western Company of North America (stock)		A
	Van Buren, Arkansas land (52 acres)		B
	Republic Bank of Ridgles (CD)		B
	Burning Springs Partnership (investor)		B
	Lodge of Granbury (investor)		B
	Central Texas Cable Television Co. (stock)		D
	Springhill Lake Investors Corp. (investor)		E
	Jewell Enterprises, Inc. (stock)		A

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@CC#270

Federal Home Loan Bank Board

1700 G Street, N.W.
Washington, D.C. 20552

Federal Home Loan Bank System
Federal Home Loan Mortgage Corporation
Federal Savings and Loan Insurance Corporation

RECEIVED
FEDERAL ELECTION COMMISSION
88 AUG 30 PM 4:34

August 30, 1988

Janice Lacy
Federal Election Committee
999 E Street, N.W.
Washington, D.C. 20465

Re: MUR 2649 Vernon Savings & Loan, F.S.A.

Dear Ms. Lacy:

The FSLIC as Receiver for Vernon Savings and Loan, F.S.A. respectfully requests permission to file its response to the above referenced complaint out of time. Mechanical problems prevented filing the response on its due date.

The undersigned attorney called your office on the 29th to explain the delay and request additional time. He was advised to put the request in writing. An additional day to respond until August 31, 1988 is requested in order to allow final review and approval by the undersigned's supervising attorney who is out of the office today.

Sincerely,

Penny Cagle for CM

Charles McDonald
Trial Attorney
(202) 377-7469

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pem

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 6, 1988

Federal Savings and Loan
Insurance Corporation, as
Receiver for Vernon Savings
and Loan, F.S.A.
Attn: Charles B. McDonald
Trial Attorney
Office of General Counsel
Federal Home Loan Bank Board
1700 G Street, NW
Washington, D.C. 20552

RE: MUR 2649
Vernon Savings and Loan,
F.S.A.

Dear Mr. McDonald:

This is in response to your letter dated August 30, 1988, which we received on August 30, 1988, requesting a second time extension until August 31, 1988 to respond to the above referenced complaint. After considering the circumstances presented in your letter, this Office granted the requested extension. Accordingly, your response, was due by the close of business on August 31, 1988. To date, however, we have received no response from you. Please submit your response to this Office as soon as possible.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9304351 1708

GCC# 311

PERKINS COIE

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

RECEIVED
FEDERAL ELECTION COMMISSION
88 SEP -6 PM 4:37

September 6, 1988

Lawrence M. Noble, Esquire
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 2649 - Democratic Congressional Campaign Committee and Richard M. Bates, as Treasurer

Attn: Janice Lacy

Dear Mr. Noble:

The Democratic Congressional Campaign Committee ("DCCC") and Richard M. Bates, as Treasurer ("Respondents") hereby reply through counsel to the Commission's notification that a complaint has been filed against them by Citizens for Reagan ("Complainants").*/

This Complaint seeks to revive an issue which was addressed and resolved, on the public record, over a year ago. The facts of this matter were and remain simple. DCCC mistakenly did not identify the need for, or make timely reimbursement for, certain facilities used for Committee activities. When the error was discovered, it was corrected. Full disclosure to the public and the Commission was made. Complainant thus presents no basis for further action by the Commission.

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*/ This response addresses only the issues raised by Complainants in Count Three of their Complaint, the only portion of the Complaint in which allegations are made about Respondents.

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TELEX: 44-0277 PCSO UI • FACSIMILE (202) 253-2088
ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE

It should be noted that DCCC has for some years maintained procedures for reimbursing its use of facilities, other than individually owned facilities made available as a contribution in-kind subject to limit and full public disclosure. These procedures were regularly communicated, by both management and by counsel, to appropriate staff.

In this case, DCCC made use of facilities, a houseboat, which certain staff erroneously believed to be a "personal residence," and to be somehow subject to unlimited exemption under the Act. To this date, DCCC does not have knowledge about its precise ownership.

Nevertheless, when press reports suggested that some of the costs of the boat's use may have been referred for payment, by the boat captain, to a corporation (Vernon Savings & Loan), DCCC management acted promptly and publicly to remedy the problem. Because the actual ownership of the houseboat was not clear from the information available to DCCC, DCCC made full reimbursement to representatives of Vernon Savings and Loan. DCCC requested that the representatives arrange for reimbursement of the financial institution to the extent, if any, it had incurred costs in connection with the use of the boat, and for any reimbursement which may have been required of the actual owner or owners of the boat, if they were other than Vernon.

DCCC made full review of its records to confirm facts relating to its use of the houseboat placed on the public record in other legal proceedings. These facts have never been contested; nor does Complainant contest them. The public has had the benefit of full disclosure and complete remedial action.

In these circumstances, the Complaint should be dismissed, as it has been "mooted" by the intervening events of one year and its purpose is political and not remedial.

Very truly yours,

Robert F. Bauer
Counsel for Respondents

RFB:smb

93043511710

GCC# 312

PERKINS COIE

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

September 6, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
88 SEP -6 PM 4:37

Lawrence M. Noble, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 2649 - The Honorable Tony Coelho

Attn: Janice Lacy

Dear Mr. Noble:

Counsel to Congressman Tony Coelho files this response in connection with the Complaint filed by Citizens for Reagan and transmitted by the Commission by letter dated July 25, 1988. The response is being submitted this date under an extension requested by Congressman Coelho and granted by the General Counsel.

Congressman Coelho was Chairman of the Democratic Congressional Campaign Committee ("DCCC") over the period that the DCCC activities identified in the Complaint occurred. On the basis of information appearing in press reports and further developed in an independent DCCC staff review, the Congressman directed the immediate implementation of remedial action. This action, and related public disclosure over one year ago, is described in DCCC's response to the Complaint, filed this date, in which the Congressman also joins.

Very truly yours,

Robert F. Bauer
Counsel to
Congressman Tony Coelho

0212E

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TELEX: 44-0277 PCSO UI • FACSIMILE (202) 223-2088
ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE

GCC# 331

Federal Home Loan Bank Board

1700 G Street, N.W.
Washington, D.C. 20552

Federal Home Loan Bank System
Federal Home Loan Mortgage Corporation
Federal Savings and Loan Insurance Corporation

September 8, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
88 SEP -9 AM 9:02

Louis G. Lerner, Esq.
Associate General Counsel
Office of General Counsel
Federal Election Commission
999 "E" St. N.W.
Washington, D. C. 20465

RE: MUR 2649
FSLIC as Receiver for Vernon Savings & Loan Association, FSA

Dear Mr. Lerner:

This letter is in response to your letter of July 25, 1988 informing the Federal Savings and Loan Insurance Corporation ("FSLIC") of the opportunity to respond to a complaint filed by Citizens for Reagan with the Federal Election Commission ("FEC"), charging individuals, including Don Dixon, former owner of Vernon Savings and Loan Association ("Vernon") with violations of the Federal Elections Campaign Act of 1971. If assets of Vernon were wrongfully diverted to benefit certain political campaigns, and have not yet been returned, the FSLIC as receiver for Vernon is interested in seeking to recover those assets for the benefit of Vernon's creditors. To this end, we are happy to assist your office.

Nevertheless, the FSLIC as receiver of Vernon Savings and Loan Association, FSA is not an appropriate target of the FEC's enforcement powers. Our position is based on the absence of any charges against Vernon brought by Citizens for Reagan and on FSLIC's status as a federal agency and its fiduciary duty as a receiver for failed savings institutions. A brief description of FSLIC's statutory and regulatory framework will make this clear.

The Federal Home Loan Bank Board ("Bank Board") is an independent agency in the Executive Branch of the United States organized pursuant to the Federal Home Loan Bank Act, 12 U.S.C. § 1421 et seq. It operates and directs the FSLIC, a corporate governmental agency that is responsible, pursuant to Title IV of the National Housing Act, 12 U.S.C. § 1724 et seq., for insuring

2304351171 2

the accounts of all federal savings and loan associations and most state chartered savings and loan associations. 12 U.S.C. §§ 1437, 1725(a) and (c), and 1730(k)(1).

The Bank Board regulates and supervises all federally-insured savings and loan associations to ensure the safety and soundness of their operations for the protection of their depositors, creditors and the general public. See, e.g. 12 U.S.C. § 1464(a)(1) and 1725(c). FSLIC has been charged by Congress with responsibility to maintain the financial stability of the savings and loan industry throughout the United States and to protect the creditors and depositors of such institutions throughout the creation, maintenance and protection of the FSLIC insurance fund. 12 U.S.C. §§ 1724, 1726(b), 1729(f), 1730(m).

Congress has given the Bank Board broad discretion and exclusive authority to appoint "ex parte and without notice," the FSLIC as receiver to take over the affairs of a state chartered federally-insured savings and loan association such as Vernon Savings and loan, if, "in the opinion of the Board," the association is (1) insolvent or (2) has substantially dissipated its assets and earnings due to violation of law or unsafe and unsound practices, or (3) is in an unsafe or unsound condition to transact business. See 12 U.S.C. § 1464(d)(6)(A) and 12 U.S.C. §§ 1724(b) and 1729. The FSLIC has broad power to "operate such association," "to merge it with another association," "to proceed to liquidate its assets," or "to make such other disposition of the matter as it deems appropriate." 12 U.S.C. § 1729(b)(2).

In its separate corporate capacity as insurer of depositors' accounts FSLIC must make payment on each insured account at the failed association. 12 U.S.C. §§ 1728(a), 1729(b). When, as was the case with Vernon, FSLIC cannot find an acquirer for the failed thrift, it must either payout the insured deposits in cash or transfer the accounts to another institution along with sufficient cash or other consideration for the assumption of the insured deposit liabilities. FSLIC like any other creditor of the association must seek to recoup its insurance payments from the assets of the failed institution. 12 U.S.C. §§ 1739(b)(2). FSLIC Corporate thus becomes the single largest creditor of the receivership. The receiver, of course, has a fiduciary duty to

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maximize the recovery for all the creditors of the failed institution.

On and prior to March 20, 1987, Vernon Savings and Loan Association ("Old Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the FSLIC. On or about March 20, 1987, the Bank Board having found the institution insolvent, appointed the FSLIC as Receiver for Old Vernon. On that date, the FHLBB approved the organization of a new savings and loan, a federal mutual association, Vernon Savings and Loan Association, FSA ("Vernon FSA"), whereby Vernon, FSA purchased substantially all the assets and assumed certain alleged liabilities of Old Vernon from the receiver.

Because Vernon, FSA assumed nearly all of the assets and liabilities of Old Vernon, its financial position was also extremely precarious; it proved impossible for Vernon FSA to attain solvency. On November 19, 1987, the Bank Board declared Vernon, FSA insolvent and appointed the Federal Savings & Loan Insurance Corporation ("FSLIC") as the sole receiver of Vernon, FSA pursuant to 12 U.S.C. § 1464(d)(A). FSLIC insurance of accounts was provided for by transfer of accounts to a new institution. As receiver, FSLIC succeeded without further action to all of the powers, rights and privileges of Vernon, FSA. 12 U.S.C. § 1729(b); 12 C.F.R. § 547.7.

As indicated above, the FSLIC in both its corporate and receiver capacities is a government agency. It is therefore excluded from the FEC's enforcement authority. That enforcement authority, found at 2 U.S.C. § 437g., by its terms, applies only to "persons." See e.g., 2 U.S.C. § 437g.(a)(5)(A). The term persons is defined at 2 U.S.C. 431(11) so as to exclude "the Federal Government or any authority of the Federal Government." The FEC's enforcement authority therefore does not extend to Federal Government authorities such as FSLIC. See FEC v. Gus Savage For Congress, 606 F. Supp. 541, n.1 at 542 (N.D. Ill. 1985).

This exclusion is consistent with the purpose of the Federal Election Campaign Act of 1971, § 301 et seq., as amended, 12 U.S.C. § 431 et seq., (the "FECA") which the Supreme Court has described as promotion of "full disclosure of campaign-oriented spending to insure both the reality and the appearance of the purity and openness of the federal election process." Buckley Valeo, 424 U.S. 1, 78, 96 S. Ct. 612 (1975). Correspondingly, Congress saw the creation of an independent Federal Election

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Commission with primary civil and criminal prosecutorial powers" as helping "to ensure careful compliance with all provisions" of the act. S. Rep. No. 93-689, 93rd Cong. 2d Sess., reprinted in 1974 U.S. Code Cong. & Admin. News 5587, 5590.

Neither compliance with the FEC's statutes and regulations or promotion of the "purity and openness" of elections would be furthered by initiating enforcement actions against the FSLIC as receiver for Vernon. First, the FSLIC fully supports the laudable goals of FECA. Secondly, there is no possibility that the FSLIC will engage in any activity inconsistent with the FEC's statutes or regulations. Finally, penalties, like punitive damages, are generally imposed to punish the wrongdoer and to deter others from committing the same act. Scott v. McDonald, 165 U.S. 58, 86 (1896). Those policies would not be served by imposing penalties against a receiver of a failed financial institution.

In Professional Asset Management, Inc. v. Penn Square Bank, 566 F. Supp. 134, 137 (W.D. Okla. 1983), the court found that an award of punitive damages would not punish the bank but innocent depositors. The Court declined to hold the receiver, FDIC, liable for punitive damages. In Matter of GAC Corp., 681 F.2d 1295 (11th Cir. 1982), the court rejected the argument that punitive damages assessed against a bankrupt's estate would deter future wrongful conduct. The Court stated, ". . . wrongful conduct will not be deterred when the punitive damages are paid from the wrongdoer's estate rather than from his own pocket. We agree . . . that the effect of allowing a punitive damages claim would be to force innocent creditors to pay for the bankrupt's wrongdoing. Such a result would be inequitable . . ." Id. at 1301.

The same result would apply here if the FEC were to continue any enforcement action against the FSLIC as receiver of Vernon FSA. Innocent creditors, including the FSLIC insurance fund, which protects depositors and helps to insure the financial stability of the nation's trillion dollar thrift industry, would be harmed without any corresponding furtherance of the FEC's goals.

The FSLIC shares the FEC's concern about the violations of the FECA alleged in the complaint. However a careful reading of the complaint reveals that no complaint is raised against Vernon itself, instead the complaint is against Don Dixon, who as the controlling person of Vernon allegedly diverted Vernon assets to improper uses.

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Not only would these diversions constitute apparent violations of the FECA, they also would constitute fraud upon Vernon by the individuals whose responsibility it was to protect Vernon. However, the Democratic Congressional Campaign Committee has repaid $23,282.28 for use of the yacht and for a flight on one of Vernon's airplanes. The FSLIC as reciever is double checking it's records to make sure that no further obligation is owed by the Committee.

Sincerely.

Dorothy L. Nichols

Dorothy L. Nichols
Senior Associate General Counsel

cc: Janice Lacy
Charles B. McDonald

9304351171 6

FEDERAL ELECTION COMMISSION
88 SEP 15 AM 9:09

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

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR # 2649
DATE COMPLAINT RECEIVED
BY OGC 7/18/88
DATE OF NOTIFICATION TO
RESPONDENTS 7/25/88
STAFF MEMBER Janice Lacy

COMPLAINANT: Citizens for Reagan

RESPONDENTS: The Honorable James C. Wright, Jr.
The Honorable Tony Coelho
Democratic Congressional Campaign Committee
and Richard M. Bates as treasurer
William Carlos Moore
Donald R. Dixon
Vernon Savings and Loan Association

RELEVANT STATUTES: 2 U.S.C. § 434(b)(4)(A)
2 U.S.C. § 434(b)(8)
2 U.S.C. § 441a
2 U.S.C. § 441b(a)
2 U.S.C. § 441f
2 U.S.C. § 441i

INTERNAL REPORTS CHECKED: Disclosure Reports
MUR 2555
MUR 2544
Advisory Opinion 1984-56
Advisory Opinion 1978-59
Advisory Opinion 1975-77

FEDERAL AGENCIES CHECKED: None

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I. GENERATION OF MATTER

The Office of the General Counsel received a complaint on July 18, 1988 from Citizens for Reagan, a Virginia corporation. The complaint alleges that The Honorable James C. Wright, Jr., The Honorable Tony Coelho, the Democratic Congressional Campaign Committee ("the Committee"), William Carlos Moore, and Donald R. Dixon were in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"), by participating in the publication

and sale of Mr. Wright's book, "Reflections of a Private Man," and by holding political events aboard a yacht owned by Mr. Dixon which were financed by Vernon Savings and Loan Association F.S.A. ("Vernon Savings and Loan").

Respondents were notified of the complaint on July 25, 1988. On August 2, 1988, this Office received a request from counsel for Mr. Wright for an extension of time to respond to the complaint. The request stated that counsel would be in Texas for several days researching this matter and an extension would be needed in order to fully respond. In light of the circumstances, this Office granted a fifteen-day extension of time until August 26, 1988. On August 15, 1988, this Office received another request from the same counsel on behalf of Mr. Moore, requesting a similar extension of time. The request also explained that the extension is necessitated by Mr. Moore's responsibilities in responding to the Committee on Standards of Official Conduct of the House of Representatives. This Office granted a fifteen-day extension of time until August 26, 1988. We subsequently received responses from Mr. Wright and Mr. Moore on August 26, 1988.

On August 9, 1988, this Office received two more requests for extensions of time from counsel for Mr. Coelho and the Committee. Counsel explained that due to vacations scheduled prior to receipt of the notification, certain key individuals would not be available to assist in the preparation of either

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response. This Office granted a twenty-six day extension until September 6, 1988 to each respondent. On September 6, 1988, we received a response from each respondent.

Finally, this Office received a request for an extension of time from counsel at the Federal Savings and Loan Insurance Corporation*/ on August 8, 1988. Counsel explained that the additional time would allow his agency to make a more complete response to our inquiry. This Office granted a twenty-day extension until August 29, 1988. On August 29, 1988, counsel requested two additional days to respond, until August 31, 1988, to allow final review and approval by counsel's supervising attorney who was out of the office on the day the response was to be filed. We received a response from counsel on September 9, 1988.

In addition to the responses noted above, we received a response from Donald R. Dixon on August 12, 1988. After analyzing all responses, this Office will report to the Commission with appropriate recommendations.

9/14/88
Date

Lawrence M. Noble
General Counsel

Staff Person: Janice Lacy

*/ As a result of alleged corporate misconduct by Mr. Dixon and others, Vernon Savings and Loan was placed in receivership by the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, to whom we sent the complaint.

93043511719

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MJW MARJORIE W. EMMONS/JOSHUA MCFADDEN JM

DATE: SEPTEMBER 16, 1988

SUBJECT: MUR 2649
FIRST GENERAL COUNSEL'S REPORT
SIGNED SEPTEMBER 14, 1988

The above-captioned report was received in the Secretariat at 9:08 a.m. on Thursday, September 15, 1988 and circulated to the Commission on a 24-hour no-objection basis at 11:00 a.m. on Thursday, September 15, 1988.

There were no objections to the report.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
James C. Wright, Jr.	)	
William Carlos Moore	)	
Congressman Wright Appreciation Committee and Henry Kerry, as treasurer	)	**SENSITIVE**
Madison Systems Corporation d/b/a Madison Publishing Company	)	
S. Gene Payte	)	
Gene Wood	)	
Bernard Rapoport	)	
Democratic Republican Independent Voter Education PAC and Wallace Clements, as treasurer	)	MURS 2555/2649
Donald R. Dixon	)	
Vernon Savings and Loan Association	)	
Tony Coelho	)	
Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer	)	
Coelho for Congress Committee and Jeff Denno, as treasurer	)	

GENERAL COUNSEL'S REPORT

INTRODUCTION

On August 30, 1988, the Commission made reason to believe determinations in MUR 2555 involving, inter alia, Vernon Savings and Loan Association and Donald R. Dixon. The complaint in MUR 2649 cites these same respondents and raises certain issues similar to those being addressed in MUR 2555. (See discussion below at page 39.) The complaint in MUR 2649 also contains allegations concerning Congressman James C. Wright, Jr., which are unrelated to the issues in MUR 2555. For purposes of the present report, the allegations in the complaint in MUR 2649 are addressed in two separate sections: the first section discusses the allegations concerning Congressman Wright, and the second

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section discusses the remaining allegations. Appropriate recommendations are made in each section, and a recommendation is made that the appropriate portion of MUR 2649 be merged with MUR 2555.

I. GENERATION OF MATTER IN MUR 2649

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint against Congressman James C. Wright, Jr., William Carlos Moore, Congressman Tony Coelho, Donald R. Dixon, and the Democratic Congressional Campaign Committee, a qualified party related committee. In reviewing the complaint, this Office added Vernon Savings and Loan Association as an additional respondent.[1/] Notification of the complaint was mailed to these respondents on July 25, 1988.

The Complainant alleges that the publication and sale of Congressman Wright's book, Reflections of a Public Man, was actually a scheme by Congressman Wright and Mr. Moore to evade the contribution and honorarium provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, the Complainant alleges that: (1) Congressman Wright violated

1/ James Wright resigned his seat in the U.S. House of Representatives on June 30, 1989 and Tony Coelho resigned his seat on June 15, 1989. Additionally, during the period of the allegations raised by the complaint (Summer, 1986), Vernon Savings and Loan Association ("Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the Federal Savings and Loan Insurance Corporation ("FSLIC"). Since that time, the FSLIC has twice declared Vernon insolvent. On or about November 19, 1987, the Federal Home Loan Bank Board appointed the FSLIC as sole receiver for Vernon; accordingly, the complaint was sent to the FSLIC. However, because Vernon was the entity in existence at the time of the alleged violations, this Office has determined that Vernon should be named as the respondent, rather than the FSLIC.

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Section 441a of the Act by accepting excess campaign contributions in the guise of book proceeds; (2) Mr. Moore violated Section 441a by spending approximately $16,000 to publish the book in cooperation with Congressman Wright, which resulted in an excessive contribution to Congressman Wright; and (3) Congressman Wright used the sale of the book as a means to circumvent the honorarium limitations of Section 441i of the Act.

The complaint also contains allegations that other parties committed violations of the federal election laws. The Complainant alleges that Vernon Savings and Loan, a state chartered federally-insured bank, made contributions to Congressman Tony Coelho and the Democratic Congressional Campaign Committee (the "DCCC") in violation of Section 441b, which prohibits corporate contributions. In support of this allegation, the Complainant asserts that Congressman Coelho and the DCCC hosted eight political fundraising events in the summer of 1986 aboard the yacht "High Spirits" and charged the entire cost of these fundraisers, $25,184, to Vernon Savings and Loan. Alternatively, the Complainant questions whether payment of these fundraisers constituted excessive contributions by Mr. Dixon, who controlled Vernon at the time. These allegations are based upon several articles which appeared in newspapers and periodicals from June 29, 1987 to June 17, 1988.

On August 2, 1988, this Office received a request from Congressman Wright for an extension of time until August 26, 1988 to respond to the complaint. On August 8, 1988, this Office received a request from the FSLIC for an extension of time until

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August 29, 1988. On August 9, 1988, Congressman Coelho requested an extension until September 6, 1988; on the same day, this Office received a request from the DCCC for an extension until September 6, 1988. This Office granted all four requests for time extensions.

On August 12, 1988, Mr. Dixon submitted to this Office his response to the complaint. On August 15, 1988, this Office received a request from Mr. Moore for a time extension until August 26, 1988, which was granted. On August 26, 1988, Congressman Wright and Mr. Moore submitted their responses. On August 30, 1988, this Office received a second request from the FSLIC for another time extension until August 31, 1988, which also was granted. Congressman Coelho and the DCCC submitted their responses on September 6, 1988, and on September 9, 1988, the FSLIC submitted its response.

II. SUFFICIENCY OF COMPLAINT IN MUR 2649

Mr. Moore and Congressman Wright claimed in their responses that the complaint "contains groundless and wholly unfounded charges based upon speculation in the news media and is completely devoid of any evidentiary support." Attachments I(10) and I(33). This claim raises the issue of the sufficiency of the complaint upon which this matter is based.

On November 15, 1979, the Commission approved the recommendation of the General Counsel to continue to accept complaints based on newspaper articles pursuant to Agenda Document #79-299. As noted in that document, the legislative history of 2 U.S.C. § 437g(a)(1), particularly the debates in the

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House of Representatives, indicates that the requirements of signed, sworn and notarized complaints stemmed from a desire to deter false accusations by requiring that complainants identify themselves and their sources and that they face prosecution for false statements. (See, e.g., remarks of Representative Rostenkowski, 122 Cong. Rec. H2542 (daily ed., Mar. 30, 1976).) The Agenda Document provides that "[t]hese concerns are met without further requirements for external complaints based on newspaper articles." Agenda Document #79-299, page 3. The issue of possible inaccuracies is met by the requirement that news articles used as the basis for complaints be substantive in their statements of fact.

In summary, Agency Document #79-299 recommended that complaints based on newspaper articles be accepted:

> ...so long as a complaint...satisfied 2 U.S.C. § 437g(a)(1), by including a sworn statement that the complainant believes the facts to be true as alleged, and satisfies 11 C.F.R. § 111.2 [now § 111.4], in that the news article on which the complaint is based must be substantive in its facts....

The Complainant has cited to several newspaper articles which report particular activities and names of particular persons, and which are thus substantive. The Complainant also has stated, "The allegations contained in this [c]omplaint are based upon information, belief, reason and logic. They are derived from numerous articles by investigative reporters and editorials in national publications." Complaint at pages 10-11. Additionally, the complaint contains a signed, sworn and notarized statement that "based on information and belief, the facts set forth [in the

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complaint] are true and correct." Id. at page 3. Therefore, this Office concludes that the present complaint meets the Commission's criteria for a complaint based upon newspaper articles.

III. CONGRESSIONAL INVESTIGATION

On June 9, 1988, the House Committee on Standards of Official Conduct ("House Committee") voted to undertake an inquiry into allegations that Congressman Wright had violated the Code of Official Conduct of the U.S. House of Representatives or other law, rule, regulation, or standard of conduct. A Special Outside Counsel was charged with conducting an inquiry into these allegations. On February 21, 1989, the Special Outside Counsel issued a report analyzing the information obtained during his investigation and reaching certain conclusions ("Counsel's Report").

On April 13, 1989, the House Committee issued a "Statement of the Committee on Standards of Official Conduct in the Matter of Representative James C. Wright, Jr." ("Committee Statement") which included a "Statement of Alleged Violation," the latter being the charges filed following a preliminary inquiry. The House Committee found reason to believe that Congressman Wright had violated various House Rules, as well as 2 U.S.C. § 441i, in connection with the marketing and sale of his book, Reflections of a Public Man. The House Committee cited seven instances in which Congressman Wright received royalty income from the sales of books which was, in fact, honoraria for speeches. The factual findings from the House Committee's investigation of this issue have been incorporated into this Report.

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IV. FACTUAL AND LEGAL ANALYSIS

A. Publication and Sale of "Reflections of a Public Man"

1. Background

Complainant alleges that during the 1985-86 election cycle, while a candidate for Federal office,[2/] Congressman Wright received $54,642 in unreported excessive campaign contributions in connection with the sale and publication of a 117-page compilation of previously published articles and speeches authored by Congressman Wright and entitled Reflections of a Public Man. According to the complaint, this book was published by Madison Publishing Company ("Madison") of Ft. Worth, Texas, a company headed by William Carlos Moore, an advisor and a longstanding vendor to Congressman Wright's campaign committees. Complainant alleges that Congressman Wright's book was the only book ever published by Madison, was essentially unavailable in bookstores, and was never listed in Books in Print. Rather, Complainant claims that most of the 20,000 copies of the books were sold at political events by campaign workers.

Complainant further claims that under the publishing agreement with Mr. Moore, Congressman Wright received $3.25 for every copy of the $5.95 book which was sold. Complainant contends that this fifty-five percent royalty rate is far greater than the standard

2/ Congressman Wright filed his Statement of Candidacy with the Commission on August 7, 1985, designating the Congressman Wright Appreciation Committee (the "Wright Committee") as his principal campaign committee; the Wright Appreciation Fund is a joint fundraising committee authorized by the Wright campaign.

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royalty rate, being roughly three times the rate received by best-selling authors.[3/] Complainant also provides quotes which criticize the literary substance and legitimacy of the book.[4/]

Complainant further alleges that Congressman Wright's authorized campaign committees may have underwritten the cost of publishing the book. In support of this allegation, Complainant provides that in the year Mr. Moore published the book, Congressman Wright's committees paid Mr. Moore $68,864 in fees, more than a third of which was for "professional services."[5/] However, Complainant also claims that Mr. Moore is quoted as saying that he advanced $16,000 of his own money, including

3/ Complaint at Page 5, citing The Washington Post, June 6, 1988, at A6. Complainant claims that according to sources at the publishing company Simon & Schuster, the normal royalty rate is eight percent, and that royalties can go as high as forty percent, but only if the author pays for the publishing. See id., citing The New York Times, June 12, 1988, at 32.

4/ Complainant claims that the book's publisher referred to the book as "a two-bit book with very little fresh stuff." Complaint at Page 3, citing The New York Times, June 12, 1988, at 1. But see a review of the book which states that "it's actually not a bad book," and that "it's not inconceivable that the Speaker's work is indeed worth $54,600, or even more." Roll Call, June 5, 1988, at 5. This book is apparently Mr. Wright's fifth book. See Footnote 19, infra.

5/ Complainant provides that between 1976-87, Congressman Wright's campaign committees paid five different Moore-owned companies more than $650,000. Complaint at Page 4, citing The Washington Times, June 9, 1988 at F2. Congressman Wright and Mr. Moore responded that Congressman Wright's campaign committees have employed Mr. Moore and one of his companies, Madison Systems Corporation, for seven successive election cycles, and that Madison Systems Corporation has rendered a variety of services to Congressman Wright's campaign committees, including printing, media, computer, telephone banks, organization of a block captain program, polling, mailing and consulting services. See Attachments I(2) and I(26).

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$10,000 from a bank loan, to publish the book.[6/]

Complainant further charges that at least two bulk purchasers admitted that they bought the books to evade the contribution limitations of the Act. Complainant reports that one individual, S. Gene Payte, allegedly purchased $6,000 worth of the books, saying that he did so "to help Mr. Wright without violating Federal election laws" which permitted him to contribute no more than $1,000 to Congressman Wright's campaign.[7/] Complainant further reports that another bulk purchaser, Gene Wood, said that he bought $1,000 worth of the books "because he, too, wanted to go beyond that $1,000 contribution he had already made to Mr. Wright's campaign fund."[8/] Additionally, Complainant alleges that the Teamster's PAC bought 1,000 copies of the book on two separate occasions, paying $12,000 for 2,000 copies, with the first purchase being made two days after the PAC allegedly contributed the maximum legal amount of $10,000 to one of Congressman Wright's authorized campaign committees.

6/ Complaint at Page 5, citing The New York Times, June 12, 1988, at 32.

7/ Complaint at Page 6, citing The New York Times, June 12, 1988, at 1. Research conducted by this Office shows that Mr. Payte contributed $2,000 to the Wright Appreciation Fund during the 1985-86 election cycle, the period during which he allegedly made bulk purchases of Congressman Wright's book.

8/ Id. Dr. Wood apparently contributed $2,000 ($1,000 to the Congressman Wright Appreciation Committee, and $1,000 to the Wright Appreciation Fund) during the 1985-86 election cycle, the period during which this contributor allegedly made bulk purchases of Congressman Wright's book.

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In response to these allegations, Congressman Wright asserts that the income he received from sales of his book constitutes royalty income, not campaign contributions. Congressman Wright argues that there is nothing in the Act which prohibits a Federal candidate from writing a book and receiving royalty income, and that the purpose of the royalty payments received from sales of the book was not to influence his election, but rather to compensate him for the use of copyrighted material. Congressman Wright asserts that in late 1983, Mr. Moore suggested that Congressman Wright author a book. The purpose of the book, Congressman Wright maintains, was to present to the public the essence of his political and professional philosophy, with each topic being short enough to hold the reader's attention span and be self-contained. Reflections of a Public Man, the outgrowth of this idea, was published in 1984. Also during that year, Congressman Wright states, he entered into an arm's-length agreement with Madison Publishing Company, a company headed by Mr. Moore, for the publication and marketing of the book.[9/] In his response to the complaint, Congressman Wright submitted the

9/ The royalty agreement actually is signed by Congressman Wright as author, and by Mr. Moore on behalf of "Madison Systems Corporation d/b/a Madison Publishing Company" as publisher. It also should be noted that the publishing contract is dated December 12, 1984, which is claimed to be subsequent to the date the book was published. See The Washington Post, June 11, 1988.

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publishing agreement, which provides a royalty to Congressman Wright of $3.25 per book.[10/]

Congressman Wright argues that all aspects of the book's publication met the indicia of a royalty agreement, and that none came close to resembling a campaign contribution. Both Mr. Moore and Congressman Wright explain in their responses that Mr. Moore collected all sales receipts prior to any disbursements of royalty payments to Congressman Wright; that all sales receipts from the book were deposited in a separate bank account established specifically for that purpose; and that no other deposits were made into this account. Furthermore, Congressman Wright argues that he disclosed his receipt of such disbursements as royalty income on yearly Financial Disclosure Statements for 1985 and 1986 filed with the Clerk of the House, and paid income tax in those years on these receipts.[11/] Finally, Congressman

10/ See Attachment I(11-14). Congressman Wright reports that in addition to this arrangement, a Fort Worth newspaper publisher offered to publish the book and provide Congressman Wright with a royalty of $2.98 per book, an approximately fifty percent royalty rate. See Attachment I(3). The Special Outside Counsel, however, concluded that this is significantly different from the royalty rate at issue, because under this arrangement, Congressman Wright would have received fifty percent of the net proceeds, not of the gross proceeds. See Counsel's Report at 64, n.40.

11/ Congressman Wright also submitted these reports to the Commission. The income from sales of the book is described on the reports as "Unearned Income," received from "Madison Publishing Company" as "Book Royalties" in the amount of "$15,001 - $50,000." See Attachments I(16) and I(24).

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Wright claims that he made no contributions from his personal income to his campaign committees in 1985 and 1986, and that he did not use the funds from the book to defray his personal living expenses.[12/]

Regarding the dual role of Mr. Moore as both the publisher of Congressman Wright's book and a vendor to Congressman Wright's campaign committees, Mr. Moore claims that he did not intend to influence a Federal election by transmitting royalties to Congressman Wright; rather, his role was simply that of a publisher engaged in an arm's-length commercial transaction. Both Congressman Wright and Mr. Moore claim that the royalty agreement between them is separate, distinct and independent from the vendor-vendee relationship between Madison Systems Corporation and Congressman Wright's campaign committees. They support this argument by claiming that Congressman Wright's campaign committees played no role in the publication or marketing of the book: the committees paid no publication costs and purchased no books. Mr. Moore and Congressman Wright further maintain that all disbursements made to Madison Systems Corporation by Congressman Wright's campaign committees were made in compensation for duly-rendered services, that all services

12/ Reports filed by Congressman Wright's committees with the Commission confirm that Congressman Wright neither contributed nor loaned funds to any of his three campaign committees during the 1985-86 or 1987-88 election cycles.

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provided by Madison Systems Corporation were invoiced and billed to Congressman Wright's campaigns, and that all bills were paid. Moreover, they argue, the funds paid by Congressman Wright's campaign committee to compensate Mr. Moore for his services as a vendor were never deposited into the same account into which Mr. Moore deposited receipts from sales of the book.

2. **Legal Analysis**

The first step in analyzing whether the publication and sale of Congressman Wright's book resulted in violations of the Act is to determine when the sale of a book by a candidate for Federal office results in the making of contributions and expenditures within the meaning of the Act, and thereby triggers the application of the Act. 2 U.S.C. § 431(8)(A)(i) provides that the definition of "contribution" includes "any...deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." Similarly, the definition of "expenditure" includes "any purchase, payment, distribution...or anything of value, made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(9)(A)(i). Applying these definitions to candidate-related business ventures, the Commission has permitted candidates to sell noncampaign materials provided such materials and sales activities are entirely separate from the campaign. Advisory Opinion 1986-2.

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Furthermore, concerning the sale of books by a candidate for Federal office, the Commission has permitted a candidate to sell philosophical pamphlets which were previously written by the candidate and which reflected his ideas, without such sales resulting in contributions and expenditures within the meaning of the Act. Advisory Opinion 1978-72. In AO 1978-72, the Commission determined that the funds received by a candidate from the sale of a pamphlet containing the candidate's articles constituted earned business income, to be treated as personal funds of the candidate within the meaning of Commission Regulations, provided the price charged was reasonable and was the same price as that which would have been charged were the writer not a candidate. In permitting this activity, however, the Commission placed the following conditions on the candidate's selling activity:

> ...if either the advertising for your pamphlet or the pamphlet or articles themselves include solicitations for your campaign or any express advocacy of your election or the defeat of any clearly identified candidate, the money received is a reportable contribution and the expenses for the ads or pamphlet would be reportable expenditures under the Act.

Id. (Emphasis added.) Accordingly, the Commission concluded that candidates can engage in commercial activity, including the sale of pamphlets, which yields personal income to the candidate. However, this rule is subject to at least the condition that the commercial activity cannot include solicitations for the candidate's campaign or express advocacy.

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The Commission reiterated these rules in a later Advisory Opinion which again addressed the legality of a candidate's involvement in commercial activity. In Advisory Opinion 1986-2, the Commission determined that receipts from a candidate's door-to-door sale of dry beans and popcorn as a means of financing his campaign for Federal office were contributions and the costs of selling such products were expenditures, subject to the limitations and prohibitions of the Act. In this Advisory Opinion, the Commission stated that, although it had previously permitted candidates to participate in commercial activity without contributions and expenditures resulting, those instances did not involve the solicitation or acceptance of campaign contributions. Distinguishing factors in the Commission's determination to view this candidate's activity as campaign-related were the candidate's sale of products as part of his congressional campaign activity, and the candidate's use of these products to solicit campaign contributions.

Applying these rules to the facts before the Commission, the primary issue raised is whether the sale of Congressman Wright's book was a purely commercial activity, or whether the sale of the book was used to solicit contributions for Congressman Wright's campaign and consequently was campaign-related activity which triggered the application of the Act.[13/] It is the position of

13/ This Office is recommending that Madison Publishing Company be requested to supply to the Commission the book and the advertising for the book for purposes of examining whether these materials include any campaign-related solicitation or express advocacy.

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this Office that any express or implied message that proceeds from the sale of the book would be used to help Congressman Wright's campaign would constitute a campaign-related solicitation. If such solicitations were made, then, regardless of whether the money received ever reached Congressman Wright's campaign, the money received and the expenses incurred in selling Congressman Wright's book would be considered received and incurred for the purpose of influencing a Federal election, and would constitute reportable contributions and expenditures subject to the application of the Act.[14/]

A number of facts give rise to reason to believe that the purchase of the books may have been for the purpose of influencing an election. First, statements allegedly made by bulk purchasers of Congressman Wright's book provide evidence that such purchases were prompted by solicitations for Congressman Wright's campaign. Specifically, the complaint contains a news account which provides the following concerning two bulk purchasers of the book:

> One friend of Mr. Wright's here said he bought $6,000 worth of the paperbacks at $5.95 apiece. The friend, S. Gene Payte, a developer, said he did so to help Mr. Wright without violating Federal election laws.

14/ The Counsel's Report does not address this issue. Rather, the only issue raised which is related to Congressman Wright's campaign is whether Madison Publishing Company used campaign funds to publish the book.

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> Another friend, Gene Wood, said that-to 'help Jim,' he bought $1,000 worth of the books because he, too, wanted to go beyond the $1,000 contribution he had already made to Mr. Wright's campaign fund.

Complaint at Page 6, citing The New York Times, June 12, 1988, at Page 1. These bulk purchasers had already apparently contributed the maximum amounts permissible under the Act to Congressman Wright's campaign; yet, these statements appear to express an intent by the purchasers to contribute even more money to Congressman Wright's campaign. Most notably, Dr. Wood is cited as indicating that he purchased bulk amounts of Congressman Wright's book to "go beyond the $1,000 contribution he had already made to Mr. Wright's campaign fund," not for literary enjoyment or for distribution of the books to others.[15/]

As noted, if contributions were solicited in connection with the sale of the book, or if purchasers were led to believe that the proceeds of the book were helping Congressman Wright's campaign, then the sale would be campaign-related. Given this central issue, the statement by a contributor, who apparently had contributed the maximum amount permissible under the Act, that he bought bulk amounts of the book in order to "go beyond" the contribution he had already made to Congressman Wright's campaign, is evidence that the purchaser was told or led to

15/ Both Mr. Payte and Dr. Wood are cited in the Counsel's Report, where it is concluded that the bulk sales violated House Rules. See Counsel's Report at pages 85-86, and 90. The House Committee did not include these instances, however, in its Statement. Neither the Counsel's Report nor the Committee's Statement addresses the issue of whether campaign solicitations were made in connection with these bulk purchases.

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believe that bulk purchases of the book would result in contributions to Congressman Wright's campaign.

Second, there is a pattern of bulk purchases of Congressman Wright's book by contributors who had already given maximum contributions to his campaign. In addition to the two bulk purchasers discussed above, the Complainant alleges that another bulk purchaser, the Democratic Republican Independent Voter Education Committee, had already contributed the maximum amount permitted under law to Congressman Wright's campaign at the time it made a $12,200 bulk purchase of the book.[16/] Furthermore, the list of bulk purchasers released by Congressman Wright contains the name of at least one other contributor who had given $1,000 to Congressman Wright's campaign.[17/]

16/ The Democratic Republican Independent Voter Education Committee ("DRIVE-PAC") contributed $5,000 for the 1986 primary election and $5,000 for the 1986 general election on February 20, 1985 to the Wright Appreciation Fund, one of Congressman Wright's authorized committees. See February 1985 Monthly Report for DRIVE-PAC, Schedule B. The Counsel's Report also names DRIVE-PAC as a bulk purchaser. See Counsel's Report at 86-88. The House Committee has not cited this instance as a violation.

17/ Congressman Wright released to reporters the names of bulk purchasers of his book in June, 1988. See Wall Street Journal, June 15, 1988. This list was not supplied to the Commission by any parties to this Matter. However, this Office researched whether any of the persons on the list appearing in the article cited above contributed to Congressman Wright's campaign. This research revealed that the list of bulk purchasers includes at least one other contributor to Congressman Wright's campaign, Bernard Rapoport, an insurance executive, who contributed $1,000 in 1985. Additionally, the Counsel's Report noted that over 97 percent of the book sales were bulk purchases; the Report cites Mr. Rapoport as having bought 1,000 copies of Congressman Wright's book for $6,269. See Counsel's Report at 70 and 89.

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Finally, other facts place the book project close to Congressman Wright's campaign, again providing evidence that the book project was not entirely separate from Congressman Wright's campaign. The entity with exclusive rights to market the book, Madison Systems Corporation d/b/a Madison Publishing Company, is controlled by one of Congressman Wright's chief campaign vendors and advisors, Mr. Moore. The book apparently was sold to contributors to Congressman Wright's campaign and marketed at political events by campaign workers, instead of through the more traditional channels of bookstores and book clubs.[18/] Moreover, the book was not published by a publishing house actively engaged in the business of publishing books, even "vanity press" books; instead, the book was published by "Madison Systems Corporation d/b/a Madison Publishing Company," as the company's first and

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18/ The Counsel's Report contains evidence of unorthodox marketing methods. For example, in the publishing agreement for the book, Madison Publishing Company is given the sole and exclusive right to sell Congressman Wright's book. See Attachment I(11), at Paragraph 1. The Counsel's Report states, however, that Congressman Wright and some of his Congressional staff also helped market the book. See Counsel's Report at 69. Additionally, Mr. Moore marketed the book to only two bookstores. See id. at 67. Furthermore, Mr. Moore's company develops and maintains lists of Republican and Democratic voters, and sells these lists to political committees. See id. at 59. Mr. Moore marketed the book through phone banks using a list of Democrats who lived in Congressman Wright's Congressional district, and sent direct mail advertising for the book to a list of Democratic voters. See id. at 68.

only publishing product.[19] Finally, Congressman Wright received an unusually high royalty rate.[20]

These facts alone are not determinative that the sale of the book was actually campaign-related,[21] but the facts do indicate that the publication and marketing of the book were conducted under unusual circumstances involving Congressman Wright's contributors and one of his chief campaign contractors, persons close to Congressman Wright's campaign.

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19/ As of February, 1989, Madison Publishing Company had published only one book, Congressman Wright's book. See Counsel's Report at 60. Congressman Wright apparently has published several previous books with major publishing houses. The Library of Congress Card Catalogue shows that three books authored by Congressman Wright were published by Coward-McCann publishers of New York (1965-72); one book by Putnam of New York (1976); and one book (apparently a collection of essays by Congressman Wright and others), by Lippincott of Philadelphia (1970). See also Counsel's Report at 65-66. However, one expert publisher, Morton L. Janklow, testified that Reflections of a Public Man would not have been published by a standard publisher. See Counsel's Report at 63.

20/ Previous to Congressman Wright's arrangement with Mr. Moore, Congressman Wright never contracted to receive a royalty greater than 15 percent of a book's retail price. See Counsel's Report at 65. Mr. Janklow also testified before the House Committee that in 17 years he has never heard of a royalty higher than 15 percent, even for nationally known authors. See id.

21/ The Special Outside Counsel concluded that "since there is no evidence that the money Madison Publishing used to produce the book were campaign funds, we find no basis for concluding that campaign funds were used in violation of House Rules." Counsel's Report at 75.

In sum, the Commission has determined that candidates can engage in business ventures without triggering the application of the Act to such activity. The legality of such candidate-related ventures, however, hinges on the independence of such ventures from the candidate's campaign. The foregoing facts call into question whether the sale of Congressman Wright's book was conducted separately from Congressman Wright's campaign; specifically, the facts raise the issue of whether those marketing the book to bulk purchasers either made express or implied solicitations for Congressman Wright's campaign. The factors discussed above provide evidence that such solicitations may have been made in connection with the sale of Congressman Wright's book. Consequently, there is reason to believe that the sale of Congressman Wright's book is campaign-related.

The Advisory Opinions cited above provide guidance concerning the application of the Act to such campaign-related activity. As noted above, Advisory Opinion 1978-72 states the general rule that if campaign-related solicitations do occur, then "the money received is a reportable contribution and the expenses for the ads or pamphlet would be reportable expenditures under the Act." Likewise, Advisory Opinion 1986-2 provides that if selling activity is campaign-related, "all proceeds received and costs incurred...in selling the products...constitute reportable contributions and expenditures." The discussion below applies these rules to the various parties involved in the sale of Congressman Wright's book.

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a. **Madison Systems Corporation d/b/a Madison Publishing Company and William Carlos Moore**

i. **Failure to Forward Contributions**

2 U.S.C. § 432(b) requires every person who receives a contribution for an authorized political committee to forward such contribution to the treasurer of that committee within 10 days of receipt. Under the rules contained in the Advisory Opinions, any campaign-related proceeds from the book constituted contributions to Congressman Wright's campaign. Mr. Moore's response to the complaint states that he "collected all sales receipts prior to the disbursements of proceeds to Jim Wright." Attachment I(28). Accordingly, Madison, through Mr. Moore, collected the proceeds of the book. Such action appears to be in conformity with the publishing agreement between Congressman Wright and Madison, which provides that "all proceeds from the sales shall be initially paid to the Publisher." Attachment I(36) at Paragraph 5.

It appears that Madison failed to forward to the treasurer of the Wright Committee contributions for Congressman Wright's campaign that Madison received in the form of proceeds from the sale of Congressman Wright's book. Accordingly, this Office recommends that the Commission find reason to believe that Madison Systems Corporation d/b/a Madison Publishing Company and William Carlos Moore violated 2 U.S.C. § 432(b).

ii. **Corporate Contributions**

Pursuant to Advisory Opinion 1978-72, if the Wright book is campaign-related, then the expenses for the book would

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reportable expenditures under the Act. However, Madison, a corporation, apparently paid all of the publishing and marketing expenses of Congressman Wright's book, having allegedly advanced $16,000 to pay these expenses. The period of time during which this advance was made is unknown. Additionally, Madison paid Congressman Wright a 55 percent royalty rate; as discussed above, the typical royalty rate is 8 percent. This raises the issue of whether, in advancing such funds for a campaign-related book and in contracting for such a high royalty rate, Madison made a prohibited corporate in-kind contribution to the Wright campaign.

11 C.F.R. § 114.10 provides that a corporation may extend credit to a political committee provided that the credit is extended in the ordinary course of the corporation's business. Otherwise, such extension of credit by a corporation can be considered an advance which constitutes a corporate contribution prohibited by 2 U.S.C. § 441b(a). Because the publication of Congressman Wright's book allegedly is Madison's first and only book project, Madison has no past practice regarding the extension of credit for publication costs which can provide an indication of the ordinary course of Madison's business. Furthermore, $16,000 appears to be a relatively substantial amount of money to advance a committee for campaign-related materials. Additionally, it appears that the difference between the usual and ordinary royalty rate (8 percent) and the royalty rate Madison contracted with Congressman Wright (55 percent) represents a corporate contribution by Madison. This combination of the payment of $16,000 by Madison and the unusually high

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royalty rate appears to be outside the ordinary course of business and thus constitutes a prohibited corporate contribution. 2 U.S.C. § 441b(a) also prohibits any officer from consenting to any contribution by a corporation. Mr. Moore signed the publishing agreement for Madison. The agreement shows no title with his name; however, Mr. Moore's response to the complaint refers to "Carlos Moore and his corporation, Madison Systems Corporation" (Attachment I(26)). Additionally, the Corporations Division for the State of Texas has Mr. Moore on record as the President of Madison. Thus, it appears that Mr. Moore is an officer of Madison, and, as such, is subject to Section 441b(a). Accordingly, this Office recommends that the Commission find reason to believe that Madison Systems Corporation d/b/a Madison Publishing Company and William Carlos Moore violated 2 U.S.C. § 441b(a).

b. **Bulk Purchasers**

According to Advisory Opinion 1986-2, all proceeds from the sale of a campaign-related book are to be treated as contributions and are subject to the limitations of the Act. 2 U.S.C. § 441a(a) states that no person shall make contributions to any candidate and his authorized committee which, in the aggregate, exceed $1,000 for any election.

i. **S. Gene Payte, Gene Wood, and Bernard Rapoport**

S. Gene Payte contributed $2,000 to the Wright Appreciation Fund during the 1985-86 election cycle ($1,000 for the primary election; $1,000 for the general election). It appears that Mr. Payte bought $6,000 worth of Congressman

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Wright's books during this period, and stated that he did so "to help Mr. Wright without violating the Federal election laws." See page 16 supra. Thus, there is reason to believe that Mr. Payte made contributions to Congressman Wright's campaign in excess of $1,000 per election. Accordingly, based on the excess amount of contributions made and Mr. Payte's alleged statement, this Office recommends that the Commission find reason to believe that S. Gene Payte violated 2 U.S.C. § 441a(a).

Gene Wood allegedly bought $1,000 worth of Congressman Wright's books after already contributing $1,000 to the Wright Appreciation Fund and $1,000 to the Wright Appreciation Committee during the 1985-86 election cycle. He allegedly bought the books to "help Jim" in addition to his prior contributions to Congressman Wright's campaign. See page 17 Supra. Accordingly, Dr. Wood may have contributed in excess of $1,000 per election to Congressman Wright's campaign. Based on such excess contributions and the statement allegedly made by Dr. Wood, this Office recommends that the Commission find reason to believe that Gene Wood violated 2 U.S.C. § 441a(a).

Mr. Rapoport allegedly bought 1,000 copies of Congressman Wright's book for $6,269, having already contributed $1,000 to Congressman Wright's campaign during the 1985-86 election cycle. Accordingly, Mr. Rapoport appears to have contributed in excess of $1,000 for any election to Congressman Wright's campaign. Thus, this Office recommends that the Commission find reason to believe that Bernard Rapoport violated 2 U.S.C. § 441a(a).

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ii. **Democratic Republican Independent Voter Education Political Action Committee**

Finally, DRIVE-PAC, a multicandidate committee, contributed a total of $10,000 ($5,000 for the primary election and $5,000 for the general election) to the Wright Appreciation Fund during the 1985-86 election cycle. Additionally, DRIVE-PAC allegedly bought $12,200 worth of Congressman Wright's books during this period. 2 U.S.C. § 441a(a)(2) states that no multicandidate political committee shall make contributions to any candidate and his authorized political committee which in the aggregate exceed $5,000 per election. From these facts, it appears that DRIVE-PAC may have contributed in excess of its limitations to Congressman Wright's campaign. Thus, this Office recommends that the Commission find reason to believe that the Democratic Republican Independent Voter Education Political Action Committee and David Sweeney, as treasurer, violated 2 U.S.C. § 441a(a).

c. **The Congressman Wright Appreciation Committee**

i. **Failure to Report Contributions**

Pursuant to the above discussion, there is reason to believe that monies received from the sale of Congressman Wright's book were reportable contributions which should have been remitted directly to the Wright Committee. See Advisory Opinion 1978-72. 2 U.S.C. § 434(b) requires political committees to report all receipts within a reporting period. Additionally, Advisory Opinion 1975-15, which addressed the

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legality of a campaign committee's remittal of royalty payments to a candidate, concluded that the full amount of funds transmitted by a contributor to a committee (regardless of whether the contributor obtained any item) is reportable as a contribution. Finally, Advisory Opinion 1986-2 provides that the reporting of the contributions and expenditures related to the sale of products by a candidate is the responsibility of the candidate's campaign committee.

Under these rules, all of the proceeds Mr. Moore received for purchases of Congressman Wright's book appear to have constituted reportable contributions. Mr. Moore apparently transmitted 55 percent of the proceeds to Congressman Wright in the form of royalties, but remitted no proceeds to the Wright Committee. 2 U.S.C. § 432(e)(2) provides that a candidate who receives a contribution shall be considered, for purposes of the Act, as having received the contribution as an agent of the authorized committee of the candidate. As noted above, there is reason to believe that the proceeds from the book are contributions. If so, Congressman Wright received the apparent contributions represented by the book proceeds as an agent of the Wright Committee, which failed to report such contributions. Therefore, this Office recommends that the Commission find reason to believe that the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 434(b).

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ii. **Failure to Report Disbursements**

The Commission determined in another instance that royalty payments by a campaign committee to a candidate are reportable expenditures. See Advisory Opinion 1975-15. There, the campaign committee of George Wallace paid him royalties from proceeds received by the campaign for the sale of fundraising items featuring Mr. Wallace's likeness. The Commission concluded that "since both the royalty payment and the cost of procuring the items from the suppliers are necessary expenses incurred to provide an inducement for the making of a contribution, they will be regarded as expenditures....", and thus are reportable under the Act. Id. Additionally, all financial transactions of the campaign that are related to the sale of items to contributors are considered reportable expenditures. Id.

Under these rules, if the sale of the books generated contributions, the royalty payments to Congressman Wright from the sale of the book would be considered reportable expenditures.[22/] These sales proceeds were not remitted to the Wright Committee, but were paid directly to Congressman Wright. Even though the Wright Committee never received any proceeds from the book nor itself paid royalties to Congressman Wright, an agent of the committee - Congressman Wright - had knowledge that such royalty payments

22/ The Special Outside Counsel concluded that the income generated by the book was not "copyright royalties." See Counsel's Report at 53. The House Committee, however, decided that it would not adopt such an approach in this case. Rather,

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were being made from the proceeds of the book. Congressman Wright's knowledge that such payments were made can be attributed to the Wright Committee. Pursuant to the discussion above, it appears that the Wright Committee failed to report such royalty payments to Congressman Wright. Therefore, this Office recommends that the Commission include the Wright Committee's failure to report the royalty payments in its determination that there is reason to believe that the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 434(b).

iii. Corporate In-Kind Contributions

Congressman Wright signed the publishing agreement wherein Madison agreed to pay the publication costs of the book, which apparently totalled $16,000 (see Attachment I(12), at paragraph 5). The book was then published, so it appears that Madison paid such costs. Since the book appears to be campaign-related, these costs would ordinarily be considered campaign expenditures under the rules expressed in the Advisory Opinions. As discussed at Section (a)(ii) above, it appears that this

22/ (continued)
the House Committee determined that selected bulk sales of Congressman Wright's book "represented honoraria consideration in the form of a royalty. . . ." Committee Statement at 22. (Emphasis in original). "[T]he Committee believes that, notwithstanding that the congressman's income was nominally a royalty derived from the sale of books, because each "sale" was arranged as compensation for a speech, the result is that the income was, in fact, the honorarium for the speech." Committee Statement at 36. This Office has applied this approach in recommending a finding that Congressman Wright received royalties out of campaign contributions received as a result of sales of the book.

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expenditure, as well as the unusually high royalty rate contracted by Madison, are in-kind contributions to the Wright campaign; because Madison is a corporation and the $16,000 advance and high royalty rate are apparently outside Madison's ordinary course of business, the contribution appears to be a prohibited corporate contribution.

2 U.S.C. § 441b(a) prohibits any political committee from knowingly receiving a prohibited corporate contribution. At issue is whether the Wright Committee received this prohibited corporate contribution. Congressman Wright signed the publishing agreement with Madison and thus had reason to know that Madison would make the $16,000 expenditure; it appears that the expenditure was made, as the book was published, marketed and sold. Similarly, Madison gave an apparent contribution to Congressman Wright in the form of an unusually high royalty rate; Congressman Wright signed the contract wherein Madison agreed to give such a rate. As noted above regarding the receipt of contributions by a candidate, 2 U.S.C. § 432(e)(2) provides that any candidate who receives a contribution shall be considered to have received the contribution as an agent of the authorized committee of such candidate. Thus, it appears that Congressman Wright received prohibited contributions from Madison as an agent of the Wright Committee. Accordingly, this Office recommends that the Commission find reason to believe that the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 441b(a).

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iv. **Excessive Contributions**

Advisory Opinion 1986-2 states that "all proceeds from the [campaign-related] sale...are treated as contributions and are subject to the prohibitions and limitations of the Act." 2 U.S.C. § 441a(f) provides that no political committee shall knowingly accept any contribution in violation of the contribution limitations.

As explained above, it appears that Dr. Wood, Mr. Payte, Mr. Rappoport, and DRIVE-PAC made excessive contributions to the Wright Committee in violation of 2 U.S.C. § 441a(a). Because it is unclear to what extent the Wright Committee knew of these contributions, this Office makes no recommendation at this time regarding whether the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 441a(f). Should the investigation indicate the Wright Committee knew of these excessive contributions, we will make appropriate recommendations.

d. **James C. Wright, Jr.**

As discussed above, it appears that Congressman Wright may have accepted corporate contributions in the form of advance payment of expenses for the book and the unusually high royalty rate Congressman Wright received for his book. 2 U.S.C. § 441b prohibits any candidate from knowingly accepting any illegal corporate contribution. Thus, this Office recommends that the

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Commission find reason to believe that Congressman James C. Wright, Jr. violated 2 U.S.C. § 441b(a).

Congressman Wright apparently received a percentage of the book proceeds as royalty payments. As discussed above, such proceeds appear to have been contributions to Congressman Wright's campaign. 2 U.S.C. § 432(b) provides that every person who receives a contribution for an authorized political committee must forward the contribution to the treasurer no later than 10 days after receiving the contribution. See also 11 C.F.R. § 102.8. Congressman Wright did not remit any of the proceeds from the book he received to the Wright Committee. Thus, this Office recommends that the Commission find reason to believe that James C. Wright, Jr. violated 2 U.S.C. § 432(b).

B. **Excessive Honorariums**

1. **Background**

An additional issue raised by a slightly different set of circumstances set forth in the complaint is whether the royalties Congressman Wright received from the sale of Reflections of a Public Man constituted excessive honorariums.[23/] Complainant essentially alleges that in addition to generating campaign contributions, Congressman Wright used sales of the book to avoid the honorarium limits of the Act. Specifically, Complainant

23/ Both the Counsel's Report and the Committee Statement discuss this issue. The House Committee found one alleged violation of 2 U.S.C. § 441i in connection with Congressman Wright's honorarium for a speech before Southwest Texas State University. See Committee Statement at 37. See also Counsel's Report at 75-76.

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claims that one bulk purchaser of Congressman Wright's book, The New England Life Insurance Company ("New England Life"), paid $2,000 for copies of the book in lieu of paying Congressman Wright an honorarium, citing a statement by Gordon D. MacKay, an executive of New England Life, to this effect. See Complaint at page 8 (citing The Washington Post, June 16, 1988). Additionally, Complainant charges that Congressman Wright's book is not a true "book," but a "two-bit pamphlet" used by Congressman Wright to evade the honorarium provisions of the Act. Id. The Counsel's Report gives $1,000 as the figure for New England Life's purchase. 24/

Congressman Wright argues that the royalty income he received did not constitute excessive honorariums. Additionally, Congressman Wright argues that the charge that bulk purchases by New England Life were actually honorarium payments is groundless and without merit. Congressman Wright argues that he chose not to accept an honorarium for his appearance before New England Life, and claims that such a choice is commonplace. Moreover, Congressman Wright asserts that he had no specific knowledge of any book purchaser, including New England Life; rather,

24/ A $1,000 honorarium from New England Life would have put Congressman Wright over the limit of $25,500 established by House rules. Congressman Wright's 1985 disclosure report that he submitted to the Commission shows that Congressman Wright collected $26,085 in honorariums, $1,000 of which he contributed to charity, leaving a total of $25,085 collected for 1985. See Attachment I(19). Furthermore, the Counsel's Report notes that Congressman Wright had accepted near the maximum amount in honorarium during the first six months of each year from 1983 to 1986. See Counsel's Report at 70, n. 44.

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Congressman Wright claims, Mr. Moore was responsible for the marketing and sale of the book. Congressman Wright assertedly was paid periodically from a separate bank account in which all proceeds from the book were deposited, and never received payments directly from book purchasers. Furthermore, Mr. Moore confirms that he was responsible for delivering the books to purchasers. He claims that no suggestion was made to any buyers that they would be making an honorarium, and that the books were not purchased by New England Life either in addition to or in lieu of an honorarium.

Congressman Wright's House disclosure reports reflect this reasoning. Regarding the disclosure of the alleged honorarium payment by New England Life, Congressman Wright's Financial Disclosure Statement for 1985 does not list that company as a source of any honoraria received during 1985. The same report does disclose unearned income in the form of "Book royalties" from Madison Publishing Company in the category of $15,001 to $50,000. See Attachment I(16).

Finally, Congressman Wright argues that Complainant's charge that Congressman Wright's book was actually not a book is groundless, and that to consider it any other type of literary work "defies logic." Congressman Wright argues that the compilation of articles in book form does not subject such a book to the honorarium limitations, even where the contents have been previously presented to the public. See generally Attachment I(7-9).

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2. **Legal Analysis**

2 U.S.C. § 441i(a) provides that no elected officer shall accept any honorarium of more than $2,000 for any appearance, speech, or article. See also 11 C.F.R. § 110.12(a). Commission Regulations provide that for purposes of this rule, "article" means a writing other than a book, which has been or is intended to be published. 11 C.F.R. § 110.12(b)(4)(emphasis added).

Under the Regulations cited above, a book is not subject to the rules on honoraria. The Commission also has determined that generally royalties received from the sale of a book are not honoraria, and thus would not be subject to the honorarium limitation. See Advisory Opinion 1975-77. This rule was upheld in a later Advisory Opinion wherein the Commission determined that any royalty paid on the basis of the net proceeds from sales of a book would not be considered an honorarium under the Act and Commission regulations, and would not be limited. Advisory Opinion 1984-56. The Complainant alleges, however, that Congressman Wright's book is not really a true book, but a compilation of articles, and consequently should be subject to the honorarium limitation of the Act. But, the Commission has determined that even royalties received for the reprinting of an article in a book are treated as income from the publication of a book and are not subject to the honorarium limitations. See Advisory Opinion 1978-59.

Given these rules, it is the position of this Office that Congressman Wright's book was not subject to the honorarium

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limitations of the Act.[25/] Reflections of a Public Man appears to have been marketed and sold as a book. While it appears that the book contained material that had previously been presented to the public, the Commission has determined that such compilations in book form are not subject to the honorarium limitations of the Act. Therefore, Reflections of a Public Man may be classified as a book, even though it is a compilation of articles and speeches, and royalties received from the sales of Congressman Wright's book would not be subject to the honorarium limitations of 2 U.S.C. § 441i.

The foregoing facts, however, also raise the following issue related to Congressman Wright's appearance before New England Life: whether the bulk purchase of Congressman Wright's book by New England Life was, in fact, consideration for his appearance and, as such, resulted in the making of an honorarium by New England Life to Congressman Wright. The Regulations provide that "honorarium" means a payment of money or anything of value received by an officer or employee of the Federal government, if it is accepted as consideration for an appearance, speech, or article. 11 C.F.R. § 110.12(b). The Regulations further provide that "accepted" means "that there has been actual or constructive

25/ This position is consistent with the approach taken by the House Committee. As noted above at Footnote 22, the House Committee decided to investigate whether selected bulk sales of Congressman Wright's book represented honoraria consideration in the form of royalty payments. The House Committee did not adopt the conclusion of the Special Outside Counsel that the income generated from the book was not "copyright royalties." This Office agrees with the position of the House Committee.

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receipt of the honorarium and that the federal officeholder or employee exercises dominion or control over it and determines its subsequent use." 11 C.F.R. § 110.12(b)(5). Under this definition, proceeds from book sales qualify as honorariums if the purchase of books was accepted as consideration for an appearance by an officer of the Federal government.

Applying these rules to the facts before us, receipt of royalties from book sales qualifies as "anything of value," and thereby can result in honorariums. Although Congressman Wright claims that the books were not purchased in lieu of the payment of an honorarium, an executive from New England Life apparently claimed that the firm purchased books instead of paying Congressman Wright a cash honorarium for his appearance before the company.[26/] Such a statement raises the issue of whether the books were marketed to New England Life with the understanding that a bulk purchase by that company would constitute consideration for Congressman Wright's appearance. Such payments appear to have been ultimately received by Congressman Wright, as reported in his financial disclosure statement for 1985. From these facts, it appears that Congressman Wright may have accepted

26/ The Counsel's Report found that New England Life purchased $1,000 worth of books. Counsel's Report at 81. For purposes of this Report, this figure will be used.

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proceeds from bulk purchases of his book as an alternative to accepting an honorarium payment as consideration for a public appearance.[27/]

This transaction, however, involves only a $1,000 payment for the books. Even assuming that in this case the book proceeds were honoraria, the resulting honorarium payments to Mr. Wright based on his percentage of royalties would have been $550, an amount which is within the $2,000 limit of the Act. Accordingly, the acceptance by Congressman Wright of this honorarium appears to have not violated the Act.

The New England Life transaction was not, however, unique. Rather, it highlights a practice of selling bulk amounts of Congressman Wright's books to companies before which Congressman Wright made appearances, but from which he did not report honorariums. The House Committee found reason to believe that Congressman Wright violated 2 U.S.C. § 441i in connection with a speech given before Southwest Texas State University. In that instance Congressman Wright received a $3,000 check from the University. Later the University was sent 504 books after being informed that Congressman Wright had already reached his yearly limit for honorariums and would like to use the $3,000 to purchase books for the University. Congressman Wright endorsed the $3,000 check to Madison Publishing and received $1,650 in royalties. Because he initially accepted the entire $3,000, the

27/ The Counsel's Report notes that Congressman Wright knew the books were purchased in lieu of an honoriarium. See Counsel's Report at 81.

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House Committee found that Congressman Wright had accepted an honorarium in violation of Section 441i.[28/] In light of these facts and findings, this Office recommends that the Commission find reason to believe James C. Wright violated 2 U.S.C. § 441i.

C. **Fundraisers Aboard the Yacht "High Spirits"**

1. **Merger**

MUR 2649 involves two separate situations with two separate sets of respondents. The first situation involves whether the marketing and sale of Congressman Wright's book Reflections of a Public Man resulted in violations of the Act; the second situation involves whether fundraisers which allegedly were held aboard the yacht "High Spirits" and hosted by the DCCC and Congressman Coelho resulted in violations of the Act. Accordingly, MUR 2649 essentially involves two separate enforcement actions. As discussed below, the second situation is closely analogous to MUR 2555, which also names Vernon and Mr. Dixon as respondents and involves similar issues of fact and law. This Office recommends

28/ See Committee Statement at 5-6; Counsel's Report at 75-76. Additionally, the Counsel's Report cites a separate instance where Congressman Wright violated Section 441i. This involved an appearance by Congressman Wright before the Satellite Broadcasting and Communications Association, and the Association's subsequent purchase of 1,680 copies of the book for $10,000. The Counsel's Report concluded that Congressman Wright's receipt of $5,500 from this "sale" was an honorarium received in violation of Section 441i. See Counsel's Report at 81-82. The House Committee, however, did not list this instance as an alleged violation of Section 441i; the Committee Statement offers no explanation of why the Committee did not do so. The other instances cited in the Counsel's Report of bulk purchases by groups before which Congressman Wright made speeches involve royalty receipts of less than $2,000, the limit imposed by Section 441i, and thus do not represent violations of Section 441i.

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therefore, that the Commission continue to consider the issues pertaining to Congressman Wright in the context of MUR 2649, but merge the issues pertaining to the DCCC, Vernon, Mr. Dixon, and Congressman Coelho with MUR 2555.[29/]

2. **Background**

The remaining allegations in the complaint concern Vernon Savings and Loan ("Vernon"), a state chartered federally-insured bank. The Complainant alleges that Vernon made prohibited corporate contributions to Congressman Coelho and the DCCC by paying the costs of fundraisers which allegedly were hosted by Congressman Coelho and the DCCC, and which were held aboard Vernon's corporate yacht, "High Spirits."[30/] Specifically, Complainant alleges that, as Chairman of the DCCC, Congressman Coelho hosted eight fundraisers in the summer of 1986 aboard the "High Spirits," the entire cost of which, $25,184, was charged to Vernon. Complainant further claims that Mr. Dixon owned the yacht used by Mr. Coelho and the DCCC.[31/]

29/ The factual discussion in this Report combines the results of the investigation in MUR 2555 and an analysis of the allegations about Vernon, the DCCC, Congressman Coelho and Mr. Dixon presented in the complaint in MUR 2649.

30/ Complainant's allegations regarding the source of the contributions are inconsistent. Complainant initially alleges that the entire cost of the fundraisers was charged to Vernon (see Complaint at Page 9), but then later questions whether these costs were unlawful excessive contributions by Mr. Dixon (see Complaint at Page 12).

31/ Information obtained in connection with the investigation in MUR 2555 reveals that during most of the period in question, "Blanco Junction, Ltd.," owned the yacht. Regarding the legal relationship between Vernon and the yacht, the FSLIC provides that Vernon had a First Preferred Ship Mortgage on the yacht, and funded many of the "operational" expenses of the yacht through loans to the owners of the yacht.

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Complainant alleges that at some time subsequent to these fundraisers, Federal authorities considered initiating foreclosure proceedings against Vernon, and that Congressman Wright personally interceded on behalf of Mr. Dixon in an effort to delay these proceedings. Despite these efforts, Complainant claims, the FSLIC took control of Vernon and sued Mr. Dixon and others for racketeering and for allegedly defrauding the thrift of forty million dollars.

Complainant further claims that in 1987 the FSLIC made public the yacht's logs which contained the records of Vernon's payments for the costs of the fundraisers held in the summer of 1986. Complainant claims that it was only after these records were publicly revealed that the DCCC and Congressman Coelho's campaign committee reimbursed Vernon for their use of the yacht during the previous year.[32/]

3. **Legal Analysis**

a. **Democratic Congressional Campaign Committee**

The DCCC does not challenge the assertion that it hosted eight fundraisers aboard the "High Spirits;" rather, the DCCC addresses the circumstances under which it reimbursed Vernon

32/ Complainant's allegations regarding the recipient of these contributions are again inconsistent. First, Complainant alleges that "as Chairman of the Democratic Congressional Campaign Committee,...Coelho hosted eight political fundraising events...," implying that Congressman Coelho hosted these fundraisers in his capacity as Chairman of the DCCC, and not as a candidate on behalf of his campaign committee. However, Complainant then alleges that "Coelho's campaign committee and...[the] Democratic Congressional Campaign Committee reimbursed Vernon...for the extensive use of the yacht in the previous year." Complaint at Page 9 (emphasis added).

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for the costs of these fundraisers. See Attachment I(55-56). The DCCC asserts that its staff erroneously believed that the "houseboat"[33/] used for the fundraisers was a "personal residence," and was thereby "somehow subject to unlimited exemption under the Act."[34/] See Attachment I(56). The DCCC, however, fails to identify the person whose "personal residence" the yacht was purported to be and to state the basis of its belief.

The DCCC further claims that after learning through the press that the costs of the yacht's use were referred for payment to Vernon, it made full reimbursement to Vernon. Accordingly, the DCCC admits it mistakenly did not identify the need for, or make timely reimbursement for, certain facilities used for DCCC fundraising activities. It further claims, however, that when the error was discovered, it was corrected, and that full disclosure was made to the public and to the Commission. Finally, the DCCC asserts that, to this date, it does not have any knowledge about the boat's precise ownership. Therefore, the

33/ Although the DCCC refers to the "High Spirits" as a "houseboat," the vessel can more precisely be described as a "yacht," inasmuch as evidence submitted in connection with the investigation in MUR 2555 shows that vessel was acquired by Vernon for over one million dollars and housed a captain, crew and overnight guests.

34/ This statement apparently refers to the exemptions from contributions found in the Act for the use of property and the cost of food and beverages provided by volunteers on residential premises. See 2 U.S.C. § 431(8)(B)(ii). Note, however, that not all of these exemptions are "unlimited."

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DCCC contends, the complaint should be dismissed as it has been "mooted" by the intervening events of one year.

The August, 1987 Monthly Report filed by the DCCC is consistent with the DCCC's explanation. This report shows two Itemized Disbursements to Vernon dated July 2, 1987 in the following amounts:

Boat Charter	$17,205.28
Airfare	6,077.00
Total	$23,282.28

See Schedule B, Page 17, Line 19 (Attachment III(1)). The total amount reported by the DCCC, $23,282.28, comports with the amount the FSLIC reported as reimbursed from the DCCC to Vernon (see Attachment I(53)). This amount, however, does not comport with $25,184, the amount claimed by Complainant to be the total amount of the expenses for the fundraisers. Additionally, Complainant alleges that $25,184 represents the total cost of all eight fundraisers, not of fundraisers and "airfare."[35/]

It is unclear from these figures whether the DCCC actually made full reimbursement to Vernon for the total cost of all eight fundraisers. Specifically, it is unclear whether the term "Boat Charter" includes all of the various charges associated with holding a fundraiser aboard a yacht (i.e., the party cost of the yacht, crew gratuities, and food and beverage costs). This description is all the more confusing because, as explained below, the amount the DCCC reported as reimbursed to Vernon does

35/ Further recommendations may be forthcoming regarding the reimbursement of such "airfare."

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not equal the amount of the expenses as recorded by the yacht's captain in Vernon's billing sheets for the fundraisers.

This Office obtained these billing sheets in connection with the investigation conducted in MUR 2555. The yacht's captain, who recorded the expenses, explained that each billing sheet "does not include the basic charter rate; it is only an accounting of the expenses we incur here on the High Spirits." Attachment IV(1). The captain further explained that "not shown on these billing sheets is the cost of the boat which is $2,000 for a half a day or a party....Crew gratuity is not shown which is 15% of the Base Boat Charge." Attachment IV(2).

In reviewing these billing sheets, this Office found billings for eight parties, with each sheet reporting "Tony Coelho" as host. See Attachments IV(3-10). Even though the DCCC is not recorded as the host of these fundraisers, Congressman Coelho was then Chairman of the DCCC, and in its response to the complaint, the DCCC addresses the issue of the reimbursement of the eight fundraisers as though the DCCC, and not one of Congressman Coelho's campaign committees, had hosted the fundraisers. Thus, it is reasonable to assume for purposes of this analysis that these fundraisers are the same eight fundraisers which are the subject of the complaint. The costs of these fundraisers are broken down below in accordance with the

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captain's explanation of the charges for parties held aboard the yacht:

TOTAL COSTS OF FUNDRAISERS

Date of Party	Party Costs Incurred on Yacht	Basic Charter Rate	Crew Gratuity
9/06/86	$ 1,124.78	$ 2,000	$ 300
8/12/86	1,279.06	2,000	300
8/10/86	1,029.91	2,000	300
8/07/86	1,467.84	2,000	300
6/25/86	989.75	2,000	300
6/03/86	1,106.34	2,000	300
5/19/86	692.54	2,000	300
5/13/86	1,494.02	2,000	300
TOTAL	$ 9,184.24	$16,000	$2,400

Party Costs	$ 9,184.24	
Basic Charter Rate	16,000.00	
Crew Gratuity	2,400.00	
Total Costs of Fundraisers:		$27,584.24
DCCC Reimbursement:		($17,205.28)
Discrepancy between Vernon's recorded expenses and reimbursement by DCCC:		$10,378.96

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The following should be noted regarding these figures taken from the captain's billing sheets. First, these figures are identical to those shown on Vernon's records and invoices which were submitted to the Commission by the FSLIC in connection with the investigation in MUR 2555. See Attachment V. Second, there is a $10,379 discrepancy between Vernon's recorded expenses for the eight fundraisers and the DCCC reimbursement to Vernon for these same fundraisers; the FSLIC records show that the DCCC payment was for five, not eight, of the 1986 charters. See FSLIC Response to Subpoena in MUR 2555 at page 23. Third, the addition of the "Party Costs Incurred on the Yacht" ($9,184) and the "Basic Charter Rate" ($16,000) equals $25,184, the amount Complainant alleged was charged to Vernon. Although this $25,184 figure does not equal the total cost of fundraisers that this Office gleaned from the invoices,[36/] the figure is still $7,979 more than the DCCC's reimbursement to Vernon ($25,184 - $17,205). In any event, an analysis of these figures shows a discrepancy between the recorded expenses for the fundraisers as reported by the yacht's captain, and the amount the DCCC reimbursed to Vernon in payment for the fundraisers. It is not, therefore, clear whether or not the DCCC reimbursed Vernon for all eight parties even though the DCCC has implicity represented that it hosted all eight.

36/ The $25,184 figure reported in the complaint apparently does not include crew gratuities.

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Additionally, it is the position of this Office that under the circumstances, the yacht "High Spirits" does not appear to have qualified as a personal residence. The only evidence the DCCC provided which would indicate that the yacht was a personal residence is the DCCC's statement that its staff "erroneously believed" that the yacht was a personal residence. Even so, the DCCC fails to explain how it reached this wrong conclusion; it does not, for example, identify the source of such representations, nor identify the person whose residence the yacht was purportedly claimed to be. The FSLIC notes that during 1986, Vernon used or rented the yacht 13 days; Mr. Dixon used or rented the yacht 28 days; and "others" used or rented the yacht 13 days. See FSLIC Response to Subpoena in MUR 2555 at page 31. Moreover, evidence submitted in connection with MUR 2555 indicates that the yacht was available for charters, and that Vernon itself apparently even referred to usage of the yacht by the DCCC and others as "charters."[37/] This fact alone is inconsistent with the DCCC's conclusion that the yacht was a personal residence.

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37/ Information obtained in connection with the investigation in MUR 2555 indicates that an expense report submitted by the captain of the yacht to the former Assistant Vice President of Vernon noted that on "April 9, 1986 Mercedes Benz of North America chartered the Boat in Washington, D.C. This was paid in full by the Charterer and is not included in Vernon Savings and Loan's expenses." See MUR 2555 Report at Page 33; see also Attachment IV(2)(emphasis added). Regarding the general reference by Vernon of boat usage as "charters," see Attachment V(2).

Thus, it appears the DCCC's acceptance of the use of the yacht, and of paid expenses in connection with at least five and perhaps eight fundraisers which were not timely repaid, constituted acceptance of a corporate contribution inasmuch as the yacht was not a personal residence. Additionally, it can be noted that the FSLIC specifically shows "Dondi Financial Corporation" (the parent company of Vernon) as the entity which paid expenses for at least one event hosted by Tony Coelho on May 19, 1986. See Attachment V(3). Furthermore, despite the DCCC's claim that it made "full reimbursement," it cannot be concluded that such full reimbursement was made without further itemization by the DCCC of its reimbursement to Vernon. Therefore, this Office recommends that the Commission find reason to believe that the Democratic Congressional Campaign Committee and Richard Bates, as treasurer, violated 2 U.S.C. § 441b(a).

b. **Vernon Savings and Loan**

2 U.S.C. § 441b(a) prohibits corporations from making any contributions or expenditures in connection with Federal elections.[38/] The Complainant alleges that Vernon made available

38/ As stated in the MUR 2555 Report, Vernon does not fit squarely within the category of either a "national bank" or a "corporation organized by the authority of any law of Congress" for purposes of Section 441b. During the time period in question (Summer, 1986), Vernon was a federally-insured state chartered bank, owned in full by the Dondi Financial Corporation. Accordingly, because a state chartered bank is essentially the same type of entity as a state corporation, this analysis treats Vernon as a corporation.

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the yacht "High Spirits" to the DCCC for eight fundraisers in the summer of 1986, and paid for the entire cost of these fundraisers.

The FSLIC has responded to the complaint as receiver of Vernon. See Attachment I (49-54). The FSLIC argues that the allegations are raised not against Vernon itself, but against Mr. Dixon, "who as the controlling person of Vernon allegedly diverted Vernon assets to improper uses." Attachment I(52). For the most part, the FSLIC argues that, as a policy matter, it is not an appropriate target of the Commission's enforcement powers. It bases this position on not only the absence of any charges against Vernon brought by Complainant, but its status as a federal agency and its fiduciary duty to act as a receiver for failed savings institutions. On the other hand, the FSLIC indicates that it is interested in recovering any assets of Vernon which may have been wrongfully diverted to benefit political campaigns and which may not yet have been returned. Finally, the FSLIC reports that the DCCC reimbursed Vernon $23,282.28 for the use of the yacht and for a flight on one of Vernon's airplanes. See Attachment I(53).

The DCCC does not challenge the assertion that it hosted the eight fundraisers aboard the yacht. Rather, its response addresses the circumstances underlying its reimbursement of Vernon for the expenses Vernon covered in connection with these fundraisers. See discussion at pages 42-43 supra.

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From these facts, it appears that Vernon made prohibited "in-kind" contributions to the DCCC by providing the use of the yacht to the DCCC for eight fundraisers and by paying the expenses incurred in connection with such fundraisers, without timely and total reimbursement from the DCCC. See discussion at page 48 supra. Thus, this Office recommends that the Commission find reason to believe that Vernon Savings and Loan violated 2 U.S.C. § 441b(a).

As previously noted, Vernon Savings and Loan Association no longer exists as an independent entity. The Federal Home Loan Bank Board ("the Board"), having found Vernon Savings and Loan Association insolvent, appointed the FSLIC as receiver for Vernon Savings and Loan Association on March 20, 1987. On that date the Board also approved a new federally chartered institution named "Vernon Savings and Loan Association, FSA" ("Vernon, FSA"). Vernon, FSA purchased substantially all of the assets and assumed certain liabilities of old Vernon. However, on November 19, 1987, the Board declared Vernon, FSA insolvent, and appointed the FSLIC as the sole receiver of Vernon, FSA because of its precarious financial position.

Given this substantial change in circumstances, this Office recommends that the Commission take no further action against Vernon Savings and Loan Association. This Office supports this recommendation with the following considerations: Don Dixon, the driving force behind the alleged violations of the Act, is no longer at Vernon; the entity itself is not in a position to

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repeat the alleged violations; and any civil penalty levied against Vernon would only hurt the creditors of the bank, including depositors and the FSLIC insurance fund. However, as Vernon's bank records are necessary to the resolution of factual issues involving other potential respondents, this Office recommends that the Commission address questions to the FSLIC, as the receiver for Vernon Savings and Loan Association, FSA.

c. The Coelho for Congress Committee

Complainant alleges that in acting as chairman of the DCCC, Congressman Coelho accepted prohibited corporate contributions in the form of fundraisers paid for by Vernon. Complainant further alleges that Congressman Coelho's campaign committee joined the DCCC in eventually reimbursing Vernon for the cost of these fundraisers.

In his response to the complaint, Congressman Coelho answers these allegations in his capacity as Chairman of the DCCC, never addressing whether the Coelho for Congress Committee (the "Coelho Committee"), his principal campaign committee, ever took part in these fundraisers. See Attachment I(57). Rather, Congressman Coelho reports that he was Chairman of the DCCC for the period during which the activities in the complaint occurred, and that he directed the immediate implementation of remedial action and the related public disclosure of such action as described in the DCCC's response to the complaint. Beyond these comments, he joined in the DCCC's response to the allegations.

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Given the allegation that the Coelho Committee reimbursed Vernon for the use of the yacht, this Office researched the Coelho Committee's disclosure reports and found that the Coelho Committee paid Vernon $25,168.39 on July 2, 1987 for "reimbursement - boat, plane use."[39/] The Coelho Committee does not further itemize this amount to show any separate reimbursements for "boat" and plane use.

This Office assumes that the "boat" referred to in the report submitted by the Coelho Committee was the "High Spirits" inasmuch as the Commission has billing sheets from the captain of the "High Spirits" showing Congressman Coelho's name. Further, the FSLIC has reported to the Commission that Vernon, FSA received a check from Congressman Coelho for $25,168.39, which it itemized as follows:

$	217.00	Airfare
$	24,952.39	Rental expense on Yacht High Spirits

The FSLIC reports that Mr. Coelho indicated that the payment was for charters of the yacht on October 2, 1985, October 12, 1985 and November 11, 1985, although there is no record of his rental of the yacht on that date. See FSLIC Response to Subpoena in MUR 2555 at page 23.

39/ See 1987 Year-End Report, Schedule B (Attachment III(2)). It should be noted that despite the claim that Congressman Coelho's committee reimbursed Vernon for use of the yacht, Congressman Coelho failed to mention this $25,168 reimbursement in his response to the Commission. It should also be noted that the Coelho Committee reimbursed Vernon on the same day as the DCCC reimbursed Vernon (July 2, 1987).

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This Office is thus aware of a total of eleven charters on the High Spirits, eight in 1986 and three in 1985. This Office has initially assumed that the total expenses of the 1986 fundraisers were generated by the DCCC, because both the complaint and the response from the DCCC indicated that the 1986 fundraisers were hosted by Congressman Coelho on behalf of the DCCC, and because the response from Congressman Coelho gave no indication that the Coelho Committee hosted these (or any other) fundraisers. However, as noted above, the FSLIC records show that the DCCC payment was for five, not eight, of the 1986 charters. Id. Thus, the reporting of the Coelho Committee's reimbursement and the fact that the Coehlo Committee apparently held fundraisers aboard the "High Spirits" raises another possibility: Since the billing sheets analyzed at Section (a) above show only "Tony Coelho" as the host of each party and list no corresponding political committee, it is possible that a portion of the 1986 expenses shown on the sheets can be attributed to the Coelho Committee, not to the DCCC.[40/]

The interrogatories which this Office recommends that the Commission pose to both the DCCC and the Coelho Committee ask for the dates and expenses of each fundraiser each committee held aboard the High Spirits. Until the Commission obtains this

40/ Since the DCCC apparently accounted for five of the eight fundraisers, three fundraisers hosted by Congressman Coelho in 1986 are unaccounted for. Some billing sheets even show Congressman Coelho's name with others: "Tony Coelho for Marty Franks" (Attachment IV(3)) and "Mike Fraioli/Tony Coelho" (Attachment IV(6)).

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information, it can only be shown that fundraisers did indeed take place; Congressman Coelho - as either Chairman of the DCCC, or as a candidate connected with the Coelho Committee - hosted at least eight of these fundraisers; and the Coelho Committee reimbursed Vernon a total of $25,168.39 for use of the yacht and for airfare.

With regard to the 1985 fundraisers held by the Coelho Committee on the yacht, the pattern of apparent violations arising from fundraisers held in connection with Vernon makes it likely that the Coelho Committee's 1987 reimbursement to Vernon represented payment for the 1985 uses of the yacht and for expenses Vernon incurred in connection with such fundraisers. Accordingly, the Coelho Committee's acceptance of the use of the yacht, and of paid expenses in connection with any fundraisers held aboard the yacht, may constitute acceptance of a corporate contribution. Therefore, this Office recommends that the Commission find reason to believe that the Coelho for Congress Committee and Jeff Denno, as treasurer, violated 2 U.S.C. § 441b(a). This Office makes no recommendation regarding Congressman Coelho at this time because the facts are unclear as to whether he was personally involved in arranging for the charters aboard the "High Spirits." This Office will make appropriate recommendations when the investigation more clearly resolves his role.

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d. **Don Dixon**

The complainant makes only one specific allegation against Mr. Dixon: The $25,184 Vernon apparently spent in holding political events aboard the "High Spirits" may have constituted an excessive contribution by Mr. Dixon. Complainant does not make any further allegations nor describe Mr. Dixon's role in the alleged violation.

In response to the complaint, Mr. Dixon argues that it would be "redundant" for the Commission to begin an inquiry, inasmuch as Mr. Dixon is involved in both FSLIC litigation and a Department of Justice criminal investigation. This argument has no merit, however, inasmuch as the Commission has exclusive jurisdiction over civil enforcement of federal election laws. See 2 U.S.C. § 437g. Otherwise, Mr. Dixon does not confirm or deny the complainant's allegations. Rather, he states that in light of the fact that he is in the midst of a Chapter 11 reorganization bankruptcy proceeding, is party to major litigation involving the FSLIC, and is the object of an ongoing criminal investigation by the Department of Justice, he would not respond on a point-by-point basis to the allegations. See Attachment I(59-60).

As for the other respondents' mention of Mr. Dixon, Congressman Coelho joins in the DCCC response to the complaint; in that response, the DCCC claims that it believed the yacht was a "personal residence." It does not, however, state the name of

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the purported resident, or otherwise name Mr. Dixon in its response.

Despite this lack of information about Mr. Dixon's involvement in the fundraisers, the factual scenario in the complaint in MUR 2649 is strikingly similar to that in MUR 2555 in which Mr. Dixon apparently arranged for Vernon to pay for political fundraisers held aboard the "High Spirits" for the committee of a congressional candidate. The same facts are encountered again in the present Matter: the same yacht, the "High Spirits;" the same type of event, fundraisers hosted by political committees; and the same belief by the committee that the yacht was a personal residence. In light of these similarities, although the complaint and the responses to the complaint fail to name Mr. Dixon, it is reasonable to use facts obtained from the investigation in MUR 2555 to explain Mr. Dixon's role in the allegations presented in this complaint.

First, regarding Mr. Dixon's relationship to Vernon, information obtained in connection with MUR 2555 indicates that Mr. Dixon owned at least 70 percent of Dondi Financial Corporation, a company which in turn owned over 90 percent of Vernon. Concerning Mr. Dixon's degree of control over Vernon, lawyers for the FSLIC asserted that:

> Dixon was a controlling person of Vernon under [the Federal Home Loan Bank Board regulations] and exercised substantial control over the management and operation of Vernon. Although not technically an officer or director of Vernon, he was on Vernon's loan

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> committees [footnote omitted] and orchestrated much of the scheme by which the defendents looted Vernon.

Plaintiff's Memorandum of Law in Support of its Motions for Temporary Restraining Order and Preliminary Injunction, 7-8 (emphasis added). Furthermore, the FSLIC reports that witnesses have indicated all major decisions were made by Mr. Dixon, and that he was "quite probably" involved in causing Vernon to pay for fundraisers held aboard the High Spirits. See FSLIC Response to Subpoena in MUR 2555 at pages 28-29.

It is likely that the DCCC drew its erroneous conclusion that the costs of the fundraisers fell within the "personal residence" contribution exemption from the assertion of a personal representative of Mr. Dixon that the yacht was a personal residence of Mr. Dixon. See MUR 2555.[41/] In fact, the costs of these fundraisers appear to have been paid by Vernon, a corporation.

2 U.S.C. § 441f prohibits a person from permitting his name to be used to effect a contribution from another person. It appears from the facts above that Mr. Dixon may have used his name to effect a contribution from Vernon to the DCCC. Accordingly, this Office recommends that the Commission find reason to believe that Don Dixon violated 2 U.S.C. § 441f.

41/ Ernest Osuna, Mr. Dixon's personal assistant, directly told a candidate committee that the yacht was Mr. Dixon's personal property "with several other persons having minority ownership interests." MUR 2555 Report at page 34.

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Additionally, 2 U.S.C. § '41b(a) prohibits any officer or any director of any corporation to consent to any contribution or expenditure by the corporation which is prohibited by Section 441b(a). The purpose of Section 441b, according to legislative history, is to eliminate the perceived evils of corporate influence in politics by prohibiting corporate contributions. See generally S. 4563, 59th Cong., 1st Sess. (1906). From this purpose, it is clear that the imposition of individual liability on officers and directors was intended to deter individuals in corporate decision-making positions from consenting to such prohibited contributions. Accordingly, it is the position of this Office that where an individual has authority over the managerial decisions of the corporation, the individual can incur liability under the Act for consenting to impermissible corporate contributions, despite the individual's lack of status as a formal officer or director.[42/]

As noted above, the evidence submitted in connection with MUR 2555 describes Mr. Dixon as the driving force behind Vernon's

42/ This approach has been upheld in actions by the Securities and Exchange Commission involving Section 16(b) of the Securities and Exchange Commission Act. See, e.g., Merrill Lynch, Pierce, Fenner & Smith, Inc. v. Livingston, 566 F.2d 1119 (9th Cir. 1978). There, the court provided:

> To achieve the beneficial purposes of the statute, the court must look behind the title of the purchaser or seller to ascertain that person's real duties. Thus, a person who does not have the title of an officer, may, in fact, have a relationship to the company which gives him the very access to insider information that the statute was designed to reach.

566 F.2d 1122.

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policies, despite his lack of status as an officer or director of Vernon. Mr. Dixon also apparently was the driving force behind the illegal contributions made by Vernon. Accordingly, it is the position of this Office that although he was not a formal officer or director, it appears that Mr. Dixon consented to corporate expenditures made in connection with the fundraisers for Congressman Coelho and the DCCC. Therefore, this Office recommends that the Commission find reason to believe that Donald R. Dixon violated 2 U.S.C. § 441b(a).

e. **Reporting Violations**

Section 434(b) requires political committees to disclose all receipts received within a reporting period. Because of the inconsistencies regarding each committee's knowledge of the ownership of the yacht, as well as which committee actually used the yacht, this Office makes no recommendation at this time regarding any possible reporting violations. However, this Office may make recommendations at a later date, depending on the facts revealed by the proposed investigation in this Matter.

V. PROPOSED INVESTIGATION

A. MUR 2649

This Office initially proposes to depose Mr. Moore on behalf of Madison Publishing Company, to depose certain bulk purchasers to whom the book was marketed, and to ask questions of Congressman Wright, the Wright Committee and DRIVE-PAC, another bulk purchaser. The purpose of these depositions and questions

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is to obtain more information about the marketing of Congressman Wright's book, and whether the book was, in fact, campaign related. Additionally, this Office proposes to ask questions of Congressman Wright and New England Life to obtain information relating to whether the book was purchased in lieu of the making of honorarium payments. This Office is also recommending approval of a subpoena for a deposition of Congressman Wright to be served if the investigation warrants.

B. MUR 2555

This Office seeks to ask questions of the DCCC, the Coelho Committee, Vernon, and Mr. Dixon[43/] regarding the circumstances relating to the use of the yacht for fundraisers by the DCCC and the Coelho Committee, especially the specific dates each committee used the yacht and the expenses generated by such fundraisers.

VI. RECOMMENDATIONS

1. Find reason to believe that the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 434(b).

2. Find reason to believe that the Congressman Wright Appreciation Committee and Henry Kerry, as treasurer, violated 2 U.S.C. § 441b(a).

3. Find reason to believe that Madison Systems Corporation d/b/a Madison Publishing Company and William Carlos Moore violated 2 U.S.C. § 441b(a).

4. Find reason to believe that Madison Systems Corporation d/b/a Madison Publishing Company and William Carlos Moore violated 2 U.S.C. § 432(b).

43/ Mr. Dixon has asserted his fifth amendment privilege in his response to earlier interrogatories posed to him in this Matter.

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5. Find reason to believe S. Gene Payte violated 2 U.S.C. § 441a(a).

6. Find reason to believe Gene Wood violated 2 U.S.C. § 441a(a).

7. Find reason to believe Bernard Rapoport violated 2 U.S.C. § 441a(a).

8. Find reason to believe the Democratic Republican Independent Voter Education Political Action Committee and David Sweeney, as treasurer, violated 2 U.S.C. § 441a(a).

9. Find reason to believe that James C. Wright, Jr. violated 2 U.S.C. § 441b(a).

10. Find reason to believe James C. Wright, Jr. violated 2 U.S.C. § 432(b).

11. Find reason to believe James C. Wright, Jr. violated 2 U.S.C. § 441i.

12. Find reason to believe Vernon Savings & Loan Association violated 2 U.S.C. § 441b(a) and take no further action.

13. Find reason to believe that the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer, violated 2 U.S.C. § 441b(a).

14. Find reason to believe that the Coelho for Congress Committee and Jeff Denno, as treasurer, violated 2 U.S.C. § 441b(a).

15. Find reason to believe Donald R. Dixon violated 2 U.S.C. §§ 441b(a) and 441f.

16. Sever from MUR 2649 the issues pertaining to Vernon Savings & Loan Association; the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer; the Coelho for Congress Committee and Jeff Denno, as treasurer; and Donald R. Dixon; and merge that portion with MUR 2555.

17. Approve the attached interrogatories (8) and Factual and Legal Analyses (12).

18. Authorize the attached subpoenas to Madison Systems Corporation d/b/a Madison Publishing Company; William Carlos Moore; S. Gene Payte; Gene Wood; Bernard Rapoport; and James C. Wright, Jr.

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19. Approve the attached letters (13).

12/11/89
Date

Lawrence M. Noble
General Counsel

Attachments
1. Responses to Complaint
2. News Reports Regarding Congressman Wright's Book
3. Disclosure Reports
4. Vernon's Billing Sheets for Fundraisers
5. Selected FSLIC Submissions
6. Proposed Letters (13) and
   Factual and Legal Analyses (12)
7. Proposed Questions (8)
8. Subpoenas (6)

Staff Person: Janice Lacy

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES HARRIS
COMMISSION SECRETARY

DATE: DECEMBER 19, 1989

SUBJECT: MUR 2555/2649 - GENERAL COUNSEL'S REPORT DATED DECEMBER 11, 1989

The above-captioned document was circulated to the Commission on Thursday, December 14, 1989 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	XXXX
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	XXXX
Commissioner Thomas	XXXX

This matter will be placed on the meeting agenda for Tuesday, January 9, ~~1989~~ 1990 at 10:00 a.m.

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

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Wussenberg

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MURS 2555/2649
James C. Wright, Jr.	)	
William Carlos Moore	)	
Congressman Wright Appreciation Committee and Henry Kerry, as treasurer	)	
Madison Systems Corporation d/b/a Madison Publishing Company	)	
S. Gene Payte	)	
Gene Wood	)	
Bernard Rapoport	)	
Democratic Republican Independent Voter Education PAC and Wallace Clements, as treasurer	)	
Donald R. Dixon	)	
Vernon Savings and Loan Association	)	
Tony Coelho	)	
Democratic Congressional Campaign Committeee and Richard M. Bates, as treasurer	)	
Coelho for Congress Committee and Jeff Denno, as treasurer	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on January 11, 1990, do hereby certify that the Commission took the following actions with respect to MURS 2555 and 2649:

1. Failed in vote of 3-2 to pass a motion to approve recommendations 5, 6, 7, and 8 in the General Counsel's report dated December 11, 1989.

(continued)

Commissioners Aikens, Elliott, and Thomas voted affirmatively for the motion; Commissioners Josefiak and McGarry dissented; Commissioner McDonald was not present.

2. Decided by a vote of 4-1 to reject recommendations 1, 2, 3, 4, 9, and 10 in the General Counsel's report dated December 11, 1989.

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

3. Decided by a vote of 4-1 to find reason to believe James C. Wright, Jr. violated 2 U.S.C. § 441i.

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

(continued)

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4. Decided by a vote of 4-1 to

a) Find reason to believe Vernon Savings & Loan Association violated 2 U.S.C. § 441b(a) and take no further action.

b) Find reason to believe that the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer, violated 2 U.S.C. § 441b(a).

c) Find reason to believe that the Coelho for Congress Committee and Jeff Denno, as treasurer, violated 2 U.S.C. § 441b(a).

d) Find reason to believe Donald R. Dixon violated 2 U.S.C. §§ 441b(a) and 441f.

e) Sever from MUR 2649 the issues pertaining to Vernon Savings & Loan Association; the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer; the Coelho for Congress Committee and Jeff Denno, as treasurer; and Donald R. Dixon; and merge that portion with MUR 2555.

f) Direct the Office of General Counsel to draft appropriate letters, Interrogatories, Factual and Legal Analyses, and a subpoena to James C. Wright, Jr., pursuant to the actions noted above, and circulate them for approval on a tally vote basis.

(Continued)

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

Attest:

Jan 16 1990
Date

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

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RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 MAR -5 AM 11:02

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
James C. Wright, Jr.	)	MURS 2649/2555
Donald R. Dixon	)	
Vernon Savings and Loan Association	)	
Tony Coelho	)	
Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer	)	
Coelho for Congress Committee and Jeff Denno, as treasurer	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On January 11, 1990, the Commission considered the complaint in MUR 2649, and found reason to believe that James C. Wright, Jr., violated 2 U.S.C. § 441i, that Vernon Savings and Loan Association ("Vernon") violated 2 U.S.C. § 441b(a) and that Donald R. Dixon violated 2 U.S.C. §§ 441b(a) and 441f. The Commission determined to take no further action as to the violation by Vernon of 2 U.S.C. § 441b(a). The Commission also found reason to believe that the Democratic Congressional Committee ("DCCC") and Richard M. Bates, as treasurer, violated 2 U.S.C. § 441b(a) and that the Coelho for Congress Committee and Jeff Denno, as treasurer, violated 2 U.S.C. § 441b(a).

The Commission also voted to sever from MUR 2649 the issues pertaining to Vernon Savings and Loan Association; the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer; the Coelho for Congress Committee and Jeff Denno, as treasurer; and Donald R. Dixon, and merge that portion with MUR 2555. Finally the Commission voted to direct this Office to

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draft appropriate letters, Interrogatories, Factual and Legal Analyses, and a subpoena to James C. Wright, Jr., pursuant to the actions noted above, and to circulate such documents for approval on a tally vote basis.

Attached are the appropriate documents which are being circulated for Commission approval.

II. **RECOMMENDATIONS**

1. Approve the attached letters and Factual and Legal Analyses.
2. Approve the attached interrogatories and requests for documents.
3. Authorize the attached subpoena to James C. Wright, Jr.

3/5/90
Date

Lawrence M. Noble
General Counsel

Attachments

1. Proposed letters (6) and Factual and Legal Analyses (5)
2. Proposed interrogatories and requests for documents (6)
3. Subpoena (1)

Staff Person: Janice Lacy

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
James C. Wright, Jr.	)	
Donald R. Dixon	)	
Vernon Savings and Loan Association	)	MURS 2649/2555
Tony Coelho	)	
Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer	)	
Coelho for Congress Committee and Jeff Denno, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 7, 1990, the Commission decided by a vote of 6-0 to take the following actions in MURS 2649/2555:

1. Approve the letters and Factual and Legal Analyses, as recommended in the General Counsel's report dated March 5, 1990.

2. Approve the interrogatories and requests for documents, as recommended in the General Counsel's report dated March 5, 1990.

(continued)

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3. Authorize the subpoena to James C. Wright, Jr., as recommended in the General Counsel's report dated March 5, 1990.

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

Attest:

March 8, 1990
Date

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

Received in the Secretariat: Monday, March 5, 1990 11:02 a.m.
Circulated to the Commission: Monday, March 5, 1990 4:00 p.m.
Deadline for vote: Wednesday, March 7, 1990 4:00 p.m.

93043511791

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 14, 1990

R. Stan Mortenson
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W., Suite 500
Washington, D.C. 20037

RE: MUR 2649/2555
Donald R. Dixon

Dear Mr. Mortenson:

On July 25, 1988, the Federal Election Commission notified your client, Donald R. Dixon, 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 client at that time.

Upon further review of the allegations contained in the complaint, the Commission, on January 11, 1990, found that there is reason to believe Donald R. Dixon violated 2 U.S.C. §§ 441b(a) and 441f, provisions of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. Also on this date, the Commission determined to merge that portion of MUR 2649 that pertains to Mr. Dixon with MUR 2555. Accordingly, this Matter will now be referred to as MUR 2555.

Under the Act, you have an opportunity to demonstrate that no action should be taken against Mr. Dixon. 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 within 15 days of 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 Mr. Dixon, 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

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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 matter to be made public.

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

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Questions
Factual and Legal Analysis

2304999040

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2555
)
)
)

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Donald R. Dixon
2566 Monaco
Laguna Beach, CA 92651

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1, 1985 to the present.

The following interrogatories and requests for produciton of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND REQUEST FOR DOCUMENTS

1. State whether you represented that you owned the yacht "High Spirits" and/or had paid the costs associated with receptions and fundraisers held for the Democratic Congressional Campaign Committee ("DCCC"), Tony Coelho, and/or the Coelho for Congress Committee ("Coelho Committee") during 1985 and 1986 to any of the following:

   a. Congressman Tony Coelho;
   b. any member of the staff of the DCCC;
   c. any member of the staff of the Coelho Committee.

   If so, please identify the person to whom the representation was made and state the date, nature and content of each conversation.

2. To your knowledge, did anyone make any of the representations described in Question 2 above on your behalf? If so, please identify such person(s).

3. State whether you in fact personally paid the costs of receptions and/or fundraisers held aboard the "High Spirits" during 1985 and 1986 for the Democratic Congressional Campaign Committee ("DCCC") and/or the Coelho for Congress Committee ("Coelho Committee"). If you did make such expenditures, please state the date(s) and amount(s) of such expenditures.

4. Itemize all checks you personally have received from the DCCC, Congressman Tony Coelho, and the Coelho Committee since January 1, 1985.

5. Identify the purpose of the checks itemized in response to Question 4 and state with regard to each whether these checks were received in connection with fundraisers for Congressman Tony Coelho, the DCCC and/or the Coelho Committee held during 1985 and 1986. State whether you remitted any of these funds to Vernon Savings & Loan Association. Please provide copies of all such checks and related invoices, ledgers, deposit slips and bank statements.

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6. State whether Vernon Savings and Loan Association paid for rental fees and other fees and costs for the use of the yacht "High Spirits" in 1985 and 1986 on behalf of the DCCC, Tony Coelho or the Coelho Committee? If your answer is yes, please specify the dates upon which the yacht was used and for which of the above committees.

7. State whether Vernon Savings & Loan Association paid for food, beverage or miscellaneous expenses associated with fundraisers for the DCCC, Congressman Tony Coelho and/or the Coelho Committee during 1985 and 1986. If yes, please specify the dates of such fundraisers and the committee or candidate that was benefited by each.

8. Provide copies of all invoices sent by you or one of your agents to Congressman Tony Coelho, the DCCC, and/or the Coelho Committee and/or their agents in 1985 or 1986.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Donald R. Dixon **MUR:** 2649/2555

I. GENERATION OF MATTER IN MUR 2649

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint denoted MUR 2649 against Donald R. Dixon and others. Notification of the complaint was mailed to these respondents on July 25, 1988.

The Complainant alleges that Vernon Savings and Loan, a state chartered federally-insured bank,[1/] made contributions to Congressman Tony Coelho and the Democratic Congressional Campaign Committee (the "DCCC") in violation of 2 U.S.C. § 441b, which prohibits corporate contributions to federal committees. In support of this allegation, the Complainant asserts that Congressman Coelho and the DCCC hosted eight political fundraising events in the summer of 1986 aboard the yacht "High Spirits" and charged the entire cost of these fundraisers, $25,184, to Vernon Savings and Loan. Alternatively, the Complainant questions whether payment of these fundraisers constituted excessive contributions by Mr. Dixon, who controlled Vernon at the time. These allegations are based upon several articles which appeared in newspapers and periodicals from June 29, 1987 to June 17, 1988. On August 12, 1988, Mr. Dixon submitted his response to the Commission.

1/ During the period of the allegations raised by the complaint (Summer, 1986), Vernon Savings and Loan Association ("Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the Federal Savings and Loan Insurance Corporation ("FSLIC"). Since that time, the FSLIC has twice declared Vernon insolvent. On or about November 19, 1987, the Federal Home Loan Bank Board appointed the FSLIC as sole receiver for Vernon.

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II. ANALYSIS

A. Merger

MUR 2649 involves two separate situations with two separate sets of respondents. One situation involves whether fundraisers which allegedly were held aboard the yacht "High Spirits" and hosted by the DCCC and Congressman Coelho resulted in violations of the Act. That situation is closely analogous to MUR 2555, which also names Mr. Dixon as a respondent and involves similar issues of fact and law. Thus, the Commission merges these issues raised in the complaint in MUR 2649 pertaining to Mr. Dixon with MUR 2555.

B. Background

The Complainant alleges that Vernon Savings and Loan ("Vernon") made prohibited corporate contributions to Congressman Coelho and the DCCC by paying the costs of fundraisers which allegedly were hosted by Congressman Coelho and the DCCC, and which were held aboard Vernon's corporate yacht, "High Spirits."[2/] Specifically, Complainant alleges that as Chairman of the DCCC, Congressman Coelho hosted eight fundraisers in the summer of 1986 aboard the "High Spirits," the entire cost of which, $25,184, was charged to Vernon. Complainant further

2/ Complainant initially alleges that the entire cost of the fundraisers was charged to Vernon (see Complaint at Page 9), but then later questions whether these costs were unlawful excessive contributions by Mr. Dixon (see Complaint at Page 12).

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claims that Mr. Dixon owned the yacht used by Mr. Coelho and the DCCC.[3/]

Complainant claims that in 1987, after taking control of Vernon, the FSLIC made public the yacht's logs which contained the records of Vernon's payments for the costs of the fundraisers held in the summer of 1986. Complainant claims that it was only after these records were publicly revealed that the DCCC and Congressman Coelho's campaign committee reimbursed Vernon for their use of the yacht during the previous year.[4/]

C. Apparent Violations

The complainant makes one specific allegation against Mr. Dixon: The $25,184 Vernon apparently spent in holding political events aboard the "High Spirits" may have constituted an excessive contribution by Mr. Dixon. Complainant does not make any further allegations nor describe Mr. Dixon's role in the alleged violation.

In response to the comp'aint, Mr. Dixon argues that it would be "redundant" for the Commission to begin an inquiry, inasmuch

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3/ During most of the period in question, "Blanco Junction, Ltd.," owned the yacht. Regarding the legal relationship between Vernon and the yacht, Vernon had a First Preferred Ship Mortgage on the yacht, and funded many of the "operational" expenses of the yacht through loans to the owners of the yacht.

4/ Complainant first alleges that "as Chairman of the Democratic Congressional Campaign Committee,...Coelho hosted eight political fundraising events...," implying that Congressman Coelho hosted these fundraisers in his capacity as Chairman of the DCCC, and not as a candidate on behalf of his campaign committee. However, Complainant then alleges that "Coelho's campaign committee and...[the] Democratic Congressional Campaign Committee reimbursed Vernon...for the extensive use of the yacht in the previous year." Complaint at Page 9.

as Mr. Dixon is involved in both FSLIC litigation and a Department of Justice criminal investigation. This argument has no merit, however, inasmuch as the Commission has exclusive jurisdiction over civil enforcement of federal election laws. See 2 U.S.C. § 437g. Otherwise, Mr. Dixon does not confirm or deny the complainant's allegations. Rather, he states that in light of the fact that he is in the midst of a Chapter 11 reorganization bankruptcy proceeding, is party to major litigation involving the FSLIC, and is the object of an ongoing criminal investigation by the Department of Justice, he would not respond on a point-by-point basis to the allegations.

The factual scenario in the complaint in MUR 2649 is strikingly similar to that in MUR 2555 in which Mr. Dixon apparently arranged for Vernon to pay for political fundraisers held aboard the "High Spirits" for the committee of a congressional candidate. The same facts are encountered again in the present Matter: the same yacht, the "High Spirits;" the same type of event, fundraisers hosted by political committees; and the same belief by the committee that the yacht was a personal residence. In light of these similarities, it is reasonable to use facts obtained from the investigation in MUR 2555 to explain Mr. Dixon's role in the allegations presented in this complaint.

First, regarding Mr. Dixon's relationship to Vernon, information obtained in connection with MUR 2555 indicates that Mr. Dixon owned at least 70 percent of Dondi Financial Corporation, a company which in turn owned over 90 percent of

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Vernon. Concerning Mr. Dixon's degree of control over Vernon, it has been learned that Mr. Dixon exercised substantial control over Vernon, even though he was not technically an officer or director of Vernon. Furthermore, it has been indicated that all major decisions were made by Mr. Dixon, and that he was probably involved in causing Vernon to pay for fundraisers held aboard the High Spirits.

It is likely that the DCCC drew its erroneous conclusion that the costs of the fundraisers fell within the "personal residence" contribution exemption from an assertion of a personal representative of Mr. Dixon that the yacht was a personal residence of Mr. Dixon. See MUR 2555. In fact, the costs of these fundraisers appear to have been paid by Vernon, a corporation.

2 U.S.C. § 441f prohibits a person from permitting his name to be used to effect a contribution from another person. It appears from the facts above that Mr. Dixon may have used his name to effect a contribution from Vernon to the DCCC. Accordingly, there is reason to believe that Donald R. Dixon violated 2 U.S.C. § 441f.

Additionally, 2 U.S.C. § 441b(a), prohibits any officer or any director of any corporation to consent to any contribution or expenditure by the corporation which is prohibited by Section 441b(a). The purpose of Section 441b, according to legislative history, is to eliminate the perceived evils of

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corporate influence in politics by prohibiting corporate contributions. See generally S. 4563, 59th Cong., 1st Sess. (1906). From this purpose, it is clear that the imposition of individual liability on officers and directors was intended to deter individuals in corporate decision-making positions from consenting to such prohibited contributions. Accordingly, where an individual has authority over the managerial decisions of the corporation, the individual can incur liability under the Act for consenting to impermissible corporate contributions, despite the individual's lack of status as a formal officer or director.[5/]

As noted above, the evidence submitted in connection with MUR 2555 describes Mr. Dixon as the driving force behind Vernon's policies, despite his lack of status as an officer or director of Vernon. Mr. Dixon also apparently was the driving force behind the illegal contributions made by Vernon. Accordingly, although he was not a formal officer or director, it appears that Mr. Dixon consented to corporate expenditures made in connection with the fundraisers for Congressman Coelho and the DCCC.

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5/ This approach has been upheld in actions by the Securities and Exchange Commission involving Section 16(b) of the Securities and Exchange Commission Act. See, e.g., Merrill Lynch, Pierce, Fenner & Smith, Inc. v. Livingston, 566 F.2d 1119 (9th Cir. 1978). There, the court provided:

> To achieve the beneficial purposes of the statute, the court must look behind the title of the purchaser or seller to ascertain that person's real duties. Thus, a person who does not have the title of an officer, may, in fact, have a relationship to the company which gives him the very access to insider information that the statute was designed to reach.

566 F.2d 1122.

Therefore, there is reason to believe that Donald R. Dixon violated 2 U.S.C. § 441b(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 14, 1990

Jeff Denno, Treasurer
Coelho for Congress Committee
928 12th Street, #402
P.O. Box 943
Modesto, CA 95353

RE: MUR 2649/2555
Coelho for Congress
Committee and Jeff
Denno, as treasurer

Dear Mr. Denno:

On January 11, 1990, the Federal Election Commission found that there is reason to believe the Coelho for Congress Committee ("Committee") and you, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. Also, on this date the Commission determined to merge that portion of MUR 2649 that pertains to the Coelho for Congress Committee and Jeff Denno, as treasurer, with MUR 2555. Accordingly, this matter will now be referred to as MUR 2555.

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 along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

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

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or 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 Karen Powell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2555
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INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Jeff Denno, Treasurer
Coelho for Congress Committee
928 12th Street, #402
P.O. Box 943
Modesto, CA 95353

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and request for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

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The following interrogatories and request for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

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"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS

1. Provide the dates of all fundraising events hosted by the Coelho for Congress Committee (the "Committee") aboard the yacht "High Spirits." For each event,

   a. itemize all expenses associated with that event;

   b. identify the person(s) who initially paid such expenses, the dates of those payments, and the amount(s) paid by such person(s);

   c. specify the amount(s) the Committee reimbursed each person identified at (b) above, and specify the date such person was reimbursed; and

   d. specify the report(s) filed with the Commission in which the DCCC itemized each such reimbursement.

2. On July 2, 1987, the Committee paid Vernon Savings and Loan Association ("Vernon") $25,168.39 for "reimbursement - boat, plane use." See Committee's 1987 Year-End Report. Regarding this reimbursement, please provide the following:

   a. the identity of the "boat" to which the report refers;

   b. the portion of the $25,168.39 which can be attributed to "boat" use;

   c. the dates of each committee event or charter held aboard the "boat;"

   d. an itemization of the expenses associated with each event listed in (c) above;

   e. the identity of the person(s) who initially paid the expenses specified in (d) and the dates of such payments;

   f. the date(s) on which the Committee was first billed for such expenses; and

   g. the amount(s) the Committee reimbursed each person identified at (e) above, and the date(s) such person(s) were reimbursed.

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3. State whether, prior to reimbursement, the Committee reported the expenses specified at Questions (1) and (2) above as debts owed on reports filed with the Commission. If yes, identify such report(s).

4. The captain's logs for the yacht "High Spirits" shows a total of $27,584.24 in expenses for fundraisers hosted by Tony Coelho in 1986. Specify whether Congressman Coelho hosted any of these fundraisers on behalf of the Committee and give their dates.

5. Identify all Committee staff members who had contact with Donald R. Dixon or his staff, or with Vernon personnel, regarding the use of the yacht "High Spirits" for fundraising events or charters between January 1, 1985 and December 31, 1986.

6. Were representations made to the Committee concerning whether the yacht "High Spirits" was a personal residence? If yes, for each representation,

   a. identify each person who made such representations;

   b. describe the representation made by such person;

   c. identify the person whose personal residence the yacht was represented to be; and

   d. identify the person(s) at the Committee to whom such representations were made.

7. Explain in detail the efforts made by the Committee to ascertain the ownership of the "High Spirits." State what the Committee understood to be the relationship between the "High Spirits" and Vernon.

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REQUEST FOR DOCUMENTS

Provide all documents regarding the expenditures made by or on behalf of the Committee for events held on the "High Spirits" during 1985-86, and all correspondence regarding such events, including, but not limited to all letters, memoranda, telephone logs, bills, invoices, ledgers and cancelled checks.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Coelho for Congress Committee and Jeff Denno, as treasurer

MUR: 2649/2555

I. GENERATION OF MATTER IN MUR 2649

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint denoted MUR 2649 against Congressman Tony Coelho, and others. Notification of the complaint was [illegible] respondents on July 25, 1988.

The Complainant alleges that Vernon Savings and Loan, a state chartered federally-insured bank,[1/] made contributions to Congressman Tony Coelho and the Democratic Congressional Campaign Committee (the "DCCC") in violation of 2 U.S.C. § 441b, which prohibits corporate contributions. In support of this allegation, the Complainant asserts that Congressman Coelho and the DCCC hosted eight political fundraising events in the summer of 1986 aboard the yacht "High Spirits" and charged the entire cost of these fundraisers, $25,184, to Vernon Savings and Loan. Alternatively, the Complainant questions whether payment of these fundraisers constituted excessive contributions by Mr. Dixon, who controlled Vernon at the time. Complainant alleges that in acting as Chairman of the DCCC, Congressman Coelho accepted prohibited corporate contributions in the form of

1/ During the period of the allegations raised by the complaint (Summer, 1986), Vernon Savings and Loan Association ("Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the Federal Savings and Loan Insurance Corporation ("FSLIC"). Since that time, the FSLIC has twice declared Vernon insolvent. On or about November 19, 1987, the Federal Home Loan Bank Board appointed the FSLIC as sole receiver for Vernon.

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fundraisers paid for by Vernon. Complainant further alleges that Congressman Coelho's campaign committee joined the DCCC in eventually reimbursing Vernon for the cost of these fundraisers. These allegations are based upon several articles which appeared in newspapers and periodicals from June 29, 1987 to June 17, 1988. Congressman Coelho submitted his response to the complaint on September 6, 1988.

II. ANALYSIS

A. Merger

MUR 2649 involves two separate situations with two separate sets of respondents. The second situation involves whether fundraisers which allegedly were held aboard the yacht "High Spirits" and hosted by the DCCC and Congressman Coelho resulted in violations of the Act. That situation is closely analogous to MUR 2555 which involves similar issues of fact and law. Thus, the Commission merges those issues raised by the complaint in MUR 2649 pertaining to Vernon and Congressman Coelho with MUR 2555.

B. Background

The Complainant alleges that Vernon Savings and Loan ("Vernon") made prohibited corporate contributions to Congressman Coelho and the DCCC by paying the costs of fundraisers which allegedly were hosted by Congressman Coelho and the DCCC, and which were held aboard Vernon's corporate yacht, "High

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Spirits."[2/] Specifically, Complainant alleges that as Chairman of the DCCC, Congressman Coelho hosted eight fundraisers in the summer of 1986 aboard the "High Spirits," the entire cost of which, $25,184, was charged to Vernon. Complainant further claims that Mr. Dixon owned the yacht used by Mr. Coelho and the DCCC.[3/]

Complainant claims that in 1987 the FSLIC made public the yacht's logs which contained the records of Vernon's payments for the costs of the fundraisers held in the summer of 1986. Complainant claims that it was only after these records were publicly revealed that the DCCC and Congressman Coelho's campaign committee, Coelho for Congress, reimbursed Vernon for their use of the yacht during the previous year.[4/]

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2/ Complainant initially alleges that the entire cost of the fundraisers was charged to Vernon, but then later questions whether these costs were unlawful excessive contributions by Mr. Dixon.

3/ During most of the period in question, "Blanco Junction, Ltd.," owned the yacht. Regarding the legal relationship between Vernon and the yacht, Vernon had a First Preferred Ship Mortgage on the yacht, and funded many of the "operational" expenses of the yacht through loans to the owners of the yacht.

4/ Complainant first alleges that "as Chairman of the Democratic Congressional Campaign Committee,...Coelho hosted eight political fundraising events...," implying that Congressman Coelho hosted these fundraisers in his capacity as Chairman of the DCCC, and not as a candidate on behalf of his campaign committee. However, Complainant then alleges that "Coelho's campaign committee and...[the] Democratic Congressional Campaign Committee reimbursed Vernon...for the extensive use of the yacht in the previous year." Complaint at page 9.

C. **Apparent Violation**

In his response to the complaint, Congressman Coelho answers the allegations raised in the complaint in his capacity as Chairman of the DCCC, never addressing whether the Coelho for Congress Committee (the "Coelho Committee"), his principal campaign committee, ever took part in these fundraisers. Rather, Congressman Coelho reports that he was Chairman of the DCCC for the period during which the activities in the complaint occurred, and that he directed the immediate implementation of remedial action and the related public disclosure of such action as described in the DCCC's response to the complaint. Beyond these comments, he joined in the DCCC's response to the allegations.

Given the allegation that the Coelho Committee reimbursed Vernon for the use of the yacht, the Commission researched the Coelho Committee's disclosure reports and found that the Coelho Committee paid Vernon $25,168.39 on July 2, 1987 for "reimbursement - boat, plane use."[5/] The Coelho Committee does not further itemize this amount to show any separate reimbursements for "boat" and plane use. The Commission has assumed that the "boat" referred to in the report submitted by the Coelho Committee was the "High Spirits," inasmuch as the Commission has billing sheets from the captain of the "High Spirits" showing Congressman Coelho's name. Further, information obtained during the course of the investigation in MUR 2555

5/ See 1987 Year-End Report, Schedule B. It should be noted that the Coelho Committee reimbursed Vernon on the same day as the DCCC reimbursed Vernon (July 2, 1987).

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indicates that Vernon, FSA received a check from Congressman Coelho for $25,168.39, which was itemized as follows:

$	217.00	Airfare
$	24,952.39	Rental expense on Yacht High Spirits

Regarding this payment, Mr. Coelho has indicated that the payment was for charters of the yacht on October 2, 1985, October 12, 1985 and November 11, 1985, although there is no record of his rental of the yacht on that date.

Furthermore, the Commission has obtained billing sheets in connection with the investigation conducted in MUR 2555 which show Vernon's expenses arising from fundraisers hosted by "Tony Coelho." The yacht's captain, who recorded the expenses, explained that each billing sheet "does not include the basic charter rate; it is only an accounting of the expenses we incur here on the High Spirits." The captain further explained that "not shown on these billing sheets is the cost of the boat which is $2,000 for a half a day or a party....Crew gratuity is not shown which is 15% of the Base Boat Charge."

In reviewing these billing sheets, the Commission found billings for eight parties, with each sheet reporting "Tony Coelho" as host. Even though the DCCC is not recorded as the host of these fundraisers, Congressman Coelho was then Chairman of the DCCC, and in its response to the complaint, the DCCC addresses the issue of the reimbursement of the eight fundraisers as though the DCCC, and not one of Congressman Coelho's campaign committees, had hosted the fundraisers. The response from

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Congressman Coelho gave no indication that the Coelho Committee hosted these (or any other) fundraisers.

The costs of these fundraisers are broken down below in accordance with the captain's explanation of the charges for parties held aboard the yacht:

TOTAL COSTS OF FUNDRAISERS

Date of Party	Party Costs Incurred on Yacht	Basic Charter Rate	Crew Gratuity
9/06/86	$ 1,124.78	$ 2,000	$ 300
8/12/86	1,279.06	2,000	300
8/10/86	1,029.91	2,000	300
8/07/86	1,467.84	2,000	300
6/25/86	989.75	2,000	300
6/03/86	1,106.34	2,000	300
5/19/86	692.54	2,000	300
5/13/86	1,494.02	2,000	300
TOTAL	$ 9,184.24	$16,000	$2,400

Party Costs	$ 9,184.24	
Basic Charter Rate	16,000.00	
Crew Gratuity	2,400.00	
Total Costs of Fundraisers:		$27,584.24
DCCC Reimbursement:		($17,205.28)
Discrepancy between Vernon's recorded expenses and reimbursement by DCCC:		$10,378.96

The following should be noted regarding these figures taken from the captain's billing sheets. First, there is a $10,379

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discrepancy between Vernon's recorded expenses for the eight fundraisers and the DCCC reimbursement to Vernon for these same fundraisers. Second, the combination of the "Party Costs Incurred on the Yacht" ($9,184) and the "Basic Charter Rate" ($16,000) equals $25,184, the amount Complainant alleged was charged to Vernon. Although this $25,184 figure does not equal the total cost of fundraisers that the Commission gleaned from the invoices,[6/] the figure is still $7,979 more than the DCCC's reimbursement to Vernon ($25,184 - $17,205). Third, the Commission is aware of a total of eleven charters on the High Spirits, eight in 1986 and three in 1985.

It has initially been assumed that the total expenses of the 1986 fundraisers were generated by the DCCC, because both the complaint and the response from the DCCC indicate that the 1986 fundraisers were hosted by Congressman Coelho on behalf of the DCCC, and because the response from Congressman Coehlo gives no indication that the Coelho Committee hosted these fundraisers. However, it has also been reported to the Commission that the DCCC check represented payment for five, not eight, of the 1986 charters. Thus, the reporting of the Coelho Committee's reimbursement and the fact that the Coelho Committee apparently held fundraisers in 1985 aboard the "High Spirits" raises another possibility: Since the billing sheets analyzed above show only "Tony Coelho" as the host of each party and list no corresponding

6/ The $25,184 figure reported in the complaint apparently does not include crew gratuities.

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political committee, it is possible that a portion of the 1986 expenses shown on the sheets can be attributed to the Coelho Committee, not to the DCCC.[7/]

With regard to the 1985 fundraisers held by the Coelho Committee on the yacht, the pattern of apparent violations arising from fundraisers held in connection with Vernon makes it likely that the Coelho Committee's 1987 reimbursement to Vernon represented payment for the 1985 uses of the yacht and for expenses Vernon incurred in connection with such fundraisers. Accordingly, the Coelho Committee's acceptance of the use of the yacht, and of paid expenses in connection with any fundraisers held aboard the yacht, may constitute acceptance of a corporate contribution. Therefore, there is reason to believe that the Coelho for Congress Committee and Jeff Denno, as treasurer, violated 2 U.S.C. § 441b(a).

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7/ Since the DCCC apparently accounted for five of the eight fundraisers, three fundraisers hosted by Congressman Coehlo in 1986 are unaccounted for. Some billing sheets even show Congressman Coelho's name with others: "Tony Coelho for Marty Franks" and "Mike Fraioli/Tony Coelho".

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1990

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

RE: MUR 2649/2555
Democratic Congressional
Campaign Committee and
Richard M. Bates, as treasurer

Dear Mr. Bauer:

On July 25, 1988, the Federal Election Commission notified your clients, the Democratic Congressional Campaign Committee ("Committee") and Richard M. Bates, 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 denoted MUR 2649 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 January 11, 1990, found that there is reason to believe the Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Act. Also on this date, the Commission determined to merge that portion of MUR 2649 which pertains to the Committee with MUR 2555. Accordingly, this Matter will be known as MUR 2555. 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 Mr. Bates, 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 along with answers to the enclosed questions within 15 days of receipt of this letter. Where appropriate, statements should be submitted under oath.

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

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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 matter to be made public.

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

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Questions
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2555
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INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Democratic Congressional
Campaign Committee
and Richard M. Bates,
as treasurer
430 S. Capitol Street, S.E.
Second Floor
Washington, D.C. 20003

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and request for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1, 1985 to the present.

The following interrogatories and request for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS

1. Provide the dates of all fundraising events hosted by the Democratic Congressional Campaign Committee (the "DCCC") aboard the yacht "High Spirits" between January 1, 1985 and the present. For each event,

   a. itemize all [illegible] associated with that event;

   b. identify the person(s) who paid such expenses, the dates of those payments, and the amount(s) paid by such person(s); and

   c. specify the amount(s) the DCCC reimbursed each person identified at (b) above, and specify the date(s) on which each person was reimbursed.

   d. specify the reports filed with the Commission in which the DCCC itemized each such reimbursement.

2. On July 2, 1987, the DCCC paid Vernon Savings and Loan Association ("Vernon") $17,205.28 for "Boat charter." See DCCC's 1987 August Monthly Report. Please explain this expenditure by providing the following:

   a. the identity of the "boat" referred to in the report;

   b. the date of each charter of the boat by the DCCC paid for by the $17,205.28;

   c. the itemization of the expenses of each charter specified in answer to Question 2(b) above;

   d. the identity of the person(s) who initially paid these expenses and the dates of such payments;

   e. the dates on which the DCCC was first billed for the $17,205.28; and

   f. the amount(s) the DCCC reimbursed each person identified at (d) above, and specify the date(s) such person was reimbursed.

3. State whether prior to reimbursement the DCCC reported the costs specified at Questions (1) and (2) above as debts owed on reports filed with the Commission. If yes, identify such report(s).

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4. The captain's logs for the yacht "High Spirits" show a total of $27,584.24 in expenses for fundraisers hosted by Congressman Tony Coelho in 1986. The DCCC reimbursement to Vernon, however, as noted at Question 2, was $17,205.28. Please explain the $10,379 discrepancy between these two amounts. Was the DCCC ever billed for expenses related to charters of the High Spirits or other "boats" connected with Vernon Savings and Loan other than for the $17,205.28? If yes, please state the dates of such billing and provide an itemization of the expenses involved.

5. Identify all DCCC staff members who had contact with Donald Dixon or his staff, or with personnel of Vernon Savings and Loan, regarding the use of the yacht "High Spirits" for fundraising events or charters between January 1, 1985 and December 31, 1986.

6. Were representations made to the DCCC concerning whether the yacht "High Spirits" was a personal residence? If yes, for each representation,

   a. identify each person who made such representations;

   b. describe the representation made by such person;

   c. identify the person whose personal residence the yacht was represented to be; and

   d. identify the person(s) at the DCCC to whom such representations were made.

7. Explain in detail the efforts made by the DCCC to ascertain the ownership of the "High Spirits." State what the DCCC understood the relationship between the "High Spirits" and Vernon to be.

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REQUEST FOR DOCUMENTS

Provide all documents regarding the expenditures made by or on behalf of the DCCC for events held on the "High Spirits" during 1985 and 1986, and all correspondence regarding such events, including, but not limited to all letters, memoranda, telephone logs, bills, invoices, ledgers and cancelled checks.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Democratic Congressional Campaign Committee and Richard M. Bates, as treasurer

MUR: 2649/2555

I. GENERATION OF MATTER IN MUR 2649

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint denoted MUR 2649 against the Democratic Congressional Campaign Committee (the "DCCC"), a qualified party related committee, and others. Notification of the complaint was mailed to these respondents on July 25, 1988.

The Complainant alleges that Vernon Savings and Loan, a state chartered federally-insured bank,[1/] made contributions to Congressman Tony Coelho and the Democratic Congressional Campaign Committee in violation of 2 U.S.C. § 441b, which prohibits corporate contributions to federal committees. In support of this allegation, the Complainant asserts that Congressman Coelho and the DCCC hosted eight political fundraising events in the summer of 1986 aboard the yacht "High Spirits" and charged the entire cost of these fundraisers, $25,184, to Vernon Savings and Loan. Alternatively, the Complainant questions whether payment of these fundraisers constituted excessive contributions by Donald R. Dixon, who controlled Vernon at the time. These

1/ During the period of the allegations raised by the complaint (Summer, 1986), Vernon Savings and Loan Association ("Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the Federal Savings and Loan Insurance Corporation ("FSLIC"). Since that time, the FSLIC has twice declared Vernon insolvent. On or about November 19, 1987, the Federal Home Loan Bank Board appointed the FSLIC as sole receiver for Vernon.

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allegations are based upon several articles which appeared in newspapers and periodicals from June 29, 1987 to June 17, 1988.

On August 9, 1988, the Commission received a request from the DCCC for an extension of time to respond to the complaint, until September 6, 1988, which was granted. The DCCC submitted its response on September 6, 1988.

II. ANALYSIS

A. Merger

MUR 2649 involves two separate situations with two separate sets of respondents. One situation involves whether fundraisers which allegedly were held aboard the yacht "High Spirits" and hosted by the DCCC and Congressman Coelho resulted in violations of the Act. That situation is closely analogous to MUR 2555 which involves similar issues of fact and law. Thus, the Commission merges those issues raised by MUR 2649 pertaining to the DCCC with MUR 2555.

B. Background

The Complainant alleges that Vernon Savings and Loan ("Vernon") made prohibited corporate contributions to Congressman Coelho and the DCCC by paying the costs of fundraisers which allegedly were hosted by Congressman Coelho and the DCCC, and which were held aboard Vernon's corporate yacht, "High Spirits."[2/] Specifically, Complainant alleges that as Chairman of

2/ Complainant initially alleges that the entire cost of the fundraisers was charged to Vernon (see Complaint at Page 9), but then later questions whether these costs were unlawful excessive contributions by Mr. Dixon (see Complaint at Page 12).

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the DCCC, Congressman Coelho hosted eight fundraisers in the summer of 1986 aboard the "High Spirits," the entire cost of which, $25,184, was charged to Vernon. Complainant further claims that Mr. Dixon owned the yacht used by Mr. Coelho and the DCCC.[3/]

Complainant claims that in 1987 the FSLIC made public the yacht's logs which contained the records of Vernon's payments for the costs of the fundraisers held in the summer of 1986. Complainant claims that it was only after these records were publicly revealed that the DCCC and Congressman Coelho's campaign committee reimbursed Vernon for their use of the yacht during the previous year.[4/]

C. **Apparent Violation**

The DCCC in its response to the complaint does not challenge the assertion that it hosted eight fundraisers aboard the "High

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3/ During most of the period in question, "Blanco Junction, Ltd.," owned the yacht. Regarding the legal relationship between Vernon and the yacht, Vernon had a First Preferred Ship Mortgage on the yacht, and funded many of the "operational" expenses of the yacht through loans to the owners of the yacht.

4/ Complainant first alleges that "as Chairman of the Democratic Congressional Campaign Committee,...Coelho hosted eight political fundraising events...," implying that Congressman Coelho hosted these fundraisers in his capacity as Chairman of the DCCC, and not as a candidate on behalf of his campaign committee. However, Complainant then alleges that "Coelho's campaign committee and...[the] Democratic Congressional Campaign Committee reimbursed Vernon...for the extensive use of the yacht in the previous year." Complaint at Page 9.

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Spirits;" rather, the DCCC addresses the circumstances under which it reimbursed Vernon for the costs of these fundraisers. The DCCC asserts that its staff erroneously believed that the "houseboat"[5/] used for the fundraisers was a "personal residence," and was thereby "somehow subject to unlimited exemption under the Act."[6/] The DCCC, however, fails to identify the person whose "personal residence" the yacht was purported to be and to state the basis of its belief.

The DCCC further claims that after learning through the press that the costs of the yacht's use were referred for payment to Vernon, it made full reimbursement to Vernon. Accordingly, the DCCC admits it mistakenly did not identify the need for, or make timely reimbursement for, certain facilities used for DCCC fundraising activities. It further claims, however, that when the error was discovered, it was corrected, and that full disclosure was made to the public and to the Commission. Finally, the DCCC asserts that, to this date, it does not have any knowledge about the boat's precise ownership. Therefore, the

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5/ Although the DCCC refers to the "High Spirits" as a "houseboat," the vessel can more precisely be described as a "yacht," inasmuch as the vessel was acquired by Vernon for over one million dollars and housed a captain, crew and overnight guests.

6/ This statement apparently refers to the exemptions from contributions found in the Federal Election Campaign Act for the use of property and the cost of food and beverages provided by volunteers on residential premises. See 2 U.S.C. § 431(8)(B)(ii). Note, however, that not all of these exemptions are "unlimited."

DCCC contends, the complaint should be dismissed as it has been "mooted" by intervening events.

The August, 1987 Monthly Report filed by the DCCC is consistent with the DCCC's explanation. This report shows two Itemized Disbursements to Vernon dated July 2, 1987 in the following amounts:

Boat Charter	$17,205.28
Airfare	6,077.00
Total	$23,282.28

See Schedule B, Page 17, Line 19. The total amount reported by the DCCC, $23,282.28, comports with the amount of the FSLIC reported as reimbursed from the DCCC to Vernon. This amount, however, does not comport with $25,184, the amount claimed by Complainant to be the total amount of the expenses for the fundraisers. Additionally, Complainant alleges that $25,184 represents the total cost of the eight fundraisers, not of fundraisers and "airfare."

It is unclear from these figures whether the DCCC actually made full reimbursement to Vernon for the total cost of all eight fundraisers. Specifically, it is unclear whether the term "Boat Charter" includes all of the various charges associated with holding a fundraiser aboard a yacht (i.e., the party cost of the yacht, crew gratuities, and food and beverage costs). This description is all the more confusing because, as explained below, the amount the DCCC reported as reimbursed to Vernon does not equal the amount of the expenses as recorded by the yacht's captain in Vernon's billing sheets for the fundraisers.

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The yacht's captain, who recorded the expenses, explained that each billing sheet "does not include the basic charter rate; it is only an accounting of the expenses we incur here on the High Spirits." The captain further explained that "not shown on these billing sheets is the cost of the boat which is $2,000 for a half a day or a party....Crew gratuity is not shown which is 15% of the Base Boat Charge."

In reviewing these billing sheets, the Commission found billings for eight parties, with each sheet reporting "Tony Coelho" as host. Even though the DCCC is not recorded as the host of these fundraisers, Congressman Coelho was then Chairman of the DCCC, and in its response to the complaint, the DCCC addresses the issue of the reimbursement of the eight fundraisers as though the DCCC, and not one of Congressman Coelho's campaign committees, had hosted the fundraisers. Thus, it is reasonable to assume for purposes of this analysis that these fundraisers are the same eight fundraisers which are the subject of the complaint. The costs of these fundraisers are broken down below in accordance with the captain's explanation of the charges for parties held aboard the yacht:

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TOTAL COSTS OF FUNDRAISERS

Date of Party	Party Costs Incurred on Yacht	Basic Charter Rate	Crew Gratuity
9/06/86	$ 1,124.78	$ 2,000	$ 300
8/12/86	1,279.06	2,000	300
8/10/86	1,029.91	2,000	300
8/07/86	1,467.84	2,000	300
6/25/86	989.75	2,000	300
6/03/86	1,106.34	2,000	300
5/19/86	692.54	2,000	300
5/13/86	1,494.02	2,000	300
TOTAL	$ 9,184.24	$16,000	$2,400

Party Costs	$ 9,184.24	
Basic Charter Rate	16,000.00	
Crew Gratuity	2,400.00	
Total Costs of Fundraisers:		$27,584.24
DCCC Reimbursement:		($17,205.28)
Discrepancy between Vernon's recorded expenses and reimbursement by DCCC:		$10,378.96

The following should be noted regarding these figures taken from the captain's billing sheets. First, there is a $10,379 discrepancy between Vernon's recorded expenses for the eight fundraisers and the DCCC reimbursement to Vernon for these same fundraisers; it has been reported to the Commission that the DCCC check represented payment for five (not eight) charters. Second, the combination of the "Party Costs Incurred on the Yacht" ($9,184) and the "Basic Charter Rate" ($16,000) equals $25,184,

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the amount Complainant alleged was charged to Vernon. Although this $25,184 figure does not equal the total cost of fundraisers that the Commission gleaned from the invoices,[7/] the figure is still $7,979 more than the DCCC's reimbursement to Vernon ($25,184 -$17,205). In any event, an analysis of these figures shows a discrepancy between the recorded expenses for the fundraisers as reported by the yacht's captain, and the amount the DCCC reimbursed to Vernon in payment for the fundraisers. It is not, therefore, clear whether or not the DCCC reimbursed Vernon for all eight charters even though the DCCC has implicitly represented that it hosted all eight.

Additionally, under the circumstances, the yacht "High Spirits" does not appear to have qualified as a personal residence. The only evidence the DCCC provided which would indicate that the yacht was a personal residence is the DCCC's statement that its staff "erroneously believed" that the yacht was a personal residence. Even so, the DCCC fails to explain how it reached this wrong conclusion; it does not, for example, identify the source of such representations, nor identify the person whose residence the yacht was purportedly claimed to be. It was learned that during 1986, Vernon used or rented the yacht 13 days; Mr. Dixon used or rented the yacht 28 days; and "others" used or rented the yacht 13 days. The yacht was available for

7/ The $25,184 figure reported in the complaint apparently does not include crew gratuities.

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charters, and Vernon itself apparently even referred to usage of the yacht by the DCCC and others as "charters."[8/] This fact alone is inconsistent with the DCCC's conclusion that the yacht was a personal residence.

Thus, it appears the DCCC's acceptance of the use of the yacht, and of paid expenses in connection with at least five and perhaps eight fundraisers which were not timely repaid, constituted acceptance of a corporate contribution inasmuch as the yacht was not a personal residence. Additionally, it can be noted that "Dondi Financial Corporation" (the parent company of Vernon) is shown on one summary of expenses as the entity which paid expenses for at least one event hosted by Tony Coelho on May 19, 1986. Furthermore, despite the DCCC's claim that it made "full reimbursement," it cannot be concluded that such full reimbursement was made without further itemization by the DCCC of its reimbursement to Vernon. Therefore, there is reason to believe that the Democratic Congressional Campaign Committee and Richard Bates, as treasurer, violated 2 U.S.C. § 441b(a).

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8/ For example, an expense report submitted by the captain of the yacht to the former Assistant Vice President of Vernon noted that on "April 9, 1986, Mercedes Benz of North America chartered the Boat in Washington, D.C. This was paid in full by the Charterer and is not included in Vernon Savings and Loan's expenses."

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1990

Ms. Dorothy L. Nichols
Senior Associate General Counsel
Federal Home Loan Bank Board
1700 G Street, N.W.
Washington, D.C. 20552

RE: MUR 2649/2555
Vernon Savings and Loan
Association

Dear Ms. Nichols:

On July 25, 1988, the Federal Election Commission notified the Federal Savings and Loan Insurance Corporation, as receiver for Vernon Savings and Loan Association, of a complaint denoted MUR 2649 alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time.

Upon further review of the allegations contained in the complaint, the Commission on January 11, 1990, found reason to believe Vernon Savings and Loan Association violated 2 U.S.C. § 441b(a). Specifically, it appears Vernon Savings and Loan Association violated 2 U.S.C. § 441b(a) by providing the yacht "High Spirits" to Congressman Tony Coelho for eight campaign fundraisers during the summer of 1986, and by covering the cost of food, beverage and miscellaneous expenses related to the aforementioned fundraisers. However, the Commission also determined to take no further action with regard to Vernon Savings and Loan Association. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. Also on this date, the Commission determined to merge portions of MUR 2649, which relate to the above-noted fundraisers, with MUR 2555. Accordingly, this Matter is now known as MUR 2555.

Although the Commission has determined to take no further action with regard to Vernon Savings and Loan Association, it has issued the attached questions and requests for documents and asks that your agency provide this information in connection with the Commission's investigation. Please respond to the enclosed questions and requests for documents within 15 days of receipt of this letter. Requests for extensions of time will not be routinely granted. Requests must be made in writing

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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.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

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

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Questions and Request
for Documents
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2555
)
)
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INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Federal Savings and Loan Insurance
Corporation, as receiver for
Vernon Savings and Loan Association, F.S.A.
1700 G Street, N.W.
Washington, D.C. 20552

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and request for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1985 to the present.

The following interrogatories and request for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS AND REQUEST FOR DOCUMENTS

1. State whether Vernon Savings and Loan Association ("Vernon") and/or Dondi Financial Corporation paid rental and other fees and costs for use of the yacht "High Spirits" on behalf of the Democratic Congressional Campaign Committee ("DCCC") and/or the Coelho for Congress Committee ("the Coelho Committee") on each of the following dates:

   a. October 2, 1985
   b. October 12, 1985
   c. November 11, 1985
   d. May 13, 1986
   e. May 19, 1986
   f. June 3, 1986
   g. June 25, 1986
   h. August 7, 1986
   i. August 10, 1986
   j. August 12, 1986
   k. September 6, 1986

   If so, please state the amount of fees paid, and the committee benefited, and provide supporting documentation, including cancelled checks, for each of the events involved.

2. State whether Vernon Savings and Loan Association paid for food, beverage or miscellaneous expenses associated with fundraisers for the DCCC and/or the Coelho Committee held on each of the dates cited in Question 1. If so, please state the amount of the expenses involved, the committee benefited, and provide supporting documentation, including cancelled checks, for each of the events involved.

3. State whether, between January 1, 1985 and the present, Vernon received any checks (other than those received on July 2, 1987 for $17,205.28 and $25,168.39) from:

   a. the Democratic Congressional Campaign Committee;

   b. the Coelho for Congress Committee;

   c. Congressman Tony Coelho.

   If so, please provide copies of all such checks. If copies are unavailable, specify the amount of each check, the payor and the date received.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Vernon Savings and Loan Association **MUR:** 2649/2555

I. GENERATION OF MATTER IN MUR 2649

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint denoted MUR 2649. Notification of the complaint was mailed to Vernon Savings and Loan on July 25, 1988.[1/]

The Complainant alleges that Vernon Savings and Loan, a state chartered federally-insured bank, made contributions to Congressman Tony Coelho and the Democratic Congressional Campaign Committee (the "DCCC") in violation of 2 U.S.C. § 441b, which prohibits corporate contributions to federal committees. In support of this allegation, the Complainant asserts that Congressman Coelho and the DCCC hosted eight political fundraising events in the summer of 1986 aboard the yacht "High Spirits" and charged the entire cost of these fundraisers, $25,184, to Vernon Savings and Loan. Alternatively, the Complainant questions whether payment of these fundraisers constituted excessive contributions by Mr. Dixon, who controlled

1/ During the period of the allegations raised by the complaint (Summer, 1986), Vernon Savings and Loan Association ("Vernon") was a savings and loan association chartered under the laws of the State of Texas with its accounts insured by the Federal Savings and Loan Insurance Corporation ("FSLIC"). Since that time, the FSLIC has twice declared Vernon insolvent. On or about November 19, 1987, the Federal Home Loan Bank Board appointed the FSLIC as sole receiver for Vernon; accordingly, the complaint was sent to the FSLIC. However, because Vernon was the entity in existence at the time of the alleged violations, the Commission has determined that Vernon should be named as the respondent, rather than the FSLIC.

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Vernon at the time. These allegations are based upon several articles which appeared in newspapers and periodicals from June 29, 1987 to June 17, 1988.

II. ANALYSIS

A. Merger

MUR 2649 involves two separate situations with two separate sets of respondents. The second situation involves whether fundraisers which allegedly were held aboard the yacht "High Spirits" and hosted by the DCCC and Congressman Coelho resulted in violations of the Act. This situation is closely analogous to MUR 2555, which also names Vernon as a respondent and which involves similar issues of fact and law. Thus, the Commission merges those issues raised by the complaint in MUR 2649 pertaining to Vernon with MUR 2555.

B. Background

The Complainant alleges that Vernon Savings and Loan ("Vernon") made prohibited corporate contributions to Congressman Coelho and the DCCC by paying the costs of fundraisers which allegedly were hosted by Congressman Coelho and the DCCC, and which were held aboard Vernon's corporate yacht, "High Spirits."[2/] Specifically, Complainant alleges that as Chairman of the DCCC, Congressman Coelho hosted eight fundraisers in the summer of 1986 aboard the "High Spirits," the entire cost of

2/ Complainant initially alleges that the entire cost of the fundraisers was charged to Vernon (see Complaint at Page 9), but then later questions whether these costs were unlawful excessive contributions by Mr. Dixon (see Complaint at Page 12).

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which, $25,184, was charged to Vernon. Complainant further claims that Mr. Dixon owned the yacht used by Mr. Coelho and the DCCC.[3/]

Complainant claims that in 1987, after taking control of Vernon, the FSLIC made public the yacht's logs which contained the records of Vernon's payments for the costs of the fundraisers held in the summer of 1986. Complainant claims that it was only after these records were publicly revealed that the DCCC and Congressman Coelho's campaign committee reimbursed Vernon for their use of the yacht during the previous year.[4/]

C. Apparent Violation

2 U.S.C. § 441b(a) prohibits corporations from making any contributions or expenditures in connection with Federal elections. The Complainant alleges that Vernon made available the yacht "High Spirits" to the DCCC for eight fundraisers in the summer of 1986, and paid for the entire cost of these fundraisers.

3/ During most of the period in question, "Blanco Junction, Ltd.," owned the yacht. Regarding the legal relationship between Vernon and the yacht, the FSLIC provides that Vernon had a First Preferred Ship Mortgage on the yacht, and funded many of the "operational" expenses of the yacht through loans to the owners of the yacht.

4/ Complainant first alleges that "as Chairman of the Democratic Congressional Campaign Committee,...Coelho hosted eight political fundraising events...," implying that Congressman Coelho hosted these fundraisers in his capacity as Chairman of the DCCC, and not as a candidate on behalf of his campaign committee. However, Complainant then alleges that "Coelho's campaign committee and...[the] Democratic Congressional Campaign Committee reimbursed Vernon...for the extensive use of the yacht in the previous year." Complaint at Page 9 (emphasis added).

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The FSLIC has responded to the complaint as receiver of Vernon. The FSLIC argues that the allegations are raised not against Vernon itself, but against Mr. Dixon, "who as the controlling person of Vernon allegedly diverted Vernon assets to improper uses." The FSLIC argues that, as a policy matter, it is not an appropriate target of the Commission's enforcement powers. It bases this position on not only the absence of any charges against Vernon brought by Complainant, but the FSLIC's status as a federal agency and its fiduciary duty to act as a receiver for failed savings institutions. On the other hand, the FSLIC indicates that it is interested in recovering any assets of Vernon which may have been wrongfully diverted to benefit political campaigns and which may not yet have been returned.

The FSLIC reports that the DCCC reimbursed Vernon $23,282.28 for the use of the yacht and for a flight on one of Vernon's airplanes. The DCCC does not deny that these fundraisers occurred. From these facts, it appears that Vernon made prohibited "in-kind" contributions to the DCCC by providing the use of the yacht to the DCCC for eight fundraisers and by paying the expenses incurred in connection with such fundraisers, without timely and total reimbursement from the DCCC. Thus, there is reason to believe that Vernon Savings and Loan violated 2 U.S.C. § 441b(a).

Vernon Savings and Loan Association no longer exists as an independent entity. The Federal Home Loan Bank Board ("the Board"), having found Vernon Savings and Loan Association

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insolvent, appointed the FSLIC as receiver for Vernon Savings and Loan Association on March 20, 1987. On that date the Board also approved a new federally chartered institution named "Vernon Savings and Loan Association, FSA" ("Vernon, FSA"). Vernon, FSA purchased substantially all of the assets and assumed certain liabilities of old Vernon. However, on November 19, 1987, the Board declared Vernon, FSA insolvent, and appointed the FSLIC as the sole receiver of Vernon, FSA because of its precarious financial position. Given these circumstances, the Commission takes no further action against Vernon Savings and Loan Association.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1990

William C. Oldaker
Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, N.W.
Suite 200
Washington, D.C. 20036

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Oldaker:

On July 25, 1988, the Federal Election Commission notified your client, James C. Wright, Jr., 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 client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on January 11, 1990, considered the complaint, and found that there is reason to believe Mr. Wright violated 2 U.S.C. § 441i, a provision of 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 Mr. Wright. 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, within 15 days of 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 Mr. Wright, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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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 matter to be made public.

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

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Questions
Factual & Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 2649
	)	
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INTERROGATORIES

TO: James C. Wright, Jr.
1236 Longworth Building
Washington, D.C. 200515

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 day of your receipt of this request to the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463.

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INSTRUCTIONS

In answering these interrogatories, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and documents and materials which may otherwise be construed to be out of their scope.

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QUESTIONS

1. Please identify all groups, organizations and business entities before which you made an appearance and/or gave a speech, in 1984, 1985 and 1986 which also made bulk purchases of the book, Reflections of a Public Man. Provide the date of each appearance and the number of books purchased. Please state whether each group, organization or business entity identified paid you an honorarium, and, if so, the amount of such honorarium.

2. During 1984, 1985 and 1986 did you ever personally request that a group, organization or business entity before which you gave a speech, or otherwise appeared, purchase a quantity of copies of your book, Reflections of a Public Man? If yes, please identify the group, organization or business entity, and the date of your appearance.

3. Please identify the individual(s) associated with the entities cited in your answer to Question 1 with whom arrangements were made for your appearance and compensation.

4. Identify all persons, including Congressional staff members and consultants, who made arrangements on your behalf for your appearances before, and compensation by, the entities cited in your answer to Question 1.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: James C. Wright, Jr. **MUR:** 2649

I. ENERATION OF MATTER

On July 18, 1988, Citizens for Reagan (the "Complainant"), a Virginia corporation, filed a complaint against Congressman James C. Wright, Jr., and others. Notification of the complaint was mailed to these respondents on July 25, 1988. The Complainant alleges that the sale of Congressman Wright's book, Reflections of a Public Man, was actually a scheme by Congressman Wright to evade the honorarium provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, the Complainant alleges that Congressman Wright used the sale of the book as a means to circumvent the honorarium limitations of Section 441i of the Act.

On August 2, 1988, the Commission received a request from Congressman Wright for an extension of time until August 26, 1988 to respond to the complaint. On August 26, 1988, Congressman Wright submitted his response.

II. SUFFICIENCY OF COMPLAINT

Congressman Wright claimed in his response that the complaint "contains groundless and wholly unfounded charges based upon speculation in the news media and is completely devoid of any evidentiary support." This claim raises the issue of the sufficiency of the complaint upon which this matter is based.

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On November 15, 1979, the Commission approved the recommendation of the General Counsel to continue to accept complaints based on newspaper articles pursuant to Agenda Document #79-299. As noted in that document, the legislative history of 2 U.S.C. § 437g(a)(1), particularly the debates in the House of Representatives, indicates that the requirements of signed, sworn and notarized complaints stemmed from a desire to deter false accusations by requiring that complainants identify themselves and their sources and that they face prosecution for false statements. (See, e.g., remarks of Representative Rostenkowski, 122 Cong. Rec. H2542 (daily ed., Mar. 30, 1976).) The Agenda Document provides that "[t]hese concerns are met without further requirements for external complaints based on newspaper articles." Agenda Document #79-299, page 3. The issue of possible inaccuracies is met by the requirement that news articles used as the basis for complaints be substantive in their statements of fact.

In summary, Agency Document #79-299 recommended that complaints based on newspaper articles be accepted:

> ...so long as a complaint...satisfied 2 U.S.C. § 437g(a)(1), by including a sworn statement that the complainant believes the facts to be true as alleged, and satisfies 11 C.F.R. § 111.2 [now § 111.4], in that the news article on which the complaint is based must be substantive in its facts....

The Complainant has cited to several newspaper articles which report particular activities and names of particular

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persons, and which are thus substantive. The Complainant also has stated, "The allegations contained in this [c]omplaint are based upon information, belief, reason and logic. They are derived from numerous articles by investigative reporters and editorials in national publications." Complaint at pages 10-11. Additionally, the complaint contains a signed, sworn and notarized statement that "based on information and belief, the facts set forth [in the complaint] are true and correct." Id. at page 13. Therefore, the present complaint meets the Commission's criteria for a complaint based upon newspaper articles.

III. CONGRESSIONAL INVESTIGATION

On June 9, 1988, the House Committee on Standards of Official Conduct ("House Committee") voted to undertake an inquiry into allegations that Congressman Wright had violated the Code of Official Conduct of the U.S. House of Representatives or other law, rule, regulation, or standard of conduct. A Special Outside Counsel was charged with conducting an inquiry into these allegations. On February 21, 1989, the Special Outside Counsel issued a report analyzing the information obtained during his investigation and reaching certain conclusions ("Counsel's Report").

On April 13, 1989, the House Committee issued a "Statement of the Committee on Standards of Official Conduct in the Matter of Representative James C. Wright, Jr." ("Committee Statement")

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which included a "Statement of Alleged Violation," the latter being the charges filed following a preliminary inquiry. The House Committee found reason to believe that Congressman Wright had violated various House Rules, as well as 2 U.S.C. § 441i, in connection with the marketing and sale of his book, Reflections of a Public Man. The House Committee cited seven instances in which Congressman Wright received royalty income from the sales of books which was, in fact, honoraria for speeches. The factual findings from the House Committee's investigation of this issue have been incorporated into this Report.

IV. ANALYSIS

A. Background

Complainant alleges that Congressman Wright used sales of the book to avoid the honorarium limits of the Act. Accordingly, an issue raised by the complaint is whether the royalties Congressman Wright received from the sale of Reflections of a Public Man constituted excessive honorariums. Specifically, Complainant claims that one bulk purchaser of Congressman Wright's book, The New England Life Insurance Company ("New England Life"), paid $2,000 for copies of the book in lieu of paying Congressman Wright an honorarium, citing a statement by Gordon D. MacKay, an executive of New England Life, to this effect. See Complaint at page 8 (citing The Washington Post, June 16, 1988). Additionally, Complainant charges that

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Congressman Wright's book is not a true "book," but a "two-bit pamphlet" used by Congressman Wright to evade the honorarium provisions of the Act. Id. The Counsel's Report gives $1,000 as the figure for New England Life's purchase.[1/]

Congressman Wright argues that the royalty income he received did not constitute excessive honorariums. Additionally, Congressman Wright argues that the charge that bulk purchases by New England Life were actually honorarium payments is groundless and without merit. Congressman Wright argues that he chose not to accept an honorarium for his appearance before New England Life, and claims that such a choice is commonplace. Moreover, Congressman Wright asserts that he had no specific knowledge of any book purchaser, including New England Life; rather, Congressman Wright claims, Mr. Moore was responsible for the marketing and sale of the book. Congressman Wright assertedly was paid periodically from a separate bank account in which all proceeds from the book were deposited, and never received payments directly from book purchasers. Furthermore, Mr. Moore

1/ A $1,000 honorarium from New England Life would have put Congressman Wright over the limit of $25,500 established by House rules. Congressman Wright's 1985 disclosure report that he submitted to the Commission shows that Congressman Wright collected $26,085 in honorariums, $1,000 of which he contributed to charity, leaving a total of $25,085 collected for 1985. Furthermore, the Counsel's Report notes that Congressman Wright had accepted near the maximum amount in honorarium during the first six months of each year from 1983 to 1986. See Counsel's Report at 70, n. 44.

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confirms that he was responsible for delivering the books to purchasers. He claims that no suggestion was made to any buyers that they would be making an honorarium, and that the books were not purchased by New England Life either in addition to or in lieu of an honorarium.

Congressman Wright's House disclosure reports reflect this reasoning. Regarding the disclosure of the alleged honorarium payment by New England Life, Congressman Wright's Financial Disclosure Statement for 1985 does not list that company as a source of any honoraria received during 1985. The same report does disclose unearned income in the form of "Book royalties" from Madison Publishing Company in the category of $15,001 to $50,000.

Finally, Congressman Wright argues that Complainant's charge that Congressman Wright's book was actually not a book is groundless, and that to consider it any other type of literary work "defies logic." Congressman Wright argues that the compilation of articles in book form does not subject such a book to the honorarium limitations, even where the contents have been previously presented to the public.

B. **Legal Analysis**

2 U.S.C. § 441i(a) provides that no elected officer shall accept any honorarium of more than $2,000 for any appearance, speech, or article. See also 11 C.F.R. § 110.12(a). Commission

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Regulations provide that for purposes of this rule, "article" means a writing other than a book, which has been or is intended to be published. 11 C.F.R. § 110.12(b)(4)(emphasis added).

Under the Regulations cited above, a book is not subject to the rules on honoraria. The Commission also has determined that generally royalties received from the sale of a book are not honoraria, and thus would not be subject to the honorarium limitation. See Advisory Opinion 1975-77. This rule was upheld in a later Advisory Opinion wherein the Commission determined that any royalty paid on the basis of the net proceeds from sales of a book would not be considered an honorarium under the Act and Commission regulations, and would not be limited. Advisory Opinion 1984-56. The Complainant alleges, however, that Congressman Wright's book is not really a true book, but a compilation of articles, and consequently should be subject to the honorarium limitation of the Act. But, the Commission has determined that even royalties received for the reprinting of an article in a book are treated as income from the publication of a book and are not subject to the honorarium limitations. See Advisory Opinion 1978-59.

Given these rules, Congressman Wright's book was not subject to the honorarium limitations of the Act.[2/] Reflections of a

2/ This position is consistent with the approach taken by the House Committee. As noted above, the House Committee decided to (continued)

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Public Man appears to have been marketed and sold as a book. While it appears that the book contained material that had previously been presented to the public, the Commission has determined that such compilations in book form are not subject to the honorarium limitations of the Act. Therefore, Reflections of a Public Man may be classified as a book, even though it is a compilation of articles and speeches, and royalties received from the sales of Congressman Wright's book would not be subject to the honorarium limitations of 2 U.S.C. § 441i.

The foregoing facts, however, also raise the following issue related to Congressman Wright's appearance before New England Life: whether the bulk purchase of Congressman Wright's book by New England Life was, in fact, consideration for his appearance and, as such, resulted in the making of an honorarium by New England Life to Congressman Wright. The Regulations provide that "honorarium" means a payment of money or anything of value received by an officer or employee of the Federal government, if it is accepted as consideration for an appearance, speech, or article. 11 C.F.R. § 110.12(b)(emphasis added). The Regulations

2/ (continued)
investigate whether selected bulk sales of Congressman Wright's book represented honoraria consideration in the form of royalty payments. The House Committee did not adopt the conclusion of the Special Outside Counsel that the income generated from the book was not "copyright royalties." The Commission agrees with the position of the House Committee.

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further provide that "accepted" means "that there has been actual or constructive receipt of the honorarium and that the federal officeholder or employee exercises dominion or control over it and determines its subsequent use." 11 C.F.R. § 110.12(b)(5). Under this definition, proceeds from book sales qualify as honorariums if the purchase of books was accepted as consideration for an appearance by an officer of the Federal government.

Applying these rules to the facts before us, receipt of royalties from book sales qualifies as "anything of value," and thereby can result in honorariums. Although Congressman Wright claims that the books were not purchased in lieu of the payment of an honorarium, an executive from New England Life apparently claimed that the firm purchased books instead of paying Congressman Wright a cash honorarium for his appearance before the company.[3/] Such a statement raises the issue of whether the books were marketed to New England Life with the understanding that a bulk purchase by that company would constitute consideration for Congressman Wright's appearance. Such payments appear to have been ultimately received by Congressman Wright, as reported in his financial disclosure statement for 1985. From

3/ The Counsel's Report found that New England Life purchased $1,000 worth of books. Counsel's Report at 81. For purposes of this Analysis, this figure will be used.

9304351 1864

these facts, it appears that Congressman Wright may have accepted proceeds from bulk purchases of his book as an alternative to accepting an honorarium payment as consideration for a public appearance.[4/]

The New England Life transaction, however, involves only a $1,000 payment for the books. Even assuming that in this case the book proceeds were honoraria, the resulting honorarium payments to Congressman Wright based on his percentage of royalties would have been $550, an amount which is within the $2,000 limit of the Act. The New England Life transaction was not, however, unique. Rather, it highlights a practice of selling bulk amounts of Congressman Wright's books to companies before which Congressman Wright made appearances, but from which he did not report honorariums. In connection with a speech given before Southwest Texas State University, Congressman Wright received a $3,000 check from the University. Later the University was sent 504 books after being informed that Congressman Wright had already reached his yearly limit for honorariums and would like to use the $3,000 to purchase books for the University. Congressman Wright endorsed the $3,000 check to Madison Publishing and received $1,650 in royalties. Because

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4/ The Counsel's Report notes that Congressman Wright knew the books were purchased in lieu of an honoriarium. See Counsel's Report at 81.

9304351 1865

he initially accepted the entire $3,000[5/] there is reason to believe James C. Wright, Jr., violated 2 U.S.C. § 441i.

5/ The House Committee found that Congressman Wright had accepted an honorarium in violation of Section 441i. See Committee Statement at 5-6; Counsel's Report at 75-76. Additionally, the Counsel's Report cites a separate instance where Congressman Wright violated Section 441i. This involved an appearance by Congressman Wright before the Satellite Broadcasting and Communications Association, and the Association's subsequent purchase of 1,680 copies of the book for $10,000. The Counsel's Report concluded that Congressman Wright's receipt of $5,500 from this "sale" was an honorarium received in violation of Section 441i. See Counsel's Report at 81-82. The House Committee, however, did not list this instance as an alleged violation of Section 441i. The other instances cited in the Counsel's Report of bulk purchases by groups before which Congressman Wright made speeches involve royalty receipts of less than $2,000, the limit imposed by Section 441i, and thus do not represent violations of Section 441i.

9304351186 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 14, 1990

Gordon D. MacKay
The New England Life
Insurance Company
501 Boylston Street
Boston, Massachusetts 02117

RE: MUR 2649

Dear Mr. MacKay:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has requested that you answer the attached interrogatories in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information within 15 days of your receipt of this request. All answers to questions must be submitted under oath.

If you have any questions, please contact Janice Lacy, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories

9304351186 7

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2649
)
)
)

INTERROGATORIES

TO: Gordon D. MacKay
The New England Life Insurance Company
501 Boylston Street
Boston, Massachusetts 02117

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request to the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463.

9304351186 8

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to [illegible] attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9304351869

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named entity to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

93043511870

QUESTIONS

News accounts report that The New England Life Insurance Company ("New England Life") bought bulk amounts of Reflections of a Public Man by James C. Wright, Jr. in lieu of paying an honorarium to Congressman Wright for his appearance before the company in December, 1984. Please answer the following regarding New England Life's purchase of the books:

1. Did New England Life make a bulk purchase of copies of Reflections of a Public Man [illegible] 1984 or 1985? If yes, please state the number of copies purchased, the amount paid and the date of purchase.

2. How did New England Life learn that it could purchase Congressman Wright's book? Please identify all person(s) who contacted your company regarding the sale of Congressman Wright's books or with whom New England Life discussed its purchase of the books. Please also identify the person(s) at New England Life who discussed the company's purchase of the books with Congressman Wright or his representative(s).

3. Identify the person(s) at New England Life who made the decision to purchase Congressman Wright's book.

4. Was New England Life prepared to give an honorarium to Congressman Wright related to his appearance?

5. Has New England Life given honoraria to Congressman Wright or other Members of Congress in the past? If yes, please list the recipients and the date of such payments.

9304351187 1

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RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 MAR 19 AM 10: 06

MANATT, PHELPS, ROTHENBERG & PHILLIPS
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036

TELEPHONE (202) 463-4300
FAX (202) 463-4394
(202) 463-4395

LOS ANGELES
11355 WEST OLYMPIC BOULEVARD
LOS ANGELES, CALIFORNIA 90064
(213) 312-4000

March 16, 1990

90 MAR 19 PM 2: 22

Janice Lacey
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
6th Floor
Washington, D.C. 20463

Re: MUR 2649; James C. Wright, Jr.

Dear Ms. Lacey:

As we discussed by telephone, Manatt, Phelps, Rothenberg & Phillips no longer represents Jim Wright in the above-captioned MUR. We have, however, taken the liberty of forwarding Chairman Elliott's March 14th correspondence to Mr. Wright's attorney: Abbe Lowell, Brand & Lowell, 923 Fifteenth Street, N.W., Washington, D.C. 20005.

Sincerely,

Eric F. Kleinfeld

Eric F. Kleinfeld
Manatt, Phelps, Rothenberg
& Phillips

9304351187 2

OGC5734

PERKINS COIE

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

90 MAR 19 ... 5:00

March 19, 1990

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

Attention: Karen Powell

Re: MUR 2649/2555 - Democratic Congressional Campaign Committee and Richard M. Bates, as Treasurer

Dear Mr. Noble:

This letter responds to the Commission's notification of the above Respondents that reason to believe a violation of the Act had been found by the Commission.

Your letter was received by counsel for Respondents on March 15, 1990. A response would ordinarily be due on March 30. Respondents request, however, an extension of time of 20 days in this matter. A response would be filed on April 19, 1990.

The Interrogatories and Request for Production of Documents which accompanied the Commission's finding requires a substantial review of records and documents by the Respondents. In addition, we must consult with former DCCC staff, many of whom are no longer in Washington, D.C. The additional time is necessary to complete a comprehensive review of the records and information available in order to prepare response to the Commission.

Should you have any questions or need additional information, please do not hesitate to contact the undersigned.

Very truly yours,

Robert F. Bauer
Judith L. Corley
Counsel to Respondents

1649E

TELEX: 44-0277 PCSO UI • FACSIMILE (202) 223-2088
ANCHORAGE • BELLEVUE • LOS ANGELES • PORTLAND • SEATTLE

93043511873

06C5762

BRAND & LOWELL
A PROFESSIONAL CORPORATION
923 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005

TELEPHONE: (202) 662-9700
TELECOPIER: (202) 737-7565

March 23, 1990

90 MAR 23 PM 4:19

VIA MESSENGER

Janice Lacy, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W., 6th Floor
Washington, D.C. 20463

Re: Matter Under Review 2649

Dear Ms. Lacy:

As we discussed by telephone on Wednesday, we have recently assumed the representation of former Speaker James C. Wright, Jr. Last Friday, March 15, 1990, former counsel for Mr. Wright forwarded to us the Commission's March 14, 1990, determination that "reason to believe" exists that certain alleged bulk sales of Mr. Wright's book, Reflections of a Public Man, may have violated honoraria limits.

We are currently seeking to obtain all the material available to us regarding the book sales and will be reviewing and analyzing not only the charge against Mr. Wright, but the underlying facts and the results of the previously-conducted investigations[1] upon which the Commission's determination appears based. In order both to conduct a thorough investigation of the charges against Mr. Wright and to prepare a response that will squarely address the Commission's determination, Mr. Wright respectfully requests an extension of time to respond to the Commission's determination until April 20, 1990.

If you have any questions in this regard, please contact either me or Stanley Brand. Thank you very much for your attention to this matter.

Sincerely,

David E. Frulla

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[1] The Commission has incorporated the findings of the Special Counsel to the House Ethics Committee.

93043511874

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RECEIVED FEDERAL ELECTION COMMISSION MAR 1990

90 MAR 26 AM 11:13

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649

NAME OF COUNSEL: Stanley M. Brand, Esquire

ADDRESS: Brand & Lowell
923 Fifteenth Street, N.W.
Washington, DC 20005

TELEPHONE: (202) 662-9700

90 MAR 26 PM 2:24

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.

March 22, 1990
Date

Signature

RESPONDENT'S NAME: James C. Wright, Jr.

ADDRESS: 9A10 Lanham Federal Building
819 Taylor Street
Fort Worth, Texas 76102

HOME PHONE: (817) 334-3450

BUSINESS PHONE:

9304351187 5

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 30, 1990

David E. Frulla, Esq.
Brand & Lowell
923 Fifteenth Street, N.W.
Washington, D.C. 20005

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Frulla:

This is in response to your letter dated March 23, 1990, which we received on that date, requesting an extension of 21 days, until April 20, 1990, to respond to the Commission's finding of reason to believe and to interrogatories posed to Mr. Wright by the Commission. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on April 20, 1990.

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

Sincerely,

Lawrence M. Noble
General Counsel

93043511876

OGC 5783

PERKINS COIE

A Law Partnership Including Professional Corporations
1110 Vermont Avenue, N.W. • Washington, D.C. 20005 • (202) 887-9030

March 27, 1990

90 MAR 27 PM 4:12

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

Re: MUR 2649/2555 - Coelho for Congress Committee and Jeff Denno, as Treasurer

Attention: Karen Powell

Dear Mr. Noble:

Enclosed please find a Designation of Counsel for the above-referenced Respondents in MUR 2649/2555.

Respondents received on March 21, 1990, the Commission's notification that it had found reason to believe that they had violated the Federal Election Campaign Act and the Commission's Interrogatories and Request for Production of Documents. The Committee has just retained this law firm as counsel, and we wish to request an extension of time of 20 days to respond to the Commission's notifications.

The extension is needed in order to have adequate time to review documents, interview former campaign staff, and to prepare the response. This process is complicated by the need to coordinate with individuals located over a large geographic area from New York to California, and by the need to review records of the Committee covering an extended period of time, including records from 1985.

With the 20-day extension, Respondents would file their response with the Commission on April 25, 1990.

If you have any questions or need additional information, please do not hesitate to contact the undersigned.

Very truly yours,

Robert F. Bauer
Judith L. Corley
Counsels for Respondents

1672E

9304351187 7

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2649/2555

NAME OF COUNSEL: Robert F. Bauer; Judith L. Corley

ADDRESS: PERKINS COIE

1110 Vermont Avenue, N.W., #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.

3/23/90
Date

T J Coelho
Signature

RESPONDENT'S NAME: Coelho for Congress

ADDRESS: P.O. Box 943

Modesto, CA 95353

HOME PHONE:

BUSINESS PHONE:

9304351187 8

OGC 5804

WILLIAM M. RAVKIND, P.C.
ATTORNEY AND COUNSELOR AT LAW
970 NORTH TOWER · LOCK BOX 332
PLAZA OF THE AMERICAS
DALLAS, TEXAS 75201

TELEPHONE
214/220-0550

March 26, 1990

90 MAR 29 PM 4:24

Ms. Lee Ann Elliott, Chairman
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2649/2555
Donald R. Dixon

Dear Ms. Elliott:

Mr. Dixon has asked that I enter my appearance in this matter and answer your March 14, 1990 letter to Stan Mortenson.

Mr. Dixon's activities are the subject matter of an extensive investigation by the Bank Fraud Task Force. The Task Force investigation already has resulted in a number of indictments, guilty pleas and convictions.

Without in any way meaning to argue the point, I am compelled to observe that certain government witnesses have been less than candid. As a result of this type of testimony, I have advised against Mr. Dixon making any statements relating to any matter under investigation. My concern is that government witnesses may structure their testimony in an attempt to explain Mr. Dixon's version of the facts. Please believe me, I already have heard what I believe to be perjured testimony by government witnesses. I attribute no wrongdoing to any member of the government, only to certain witnesses.

A criminal indictment against Mr. Dixon appears imminent. We expect to sucessfully defend against these charges. Thereafter, we will be more than willing to respond to your interrogatories and state our position. Accordingly, we request that this matter be extended to a date subsequent to the anticipated criminal proceeding. Otherwise we will be in the position of providing the United States with criminal discovery not otherwise available. Respectfully, granting this request would protect both the Fifth

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90 MAR 29 PM 1:34

Amendment rights of the citizens without in any way prejudicing the concerns of the Federal Election Commission.

Respectfully,

William M. Ravkind

WMR:er

cc: Mr. R. Stan Mortenson
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W., Suite 500
Washington, D.C. 20037

9304351180

DGC 5877

New England Mutual
Life Insurance Company
501 Boylston Street
Boston, Massachusetts 02116
617-578-2000

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

90 APR -9 AM 11:37

The New England

Mitchell A. Karman
Attorney

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 APR -9 PM 4:01

April 3, 1990

Ms. Janice Lacy
Office of the General Counsel
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2649

Dear Ms. Lacy:

Enclosed please find New England Life's preliminary responses to the interrogatories sent by the Commission in connection with the above-referenced investigation.

As we have discussed, Gordon D. MacKay is out of the country and will not return to his office in Boston until April 17, 1990, at the earliest. Thus, the enclosed responses are unsigned. Ann Weissenborn of your office indicated to me that the unsigned answers should be submitted pending Mr. MacKay's return. New England Life reserves the right to modify these answers after Mr. MacKay has had an opportunity to review them.

Sincerely,

Mitchell Karman

Mitchell A. Karman

MAK/mh

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Responses of New England Life to FEC Questions - MUR 2649

1. **Question:**
Did New England Life make a bulk purchase of copies of Reflections of a Public Man in late 1984 or 1985? If yes, please state the number of copies purchased, the amount paid and the date of purchase.

Response:

New England Life purchased multiple copies of the book Reflections of a Public Man by a check dated December 11, 1984, in the amount of $1,000 to Madison Publishing Company. New England Life has no records indicating the exact number of books purchased. The books were donated by New England Life to the Jeremiah Burke public school in Boston.

2. **Question:**
How did New England Life learn that it could purchase Congressman Wright's book? Please identify all person(s) who contacted your company regarding the sale of Congressman Wright's books or with whom New England Life discussed its purchase of the books. Please also identify the person(s) at New England Life who discussed the company's purchase of the books with Congressman Wright or his representative(s).

Response:

Mr. Gordon MacKay, Senior Vice President of Public Affairs for New England Life, learned about the book sometime in 1984. Mr. MacKay does not recall specifically how or when he learned about the book, except that Mr. MacKay is certain that he did not learn of the book from Congressman Wright. Nobody from New England Life ever discussed the purchase of the book with Congressman Wright or his representatives.

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3. **Question:**
Identify the person(s) at New England Life who made the decision to purchase Congressman Wright's book.

Response:

The decision to purchase the book was made by Mr. Gordon MacKay.

4. **Question:**
Was New England Life prepared to give an honorarium to Congressman Wright related to his appearance?

Response:

Gordon MacKay attended a meeting on behalf of New England Life in Granbury, Texas on December 7, 1984. Congressman Wright appeared at that meeting and addressed the group. The sponsor of the meeting in Granbury was Craig Raupe, who at the time was a registered lobbyist for New England Life. Mr. Raupe, who is now deceased, indicated to Mr. MacKay that no honorarium for Congressman Wright was necessary for his speaking at the meeting. Mr. MacKay had decided sometime before the meeting that he wanted to have New England Life buy some of the books and donate them to a public school in Boston, but wanted to wait for an appropriate occasion. He determined that the Granbury meeting provided the appropriate occasion. Mr. MacKay had the check drawn to Madison Publishing Company when he returned from Texas. At no time did Mr. MacKay have direct contact with Congressman Wright or any of his staff on this matter.

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5. **Question:**
Has New England Life given honoraria to Congressman Wright or other Members of Congress in the past? If yes, please list the recipients and the date of such payments.

Response:

New England Life objects to this question as overly broad and unduly burdensome. Even limiting this request to the years specified by attorney Janice Lacy of The Federal Election Commission, namely 1983, 1984 and 1985, New England's recordkeeping during those years does not facilitate easy recall of the pertinent documents. Corporate auditors have indicated that it would take three people working full-time approximately three weeks to fully and accurately respond to this question.

In addition, New England Life objects to producing information regarding all honoraria payments to Members of Congress because this broad request seeks information totally unrelated to The New England's purchase of the book Reflections of a Public Man, and asks for information totally unrelated to Congressman Wright.

Without waiving its objection, New England Life states that reviews it has undertaken in connection with prior investigations of Congressman Wright revealed no honoraria payments made to Congressman Wright by New England Life in the years 1983, 1984, or 1985.

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BRAND & LOWELL
A PROFESSIONAL CORPORATION
923 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
90 APR 20 PM 4:43

HAND DELIVERED

TELEPHONE: (202) 662-9700
TELECOPIER: (202) 737-7565

April 20, 1990

VIA MESSENGER

Janice Lacy, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W., 6th Floor
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 APR 23 PM 10:07

Re: Matter Under Review 2649

Dear Ms. Lacy:

Enclosed please find the original Response To Complaint and Suggestion of Lack of Jurisdiction for filing in this matter.

If you have any questions in this regard, please contact either me or Stanley Brand. Thank you very much for your attention to this matter.

Sincerely,

David E. Frulla

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BEFORE THE FEDERAL ELECTION COMMISSION

OF THE UNITED STATES OF AMERICA

90 APR 20 PM 4:43

In the Matter of James C. Wright	Matter Under Review 2649

RESPONSE TO COMPLAINT AND SUGGESTION OF LACK OF JURISDICTION

Background

On March 14, 1990 the Federal Election Commission (the "Commission") notified James C. Wright, Jr., through his then counsel, that it had found "reason to believe" that Mr. Wright violated 2 U.S.C. § 441i. The complaint alleging violations of the Federal Election Campaign Act was originally filed on July 15, 1988.[1]

Specifically, the allegations concern whether royalties received by then Congressman Wright actually constituted earned income in connection with speeches and appearances and thereby exceeded the limits on honoraria established by law. 2 U.S.C. § 441i.[2]

The complaint alleges only that the bulk purchase by New England Life Insurance Company of books were "in lieu of"

[1] On or about March 22, 1990, Brand & Lowell was substituted as counsel to Congressman Wright in MUR 2649. The FEC continued to send all notices to previous counsel and so the March 14, 1990 letter was referred to Brand & Lowell sometime thereafter.

[2] 2 U.S.C. § 441i imposes a limit of $2000 per speech, appearance on honoraria. See also 11 C.F.R. § 110.12(a).

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honoraria and therefore excessive. The Commission's Factual and Legal Analysis specifies only two bulk purchases of books, of the number that were made, as possibly in violation of the honoraria limitation, and does not include the New England Life purchase among the two in connection with which it has found "reason to believe."[3]

The narrow focus of the Commission's "reason to believe" finding appears to be two bulk purchases: 1) Southwest Texas University's purported purchase of $3000 of books; and 2) an appearance before the Satellite Broadcasting and Communications Association and subsequent purchase by that group of 1,680 copies of the books.[4]

James C. Wright resigned as Speaker of the House effective June 30, 1989 during pendency of proceedings before the House Committee on Standards of Official Conduct concerning, inter alia, the allegations that the purchase of the very books involved in the Commission's "reason to believe" finding may have violated rules, statutes or standards of conduct applicable to

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[3] The Commission specifically found the New England Life purchase did not violate 2 U.S.C. § 441i because under the royalty agreement the payment received was well within honoraria limits even if actually paid in consideration for a speech.

[4] The "Questions" submitted to respondent in connection with the finding appear much broader and request information with respect to "all groups, organizations and business entities before which you made an appearance and/or gave a speech in 1984, 1985 and 1986 and which also made bulk purchases of the book..." We question whether these broader and onerous requests are within the scope of the reason to believe finding, but because we raise a more fundamental issue concerning the Commission's lack of jurisdiction do not now press the objection.

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Members, including 2 U.S.C. § 441i. Now, almost 2 years after the complaint was filed and a protracted and costly congressional proceeding, the Commission seeks to resuscitate the complaint, almost a year since the Speaker's resignation. Were this alone not enough of a reason to dismiss the complaint, there is a further, more fundamental reason, and that is because the Constitution's Speech or Debate clause bars litigation against Speaker Wright of the very issues considered by the House Committee in the proceeding which lead to his resignation. During his tenure as chief constitutional officer of the House of Representatives, former Speaker Wright was keenly aware of and sensitive to the ancient responsibility with which he was "charged...[to] protect[ ] the rights of all the Members of the House, majority and minority Members alike." The Office and Duties of the Speaker of the House of Representatives, H.R. Doc. No. 354, 95th Cong., 2d Sess. 5 (1978). From time immemorium, the Speaker has been called upon to reinforce separation of powers between the branches, beginning with the protection by the Speaker against encroachment by the Crown in the affairs of Parliament formalized in the Speakers' Petition delivered at the beginning of each session of Parliament to the King. Reinstein & Silvergate, Legislative Privilege and the Separation of Powers: 86 Harv. L. Rev. 1113, 1123-24 (1973).

The former Speaker raises this issue now because it is constitutionally compelled and not because of any concern that the book purchases are violative of 2 U.S.C. § 441i, which he

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vigorously contested before the House and will so contest here if necessary.[5]

Just as former Presidents are duty bound to respect the mandates of the Constitution which protect them from litigation questioning acts taken during their term of office, Nixon v. GSA Administrator, 433 U.S. 425 (1977); United States v. Poindexter, Cr. No. 88-0080-02 (D.D.C. Mar. 16, 1988), so too the former Speaker is duty bound to assert the Speech or Debate Clause to preserve the separation of powers which underlies it.

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[5] What reinforces the lack of merit in the complaint and reason to believe finding is the lack of even a prima facie case based on the Special Counsel's own evidence. While we do not make a full defense on the merits because Speech or Debate precludes it, the evidence simply doesn't support the claim that 2 U.S.C. § 441i was violated. The Special Counsel's own findings establish that: 1) counsel for the Satellite Broadcasting Communications Association suggested it purchase books to enlighten its members about soon-to-be Speaker Wright; 2) neither Speaker Wright nor his staff prompted this recommendation; 3) Speaker Wright's appearance was not made contingent on this purchase; and 4) nothing reflects that Speaker Wright knew of the purchase when or after he appeared, other than that he ultimately received undifferentiated royalty income from this and other sales. As regards Southwest Texas State University (SWTSU), the Report states that Speaker Wright was "offered" $3,000, but does not find his appearance to have been contingent thereon. Insofar as a check may have been pressed upon Speaker Wright or his staff, however, any conceivable, technical acceptance of it was revoked that year: Wright staff telephoned SWTSU and asked whether books could be purchased for the SWTSU Government Department -- Speaker Wright's choice of charity. SWTSU agreed. This was effected. Ultimately, Speaker Wright received undifferentiated royalties therefrom, not an honorarium. Therefore, even on the evidence reviewed by Special Counsel, the evidence suggests the purchases were not "accepted as consideration" for honoraria.

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ARGUMENT

I. The Speech or Debate Clause Bars The Commission's Adjudication Of Issues Heard And Considered By The House Pursuant To Exercise Of Its Constitutional Self-Disciplinary Power In The Wright Matter

The Speech or Debate Clause provides that "for any Speech or Debate in either House they [the Senators and Representatives] shall not be questioned in any other place." U.S. Const., art. I, § 6, cl. 1. The Clause has been interpreted to reach beyond its literal terms to protect all activity performed within the "legitimate legislative sphere", United States v. Brewster, 408 U.S. 501, 526 (1972) and to effectuate its purpose of "reinforcing the separation of powers so deliberately established by the Founders." United States v. Johnson, 383 U.S. 169, 178 (1966). The Clause has many facets, for it serves not only as a testimonial privilege as to what is "said and done" in the legislature, United States v. Brewster, 408 U.S. 501, 512 (1972), it also protects Members from liability for those acts. McSurely v. McClellan, 553 F.2d 1277, 1299 (D.C. Cir. 1976)(en banc). But the Clause goes even further to protect legislators and aides from litigation, for it frees them even "from the burden of defending themselves" for what occurs within the legislative sphere. Dombrowski v. Eastland, 387 U.S. 82,85 (1967). Barry v. United States ex rel. Cunningham, 279 U.S. 597, 614 (1929)(jurisdiction of House to decide election contests).

When read in pari materia with the rules and self-discipline clause, which provides that "[e]ach House may determine the Rules of its Proceedings, may punish its Members for disorderly

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Behavior, and, with the Concurrence of two-thirds, expel a Member," U.S. Const., art. I, § 5, cl.2, the Speech or Debate Clause effects a jurisdictional allocation to the House over enforcement of rules and standards of conduct applicable to Members. In Re Chapman, 166 U.S. 661, 668 (1897)(The Senate in investigating misconduct by Senators "obviously had jurisdiction of the subject matter of the inquiry it directed").[6]

Requiring former Speaker Wright to answer in an "other Place" (the FEC) for conduct concerning which he has already been "questioned" before the House would violate the Clause in at least three specific ways: 1) it would require him to testify or otherwise respond concerning acts "said or done" within the legislature[7]; 2) it would breach the separation of powers undergirding the Clause by permitting the Commission to review, and "question" the House's actions in a particular case which it heard; and 3) it would seriously hinder the ability of the House to exercise its self-disciplinary power in a free and unfettered manner. Nixon v. Fitzgerald, 457 U.S. 731, 760-61 (1982)("[t]he essential purpose of the separation of powers is to allow for

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[6] It is not by happenstance that the Court has used terms of legal art, like jurisdiction, in describing the reach of the self-disciplinary power, for the Constitution allocates "jurisdiction" to the House in these matters, as it does to Article III courts over other matters, or the President over yet others. United States v. Dowdy, 479 F.2d 213, 227 (4th Cir. 1973)("the House or Senate clearly has jurisdiction to try any Member who is a wrongdoer and punish him for his derelictions").

[7] The allegations in the preliminary inquiry conducted by the House Committee specifically included 2 U.S.C. § 441i. See Report of the Special Outside Counsel In The Matter of Speaker James C. Wright, Jr., 101st Cong., 1st Sess. 3 (Feb. 21, 1989).

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independent functioning of each co-equal branch of government free from risk of control, interference, or intimidation by other branches.")

The Commission's "reason to believe" finding, based on a legislative disciplinary proceeding and its fruits, implicates not only the Congressman's individual speech or debate rights, but the interests of the House as an institution. Because it is a jurisdictional threshold issue, applicability of the Clause must be determined first for "the guarantees of [the] clause are vitally important to our system of government and therefore are entitled to be treated by courts with the sensitivity that such important values require." Helstoski v. Meanor, 442 U.S. 500, 506 (1979). Accordingly, the Commission must resolve the Speech or Debate issue before proceeding to the merits.

A. The Complaint and FEC "Reason To Believe" Finding Violates The Clause's Proscription Barring "Use" Against A Member Of His Legislative Acts.

One of the principal purposes of the Clause is to prevent use of legislative acts or documents against a Member in any non-legislative proceeding. In United States v. Helstoski, 442 U.S. 477 (1979), Congressman Helstoski challenged proposed use of evidence of his legislative acts in a prosecution for bribery. The Court held that neither evidence of the legislative acts nor contemporaneous statements referring to such acts could be used against him in the prosecution. 442 U.S. at 489-90. And on remand from Supreme Court, the Third Circuit went further and dismissed the indictment in its entirety because it was based on

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consideration of legislative evidence. United States v. Helstoski, 635 F.2d 200, 205 (3d Cir. 1980)(false statements counts related to bribery allegations dismissed as well because speech or debate material tainted the grand jury).

There is no question here that the Commission's proceeding is equally "tainted" by consideration of and reliance upon legislative materials. Indeed, the Commission's Factual and Legal Analysis is replete with reference to the House Committee's action and consideration; its findings of reason to believe are specifically predicated upon the conclusion that the "House Committee found reason to believe that Congressman Wright had violated various House rules, as well as 2 U.S.C. § 441i, in connection with the marketing and sale of his book...." Factual and Legal Analysis in MUR 2649 at 4. See also id., at 7-8 n.2. In fact, there is no indication the Commission considered anything but protected speech or debate material in reaching its findings. This reliance is violative of the Clause in the same way the grand jury's consideration of Congressman Helstoski's legislative acts and correspondence was violative of the Clause which required dismissal of the indictment. United States v. Helstoski, 635 F.2d at 203-205. The entire record of the Committee proceeding, including the Report of the Special Counsel relied upon by the Commission, is speech or debate for everything therein was said or done in committee or on the floor. Gravel v. United States, 408 U.S. 606, 625 (1972). As the Court held there, the Clause protects activity that forms "an integral

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part of the deliberative and communicative processes by which Members participate in committee proceedings...with respect to... matters which the Constitution places within the jurisdiction of either House." Surely, the Special Counsel's Report is part of the "deliberative and communicative process" by which Members of the House Committee participated in committee proceedings on a matter committed to the House by the Constitution, to wit, Art. I, § 5, cl. 2, and is thereby protected by the Clause. If nothing else, it is a "communication" from the committee counsel, an "alter-ego" whose activities are protected by the Clause, to the same extent they would be protected if performed by Members themselves. See also, Doe v. McMillan, 412 U.S. 306, 312 (1973) (applying clause to committee counsel, consultant and investigator to bar suit against them based on committee hearings and reports in which they assisted).

Nor is the fact that these reports or actions are public render them subject to use in other fora against a Member. In United States v. Helstoski, 442 U.S. at 481, 483, the Court forbade use of Congressman Helstoski's bills against him, even though these were public acts, introduced during public proceedings in the House and printed in the Congressional Record. See also, United States v. Johnson, 383 U.S. 169, 185 (1965) (prohibiting use of Congressman's speeches on the House floor in criminal prosecution against him). Of course, the House Committee's report contains or refers to the statements and evidence submitted by Congressman Wright during its proceedings.

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The Commission, as well as any tribunal outside the House, is absolutely barred from using the results or contents of a House Committee report containing Congressman Wright's evidence.

In United States v. Eilberg, 465 F. Supp. 1080 (E.D.Pa. 1980), the Court barred use of a defendant Congressman's testimony before the same Committee in a prosecution under 18 U.S.C. § 203. The Court explained that the Speech or Debate Clause protects a Member's role in any congressional self-disciplinary proceeding:

> The [House] Committee, however, was engaged in the very function the Speech or Debate Clause protects -- the right of Congress to preserve its independence by disciplining its own members. This right to discipline is one of the matters "which the Constitution places within the jurisdiction of either House." Gravel, supra, 408 U.S. at 626. Therefore, we find that defendant's testimony before the Ethics Committee is protected by the Speech or Debate Clause.

465 F. Supp. at 1083.

Speaker Wright cannot be questioned through Commission review of his evidence before the Committee because the Clause forbids extra-legislative review about "how he spoke, how he debated, how he voted, or anything he did in the Chamber or in committee." United States v. Brewster, 408 U.S. 501, 526 (1972).

The Special Counsel's Report is infused with Congressman Wright's evidence on the very points at issue in examination of whether 2 U.S.C. § 441i was violated. "In investigating this allegation, Special Outside Counsel examined Wright's testimony..." Special Counsel's Report at 52. See also, id., at 58 ("Wright wrote a letter to Judge Blair" and describing the

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letter), id., at 60 (citing Wright testimony on book idea), id., at 61 (citing Wright transcript on issue of use of staff to compile materials for book).

B. The Clause Also Protects The Committee's And The House's Evidence Against Use In Any Other Forum.

Nor is the Speech or Debate Clause prohibition on use of legislative evidence limited to Congressman Wright's own testimony or documents. Rather, the Clause blankets all evidence gathered by the Committee and used to reach its conclusion.[8] In Untied States v. Peoples Temple of the Disciples of Christ, 515 246 (D.D.C. 1981), the Court quashed a third party subpoena in its entirety issued by a party litigant seeking records generated during a congressional investigation into the death of Congressman Leo Ryan in the Jonestown Guyana tragedy. The Court did so even though no Member or aide was being subpoenaed, or would be required to testify and therefore enforcement of the subpoena involved no "direct hardship to the legislative branch or any of its Members..." Id., at 248.

"Once it is determined (as it has been in the instant case) that the [Committee's] actions fall within the 'legitimate legislative sphere', judicial inquiry is at an end." Id., at

[8] A serious question is raised whether the Commission could by independent means even "question" the Congressman concerning matters inquired into by the Committee, in the way a prosecutor may demonstrate that a case is based on evidence other than immunized testimony he has obtained from the defendant. For unlike the Fifth Amendment privilege which protects only against use of the defendant's own evidence, the Speech or Debate Clause has a broader purpose -- to prevent intrusion by one branch into the affairs of another.

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249. The reason given by the Court for this result is even more compelling here, for if it were "[o]therwise, Members of Congress conducting investigations would be forced to consider at every turn whether evidence would subsequently have to be produced in court" which "would 'imperil' the legislative independence protected by the Clause." Id.

In this sense, the Clause protects not only Congressman Wright against "use" of the evidence gathered during the Committee's inquiry but also the House and the Committee as institutions against an intrusion by the Commission of its independent processes by "questioning" through review and consideration of Special Counsel's Report and its evidence.

The fact that the Commission is inquiring into purported violation of a law enacted by Congress enforcement of which it has specifically delegated to the Commission does not alter the result. In Gravel v. United States, 408 U.S. 606 (1972), the Court barred grand jury questioning of a Senator or his aide about the introduction of classified information concerning conduct of the Vietnam War into the record of a hastily convened midnight session of the Subcommittee on Buildings and Grounds chaired by Senator, even though such acts if done in another context would be crimes. 408 U.S. at 608 (crimes being investigated by grand jury included gathering and transmitting national defense information in violation of 18 U.S.C. § 793).[9]

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[9] As one commentator has deftly explained "[s]urely it would not have been implausible to suggest that Senator Gravel's (continued...)

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And in United States v. Helstoski, the Court held that Congress' enactment of a statute making it a crime to receive bribes in return for legislative acts did not permit the prosecution to breach the Clause by using legislative acts or evidence thereof, even if that rendered prosecution impossible as a practical matter. 442 U.S. at 488 ("without doubt the exclusion of such evidence will make prosecutions more difficult.")

Likewise here, enactment of 2 U.S.C. § 441i does not permit the Commission to breach the Clause in seeking to enforce its proscriptions any more than the Department of Justice could breach the Clause in policing the criminal bribery statute.[10] Id., at 492 ("We hold...that [18 U.S.C.] § 201 does not amount to a congressional waiver of the protection of the Clause for individual Members.")

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[9](...continued)
presentation of the Pentagon Papers to a hastily convened nighttime meeting of the Subcommittee on Buildings and Grounds was a none too subtle attempt to cloak the dissemination of classified information in the garb of speech or debate. Yet the Court insisted that the Senator's contention that the unusual meeting was speech or debate was 'incontrovertible'." Kaye, Congressional Papers, Judicial Subpoenas, and the Constitution, 24 U.C.L.A. L. Rev. 523,556 n.146 (1977). Of course, no such ruse could even be alleged here. Congressman Wright submitted himself to the House's disciplinary process, as he was required to do, and cannot be shorn of his speech or debate protection anymore than Senator Gravel could have been.

[10] Although the Court has steadfastly refused to differentiate between civil and criminal cases in enforcing the absolute bar of the Clause, Eastland v. United States Servicemen's Fund, 421 U.S. 491, 503 (1975), it is well to remember that 2 U.S.C. § 441i is purely a civil statute.

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II. The Commission Is Barred By The Clause From Readjudicating A Case Heard By The Committee

A. The Forum Allocation Affected By The Clause To The House Bars Subsequent Litigation Of The Same Causes In Other Fora.

In exercising its Art. I, § 5 self-disciplinary power, like its Art. I, § 5, judging of elections, the House acts in a quasi-adjudicative fashion. Indeed, the House and Senate are "fully empowered and may determine such matters without the aid...of the Judicial Department." Reed v. County Commissioners, 277 U.S. 376, 388 (1928). Recently, in a civil suit challenging the handling of an election dispute by the House, a Court has made clear the estoppel effect of the congressional exercise of power under the express constitutional grant to judge the elections of its Members, stating that:

> [t]he Court, in assessing these claims, must balance the strong institutional interests of separation of powers against the alleged constitutional deprivations. If the Court were to address the merits of plaintiffs' claim it would, in effect, be substituting its judgment for that of the House of Representatives. The Court cannot and should not make that determination.

McIntyre v. O'Neill, 603 F.Supp. 1053, 1059 (D.D.C. 1985).

Against this background, the House has fully exercised its self-disciplinary powers in a series of recent cases. E.g., H.R. Res. 252, 95th Cong., 1st Sess., 124 Cong. Rec. H984-993 (1977)("conduct a full and complete inquiry to determine whether Members of the House . . . accepted any thing of value from the government of Korea"); H.R. Res. 608, 96th Cong., 2d Sess., 126 Cong. Rec. H2307 (daily ed., March 27, 1980)(authorization of ABSCAM investigation); H.R. Res. 518, 98th Cong., 1st Sess., 128

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Cong. Rec. H 4038 (daily ed., July 13, 1982)(investigation into illicit sexual conduct and use of illegal drugs by Members, officers and employees).

In the very case before the Commission, the House exercised its authority, culminating in resignation of the Speaker. To permit the Commission to re-open the same case and re-adjudicate the issues would negative the entire constitutional scheme of self-discipline and subject the House to Executive branch review and second guessing -- precisely what the Clause was designed to prevent.[11]

Again, the Clause is not merely an evidentiary privilege, it is an exemption from litigation. Davis v. Passman, 442 U.S. 228, 236 n.11 (1979)("federal legislators should be exempted from litigation if their conduct is in fact protected by the Clause")(emphasis added). United States v. Brizendene, 659 F.2d 215, 216 (D.C. Cir. 1981). The House, having fully exercised its self disciplinary power in this case, initiated well before any Commission complaint process,[12] cannot have its judgments reviewed and re-opened without undercutting the deliberate jurisdictional allocation effected by the Clause, anymore than legislative trials can be conducted at variance with the

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[11] It is clear that for speech or debate purposes, the Commission functions as an arm of the Executive branch. Buckley v. Valeo, 424 U.S. 1, 118-119 (1976)(FEC is charged with executing laws and so its Members must be appointed in accordance with Art. II, § 2).

[12] The preliminary inquiry in the Wright matter was passed by the Committee on June 9, 1988.

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delegation of the judicial function to Article III courts. U.S. Const. Art. I, § 9, cl. 3 (prohibition on bills of attainer); United States v. Brown, 381 U.S. 437, 442-446 (1965).

It is true that the Court has made clear that not all conduct in any way related to the legislative process is protected by the Clause and that a prosecution for bribery may go forward so long as no evidence of how the Member spoke, debated or voted is used. United States v. Brewster, supra; United States v. Helstoski, supra. But in neither of those cases had a disciplinary proceeding been brought or reached fruition before or during the prosecution and neither Member had been subject to a plenary proceeding which had been fully exhausted by the time the extra-legislative case was brought.[13]

The fact is that here a full legislative proceeding preceded the Commission's findings and the grist of the case it proposes to try is precisely that which was before the Committee. There is no doubt that such a case so completely predicated on pre-existing legislative jurisdiction is barred under Brewster, Helstoski and Eilberg. Had the Committee omitted 2 U.S.C. § 441i

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[13] In United States v. Helstoski, 442 U.S. at 488-489 n.7, the government argued that because Congressman Helstoski was no longer a Member, the exercise of the self-disciplinary process would be futile and unavailing in remedying the wrongs allegedly committed by the Congressman if the Executive were barred from proceeding against him by the Clause. The Court rejected this argument specifically pointing out that "[n]othing in our holding today, however, immunizes a Member from punishment by the House or the Senate by disciplinary action including expulsion from the Member's seat." The Court so stated in the context of a case involving a former Member, not even one who had been the subject of a disciplinary proceeding, as Congressman Wright was.

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from the ambit of "rules, laws, regulations or standards of conduct applicable to Members," H.R. Rule X, cl. 4, (e)(1)(B), Rules of the House of Representatives, which it was reviewing in this case, and the Commission could find untainted evidence on which to base its review, a better argument might exist that there is something the House left for the Commission to investigate. But where the House so unequivocally assumed review of 2 U.S.C. § 441i within its Art. I, § 5 "case" against Congressman Wright there can be no doubt that the House fully exercised jurisdiction and left nothing for the Commission.

B. The Consideration Of This Case By The Commission Significantly Increases The Likelihood Of Inconsistent Judgments And Lack Of Respect Due Decisions By A Coordinate Branch.

As has been previously discussed, the Speech or Debate Clause, together with the self-disciplinary power, effect an exclusive jurisdictional allocation to the House over matters which become the subject of disciplinary proceedings. These clauses are "a textually demonstrable commitment of the issue to a coordinate political department," Baker v. Carr, 369 U.S. 186, 217 (1962), the classic formulation of a political question reserved for determination by the House. What reinforces the textual commitment of this issue exclusively to Congress are the presence of the other strands of the political question definition,[14] because the Commission cannot proceed without

[14] While the determination that the case is barred by a "textual commitment" is enough to withdraw the matter from judicial or executive review, one of the other strands is alone sufficient to end the case as well.

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"expressing a lack of respect" for the House's determinations, Baker v. Carr, id., or because of the "potentiality of embarrassment from multifarious pronouncements by various departments on one question." Id. The latter consideration is paramount where, as here, the Commission will be called upon to construe House precedents and where it may well reach a different result than that reached by Special Counsel.

It is also well to remember this is not a case involving suit against legislators or legislative functionaries in which assertion of the Clause denies or conditions the right of aggrieved parties to recover for alleged harm, Doe v. McMillan, 412 U.S. at 309-310 (suit to enjoin publication of allegedly defamatory report); or in which the suing legislator alleges that Congress exceeded its constitutional authority under another textual provision of equal importance, Powell v. McCormack, 395 U.S. 486, 550 (clause did not bar judicial review of claim that exclusion of legislator exceeded power of Congress where Member possessed the standing qualifications for office); or one in which legislators or legislative functionaries acted unconstitutionally in carrying out legislative orders. Kilbourn v. Thompson, 103 U.S. 108, 200 (1881)(Sergeant-at-Arms liable for arresting witness without proper authority; Members voting for resolution directing Sergeant-at-Arms immune). The construction of the Clause in those cases involved the issue whether courts or other tribunals may scrutinize congressional procedures when Congress or one of its Houses acts in a manner which affects or

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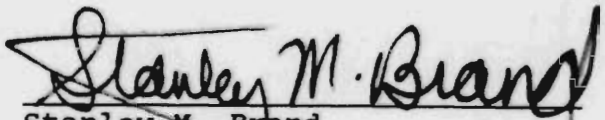
abridges the rights of non-members. It is clear that the courts may decide in such instances, but only with regard to matters outside the legitimate legislative sphere. But here the "textual commitment" is complete and unassailable because only Speaker Wright's conduct and evidence before the House is at issue, and the constitutionality of Congress' actions as it impacts non-legislators is not at issue.

Conclusion

Based on the foregoing, the complaint and reason to believe finding should be dismissed and no further action taken by the Commission. Even requiring the Speaker to respond to further interrogatories breaches the Clause and so no further discovery should occur until this threshold issue is resolved.

Respectfully submitted this 20th day of April, 1990.



Stanley M. Brand
David E. Frulla
Brand & Lowell
(A Professional Corporation)
923 Fifteenth Street, N.W.
Washington, D.C. 20005
(202) 662-9700

Counsel for Respondent

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New England Mutual
Life Insurance Company
501 Boylston Street
Boston, Massachusetts 02116
617-578-2000

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The New England

Mitchell A. Karman
Attorney

April 18, 1990

Ms. Janice Lacy
Office of the General Counsel
Federal Election Commission
Washington, D.C. 20463

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OFFICE OF GENERAL COUNSEL

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RE: MUR 2649

Dear Ms. Lacy:

Enclosed please find Responses of New England Life to the questions asked by the Federal Election Commission with regards to MUR 2649. The responses have been signed by Mr. Gordon MacKay, Senior Vice President of Public Affairs for New England Life.

Please note that there are no changes from the preliminary responses to these interrogatories submitted by New England Life on April 3, 1990.

Very truly yours,

Mitchell A. Karman

MAK:eg
Enclosure

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Responses of New England Life to FEC Questions - MUR 2649

1. **Question:**
Did New England Life make a bulk purchase of copies of Reflections of a Public Man in late 1984 or 1985? If yes, please state the number of copies purchased, the amount paid and the date of purchase.

Response:

New England Life purchased multiple copies of the book Reflections of a Public Man by a check dated December 11, 1984, in the amount of $1,000 to Madison Publishing Company. New England Life has no record indicating the exact number of books purchased. The books were donated by New England Life to the Jeremiah Burke public school in Boston.

2. **Question:**
How did New England Life learn that it could purchase Congressman Wright's book? Please identify all person(s) who contacted your company regarding the sale of Congressman Wright's books or with whom New England Life discussed its purchase of the books. Please also identify the person(s) at New England Life who discussed the company's purchase of the books with Congressman Wright or his representative(s).

Response:

Mr. Gordon MacKay, Senior Vice President of Public Affairs for New England Life, learned about the book sometime in 1984. Mr. MacKay does not recall specifically how or when he learned about the book, except that Mr. MacKay is certain that he did not learn of the book from Congressman Wright. Nobody from New England Life ever discussed the purchase of the book with Congressman Wright or his representatives.

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3. **Question:**
Identify the person(s) at New England Life who made the decision to purchase Congressman Wright's book.

Response:

The decision to purchase the book was made by Mr. Gordon MacKay.

4. **Question:**
Was New England Life prepared to give an honorarium to Congressman Wright related to his appearance?

Response:

Gordon MacKay attended a meeting on behalf of New England Life in Granbury, Texas on December 7, 1984. Congressman Wright appeared at that meeting and addressed the group. The sponsor of the meeting in Granbury was Craig Raupe, who at the time was a registered lobbyist for New England Life. Mr. Raupe, who is now deceased, indicated to Mr. MacKay that no honorarium for Congressman Wright was necessary for his speaking at the meeting. Mr. MacKay had decided sometime before the meeting that he wanted to have New England Life buy some of the books and donate them to a public school in Boston, but wanted to wait for an appropriate occasion. He determined that the Granbury meeting provided the appropriate occasion. Mr. MacKay had the check drawn to Madison Publishing Company when he returned from Texas. At no time did Mr. MacKay have direct contact with Congressman Wright or any of his staff on this matter.

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5. **Question:**

Has New England Life given honoraria to Congressman Wright or other Members of Congress in the past? If yes, please list the recipients and the date of such payments.

Response:

New England Life objects to this question as overly broad and unduly burdensome. Even limiting this request to the years specified by attorney Janice Lacy of The Federal Election Commission, namely 1983, 1984 and 1985, New England's recordkeeping during those years does not facilitate easy recall of the pertinent documents. Corporate auditors have indicated that it would take three people working full-time approximately three weeks to fully and accurately respond to this question.

In addition, New England Life objects to producing information regarding all honoraria payments to Members of Congress because this broad request seeks information totally unrelated to The New England's purchase of the book Reflections of a Public Man, and asks for information totally unrelated to Congressman Wright.

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Without waiving its objection, New England Life states that reviews it has undertaken in connection with prior investigations of Congressman Wright revealed no honoraria payments made to Congressman Wright by New England Life in the years 1983, 1984, or 1985.

GORDON MACKAY

SUBSCRIBED AND SWORN TO before me this 18th day of April 1990.

Mary V. Welch
Notary Public

My Commission Expires_____

Mary V. Welch
NOTARY PUBLIC
Commonwealth of Massachusetts
My Commission Expires January 21, 1994

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	)	
	)	MUR 2649
James C. Wright	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On January 11, 1990, the Commission found reason to believe that former U.S. Representative James C. Wright had violated 2 U.S.C. § 441i by receiving honoraria in 1984 in excess of the statutory limitation of $2,000 per speech or appearance. Later, on March 7, 1990, the Commission approved a series of questions to be posed to Mr. Wright and a subpoena for his appearance for a deposition.

The Commission's reason to believe determination was based upon the apparent purchase in bulk by companies and other entities of copies of Congressman Wright's book, Reflections of a Public Man, in lieu of paying him honoraria for appearances. In particular, there was evidence that Southwest Texas State University had paid Mr. Wright $3,000 for a speech at that institution, and had then been sent 504 books after being informed that Mr. Wright had already reached his yearly limit for honoraria. Mr. Wright endorsed the $3,000 check to his publisher and received $1,650 in royalties.[1]

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1. According to an article in the New York Times on August 9, 1989, and an Associated Press story that same day, a federal grand jury had been impaneled to investigate the Wright book deal and had subpoenaed documents from, inter alia, Southwest Texas State University.

The complaint in this matter cited several newspaper articles which had discussed the publication and distribution of Mr. Wright's book and which had raised questions as to whether certain book purchases had been in fact payments for Mr. Wright's appearances. The General Counsel's Report cited the report ("Counsel's Report) issued by the Special Outside Counsel appointed by the House Committee on Standards of Official Conduct ("House Committee") in 1989 and the "Statement of the Committee on Standards of Official Conduct in the Matter of Representative James C. Wright, Jr.," ("Committee Statement") issued by the House Committee, and went on to state that "the House Committee had found that Congressman Wright had accepted an honorarium in violation of Section 44li. The recommendation in the text read, "In light of these facts and findings, this Office recommends . . . ." No quotations from Mr. Wright's Committee testimony were included.

The Factual and Legal Analysis sent to Mr. Wright cited the Counsel's Report, the Committee Statement and the fact that the House Committee had found reason to believe that Congressman Wright had violated various House Rules as well as 2 U.S.C. § 44li. Footnotes in the Factual and Legal Analysis cited information taken from the Counsel's Report and the Committee Statement. Again, none of the information taken from the Special Counsel's report or the Committee's Statement included quotations from Mr. Wright's testimony before the Committee.

In their response to the Commission's reason to believe determination (Attachment 1) counsel for Mr. Wright have not

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responded to the Commission's questions. Rather, counsel for Mr. Wright have raised the threshold argument that the Speech or Debate Clause of the Constitution "bars litigation against Speaker Wright of the very issues considered by the House Committee in the proceeding which lead [sic] to his resignation." Counsel argue that "[w]hen read in pari materia with the rules and self-discipline clause, . . . U.S. Const., art. I, §5, cl.2, the Speech or Debate Clause effects a jurisdictional allocation to the House over enforcement of rules and standards of conduct applicable to Members." Counsel argue that this jurisdiction is exclusive. Counsel further assert that these Constitutional provisions together "result in the classic formulation of a political question reserved for determination by the House." On this basis counsel states that "the complaint and reason to believe finding should be dismissed and no further action taken by the Commission."

II. ANALYSIS

A. Constitutional Provisions and Judicial Interpretation

Article I, Section 6, of the Constitution provides in part, "The Senators and Representatives shall . . . in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Session of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place." (emphasis added). Article I, Section 5, Clause 2, reads, "Each House may determine the Rules of its Proceedings, may punish

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its Members for disorderly Behavior, and, with the Concurrence of two-thirds, expel a Member." (emphasis added).

1. Speech or Debate Clause

The Supreme Court has stated that the principal purpose of the Speech or Debate Clause of Article I, Section 6 is to insure that the legislative functions of Congress "may be performed independently." Eastland v. U.S. Servicemen's Fund, 421 U.S. 491, 502 (1975). "The immunities of the Speech or Debate Clause were not written into the Constitution simply for the personal or private benefit of Members of Congress, but to protect the integrity of the legislative process by insuring the independence of individual legislators." United States v. Brewster, 408 U.S. 501, 507 (1972). "[T]he clause serves the additional function of reinforcing the separation of powers so deliberately established by the Founders." United States v. Johnson, 383 U.S. 169, 178 (1966). Its "'central role' is to 'prevent intimidation of legislators by the Executive and accountability before a possibly hostile judiciary.'" Eastland at 502, quoting Johnson at 181. "The Speech or Debate Clause was designed to assure a co-equal branch of the government wide freedom of speech, debate, and deliberation without intimidation or threats from the Executive Branch. It thus protects Members against prosecutions that directly impinge upon or threaten the legislative process."

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Gravel v. United States, 408 U.S. 606, 616 (1972).[2]

"[O]nce it is determined that Members are acting within the 'legitimate legislative sphere' the Speech or Debate Clause is an absolute bar to interference." Eastland, 421 U.S. at 503, quoting Doe v. McMillan, 412 U.S. 306, 314 (1973). "Committee reports, resolutions, and the act of voting are equally covered; '(i)n short . . . things generally done in a session of the House by one of its members in relation to the business before it.' Rather than giving the clause a cramped construction, the Court has sought to implement its fundamental purpose of freeing the legislator from executive and judicial oversight that realistically threatens to control his conduct as a legislator." Gravel, 408 U.S. at 617-618, quoting Kilbourn v. Thompson, 103 U.S. 168, 204 (1881). "When it applies, the Clause provides protection against civil as well as criminal actions, and against actions brought by private individuals as well as those initiated by the Executive Branch." Eastland, 421 U.S. at 502-503, citing Kilbourn v. Thompson; Tenney v. Grandhove, 341 U.S. 367 (1951); Doe v. McMillan; and Dombrowski v. Eastland, 387 U.S. 82 (1967).

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2. The particular activities in these cases found by the Supreme Court to have been protected by the Speech or Debate Clause include a speech delivered by a member on the House floor which was offered as evidence of a conspiracy to defraud the government, Johnson; the introduction by a U.S. Senator of classified material into the public record of a Senate subcommittee, Gravel; and the issuance of a subpoena by a Senate subcommittee, Eastland. Other examples of protected activity have included the performance of past legislative acts by a member of the House, United States v. Helstoski, 442 U.S. 477 (1979); and dissemination by a House committee of a report on the District of Columbia school system which was asserted to have been an invasion of students' privacy, Doe v. McMillan, 412 U.S. 306, 314 (1973).

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However, "the Court has been careful not to extend the scope of the protection further than its purposes require." Forrester v. White, 484 U.S. 219, 224 (1987).[3]

In its 1972 decision in Brewster, the Court stated,

> Johnson . . . stands as a unanimous holding that a Member of Congress may be prosecuted under a criminal statute provided that the Government's case does not rely on legislative acts or the motivation for legislative acts. A legislative act has consistently been defined as an act generally done in Congress in relation to the business before it. In sum, the Speech or Debate Clause prohibits inquiry only into those things generally said or done in the House or Senate in the performance of official duties and into the motivations for those acts.

Brewster, 408 U.S. at 513. Later in the same decision the Court stated that, when making a determination as to whether or not acts of a Member are immune from prosecution, "[t]he question is whether it is necessary to inquire into how [the defendant] spoke, who he debated, how he voted, or anything he did in the chamber or

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3. In Johnson the Supreme Court cautioned that its decision in that case, finding speeches before the House to be within the protection of the Clause, did not "touch a prosecution which . . . does not draw in question the legislative acts of the defendant member of Congress or his motives for performing them." The Court went on to state, "[W]ithout intimating any view thereon, we expressly leave open for consideration when the case arises a prosecution which, though possibly entailing inquiry into legislative acts or motivations, is founded upon a narrowly drawn statute passed by Congress in the exercise of its legislative power to regulate the conduct of its members." Johnson, 383 U.S. at 185. Later, in its 1972 decision in Brewster, the Court restated its willingness to consider the special situation created by a specific statute directed toward the activities of members of Congress. Brewster, 408 U.S. at 510. It appears that no case involving such a statute has yet come before the Court and thus there has been no definition by the Court as to what is meant by a "narrowly drawn statute . . . ." In 1973 the court in United States v. Dowdy, 479 F.2d 213, 225 (4th Cir., 1973) interpreted this possible exception to mean "a specific and express delegation of authority to inquire into legislative acts or motivations."

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in committee in order to make out a violation of [a] statute." Brewster, 408 U.S. at 526.

In Gravel, decided on the same day as Brewster, the Court stated, "[A] member's conduct at legislative committee hearings . . . may not be the basis for a civil or criminal judgment against a member because that conduct is within the 'sphere of legitimate legislative activity.'" 408 U.S. at 624. The Gravel overall test for determining whether an activity comes within the "legitimate legislative sphere" is whether the activity is

> an integral part of the deliberative and communicative processes by which Members participate in committee and House proceedings with respect to the consideration and passage or rejection of proposed legislation or with respect to other matters which the Constitution places within the jurisdiction of either House. As the Court of Appeals put it, the courts have extended the privilege to matters beyond pure speech or debate in either House, but 'only when necessary to prevent indirect impairment of such deliberations.'

Gravel, 408 U.S. at 625, quoting United States v. Doe, 455 F.2d 753, 760 (1st Cir, 1973) (same case as Gravel).[4]

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4. While Senator Gravel's conduct at a committee hearing was found to be covered by the Speech or Debate Clause, the private publication by the Senator of certain documents was found to be "in no way essential to the deliberations of the Senate; nor does questioning as to private publication threaten the integrity of independence of the Senate by impermissibly exposing its deliberations to executive influence." Thus private publication was not covered by the Clause. Gravel, 408 U.S. at 624-625

Gravel has been termed "[p]robably the most restrictive reading of the Speech or Debate Clause . . . . Read broadly, that case might exclude from the protections of the clause all acts in preparation for legislation or legislative hearings, as well as all private dissemination by a congressman of information gathered for a hearing. (Citations omitted.) . . . Yet even Gravel protects from inquiry any act which is an integral part of the deliberative and communicative processes by which Members participate in committee and House proceedings . . . with respect to . . .

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The Court in Gravel also addressed the extension of immunity under the Speech or Debate clause to aides of a member of Congress. In this regard the Court stated,

> [I]t is literally impossible, in view of the complexities of the modern legislative process, with Congress almost constantly in session and matters of legislative concern constantly proliferating, for Members of Congress to perform their legislative tasks without the help of aides and assistants; that the day-to-day work of such aides is so critical to the Members' performance that they must be treated as the latter's alter egos; and that if they are not so recognized, the central role of the Speech or Debate Clause - to prevent intimidation of legislators by the Executive and accountability before a possibly hostile judiciary . . . will inevitably be diminished and frustrated.

Gravel, 408 U.S. at 616-617, citing Johnson, 383 U.S. at 181. Later, in Eastland, a case involving a challenge to a subpoena issued by a Senate subcommittee, the Court cited the above reference to the critical role of congressional aides in Gravel in support of the statement, "We draw no distinction between the Members and the Chief Counsel." Eastland, 421 U.S. at 507.

In 1976 the U.S. District Court for the District of Columbia applied the Supreme Court rulings cited above in United States ex rel. Hollander v. Clay, 420 F.Supp. 853 (D.D.C., 1976). Clay involved a suit, initially filed against a member of Congress under the False Claims Act by a private citizen and then taken

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(Footnote 4 continued from previous page)
matters . . . within the jurisdiction of either House." In re Grand Jury Investigation, 587 F.2d 589, 594-595, (3rd Cir., 1978), citing Gravel, 408 U.S. at 625.

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over by the Department of Justice, to recover double damages and forfeitures related to allegedly false claims for travel reimbursements.

In Clay the defendant argued, inter alia, that "reimbursement of travel expenses represents Congressional acknowledgment of a task, representation of and communication with a constituency, that is fundamental to a legislator's job and thus protected by the Speech or Debate clause." The court found that "the constituent communication aspect of the travel vouchers does not constitute the type of legislative activity defined by the cases to be within the clause," and that the case "does not directly involve defendant's communication with his constituents, but rather merely the allegedly false filing of travel vouchers." Clay, 420 F.Supp. at 855-856.

In United States v. Eilberg, 465 F. Supp. 1080, 1083 (E.D.Pa. 1979), a different district court addressed the issue of whether testimony by a member of Congress before the House Committee on Standards of Official Conduct was protected by the Speech or Debate Clause from use against that member in a case involving alleged bribery.[5] That court found that his testimony was so protected, thereby rejecting the government's argument that such protection went only to the members of the Committee because only they were acting in a legislative capacity. The court stated that the government's reading was "too narrow a view of the Speech or

5. The court addressed only the defendant's own testimony because that was the only testimony which the government intended to use.

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Debate privilege as interpreted by the Supreme Court in Gravel," and went on to cite Gravel as follows:

> . . . a member's conduct at legislative committee hearings although subject to judicial review in various circumstances, as is legislation itself, may not be the basis for a civil or criminal judgment against a member because that conduct is within the 'sphere of legitimate legislative activity'.

Eilberg, 465 F.Supp. at 1063, quoting Gravel, 408 U.S. at 624.[6]

The Eilberg court stated further,

> It might be argued that, since the testimony of the defendant before the Ethics Committee related to 18 U.S.C. § 203, such testimony is beyond the scope of legislative activity and is not protected by the Speech or Debate Clause. The Committee, however, was engaged in the very function the Speech or Debate Clause protects - the right of Congress to preserve its independence by disciplining its own members. This right to discipline is one of the matters 'which the Constitution places within the jurisdiction of either House.'

Eilberg, 465 F.Supp. at 1083, quoting Gravel, 408 U.S. at 625.

This decision in Eilberg has been strongly questioned, in dicta, by the U.S. District Court for the District of Columbia in United States v. Hansen, 566 F. Supp. 162 (D.D.C., 1983). Hansen involved a motion by a member of Congress to dismiss an indictment in which he was charged with making false statements on financial disclosure reports filed with the U.S. House of Representatives. The Hansen court stated that the portion of Gravel cited by the Eilberg court in support of the latter court's position regarding a member's testimony "only applies 'when necessary to prevent

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6. In a footnote the Eilberg court states that the reference to "judicial review" means whether the activity in question is within the committee's authority.

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indirect impairment of such [committee] deliberations.'" Hansen, 566 F. Supp. at 171, quoting Gravel, 408 U.S. at 625. The Hansen court continued,

> It is difficult to see how applying the Speech or Debate Clause privilege to the Eilberg defendant's testimony - as opposed to the Committee members' statements and questions - could have been 'necessary' to prevent impairment of the Committee's deliberations. The mere fact that Congress may provide some internal inquiry or sanction for certain misconduct of its members does not thereby insulate its members from all possible criminal liability for such actions.

Hansen, 566 F. Supp. at 171.

The Hansen court went on to state,

> Any suggestion that Congress intended that discipline of members for failures to comply with [the Ethics in Government Act's] provisions be kept an in-house matter is completely belied by the fact that Congress specifically opened the act's disclosure requirements up to external scrutiny by vesting in the Attorney General the authority, under section 706 of the act, to bring civil actions to prosecute violations of those requirements. Moreover, that EIGA is a three-branch plan in which officials of the executive and judicial branches have equal disclosure obligations to those of legislative branch officials demonstrates that the disclosure requirements have a broader purpose than mere internal policing but also concern the public's right to know about the financial interests of its governmental leaders. Accordingly, the Speech or Debate Clause does not privilege defendant from prosecution of the matters alleged in the indictment. The government can make out a prima facie case without having to inquire into any legislative acts or the motivations therefor.

Hansen, 566 F. Supp. at 171.

Earlier, in United States v. Myers, 635 F.2d 932, 937 (2nd Cir., 1980), cert. denied -- U.S. --, 103 S. Ct., 2437 (1983), a

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case which involved another challenge to the indictment of a member of the House of Representatives for bribery, the Second Circuit had found that the indictment was permissible because it focused only upon whether money had been taken and a "corrupt promise" made. "Legislative actions are referred to in the indictment only for the entirely permissible purpose of detailing the nature of the corrupt promise allegedly made. The indictment contemplates no inquiry into the taking of any legislative action or the motivation for it."

It is clear from the cases discussed above that the preparation and official issuance of Congressional committee reports generally come within the immunities provided by the Speech or Debate Clause. "Voting and preparation of committee reports are the individual and collective expression of opinion within the legislative process. As such they are protected by the Speech or Debate Clause." Hutchinson v. Proxmire, 443 U.S. 111, 133 (1979). See also Chastain v. Sundquist, 833 F.2d 311 (D.C. Cir., 1987). It is less clear whether a member's testimony before a Congressional committee and thus any citation to that testimony in a committee report would be protected from use against that member in a later civil or criminal case. No decisions have been found which have addressed the specific question of whether the testimony of a non-member included in a Committee report may be used as the basis for an administrative proceeding or for civil litigation involving non-legislative activities of a member.

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2. **Self-Disciplinary Clause and Political Question Doctrine**

Issues raised in the present matter as to Article I, Clause 5, are whether disciplinary actions undertaken by either the House or Senate against a member preclude the later exercise of jurisdiction by the Commission, i.e., whether such actions are the "exclusive" province of the house involved, and whether Clause 5 represents "a textually demonstrable commitment of the issue [of punishment] to a coordinate political department" so as to create a political question solely within the province of Congress.

In the first regard, the court in Clay addressed the argument of exclusivity by stressing in part that "members of Congress were intended to be within the scope of the False Claims Act" allegedly violated in that case and that therefore "article 1, section 5 presents no barrier to a civil suit against a member of Congress." Clay, 420 F. Supp. at 856.[7] More broadly, the Supreme Court, in its decisions regarding the application of the

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7. Finding that the defendant in Clay had "miscontrue[d] the scope of the punishment or expulsion clause," the court stated,

> The present suit seeks neither the expulsion nor the punishment of defendant; it is in the nature of a civil, remedial action. The Department of Justice, in seeking return of funds alleged to have been procured by misrepresentations, cannot be said to be invading Congress' prerogative to punish or expel. Congress retains that option in this case unaffected by defendant's potential civil liability.

Clay, 420 F. Supp. at 856. This distinction concerning punishment does not apply, however, to Commission actions in that the civil penalties sought by the Commission during conciliation arguably are penal and not for restitution.

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Speech or Debate Clause, has not questioned the prosecution of Members of Congress on counts not affected by that Clause. For example, as stressed by the Court in Brewster, the Court's opinion in U.S. v. Johnson "emphasized that [the] decision [to find one count of a eight count indictment in violation of the Speech or Debate Clause] did not affect a prosecution that, though founded on a criminal statute of general application, 'does not draw in question the legislative acts of the defendant member of Congress or his motives for performing them.'" Brewster, 408 U.S. at 510, quoting Johnson, 383 U.S. at 185. Specifically, the Court in Johnson let stand the pursuit of conflict-of-interest counts in the indictment and authorized a new trial on a conspiracy count. The Myers court also reached a conclusion as to the non-exclusivity of Congressional punishments. "In declining to find in the Speech or Debate Clause an immunity from prosecution for corrupt promises to take legislative action, the majority in Brewster necessarily rejected any contention that Congressional punishment power in such matters was exclusive." Myers, 635 F.2d at 937-938.

In Baker v. Carr, 369 U.S. 186 (1962), the Supreme Court laid down the criteria to be applied in determining whether a case, even though otherwise justiciable, involves a political question, thus preventing a judicial resolution. The Court stated that at least one of the following "formulations" must be present in order for an issue to be non-justiciable:

> a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of

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> deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question.

Baker, 369 U.S. at 217.

In the present matter it is argued that the self-disciplinary clause and the Speech or Debate clause are "a textually demonstrable commitment of the issue to a coordinate political department." The defendant in Clay made the same argument with regard to Article 1, Clause 5, stating that it represented a commitment "to Congress of the power to punish its members for any alleged wrongdoing." The court in that case, however, stated that the "[d]efendent can point to no textually demonstrable commitment to the House of adjudicatory power to determine defendant's civil liability" under the False Claims Act. Clay, 420 F.Supp. at 856-857.[8]

In United States v. Eilberg, 507 F.Supp. 267 (E.D.Pa., 1980) (cited hereafter as Eilberg II), another case involving then U.S. Representative Joshua Eilberg, the court addressed, inter alia, arguments raised on behalf of the Clerk of the House in opposition to a subpoena for telephone records. The Clerk asserted that to

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8. The court in Clay expressly noted that the defendant had not based his political question claim upon the other standards articulated in Baker v. Carr such as the "lack of judicially discoverable standards, necessity for initial policy determination, lack of respect for a coordinate branch, embarrassment by multifarious pronouncements by different branches, or unusual need for unquestioning adherence to a political decision already made." Clay, 420 F.Supp. at 857, citing Baker v. Carr, 369 U.S. at 217.

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enforce "through litigation a statutory norm governing the House's internal housekeeping involves a delegation of House authority to the executive and the judiciary which is incompatible with the separation of powers."

The Eilberg II court, citing Brewster, emphasized that the "Speech or Debate clause cordons off only a portion - albeit the core - of a Representative's or Senator's work-life from judicial inquiry; the balance may be the subject of litigation, provided Congress has, by appropriate legislation, undertaken to commit the policing of abuses to the judicial process." Eilberg II, 507 F.Supp. at 286. The court went on,

> In short, as against the Clerk's separation-of-powers concerns, the prevailing congressional practice has for several decades been to delegate much of the policing of the behavior of Senators and Representatives to the executive and the judiciary. And such delegation has been uniformly sustained by the Supreme Court - subject only to the constraints imposed by the 'Speech or Debate' clause on judicial inquiry into 'legislative acts.'

Eilberg II, 507 F.Supp. at 287.[9]

B. RESPONDENT'S ARGUMENTS

Counsels' overall argument is that to require Mr. Wright "to answer" before the Commission would be to violate the Speech or Debate Clause by

1) requiring him "to testify or otherwise respond concerning acts 'said or done' within the legislature";

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9. In a footnote, the Eilberg II court pointed out that Congress "has conducted its own policing of matters also pursued in court," using as an example the expulsion in 1989 of U.S. Representative Michael J. Myers after he had been convicted of bribery. 507 F.Supp. at 287, n. 12.

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2) breaching "the separation of powers undergirding the Clause by permitting the Commission to review, and 'question' the House's actions in a particular case which it heard"; and

3) hindering "the ability of the House to exercise its self-disciplinary power in a free and unfettered manner."

Attachment 1, page 6.

In the first regard, Counsel argue that the Commission's proceeding "is . . . 'tainted' by "consideration of and reliance upon legislative materials. . . . In fact, there is no indication the Commission considered anything but protected speech or debate material in reaching its findings." (Emphasis in original.) Attachment 1, page 8. Counsel assert that Mr. Wright "cannot be questioned through Commission review of his evidence before the Committee because the Clause forbids extra-legislative review about 'how he spoke, how he debated, how he voted, or anything he did in the Chamber or in committee.'" Attachment 1, page 10, quoting Brewster, 408 U.S. at 526.

Counsel also argue that the House and the Committee are protected by the Speech or Debate Clause from Commission "'questioning' through review and consideration of the Special Counsel's Report and its evidence." Further, the Commission's position is assertedly not aided by the delegation of the enforcement of 2 U.S.C. § 441i to the Commission. Attachment 1, pages 12-13.

Finally, Counsel argue that the Commission cannot "readjudicate" a case already heard by the House. "In the very case before the Commission, the House exercised its authority,

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Debate Clause was successfully invoked by a member, have involved the appearance of a member before a disciplinary committee as a witness and the subsequent use of his or her committee testimony in a judicial proceeding in which the same member is a defendant. Rather, these Supreme Court cases have concerned the activities of an individual member as a member of a committee which has issued subpoenas or a report or otherwise engaged in a legislative undertaking.

Certain lower courts have addressed the issue of a member's appearance as a witness, but inconsistently. As cited above, the U.S. District Court for the Eastern District of Pennsylvania, in Eilberg, found that the Congressman's testimony before the House Ethics Committee could not be used against him, based upon a combination of the Speech or Debate Clause and the right of both Houses to discipline their own members. Four years later, in Hansen, the U.S. District Court for the District of Columbia, in dicta, strongly disagreed with the Eilberg rationale, stating that a Congressional inquiry into a member's misconduct does not "insulate" a member from other liability. (The case before the Hansen court did not involve either floor statements or committee testimony and the court found that the government could make a sufficient case without any reliance upon legislative acts.)[10]

In the present matter, the Commission did not rely upon Mr. Wright's own testimony before the House Committee in making its reason to believe finding regarding a violation of

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10. The court in Hansen addressed Eilberg because the latter had been relied upon by the defendant.

culminating in resignation of the Speaker. To permit the Commission to re-open the same case and re-adjudicate the issues would negative the entire constitutional scheme of self-discipline and subject the House to Executive branch review and second guessing -- precisely what the Clause was designed to prevent." Attachment 1, page 15. Counsel also assert that, even though in Brewster and Helstoski the Supreme Court did not bar prosecutions for bribery so long as no evidence related to the legislative process was relied upon, in those cases no "disciplinary proceeding had been brought or reached fruition before or during the prosecution and neither Member had been subject to a plenary proceeding which had been fully exhausted by the time the extra-legislative case was brought." Attachment 1, page 16. "[T]he Commission cannot proceed without 'expressing a lack of respect' for the House's determinations . . . or because of the 'potentiality of embarrassment from multifarious pronouncements by various department on one question.'" Attachment 1, pages 17-18, quoting Baker v. Carr, 369 U.S. at 217. "[H]ere the 'textual commitment' [to the legislative branch] is complete and unassailable . . . ." Attachment 1, page 19.

C. Analysis

1. Application of Speech or Debate Clause to Mr. Wright as Witness before Committee

Although the courts have consistently included Congressional committee hearings, committee reports and other committee proceedings within the scope of the Speech or Debate Clause, none of the above-cited Supreme Court cases, in which the Speech or

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Debate Clause was successfully invoked by a member, have involved the appearance of a member before a disciplinary committee as a witness and the subsequent use of his or her committee testimony in a judicial proceeding in which the same member is a defendant. Rather, these Supreme Court cases have concerned the activities of an individual member as a member of a committee which has issued subpoenas or a report or otherwise engaged in a legislative undertaking.

Certain lower courts have addressed the issue of a member's appearance as a witness, but inconsistently. As cited above, the U.S. District Court for the Eastern District of Pennsylvania, in Eilberg, found that the Congressman's testimony before the House Ethics Committee could not be used against him, based upon a combination of the Speech or Debate Clause and the right of both Houses to discipline their own members. Four years later, in Hansen, the U.S. District Court for the District of Columbia, in dicta, strongly disagreed with the Eilberg rationale, stating that a Congressional inquiry into a member's misconduct does not "insulate" a member from other liability. (The case before the Hansen court did not involve either floor statements or committee testimony and the court found that the government could make a sufficient case without any reliance upon legislative acts.)[10]

In the present matter, the Commission did not rely upon Mr. Wright's own testimony before the House Committee in making its reason to believe finding regarding a violation of

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10. The court in Hansen addressed Eilberg because the latter had been relied upon by the defendant.

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2 U.S.C. § 441i. The Factual and Legal Analysis cited the Counsel's Report as to certain facts and the Counsel's Report cites generally to Mr. Wright's testimony (see below), but the Factual and Legal Analysis contained no direct, or indirect, quotations from, or summaries of, Mr. Wright's testimony on the honoraria issue.[11]

2. Basis of Commission's Finding of Reason to Believe: At Least Partial Reliance upon Special Counsel's Report and Committee Statement

Counsel argues more generally that the Commission's finding of reason to believe was based only upon information taken from the Special Counsel's Report and from the Committee Statement. This is incorrect. The complaint in this matter expressly raised the issue of a violation of 2 U.S.C. § 441i as a result of the purchase by The New England Life Insurance Company of $2,000 worth of books. One of that company's own executives had been quoted as stating that this transaction was "in lieu of paying Wright an honorarium . . . ." The Factual and Legal Analysis discussed the complaint in this regard, and cited the Counsel's Report only to point out a discrepancy in the figure for the amount of the New England Life book payment, to note in a footnote that Mr. Wright had already accepted the maximum amount in honoraria allowed in

11. It must also be emphasized that the aspect of Mr. Wright's conduct at issue at the the Committee hearings was unrelated to any legislative activities (unlike, e.g., the acceptance of a bribe to perform certain legislative acts). As discussed above, in Clay a member of Congress was accused of having filed false travel vouchers, an activity which the court found not to be the type covered by the Clause and thus not immune. Clay did not, however, involve testimony before a Congressional committee.

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1985, and to note also in a footnote that the Counsel's Report had stated that Mr. Wright knew that the books were being purchased in lieu of an honorarium, the latter assertion being based upon a memorandum from the public relations firm handling the distribution of the books to Mr. Wright and his wife. Thus, while information regarding the New England Life transaction taken from the Counsel's Report and from the Committee's Statement was included in the Factual and Legal Analysis, this information simply supplemented what was already available in the complaint.

On the other hand, the resulting New England Life honorarium amounted to only $550, based upon the Counsel's Report total of $1,000 for the company's payment of which Mr. Wright apparently received 55% pursuant to his royalty agreement with the publisher. Therefore, as stated in the General Counsel's Report, this transaction was not in violation of the Act. The General Counsel's Report then went on to discuss Mr. Wright's receipt of $3,000 from Southwest Texas State University, one of the transactions upon which the House Committee based its finding of reason to believe, and to note, in a footnote, that the Counsel's Report had also addressed a $10,000 purchase by the Satellite Broadcasting and Communications Association which the Counsel had found in violation of 2 U.S.C. § 441i but which the Committee had not. The General Counsel's Report continued,

> Because [Mr. Wright] initially accepted the entire $3,000 [from the University], the House Committee found that Congressman Wright had accepted an honorarium in violation of Section 441i. In light of these facts and findings, this Office recommends that the Commission find reason to believe James C. Wright violated 2 U.S.C. § 441i.

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The Factual and Legal Analysis was not so direct with regard to the source of the information regarding the Southwest Texas State University and Satellite Broadcasting. But it did cite the Committee Statement and the Counsel's Report in a footnote in support of the recommendation, noting again that the Committee Statement and the Counsel's Report had differed in their treatment of the Satellite Broadcasting and Communications Association's bulk purchase. [12]

Counsel for Mr. Wright argue that the Commission's proceedings have been "tainted" by the use of information taken from Committee documents. And it would be, in fact, difficult to argue that the Commission's finding was not largely based upon the House Committee's determination. Such a basis, however, should not be fatal to the Commission's proceedings.

First, assuming that all information in a Congressional report is to be deemed legislative and thus not to be used as evidence in a Commission proceeding, it must be stressed that the Supreme Court has not found that indictments based in part on legislative activities need be rejected in their entirety provided that they are "wholly purged of elements offensive to the Speech or Debate Clause" Johnson, 383 U.S. at 185. See also Brewster, 408 U.S. at 526-527. As was noted by the court in Helstoski v. United States (Helstoski II), 635 F.2d 200, 205, "it was not

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12. A review of the complaint and of the news articles cited therein, as well as of other news articles collected by this Office, has revealed no mention of the Southwest Texas State University and the Satellite Broadcasting and Communications Association transactions.

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contended in either Brewster or Johnson that mere introduction of speech or debate material invalidated the indictment." In Myers the court determined that grand jury consideration of privileged materials was not fatal. And in United States v. Williams, 644 F.2d 950, 952 (2nd Cir., 1981) the court upheld a lower court finding that, even though testimony relative to legislative matters should not have been heard by the grand jury, the introduction of this "tainted testimony" did not raise substantial questions as to whether the grand jury had "'sufficient competent evidence to establish probable cause,'" quoting Myers, 635 F.2d at 940, n. 10.

In the present matter the issues with regard to the use of arguably legislative materials are whether the Commission's finding of reason to believe would be viewed by a court as the equivalent of an indictment and thus need to have been based upon more than information taken from House Committee documents, and, if so, whether there was sufficient information before the Commission, minus the House Committee's Statement and the Counsel's Report, to have supported a reason to believe finding.

The Commission should be able to argue convincingly that a reason to believe determination is not the equivalent of an indictment, but only serves to open an investigation. Therefore the same standards should not apply with regard to the source of the information used as the basis for such a finding.

Assuming that it would be necessary to show that the Commission's reason to believe finding could have been based upon other available information, the Commission could emphasize in

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particular the New England Life transaction in September, 1985, which, although resulting in an honorarium of less than $2,000, served as an example of a possible practice of selling books in lieu of honoraria. There had been statements in news accounts that Mr. Wright by May, 1985, was within $500 of his $25,500 honoraria limit and that the New England Life arrangement had been negotiated by Mr. Wright's office. Taken together this information, available to the Commission independent of the House Committee's documents, would arguably have provided sufficient grounds for a Commission finding of reason to believe.

Secondly, it has in fact never yet been determined by the Supreme Court that testimony before a Congressional committee by a member witness which is cited in a Committee report is covered by the Speech or Debate Clause and thus may not be used against that member in either a criminal or a civil procedure; lower courts which have addressed this scenario have differed. And the question of whether non-member witnesses' testimony may be used against a member in such a procedure has apparently not been addressed by the courts. Therefore, it would be very difficult for counsel for Mr. Wright to find precedents for the argument that no information whatsoever taken from a Congressional report or other committee document may be used as the basis for a Commission finding of reason to believe.

3. <u>Separation of Powers: Committee and Commission</u>

Counsel also argue that the Commission is barred from "readjudicating" a case heard by a Congressional committee. They state that "the House exercised its authority, culminating in

9304351193 3

resignation of the Speaker. To permit the Commission to re-open the same case and re-adjudicate the issues would negative the entire constitutional scheme of self-discipline and subject the House to Executive branch review and second guessing - precisely what the [Self-Disciplinary Clause was designed to prevent." Attachment 1, page 15.

Contrary to the argument of counsel, there is indeed very considerable doubt "that the House fully exercised jurisdiction [in the Wright matter] and left nothing for the Commission." Attachment 1, page 17. Counsels' position is based upon two incorrect sets of assumptions. The first is that the House Committee's actions and determination in the Wright case represented a "full exercise" of authority, that there had been a "disciplinary proceeding which [had been] brought or reached fruition," and that Mr. Wright had been "subject to a plenary proceeding which had been fully exhausted by the time the extra-legislative case was brought." Attachment 1, pages 15-16. The second assumption is that the Commission has no authority to pursue a civil enforcement action because of the prior actions by the House.

In fact, the proceedings in the House of Representatives regarding Mr. Wright went no further than a finding by the House Committee of reason to believe that he had violated certain Rules and 2 U.S.C. § 441i. There was never a finding by the full House because Mr. Wright resigned prior to such a floor proceeding. Thus it cannot be said that the House had exercised its full authority or that the disciplinary proceeding had "reached

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fruition." This is not a case of the Commission "re-opening" or "re-adjudicating" something which had been fully "adjudicated."

And even if the disciplinary proceeding in the House had gone to a floor vote, there is considerable support for the position that that proceeding would not have barred the Commission from pursuing an enforcement matter. This support is to be found especially in the Hansen and Clay decisions discussed above.

In Clay the court found that so long as it was intended that members of Congress be included within the scope of a statute, in that case the False Claims Act, there was no barrier in the Self-disciplinary Clause to a civil suit against a member.

Although the Hansen case did not involve testimony before a House committee, that court was very critical of another district court which had found immune the testimony of a member before such a committee and which had apparently equated the Speech or Debate Clause with the right of Congress to discipline its own members. More generally the Hansen court found that even if Congress provides for "some internal inquiry or sanction for certain misconduct of its members, [that] does not insulate its members from all possible criminal liability." The Hansen court also emphasized the inclusion of members of the legislative branch in the statute at issue in that case, namely the Ethics in Government Act, and the "vesting in the Attorney General [of] authority . . . to bring civil actions to prosecute violations [of that Act]." The court went on to state that "the disclosure requirements [of the Ethics in Government Act] have a broader purpose than mere internal policing but also concern the public's right to know

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about the financial interests of its government leaders." Hansen, 566 F.Supp. at 171.

Even the court of which the Hansen court had been so critical, namely the U.S. District Court for the Eastern District of Pennsylvania, emphasized in a later case the history of the delegation by Congress to the executive and the judiciary of the policing of members. The Eilberg II court emphasized that this delegation has been "uniformly sustained by the Supreme Court," provided that the constraints of the Speech or Debate Clause are observed. Eilberg II, 507 F. Supp. at 287.[13]

Applying these principles to the present matter, it is clear that Congress intended the portion of the Federal Election Campaign Act regulating honoraria to apply to members of the legislative branch as "elected . . . officer[s] of the Federal Government," 2 U.S.C. § 441i, and that it granted the Commission "exclusive jurisdiction" over the civil enforcement of the Act, including the honoraria provision codified at 2 U.S.C. § 441i. 2 U.S.C. § 437g. The Act contains no caveat as to a loss of Commission jurisdiction over a matter involving excessive honoraria if either the Senate or House has instituted a disciplinary procedure in that regard. And, as with the Ethics in Government Act, the Federal Election Campaign Act has a broader purpose than "internal policing" by either House, namely the preservation of the integrity of the Government. All in all, therefore, it appears that the House Committee's actions do not

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13. No decisions by Texas courts have been found which are on point with the decisions discussed above.

9304351-1936

bar the Commission from pursuing an enforcement action involving one of the issues addressed by that Committee simply because it was so addressed and because the member involved resigned.

4. **The Possibilities for "Expressing a Lack of Respect for Congress" and for "Multifarious Pronouncements by Various Departments on One Question"**

Counsel further argues, based upon Baker v. Carr that Commission pursuit of Mr. Wright would express "'a lack of respect' for the House's determinations" or result in "'embarrassment from multifarious pronouncements by various departments on one question." Attachment 1, page 18. The responses to these arguments are the same as those raised above with regard to the "separation of powers" assertion. There was no "determination" by the House as a whole. Thus a Commission probable cause finding regarding any violation or non-violation of 2 U.S.C. 441i by Mr. Wright would not be either duplicative of, or contrary to, a decision by the House. It is possible that such a Commission finding could differ from that of the House Committee, either in terms of the particular transactions involved in a violation or as to the final decision as to whether or not there was a violation, but a committee is not the full House.

D. **SUMMARY**

Based on the above analysis, it appears that a possible, although not probable, hurdle faced by the Commission in pursuing the present enforcement action could be the use of information from the House Committee Statement and the Counsel's Report as a basis for its reason to believe finding. Given the courts' inclusion of committee reports and other committee documents in the category of

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legislative matters protected by the Speech or Debate Clause, the Commission may have to show that the present matter is distinguishable from earlier cases.

The factual situation in the present matter is in fact different in that the apparent violation of 2 U.S.C. § 441i at issue arises out of non-legislative undertakings, namely appearances before certain groups who bought books rather than pay an honorarium, and the member involved was a witness at the committee hearings, not a committee member, a factor to which different courts have reacted differently. There is no clear judicial precedent for finding a non-committee member's testimony regarding strictly non-legislative activities immune from use pursuant to the Speech or Debate Clause. And, even if committee testimony were found not to have been rightly available to the Commission, there was evidence before the Commission besides the Committee Statement and Counsel's Report which alone would have supported a reason to believe determination.

Thus, despite the principle that congressional committee proceedings, including reports, are generally protected by the Speech or Debate Clause, the Commission should refuse to dismiss the complaint and reason to believe finding in the present matter, and proceed to the next step in the enforcement process. As the next step this Office recommends approval of a subpoena for documents and an order for answers to interrogatories to be issued to Mr. Wright in light of his failure to respond to the questions and request for documents sent earlier, and also approval of subpoenas and orders to be sent to Southwest Texas State University

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and to the Satellite Broadcasting and Communications Association, two bulk purchasers of Mr. Wright's book in amounts resulting in payments to Mr. Wright in excess of $2,000.

E. RECOMMENDATIONS

a. Deny the request by counsel to dismiss the complaint and reason to believe finding in MUR 2649.

b. Approve the attached subpoena and order to James C. Wright.

c. Approve the attached subpoenas and orders to Southwest Texas State University and the Satellite Broadcasting and Communications Association.

1/29/91
Date

Lawrence M. Noble
General Counsel

Attachments

1. Response from counsel
2. Subpoena and order to James C. Wright
3. Subpoena and Order to Southwest Texas State University
4. Subpoena and Order to Satellite Broadcasting and Communications Association.

93043511939

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES HARRIS
COMMISSION SECRETARY

DATE: FEBRUARY 4, 1991

SUBJECT: MUR 2649 - GENERAL COUNSEL'S REPORT DATED JANUARY 29, 1991

The above-captioned document was circulated to the Commission on Wednesday, January 30, 1991 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner Josefiak	XXX
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for TUESDAY, FEBRUARY 12, 1991.

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

93043511940

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2649
James C. Wright	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 12, 1991, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions with respect to MUR 2649:

1. Deny the request by counsel to dismiss the complaint and reason to believe finding in MUR 2649.

2. Approve the subpoena and order to James C. Wright as recommended in the General Counsel's report signed January 29, 1991.

3. Approve the subpoenas and orders to Southwest Texas State University and the Satellite Broadcasting and Communications Association as recommended in the General Counsel's report signed January 29, 1991.

(continued)

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4. Approve the draft letters attached to the General Counsel's memorandum dated February 5, 1991, subject to amendment as agreed during the meeting discussion.

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

Attest:

2-13-91
Date

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

9304351119 42

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 21, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Charles Hewitt, President
Satellite Broadcasting & Communications Association
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

RE: MUR 2649

Dear Mr. Hewitt:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena to produce documents and order to submit written answers in connection with an investigation it is conducting. The Commission does not consider your company to be a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

9304351194 3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Charles Hewitt, President
Satellite Broadcasting & Communications Association
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents, within 15 days of your receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 19th day of ~~January~~ February, 1991.

John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories
Document Request

93043511945

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out

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INTERROGATORIES

The Commission is in possession of information that the Satellite Broadcasting & Communications Association ("SBCA") made a bulk purchase of Reflections of a Public Man by James C. Wright, Jr., in 1985, in lieu of paying an honorarium to former Congressman Wright for his appearance at the association's trade show in September of that year. Please answer the following questions regarding the SBCA's purchase of the books:

1. Did the SBCA make a bulk purchase of copies of Reflections of a Public Man in 1985? If yes, please state the number of copies purchased, the amount paid, and the date of purchase.

2. How and to whom were the books distributed by the SBCA?

3. What were the dates of the SBCA trade show in September, 1985, and where was the trade show held?

4. Did Mr. Wright appear at the SBCA trade show in September, 1985? If yes, was Mr. Wright paid an honorarium for his appearance? Were his expenses related to his appearance paid by the SBCA?

5. Is it the usual practice of the SBCA to pay an honorarium and expenses with regard to the appearance of a member of Congress at an SBCA trade show? If yes, what is the usual honorarium paid?

6. At whose suggestion did the SBCA make the bulk purchase of Reflections of a Public Man? Please identify all persons, including Mr. Wright or his representatives, who contacted your association regarding a purchase of Mr. Wright's books, or with whom the SBCA discussed its purchase. Please also identify the person(s) associated with the SBCA who discussed the association's purchase of the books with Mr. Wright or with his representative.

7. Identify the person at the SBCA who made the decision to purchase Mr. Wright's book.

8. Was the SBCA prepared to give Mr. Wright an honorarium for his appearance at the September, 1985, trade show?

9. Had the SBCA given Mr. Wright an honorarium for a previous appearance at an SBCA event?

10. Was the SBCA's 1985 purchase of Reflections of a Public Man made in lieu of the payment of an honorarium to Mr. Wright for his appearance at the September, 1985 trade show?

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REQUEST FOR DOCUMENTS

1. Please produce all documents, including but not limited to letters, memoranda, and telephone logs, involving communications between representatives of SBCA and James C. Wright, a representative of Mr. Wright or a representative of Madison Publishing Company, concerning Mr. Wright's appearance at the SBCA September, 1985, trade show and his compensation for that appearance.

2. Please produce all documents, including but not limited to letters, memoranda, telephone logs or messages, purchase orders, invoices and cancelled checks, involving the bulk purchase by the SBCA in 1985 of Reflections of a Public Man.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dr. Jerome H. Supple, President
Southwest Texas State University
San Marcos, TX 78666

RE: MUR 2649

Dear Dr. Supple:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena to produce documents and order to submit written answers in connection with an investigation it is conducting. The Commission does not consider the university to be a respondent in this matter, but, rather, a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

93043511950

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Dr. Jerome H. Supple, President
Southwest Texas State University
San Marcos, TX 78666

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

93043511951

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 19th day of ~~January~~ February, 1991.

John Warren McGarry
John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachments
Interrogatories
Document Request

9304351 1952

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES

The Commission is in possession of information that Southwest Texas State University ("the University") paid an honorarium of $3,000 to former U.S. Representative James C. Wright, Jr., in connection with a speech made by Mr. Wright at the University and later received copies of Reflections of a Public Man written by Mr. Wright. Please answer the following questions regarding the University's payment of the honorarium and receipt of the books:

1. Did James C. Wright, Jr., give a speech at the University in October, 1984? If yes, what was the date of the speech.

2. Was Mr. Wright offered and was he paid an honorarium for this speech? How much was the honorarium? When was the honorarium paid?

3. Was the University informed at a later date that Mr. Wright had already reached his yearly limit for honoraria receipts and would like to use the payment from the University to purchase copies of Reflections of a Public Man for the University? If yes, who among the University staff was the recipient of this information? When was it received? Please identify the individual representing Mr. Wright who provided this information to the University.

4. Did the University receive copies of Reflections of a Public Man? If yes, please state the number of copies received and the date of their delivery.

5. How and to whom were the books distributed by the University?

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REQUEST FOR DOCUMENTS

1. Please produce all documents, including but not limited to letters, memoranda, and telephone logs or messages, involving communications between representatives of the University and James C. Wright, Jr., or a representative of Mr. Wright, concerning Mr. Wright's appearance at the University in October, 1984, and his anticipated compensation for that appearance.

2. Please produce all documents, including but not limited to letters, memoranda, telephone logs, purchase orders, invoices, and cancelled checks, involving payment to Mr. Wright of an honorarium for his appearance in October, 1984.

3. Please produce all documents, including but not limited to letters, memoranda, and telephone logs or messages, involving the receipt by the University of copies of Reflections of a Public Man.

9304351119956

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley M. Brand, Esquire
David E. Frulla, Esquire
Brand & Lowell
923 Fifteenth Street, N.W.
Washington, D.C. 20005

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Brand and Mr. Frulla:

On March 14, 1990, your client, James C. Wright, Jr., was notified that the Federal Election Commission had found reason to believe he violated 2 U.S.C. § 441i, a provision of the Federal Election Campaign Act of 1971, as amended. On April 20, 1990, you submitted a response to the complaint and a suggestion of lack of jurisdiction which concluded that the complaint and reason to believe finding should be dismissed and no further action taken by the Commission.

On February 12, 1991, the Commission voted to deny your request to dismiss the complaint and reason to believe finding. It is the position of the Commission that protection is not afforded to Mr. Wright under the Speech or Debate Clause because the activities under scrutiny involve bulk purchases of a book and honoraria, not Congressional committee proceedings; nor is any other legislative activity under review.

In addition, the Commission approved the attached order to provide written answers to questions. It is required that your client submit all answers to these questions under oath within 15 days of your receipt of this order.

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If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Order

93043511958

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

ORDER TO SUBMIT WRITTEN ANSWERS

TO: James C. Wright, Jr.
c/o Brand & Lowell
923 Fifteenth Street, N.W.
Washington, D.C. 20463

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

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 15 days of your receipt of this Order.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 19th day of ~~January,~~ February 1991.

John Warren McGarry
John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories

93043511959

INSTRUCTIONS

In answering these interrogatories, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9304351196 1

INTERROGATORIES

1. Please identify all groups, organizations and business entities before which you made an appearance and/or gave a speech in 1984, 1985 and 1986 which also made bulk purchases of the book, Reflections of a Public Man. Provide the date of each appearance and the number of books purchased. Please state whether each group, organization or business entity identified paid you an honorarium, and, if so, the amount of such honorarium.

2. During 1984, 1985 and 1986, did you ever personally request that a group, organization or business entity before which you gave a speech, or otherwise appeared, purchase a quantity of copies of your book, Reflections of a Public Man? If yes, please identify the group, organization, or business entity, and the date of your appearance.

3. Please identify the individual(s) associated with the entities cited in your answer to Question 1 with whom arrangements were made for your appearance and compensation.

4. Please identify all persons, including Congressional staff members and consultants, who made arrangements on your behalf for your appearances before, and compensation by, the entities cited in your answer to Question 1.

5. Please provide the current addresses of the following persons:

   Matthew Cossolotto
   Marshall Lyman
   Phil C. Duncan
   Marjorie Youngblood

9304351 1962

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Charles Hewitt, President
Satellite Broadcasting & Communications Association
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

RE: MUR 2649

Dear Mr. Hewitt:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena to produce documents and order to submit written answers in connection with an investigation it is conducting. The Commission does not consider your company to be a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

93043511963

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Charles Hewitt, President
Satellite Broadcasting & Communications Association
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents, within 15 days of your receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 19th day of ~~January~~ February, 1991.

John Warren McGarry

John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories
Document Request

9304351196 5

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out

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INTERROGATORIES

The Commission is in possession of information that the Satellite Broadcasting & Communications Association ("SBCA") made a bulk purchase of Reflections of a Public Man by James C. Wright, Jr., in 1985, in lieu of paying an honorarium to former Congressman Wright for his appearance at the association's trade show in September of that year. Please answer the following questions regarding the SBCA's purchase of the books:

1. Did the SBCA make a bulk purchase of copies of Reflections of a Public Man in 1985? If yes, please state the number of copies purchased, the amount paid, and the date of purchase.

2. How and to whom were the books distributed by the SBCA?

3. What were the dates of the SBCA trade show in September, 1985, and where was the trade show held?

4. Did Mr. Wright appear at the SBCA trade show in September, 1985? If yes, was Mr. Wright paid an honorarium for his appearance? Were his expenses related to his appearance paid by the SBCA?

5. Is it the usual practice of the SBCA to pay an honorarium and expenses with regard to the appearance of a member of Congress at an SBCA trade show? If yes, what is the usual honorarium paid?

6. At whose suggestion did the SBCA make the bulk purchase of Reflections of a Public Man? Please identify all persons, including Mr. Wright or his representatives, who contacted your association regarding a purchase of Mr. Wright's books, or with whom the SBCA discussed its purchase. Please also identify the person(s) associated with the SBCA who discussed the association's purchase of the books with Mr. Wright or with his representative.

7. Identify the person at the SBCA who made the decision to purchase Mr. Wright's book.

8. Was the SBCA prepared to give Mr. Wright an honorarium for his appearance at the September, 1985, trade show?

9. Had the SBCA given Mr. Wright an honorarium for a previous appearance at an SBCA event?

10. Was the SBCA's 1985 purchase of Reflections of a Public Man made in lieu of the payment of an honorarium to Mr. Wright for his appearance at the September, 1985 trade show?

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REQUEST FOR DOCUMENTS

1. Please produce all documents, including but not limited to letters, memoranda, and telephone logs, involving communications between representatives of SBCA and James C. Wright, a representative of Mr. Wright or a representative of Madison Publishing Company, concerning Mr. Wright's appearance at the SBCA September, 1985, trade show and his compensation for that appearance.

2. Please produce all documents, including but not limited to letters, memoranda, telephone logs or messages, purchase orders, invoices and cancelled checks, involving the bulk purchase by the SBCA in 1985 of Reflections of a Public Man.

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06C0277

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

Response of Charles C. Hewitt to Interrogatories and Requests for Production of Documents

91 MAR -7 PM 11:20

TO: Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Attached hereto are the Responses of Charles C. Hewitt, President of the Satellite Broadcasting & Communications Association of America, to certain Interrogatories and Requests for Production of Documents issued under the seal of the Chairman of the Federal Election Commission on the 19th day of February, 1991.

Respectfully Submitted,

91 MAR -7 PM 12:48

Deppish Kirkland, III
Senior Vice-President - Operations &
General Counsel

Satellite Broadcasting & Communications
Association of America
225 Reineker's Lane
Suite 600
Alexandria, VA 22314
703-549-6990

93043511970

QUESTION 1: Did the SBCA make a bulk purchase of copies of Reflections of a Public Man in 1985? If yes, please state the number of copies purchased, the amount paid, and the date of purchase.

ANSWER: The Satellite Broadcasting and Communications Association of America (SBCA), under it's original Corporate name of SPACE, which stands for Satellite Television Industry Association, Inc., did make bulk purchases of Reflections of a Public Man by James C. Wright, Jr., in 1985. We purchased 1,680 copies for $10,000 in August of 1985.

QUESTION 2: How and to whom were the books distributed by the SBCA?

ANSWER: The books were distributed by the organization. These books were distributed to attendees of a presentation made by James C. Wright, Jr., at our September, 1985, trade show in Nashville, Tennessee, and also were distributed to other members of the organization during and after this trade show.

QUESTION 3: What were the dates of the SBCA trade show in September, 1985, and where was the trade show held?

ANSWER: The dates of the trade show held in Nashville, Tennessee, were September 2, 3 and 4, 1985.

QUESTION 4: Did Mr. Wright appear at the SBCA trade show in September. 1985? If yes, was Mr. Wright paid an honorarium for his appearance? If yes, what is the usual honorarium paid?

ANSWER: Mr. Wright appeared at the SPACE trade show in Nashville, Tennessee, in September, 1985, and made a presentation to the attendees. The Association on occasion has paid honorarium and routinely pays

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speakers attending our shows. The Association has been unable to locate any records that indicate the payment to Mr. Wright of an honorarium for the appearance in question. Please note attached copies of correspondence between the Association and both the U.S. House of Representatives, Committee on Standards of Official Conduct and the Department of Justice, Criminal Division, Public Integrity Section, regarding the custody of all records related to this matter. These records have not been returned to the Association as of this date. At the same trade show, the Association did hold a fund raiser, where funds were raised in support of Mr. Wright.

QUESTION 5: Is it the usual practice of the SBCA to pay an honorarium and expenses with regard to the appearance of a member of Congress at the SBCA trade show? If yes, what is the usual honorarium paid?

ANSWER: The Association does, on occasion, pay honorarium and expenses for speakers and members of Congress with regard to appearances at a trade show. Such honorarium, when paid, varies in amount.

QUESTION 6: At whose suggestion did the SBCA make the bulk purchase of Reflections of a Public Man? Please identify all persons, including Mr. Wright or his representatives, who contacted your association regarding a purchase of Mr. Wright's books, or with whom the SBCA discussed its purchase. Please also identify the persons(s) associated with the SBCA who discussed the association's purchase of the books with Mr. Wright or with his representative.

ANSWER: It was at the suggestion of our lobbying firm, the law firm of Brown and Finn, that we purchased the books and distributed them during the trade show. Their most recent known address is Suite 510, 1920 N. Street, N.W., Washington, D.C. We had no direct contacts with Mr. Wright, his associates, or his representatives, concerning his appearance. Any activities conducted on our behalf relative to his appearance at the trade show were handled through the firm of Brown and Finn.

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QUESTION 7: Identify the person at the SBCA who made the decision to purchase Mr. Wright's book.

ANSWER: On the recommendation of Brown and Finn, the President and the Executive Director of SPACE decided to purchase Mr. Wright's books and distribute them at the trade show.

QUESTION 8: Was the SBCA prepared to give Mr. Wright an honorarium for his appearance at the September, 1985, trade show?

ANSWER: As stated before, we have paid honorarium from time to time, if the occasion warrants. It is not unusual for an honorarium to be paid for the services of a speaker. As indicated above, the Association can locate no record that indicates the payment to Mr. Wright of an honorarium for the appearance in question. Regarding whether or not the SBCA was "prepared" to give an honorarium in this case, no documentation or paperwork appears to have been prepared in preparation for processing of such an honorarium payment.

QUESTION 9: Had the SBCA given Mr. Wright an honorarium for a previous appearance at an SBCA event?

ANSWER: No.

QUESTION 10: Was the SBCA's 1985 purchase of Reflections of a Public Man made in lieu of the payment of an honorarium to Mr. Wright for his appearance at the September, 1985 trade show?

ANSWER: Any discussions regarding the circumstances leading to the purchase recommendation, if they took place, were between Mr. Wright, his associates or representatives, and the firm of Brown and Finn.

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ANSWERS SUBMITTED BY:

Charles C. Hewitt, President
Satellite Broadcasting and Communications
Association of America (SBCA)

The above and foregoing answers of Charles C. Hewitt, President, Satellite Broadcasting and Communications Association of America, to Interrogatories were sworn to and subscribed before me, an officer duly authorized to administer oaths in the state of Virginia, on this 4th day of March, 1991.

George H. Kresslein, Jr.

My commission expires on the 30th day of September, 1993.

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CHARLES C. HEWITT
RESPONSE TO REQUEST FOR DOCUMENTS
March 4, 1991

REQUEST 1: Please produce all documents, including but not limited to letters, memoranda, and telephone logs, involving communications between representatives of SBCA and James C. Wright, a representative of Mr. Wright or a representative of Madison Publishing Company, concerning Mr. Wright's appearance at the SBCA September, 1985, trade show and his compensation for that appearance.

ANSWER 1: All documents pertaining to this matter were provided to the Committee on Standards of Official Conduct of the U.S. House of Representatives on October 19 and 25, 1988. These same documents were subsequently sought by the Department of Justice, Criminal Division, Public Integrity Section. These documents have not been returned (See attached copies of related correspondence) and presumably are in the possession of one of these parties. The Association's requests for return of the documents have not been honored to date.

REQUEST 2: Please produce all documents, including but not limited to letters, memoranda, telephone log or messages, purchase orders, invoices and canceled checks, involving the bulk purchase by the SBCA in 1985 of Reflections of a Public Man.

ANSWER 2: See Answer 1, above.

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ANSWERS SUBMITTED BY:

Charles C. Hewitt, President
Satellite Broadcasting and Communications
Association of America (SBCA)

U.S. Department of Justice

Washington, D.C. 20530

AUG 22 1989

Mark C. Ellison, Esq.
Vice President
Government Affairs
and General Counsel
Satellite Broadcasting
and Communications Association
Suite 600
225 Reinekers Lane
Alexandria, Virginia 22314

Dear Mr. Ellison:

I am writing to follow-up on your letter to Deputy Chief Jim Cole dated August 10, 1989 requesting an extension on the return date of a grand jury subpoena served on the Satellite Broadcasting and Communications Association ("SBCA").

As you have stated that SBCA stands willing to comply with the subpoena as soon as the House Committee on Standards of Official Conduct returns to SBCA its records, or copies of those records, we have agreed to extend the subpoena's return date to August 25, 1989. Please contact us if SBCA has not retrieved its records, or copies of those records, from the Committee by that date.

Your letter also asks if your understanding is correct concerning our agreement to modify Item four of Schedule A of the subpoena. That understanding is accurate except that you fail to note that in responding to Item four, you must provide all documents relating to the Office of Majority Leader, while Congressman Wright held that office, as well as all documents relating to Congressman Wright and to the Office of the Speaker of the House.

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If you have any questions, please feel free to call Jim Cole or myself.

Sincerely,

Stuart M. Goldberg
Trial Attorney
Public Integrity Section
Criminal Division

9304351197 7

Donnald K. Anderson
Clerk

Steven R. Ross
General Counsel

Office of the Clerk
U.S. House of Representatives
Washington, DC 20515-6601

August 11, 1989

Mr. Mark Ellison
Vice President
Government Affairs and General Counsel
Satellite Broadcasting and Communications
Association of America
225 Reinekers Lane, Suite 600
Alexandria, Virginia 22314

Dear Mr. Ellison:

The Committee on Standards of Official Conduct has referred to this office your letter of July 26, 1989 concerning certain documentary material which you had previously produced to the Committee. That same material is now apparently sought by the Department of Justice in connection with an investigation which the Department is conducting.

I have initiated discussions with Mr. Jim Cole, the attorney supervising the investigation for the Department. These discussions are continuing in an effort to determine whether there is a solution available which is properly observant of the rights and obligations of both the legislative and executive branches as well as your organization.

Mr. Cole has authorized me to inform you that pending the completion of these discussions, which we hope will be concluded by August 21, 1989, compliance with that portion of your subpoena will be continued.

By copy of this letter I am confirming this communication to the Department. If you have any questions please do not hesitate to contact me at 225-9700.

Sincerely,

Steven R. Ross
General Counsel to the Clerk

SRR/jcab

cc: James M. Cole, DOJ

9304351197 8

Satellite Broadcasting and Communications Association of America

Officers

President
Chuck Hewitt

Chairman
Gordon Main
Main Electronics Co.

1st Vice Chairman
Robert N. Caird
Home Box Office, Inc.

2nd Vice Chairman
William E. Berman
GE American Comm., Inc.

Past Chairman
H. Taylor Howard
Chaparral Comm., Inc.

Directors

Donald Berg
Channel Master

Edward E. Reinhart
COMSAT Corporation

Mike Schroeder
Consumer Satellite Systems

Larry Dunham
General Instrument Corp.

Tom Ortolf
HTS

Dan Zinn
Hughes Comm., Inc.

Brian McCauley
Netlink

G. Todd Hardy
PRIMETIME 24

Charles Stubblefield
Satellites Unlimited

Stephen L. Serafin
Signal Sources, Inc.

Rik Hawkins
Starpath of Hardin County

Cecil W. (Jack) Riley
Superstar Connection

Mark Brady
Uniden Corp. of America

Stanley E. Hubbard, II
USSB, Inc.

Staff

Vice President, Government Affairs/General Counsel
Mark C. Ellison

Vice President of Marketing
Jerry Fischette

Director/Special Counsel Anti-Piracy Task Force
Deppish Kirkland

August 10, 1989

Mr. James M. Cole
Deputy Chief
Public Integrity Section
Criminal Division
United States Department
of Justice
P.O. Box 27321
Central Station
Washington, D.C. 20038

Dear Mr. Cole:

As you are aware, the Satellite Broadcasting & Communications Association (SBCA) provided all documents in our possession which in any way relate to Rep. James Wright to the Committee on Standards of Official Conduct of the U.S. House of Representatives on October 19 and 25, 1988. The U.S. House of Representatives has advised that these documents are the property of the House and have not, as of this date, agreed to return them to the SBCA. At the time that the SBCA provided these materials to the Committee, I do not believe that we were aware that the House would claim them as their property.

The materials being retained by the House are all documents which are responsive to the subpoena served upon the SBCA on July 26, 1989.

On Tuesday, August 8, 1989, I spoke with Mr. Steven Ross, General Counsel at the Office of the Clerk at the U.S. House of Representatives. Mr. Ross stated that he would forward a letter to me advising of the Committee's decision on access to those documents. He said that the SBCA might be permitted to make copies as needed to respond to the subpoena. As of this date, I have had no other communication with Mr. Ross and have not received a letter from his office in this regard.

As today is the date of production under the subpoena, I would request that an extension be granted (as you may deem reasonable) to allow the SBCA to respond to the subpoena. As soon as access is made available, the SBCA intends to fully respond to the pending subpoena.

225 Reinekers Lane • Suite 600 • Alexandria, Virginia 22314
Phone (703) 549-6990 FAX (703) 549-7640

I have a call into Mr. Ross today and I will continue to seek access to the records at the earliest possible date.

I would also like to confirm the understanding which I believe we have reached with respect to Item 4 under Schedule A. That is, that you are seeking only those documents pertaining to actions of the SBCA or its predecessor with respect to legislation which in any way relate to Representative James C. Wright or the Office of the Speaker of the House. If this understanding is not correct, please advise.

As I have advised, the SBCA, since its creation in 1987, has had no dealings whatsoever with Mr. Wright, the Speaker's Office, or any of their staff. All dealings with Mr. Wright occurred prior to the formation of the SBCA and were by one of our predecessor associations: the Satellite Television Industry Association, Inc. (SPACE). It is my understanding that all such dealings were handled by the law firm of Brown and Finn, P.C. of Washington, D.C.

Thank you for your attention in this regard. I look forward to hearing from you.

Sincerely,

Mark C. Ellison
Vice President
Government Affairs
and General Counsel

cc: Mr. Steven R. Ross
Mr. Stuart M. Goldberg

9304351-1980

ONE HUNDRED FIRST CONGRESS
JULIAN C. DIXON, CALIFORNIA, CHAIRMAN
VIC FAZIO, CALIFORNIA
BERNARD J. DWYER, NEW JERSEY
ALAN B. MOLLOHAN, WEST VIRGINIA
JOSEPH M. GAYDOS, PENNSYLVANIA
CHESTER G. ATKINS, MASSACHUSETTS
(202) 225-7103

U.S. House of Representatives

Committee on Standards of Official Conduct

Suite HT-2, U.S. Capitol
Washington, DC 20515

JOHN T. MYERS, INDIANA
JAMES V. HANSEN, UTAH
CHARLES PASHAYAN, JR., CALIFORNIA
THOMAS E. PETRI, WISCONSIN
LARRY E. CRAIG, IDAHO
FRED GRANDY, IOWA
RALPH L. LOTKIN, CHIEF COUNSEL

August 4, 1989

Mr. Mark C. Ellison
Vice President
Government Affairs and General Counsel
Satellite Broadcasting and Communications
Association of America
225 Reinekers Lane, Suite 600
Alexandria, Virginia 22314

Dear Mr. Ellison:

This responds to your July 26, 1989, letter informing this Committee that the Satellite Broadcasting and Communications Association of America (SBCA) received a subpoena from the U. S. District Court for the District of Columbia which calls for production of certain documents on August 11, 1989.

Your letter further points out that on October 19 and 25, 1988, SBCA "turned over to the Committee all documents in our possession which relate to Representative Jim Wright in response to the Subpoena Duces Tecum issued by your office."

In order that SBCA can comply with the August 11, 1989, subpoena, your letter requests return of the above-referenced documents.

Because your letter involves the disclosure of materials which are the property of the U. S. House of Representatives, your correspondence has been referred to Mr. Steven R. Ross, General Counsel, Office of the Clerk of the U. S. House of Representatives. Mr. Ross can be reached at 225-9700.

Sincerely,

Julian C. Dixon
Chairman

John T. Myers
Ranking Minority Member

JS:RLL

cc: Steven R. Ross
General Counsel to the Clerk

9304351198 1

Satellite Broadcasting and Communications Association of America

Officers

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Gordon Main
Main Electronics Co.

1st Vice Chairman
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Home Box Office, Inc.

2nd Vice Chairman
William E. Berman
GE American Comm., Inc.

Past Chairman
H. Taylor Howard
Chaparral Comm., Inc.

Directors

Donald Berg
Channel Master

Edward E. Reinhart
COMSAT Corporation

Mike Schroeder
Consumer Satellite Systems

Larry Dunham
General Instrument Corp.

Tom Ortolf
HTS

Dan Zinn
Hughes Comm., Inc.

Brian McCauley
Netlink

G. Todd Hardy
PRIMETIME 24

Charles Stubblefield
Satellites Unlimited

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Rik Hawkins
Starpath of Hardin County

Cecil W. (Jack) Riley
Superstar Connection

Mark Brady
Uniden Corp. of America

Stanley E. Hubbard, II
USSB, Inc.

Staff

Vice President-Government Affairs General Counsel
Mark C. Ellison

Vice President of Marketing
Jerry Fischette

Director Special Counsel Anti-Piracy Task Force
Deppish Kirkland

Via Courier

July 26, 1989

Mr. Ralph Lotkin
Chief Counsel
Committee on Standards of Official Conduct
HT2 Capitol
Washington, D.C. 20515-6328

Dear Mr. Lotkin:

On or about October 19 and 25, 1989, the SBCA turned over to the Committee all documents in our possession which relate to Rep. Jim Wright in response to the Subpoena Duces Tecum issued by your office.

On this date I have received a Subpoena from the United States District Court for the District of Columbia which calls for production of those same documents by August 11, 1989. A copy of that subpoena is enclosed.

I am requesting that you return all of the above referenced documents to me at the earliest possible date. I will contact you within the next several days to discuss this matter and make arrangements for the return of the documents. Please advise if you have any questions or if you foresee problems in accommodating us in this regard.

Thank you for your cooperation.

Sincerely,

Mark C. Ellison
Vice President
Government Affairs
and General Counsel

cc: Mr. James M. Cole, U.S. Department of Justice
Mr. Stuart M. Goldberg, U.S. Department of Justice

225 Reinekers Lane • Suite 600 • Alexandria, Virginia 22314
Phone (703) 549-6990 FAX (703) 549-7640

9304351-9802

United States District Court

DISTRICT OF COLUMBIA

TO:

Custodian of Records
Satellite Broadcasting and
Communications Association

SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON ☒ DOCUMENTS OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE	ROOM
United States Courthouse United States District Court for the District of Columbia Third and Constitution Avenue, N.W. Washington, D.C. 20001	Grand Jury Room No. 2
	DATE AND TIME August 11, 1989 10:00 a.m.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

See Attached Schedule A

☐ *Please see additional information on reverse*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK	DATE
JAMES F. DAVEY	July 14, 1989
(BY) DEPUTY CLERK Beverly G. Queen	

This subpoena is issued upon application of the United States of America.

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY
James M. Cole
Deputy Chief
Robert M. Goldberg
Trial Attorney
Public Integrity Section (202) 786-5059/5067
Criminal Division
United States Department of Justice

*If not applicable, enter "none."

To be used in lieu of AO110

FORM OBD-227
JAN. 86

93043511983

SCHEDULE A

As used in this schedule, the term "documents" shall include all notes, drafts, calendars, diaries, records and other written materials, photos, graphs, computer disks, tapes and other recordings.

For the period of January 1, 1983 through June 15, 1989, you are commanded to produce the following:

1. All documents relating to Reflections of a Public Man, including but not limited to, all documents relating to oral and written contacts with William Carlos Moore, Madison Publishing Company, Madison Systems Corporation, James C. Wright, Jr. and any person or entity acting for or on behalf of any of them, all documents relating to solicitations of interest and orders, all documents relating to payments sought and made in connection with any purchases; all documents relating to how books were ordered, how many were ordered, how many were received, how the books were shipped, and what was done with the books;

2. All documents relating to efforts to secure the appearance of, or speech by, James C. Wright, Jr., including but not limited to, all documents relating to all oral and written contacts made in connection with such efforts, all documents relating to payments or other things of value provided, or which you contemplated providing, directly or indirectly to James C. Wright Jr., Betty Wright, and any person or entity acting for or on behalf of either of them;

3. All documents relating to any oral and written contacts with James C. Wright, Jr., Betty Wright, the Office of Congressman James C. Wright, Jr., the Office of the Speaker of the United States House of Representatives, and the Office of the Majority Leader of the United States House of Representatives, and any persons acting for or on behalf of any of them;

4. All documents relating to actions by your company, its officers, directors, employees and any person or entity acting for or on behalf of any of them, concerning the proposal, modification, enactment or repeal of any legislation; and

5. All documents relating to payments or other things of value indirectly or directly provided to, or which you contemplated providing to, or received from, James C. Wright, Jr., Betty Wright, William Carlos Moore or any person or entity acting for or on behalf of any of them.

9304351 1984

Satellite Broadcasting and Communications Association of America

Officers

President
Chuck Hewitt

Chairman
Hal Haley
Devis Antenna, Inc.

1st Vice Chairman
Daniel M. Zinn
Hughes Communications, Inc.

2nd Vice Chairman
Stephen (Wm. Schulte
SHOWTIME/
THE MOVIE CHANNEL Inc.

Past Chairman
H. Taylor Howard
Chaparral Communications, Inc.

Directors

Donald Berg
Channel Master

Edwin (Ned) Van Hamm
Christian Broadcasting Network, Inc.

Edward E. Reinhart
COMSAT Corporation

William E. Berman
GE American Communications, Inc.

Larry Dunham
General Instrument Corp.

Robert N. Caird
Home Box Office, Inc.

Gordon Main
Main Electronics Co.

Stephen L. Serafin
Signal Sources, Inc.

Rik Hawkins
Starpath of Hardin County

Stanley E. Hubbard, II
USSB, Inc.

Cecil W. (Jack) Riley
United Video, Inc.

Ralph Warren
Warren Supply Co.

John Schweizer
Winegard Co.

Staff

Vice President - Government Affairs/ General Counsel
Mark C. Ellison

Vice President of Operations
Jerry Fischetto

October 19, 1988

Committee on Standards of Official Conduct
House of Representatives
Room HT-2
Washington, D.C. 20510

Attn: Ms. Kevann Cooke,
Office of the Outside Special Counsel

Dear Ms. Cooke:

The Satellite Broadcasting and Communications Association (SBCA) was formed in January of 1987. Its members include entities which were formerly members of the Satellite Television Industry Association, Inc. (f/k/a SPACE) (the association to which the Subpoena Duces Tecum was addressed) and the Direct Broadcast Satellite Association. The latter organizations no longer exist. As the SBCA is the successor in interest to the Satellite Television Industry Association, we are responding to the Subpoena.

In response to the Subpoena served on or about October 7, 1988, please find originals of all documents in the possession of the SBCA which in any way relate to the Schedule of Documents requested in the Subpoena. These include invoices from Brown & Finn (see below), a purchase order for 1680 copies of Reflections of Public Man, by Cong. Jim Wright, and a check to Madison Publishing Company in the amount of $10,000 as payment for that purchase order.

I have, this afternoon, located association meeting minutes for SPACE/Satellite Television Industry Association, Inc. and I will begin to search those documents on Friday for materials responsive to the subpoena and will make every effort to provide any such documents by Tuesday, October 25, 1988.

Prior to January of 1987, all activities of the Satellite Television Industry Association and, before that, SPACE, relating in any way to dealings with the House of Representatives were handled by the law firm of Brown & Finn, Suite 510, 1920 N Street, N.W., Washington, D.C. It is our belief that if there are any other documents responsive to the Subpoena, they are in the possession of Brown & Finn. The SBCA has requested that that firm review their files and provide all relevant documents.

300 North Washington Street • Suite 208 • Alexandria, Virginia 22314
Phone (703) 549-6990 FAX (703) 549-7640

In our telephone conversation of last week you requested that we advise you of the present address of Maureen E. Hallman (nee Jones). The last address that we have for her is: 8207 Mt. Vernon Highway, Alexandria, VA 22309.

You have also asked for information regarding "Superfund". SPACE was a member of Superfund which was made up of various entities involved in the home satellite television industry. It was, to our knowledge, created and operated by Richard Brown of Brown & Finn. Any questions regarding its make-up or operations would have to be directed to Mr. Brown.

As we advised you in our telephone conversation of yesterday, Congressman Wright appeared at the SPACE Satellite Television Industry show held in Nashville, TN in September of 1985. It is the recollection of Chuck Hewitt (who was then Executive Vice President of SPACE and who is now President of the SBCA) that an honorarium and travel expenses were paid to Mr. Wright for that appearance. We have been unable to locate any invoices, cancelled checks, or other documents that reflect any such payments, however.

Please feel free to contact me with any questions regarding the foregoing or if I can be of assistance in any way.

Sincerely,

Mark C. Ellison
Vice President
Government Affairs
and General Counsel

9304351 1986

0298

BRAND & LOWELL
A PROFESSIONAL CORPORATION
923 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005

TELEPHONE: (202) 662-9700
TELECOPIER: (202) 737-7565

March 8, 1991

BY FACSIMILE, ORIGINAL BY HAND DELIVERY

91 MAR 11 PM 10:20

Anne Weissenborn, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: Matter Under Review 2649

Dear Anne:

As we discussed today by telephone, we received the Commission's denial of our motion to dismiss the above-referenced matter under review and accompanying subpoena on February 26, 1991, while I was out of the office on business. Consequently, I was unable to review these materials until this week. Once I did, I attempted to telephone you, but you were out of the office.

We have as yet been unable to contact the Respondent, former Speaker James C. Wright, Jr. Mr. Wright is in Nicaragua through the end of this week to participate in hearings on the democratization process that country is currently undergoing. We have not been able to discuss the Commission's finding and subpoena with him.

Accordingly, we respectfully request that we treat the date of our client's receipt of these materials to be Monday, March 11, 1991, so that Speaker Wright has adequate time to evaluate and respond to the Commission's filings.

Thank you very much for your consideration of this matter.

Sincerely,

David E. Frulla

93043511987

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 11, 1991

David E. Frulla, Esquire
Brand & Lowell
923 Fifteenth Street, N.W.
Washington, D.C. 20005

Re: MUR 2649

Dear Mr. Frulla:

This is in response to your letter dated March 8, 1991, which we received on March 8, 1991, requesting that the time for responding to the subpoena issued to James C. Wright, Jr., in the above-cited matter begin today, March 11, 1991. After considering the circumstances presented in your letter, I have granted this request. Accordingly, your response is due by the close of business on March 26, 1991.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: George F. Rishel
Assistant General Counsel

93043511988

OGC 0427

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 MAR 19 PM 1:45

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2530

University Attorney

March 13, 1991

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

91 MAR 19 PM 4:45
FEDERAL ELECTION COMMISSION
MAIL ROOM

Re: MUR 2649

Dear Mr. Noble:

Here are Dr. Jerome H. Supple's answers to the subpoena to produce documents and order to submit written answers that you sent him on February 21, 1991.

Please let me know if we can furnish you any further information or be of any further service.

Sincerely,

William L. Fly

William L. Fly
University Attorney

WLF:cd:88151

Enclosure

CERTIFIED MAIL NO. SWT-P0161
RETURN RECEIPT REQUESTED

93043511989

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

ANSWERS TO SUBPOENA TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

Dr. Jerome H. Supple, President of Southwest Texas State University, San Marcos, Texas 78666 answers the subpoena to produce documents and order to submit written answers sent him on February 28, 1991 as shown on the attached pages, numbered one through six.

JEROME H. SUPPLE, President
Southwest Texas State University

VERIFICATION

STATE OF TEXAS *
COUNTY OF HAYS *

Before me, the undersigned notary public, on this day personally appeared JEROME H. SUPPLE, President of Southwest Texas State University, who being by me duly sworn on his oath deposed and said that every statement contained in his answers set forth is, within his knowledge, true and correct.

Subscribed and sworn to before me on this the 13th day of March, 1991, to certify which witness my hand and seal of office.

M. CYNTHIA DEAN
Notary Public
STATE OF TEXAS
My Comm. Expires 10/21/93

NOTARY PUBLIC, STATE OF TEXAS

9304351199 0

INTERROGATORIES

INTERROGATORY NO. 1: Did James C. Wright, Jr., give a speech at the University in October, 1984? If yes, what was the date of the speech.

ANSWER: Yes, October 16, 1984.

9 3 0 4 3 5 1 1 9 9 1

INTERROGATORY NO. 2: Was Mr. Wright offered and was he paid an honorarium for this speech? How much was the honorarium? When was the honorarium paid?

ANSWER: Yes. Southwest Texas State University paid Mr. Wright a $3,000 honorarium by check dated October 12, 1984.

2304351199 2

INTERROGATORY NO. 3: Was the University informed at a later date that Mr. Wright had already reached his yearly limit for honoraria receipts and would like to use the payment from the University to purchase copies of Reflections of a Public Man for the University? If yes, who among the University staff was the recipient of this information? When was it received? Please identify the individual representing Mr. Wright who provided information to the University.

ANSWER: Yes. Mary Ann Mendoza, an employee in the Office of the President of Southwest Texas State University received a telephone call from a woman in Mr. Wright's office who informed her that Congressman Wright had received the university's check for the agreed $3,000 honorarium, but that he had already reached the dollar limit for that year for honoraria allowed to be received by a Congressman. We do not know the exact date when this information was received, nor do we know the identity of the woman from Congressman Wright's office who telephoned. The details of the call are set forth in an affidavit signed by Mary Ann Mendoza on December 15, 1988, attached to these interrogatories.

9304351199 3

INTERROGATORY NO. 4: Did the University receive copies of Reflections of a Public Man? If yes, please state the number of copies received and the date of their delivery.

ANSWER: Yes. We received 504 copies of Mr. Wright's book some time in the fall of 1984. We do not know the exact date of their delivery.

9304351199 4

INTERROGATORY NO. 5: How and to whom were the books distributed by the University?

ANSWER: Initially these books were stored in our university library. In November, 1985, approximately 500 of these books were sent to the chair of the department of political science, who distributed them to students.

2304351199 5

REQUEST FOR DOCUMENTS

REQUEST NO. 1: Please produce all documents, including but not limited to letters, memoranda, and telephone logs or messages, involving communications between representatives of the University and James C. Wright, Jr., or a representative of Mr. Wright, concerning Mr. Wright's appearance at the University in October, 1984, and his anticipated compensation for that appearance.

REQUEST NO. 2: Please produce all documents, including but not limited to letters, memoranda, telephone logs, purchase orders, invoices, and cancelled checks, involving payment to Mr. Wright of an honorarium for his appearance in October, 1984.

REQUEST NO. 3: Please produce all documents, including but not limited to letters, memoranda, and telephone logs or messages, involving the receipt by the University of copies of Reflections of a Public Man.

ANSWER: I attach copies of all of the documents that we have that you have requested.

9304351 1996

AFFIDAVIT

DATE: August 9, 1989

AFFIANT: William L. Fly

Affiant on oath states that the following facts are true:

1. My name is William L. Fly, and my business address is: 228 J. C. Kellam Building, Southwest Texas State University, San Marcos, Hays County, Texas. I am university attorney and custodian of records at Southwest Texas State University.

2. I am attaching to this affidavit the following documents:

a. A letter dated April 13, 1983 from Robert L. Hardesty, then President of Southwest Texas State University to The Honorable Jim Wright;

b. A letter dated April 28, 1983 from Jim Wright to Robert L. Hardesty;

c. A letter dated March 30, 1984 from Robert L. Hardesty to Jim Wright;

d. A letter dated June 14, 1984 from Leatha Miloy, Special Assistant to the President for Student and Institutional Relations at Southwest Texas State University to Ms. Kathrine Mitchell;

e. A letter dated June 19, 1984 from Jim Wright to Robert L. Hardesty;

f. An undated draft of a letter prepared by Leatha Miloy and addressed to Ms. Kathrine Mitchell;

g. The final version of the letter described above, consisting of two pages, dated July 24, 1984, from Leatha Miloy to Ms. Kathrine Mitchell;

9 3 0 4 3 5 1 1 9 9 7

h. A letter received August 21, 1984 from Kathrine Mitchell to Leatha Miloy;

i. A one-page "Route Sheet for Contract Services" signed by Leatha Miloy on October 4, 1984;

j. A two-page unsigned contract between Southwest Texas State University and The Honorable Jim Wright dated October 16, 19__ providing for payment of $3,000 in return for Mr. Wright's serving as a guest lecturer for the LBJ Distinguished Lecture Series on October 16, 1984;

k. A one-page "Payment Voucher" dated October 16, 1984 for $3,000 signed by Jim Wright and Leatha Miloy;

l. Three pages, consisting of the front and back of check number 191570 from Southwest Texas State University, as payor, to Jim Wright, as payee, in the amount of $3,000.00;

m. A telephone message slip dated 11/17 at 10:37 to Leatha Miloy;

n. A letter dated November 19, 1984 from Ben Procter, Professor of History at Texas Christian University to Robert Hardesty;

o. An undated and unmailed draft of a letter from Robert L. Hardesty to Ben Proctor;

p. A letter dated November 4, 1984 from Robert L. Hardesty to Professor Ben Procter;

q. A letter dated November 5, 1984 from Robert L. Hardesty to Jim Wright;

r. A letter dated November 28, 1984 from Jim Wright to Robert L. Hardesty;

s. A letter dated December 10, 1984 from Robert L. Hardesty to Jim Wright;

9304351198

t. A letter dated December 28, 1984 from Matthew Cossolotto to Robert L. Hardesty, and 14 pages of the text of the speech referred to;

u. A letter dated April 25, 1985 from Leatha Miloy to Mr. Phil Duncan;

v. A letter dated June 3, 1985 from Robert L. Hardesty to Jim Wright;

w. A letter dated June 20, 1985 from Jim Wright to Robert L. Hardesty;

x. A note from Mary Ann Mendoza to Leatha Miloy stamped "received" on July 5, 1985;

y. A letter dated July 10, 1985 from Marian Loep to Marshall Lynam;

z. A letter dated August 5, 1985 from Jim Wright to Marian Loep;

aa. A memorandum dated October 24, 1985 from William F. Mears, Director of the Learning Resources Center at Southwest Texas State University, to Robert Hardesty and a one-page attachment;

bb. A memorandum dated May 24, 1988 from William F. Mears to Leatha Miloy;

cc. A two-page affidavit (and three pages of attachments) dated December 15, 1988 signed by Mary Ann Mendoza and submitted to the Committee on Standards of Official Conduct, U. S. House of Representatives.

3. These documents are all the documents held by Southwest Texas State University as called for in Schedule A of a subpoena dated July 14, 1989 from the Clerk of the United States District Court for the District of Columbia, issued upon the application of the United States of America. They constitute full compliance with the demands of the subpoena. No documents

9304351-1999

have been withheld. The documents submitted are taken from files maintained in the reguar course of business at Southwest Texas State University, and the documents themselves were prepared in the regular course of business at, or a reasonable time after the event, act, transaction, etc., recorded in the documents. The documents submitted are the original or exact duplicates of the original.

4. Searches for the documents were made in the office of the President of Southwest Texas State University, and in the office of the Vice President for Student and Institutional Relations at Southwest Texas State University.

5. The names, positions, and locations of employees or other persons who can explain the significance, manner of generation, systems of transmittal, and systems of storage of each document, and the names and locations of persons responsible for creating each document or providing information which is contained in each document turned over pursuant to the subpoena are:

Persons	Documents
1. Robert L. Hardesty 1822 Kalorama Square, N.W. Washington, D. C. 20008	a,b,c,e,n,o,p,q,r,s,t,v,w,aa
2. Leatha Miloy Vice President for Student and Institutional Relations Southwest Texas State University San Marcos, Texas 78666	d,f,g,h,i,j,k,l,m,u,x,bb

9304351 2000

3. Mary Ann Mendoza — a.b.c.e.m.o.p.q.r.s.t.v.w.x.
Office of the President — aa,cc
Southwest Texas State University
San Marcos, Texas 78666

4. William F. Mears — aa,bb
Director of the Learning Resources Center
Southwest Texas State University
San Marcos, Texas 78666

5. Marian Loep — y,z
Office of the Vice President for Student
and Institutional Relations
Southwest Texas State University
San Marcos, Texas 78666

6. Stanley Naumann — i,j,k,l
Comptroller
Southwest Texas State University
San Marcos, Texas 78666

9304351200 1

_____
William L. Fly

Sworn to and subscribed before me on August 9, 1989 by William L. Fly.

_____
Notary Public, State of Texas

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me on August 9, 1989 by William L. Fly.

_____

Notary Public, State of Texas

9304351200 2

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

April 13, 1983

The Honorable Jim Wright
House of Representatives
United States Congress
Washington, D.C. 20515

Dear Jim:

One of the programs at Southwest Texas State University is the SWT Lecture Series. It is intended to bring important public figures to campus to speak to our students. We would be pleased and honored if you would agree to participate in the series sometime when you are in the state.

Typically the lecture lasts about an hour, with the last fifteen or twenty minutes devoted to questions from the students. We usually have a good turnout and I know the students would be enthusiastic about your participation. It is probably too late in the semester to try to schedule anything this Spring, but the calendar for next Fall is open and we could work around your schedule.

We look forward to having you on the campus again. Mary and I would be pleased to have you and Betty -- and Betty -- for lunch when you come.

Sincerely,

Bob

Robert L. Hardesty
President

RLH:ml

9304351 2003

JIM WRIGHT
TEXAS
MAJORITY LEADER

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

April 28, 1983

RLH -
Should I contact someone in Wright's office re: date?
Thanks

Mr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Bob:

Just a note to thank you for your letter inviting me to participate in the University's Lecture Series. I'd certainly enjoy doing this.

Unfortunately, my schedule for the next couple of months is pretty well filled in, but hopefully I could do something like this in the fall. Let me get back in touch with you when I have an opportunity to go over my commitments for that time and try to work out a mutually agreeable date.

Warmest good wishes.

Sincerely,

Jim Wright

Yes

Talked with Katherine M. She's working on a date

+c Kimley

(202)
225-5071 Congressional Office
225-5540 Maj. Leader Office
(Katherine Mitchell)

9304351200 4

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

March 30, 1984

The Honorable Jim Wright
House of Representatives
United States Congress
Washington, D.C. 20515

Dear Jim:

One thing you can say about Southwest Texas -- we are persistent. Although we've been unable to fit your calendar and ours together this spring, we do hope you'll be able to schedule a trip to San Marcos next fall to deliver the Lyndon Baines Johnson Distinguished Lecture.

Just a few days before his death in 1973, President Johnson came to Southwest Texas, his alma mater, and revealed his plans to bring the finest minds and the most distinguished leaders to the campus to lecture. When I became president in 1981, I decided to carry out his plans by creating the lecture series in his name. I know he would be pleased to know that we have asked you to participate in this series. Others have been former President Gerald Ford, former Congresswoman Barbara Jordan, Tom Johnson, publisher of the Los Angeles Times and executive assistant to President Johnson, Dr. Warren Hollister, the nation's leading authority on the Magna Carta, and Admiral Bobby Ray Inman, President of MCC.

The date for the lecture could be at your convenience during the fall semester. We are prepared to pay your expenses and an honorarium of $3,000. The honorarium is modest, but I can assure you that we will make up for it in the enthusiastic response of our faculty and students.

It would be a personal honor for me -- and for Mary -- to have you on our campus again and we would love to have you and your family as our guests for dinner or a luncheon while you are here.

Sincerely,

Bob

Robert L. Hardesty
President

RLH:ml

9304351 2005

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2152

Student and
Institutional Relations

June 14, 1984

Ms. Kathrine Mitchell
Office of the Majority Leader
House of Representatives
Washington, D. C. 20515

Dear Kathy:

I hope you will be able to work a visit to Southwest Texas State University into Congressman Wright's fall schedule. Since we had such problems trying to schedule him in the Spring, perhaps it will be easier sometime after the election this fall. The fall semester begins on September 4, 1984. Our students will be away from campus for Thanksgiving from November 22 to November 25 and our semester is virtually over on December 7 as students begin preparation for final examinations.

The LBJ Lecture Series is one of the most important on our campus and our students look forward each semester to hearing from truly outstanding speakers. We look forward to having the Congressman join us.

Please let me know if I can provide you with additional information.

Sincerely,

Leatha Miloy

Leatha Miloy
Special Assistant to the
President for Student and
Institutional Relations

RLH:ll

Enclosure

bcc: Betty Wright - Campus
" RLH for Don Kennard

9304351 2006

JIM WRIGHT
TEXAS
MAJORITY LEADER

RECEIVED
JUN 25 1984
OFFICE OF THE PRESIDENT

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

June 19, 1984

Dr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Bob:

I've now reached the point where I can start filling in my fall schedule and was wondering if Monday, October 15 or Tuesday, October 16 would be a good day for the LBJ Distinquished Lecture which you so graciously invited me to deliver earlier this year. If neither day will work because of other school functions, let me know and I'll find another time.

You're persistent and I'm determined -- I'm going to visit Southwest Texas this year!

Warmest regards.

Sincerely,

Jim Wright

xc D. L. Riley

9304351200 7

Office of the Majority Leader
House of Representatives
Wash., D.C. 20515

Ms. Katherine Mitchell
Jim Wwight office - D. C.

Sign for me

Dear Kathy:

We are all excited about Congressman Wright's visit to Southwest Texas in October. Dr. Betty Wright, his sister and a member of our faculty, is particularly pleased and proud that he will be our fall LBJ Distinguished Lecturer.

We have worked out the following suggested schedule for his visit. Although it is somewhat changed from our very brief telephone conversation, I hope Mr. Wright will find it agreeable. We would, of course, love to him as our guest on campus overnight but we understand that he will probably want to spend some time in Wimberley with his ~~famiy~~ his sister.

(repeat schedule from memo to committee)

~~Plese let me know if the schedule is all right~~ or Please let me know if the schedule needs to be altered in any way or if ~~I can provide additional~~ you need additonal information. As the date draws nearer, I'll be in touch by telephone to confirm arrangements. In the meantime, it would be most helpful if you could send me a copy of the Congressman's vita and a black and white glossy photograph. Thanks again for all your help.

9304351 2008

F

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2152

Student and
Institutional Relations

July 24, 1984

Ms. Kathrine Mitchell
Office of the Majority Leader
House of Representatives
Washington, D.C. 20515

Dear Kathy:

We are all excited about Congressman Wright's visit to Southwest Texas in October. Dr. Betty Wright, his sister and a member of our faculty, is particularly pleased and proud that he will be our fall LBJ Distinguished Lecturer.

We have worked out the following suggested schedule for his visit. Although it is somewhat changed from our very brief telephone conversation, I hope Mr. Wright will find it agreeable. We would, of course, love to have him as our guest on campus overnight but we understand that he will probably want to spend some time in Wimberley with his sister.

3:00	Arrival, President's Office
3:30	Reception for Student Leaders, LBJ Student Center
5:00	Press Conference -- Conference Center
5:30	Free Period -- Quarters available in Conference Center
6:00	Cocktail Buffet -- President's House
7:30	Depart for Lecture
8:00	Lecture -- Strahan Coliseum
9:00	Close

9304351 2009

Southwest Texas State University is an affirmative action, equal opportunity educational institution.

Please let me know if the schedule needs to be altered in any way or if you need additional information. As the date draws nearer, I'll be in touch by telephone to confirm arrangements. In the meantime, it would be most helpful if you could send me a copy of the Congressman's vita and a black and white glossy photograph. Thanks again for all your help.

Sincerely,

Leatha Miloy

Leatha Miloy
Special Assistant to the
President for Student and
Institutional Relations

LM:ml

9304351201 0

JIM WRIGHT
TEXAS
MAJORITY LEADER

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

from the Desk of KATHY MITCHELL

Leatha --

As you requested, I am enclosing a bio and glossy picture. The schedule which you sent is fine. Mr. Wright will be spending the night with his sister in Wimberley.

Kathy

RECEIVED
AUG 21 1984
STUDENT RELATIONS

CAPITOL OFFICE:
ROOM H-148
THE CAPITOL
WASHINGTON, D.C. 20515
202 225 8040

9304351201 1

ROUTE SHEET FOR CONTRACT SERVICES
(Consultants, Lecturers, Performing Arts, Motels, etc.)

Please TYPE

(1) TITLE OF EVENT LBJ Distinguished Lecture Series

(2) EXPLANATION OF THE EVENT Visiting Lecturer / Jim Wright

(3) Name of the Account Manager Miloy (Last) Leatha (First) F. (M.I.)

(4) Account Number 37350 (5) Account Title Institutional Relations

(6) Name of Primary Funding Agency:

(7) Amount of the Contract: SWTSU Dept (s) supplying funds

State	$	
SWTSU	3,000	
Other		
Total	$ 3,000	

(8) Additional non-monetary requirements on SWTSU if approved:

(9) Will tickets be sold? no
If yes:
1) Cost to each student $
2) Cost to Public $

(10) Who will receive the ticket & other revenues?
1) SWT
2) Contractor

(11) Contract expiration date: 10/16/84 (Month/Day/Year)

(12) Event Period: From 10/16/84 (Month/Day/Year) a.m. 8:00 (e.g. 8:00 a.m.) p.m. Thru 10/16/84 (Month/Day/Year) a.m. 10:00 (e.g. 10:00 p.m.) p.m.

(13) Date of Mailing Deadline *

(14) Miloy (Last) Leatha (First) F. (M.I.) will be responsible for the entire coordination of this event with all the University departments.

(15) I recommend that the contract be approved and I certify that 1) all the data are correct; and 2) all the arrangements have been approved by each University department that is involved.

(16) Leatha Miloy / LKD — Account Manager, Signature — 10/4/84 — Signature Date — Concurrence (optional) — Signature Date

SUBMIT TWO (2) ROUTE SHEETS (SWT/OL Form No. 12.01-FM-1178-01) WITH A COPY OF A CONTRACT ATTACHED TO EACH ROUTE SHEET AND RECEIVE APPROVAL FROM THE:

	Date Submitted	Approval Signature	Date Approved
(17) Director of the Business Office			

(18) After approval, the Director of the Business Office will return one (1) copy of the executed contract to the Account Manager.

(19) The Account Manager will receive the contracting party's signature on the contract. The Account Manager will review the signed contract to assure that no changes have been made.

(20) The Account Manager will request payment for these contracted services in accordance with University policy and procedures which are outlined in SWT/OL No. 12.01, Issue No. 2.

(21) Route one (1) completed voucher for payment to the General Accounting Office for payment.

*Allow approximately 7 days for routing through the office of the Director of the Business Office.

9304351201 2

CONTRACTED SERVICES

NOTE: The account manager must review SWT/OL No. 12.01 on Contracted Services prior to submission of this contract for approval.

CONTRACT BETWEEN SOUTHWEST TEXAS STATE UNIVERSITY

(hereinafter referred to as University)

AND

(1) The Honorable Jim Wright (Name of Contractor) (2) 450-14-1507 (Social Security Number or Federal ID Number)

(hereinafter referred to as Contractor)

entered into on this, the (3) 16 th day of October (month), 19___:

I. THAT IN CONSIDERATION OF THE CONTRACTOR'S PROMISE TO SERVE AS (4) guest (i.e., guest lecturer/ lecturer consultant) AT (5) Strahan Coliseum (show location) on:

(6) Date: 10/16/84 (Month, Day, Year) (7) Subject: Lecture for the LBJ Distinguished Lecture Series

(8) Date: _____ (Month, Day, Year) (9) Subject: _____

(10) Date: _____ (Month, Day, Year) (11) Subject: _____

Indicate any special conditions or requirements: (12) _____

II. THE UNIVERSITY AGREES TO:

1. Pay the contractor at the rate of (13) $ 3,000 (if applicable) per hour, not to exceed (14) $ _____ (if applicable) per day, or a total fee of (15) $ _____

2. Will ☐ Will not ☒ reimburse the contractor (travel reimbursement to non-University personnel is restricted to accounts 5000 through 59999) for travel from:

(16) _____ (city, state) to (17) _____ (city, state) and return to (18) _____ (city, state).

III. (19) Contractor is ☐ is not ☒ holding other public non-elective office (generally an agency position with federal, state, county, or municipal offices).

(20) If the Contractor is holding other public, non-elective office, requirements as outlined in SWT/OL No. 02.04 on Dual Employment have ☐ have not ☐ been met.

(21) Contractor is ☐ is not ☐ an employee of Southwest Texas State University.

SWTSU IS AN AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

9304351201 3

IV. MISCELLANEOUS PROVISIONS AND CONDITIONS:

1. The University may terminate this contract at any time by giving written notice to the Contractor.

2. This instrument contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing, signed by the parties or their representatives and attached hereto.

3. This agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in San Marcos, Hays County, Texas, unless otherwise specified herein.

4. This agreement constitutes the only agreement of the parties and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter.

NOTICE:

IF THIS CONTRACT IS FOR CONSULTING SERVICES, the Account Manager must attach a separate page, indicating the (a) need for the consulting service, (b) a statement that the University cannot adequately perform the service with its own personnel, (c) that the selection of the consultant was based on demonstrated competence and qualifications and reasonable service fee, and (d) that preference was given to a consultant whose principal place of business is within the State (justification must be made before going out-of-state to hire a consultant).

9304351201 4

SWTSU USE ONLY

Recommended for approval by:

(22) Leith Miley/LKD _____ Account Number 31350
Account Manager, Signature — Date

(23) _____ _____
Business Office, Signature — Date

(24) Approved by:
SOUTHWEST TEXAS STATE UNIVERSITY

_____
VPFM/Director of the Business Office

x_____
(Signature) (Date)

(25) Approved by:

_____
(Name of Contractor)

_____
(Authorized Official (Title)

x_____
(Signature) (Date)

SWTSU IS AN AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

SWT/OL Form No. 12.01-FM-1178-02

PAYMENT VOUCHER

(Payment Authorization—Consulting, Lecture, and Contract Services)
Account Numbers 30000 thru 59999

OK To Process
Contract On File
hc 10/11/84

PLEASE TYPE

NOTE:
Voucher must be submitted in triplicate

Southwest Texas State University
San Marcos, Texas 78666

(1.) For Services as Follows: Speaker for the LBJ Lecture Series, Mr. Jim Wright, Speaker.

(2.) These Services Were Performed on the Following Date(s): 10/16/84

(3.) Departure Date 10/16/84 (Month/Day/Year) and (4.) Time 8:00 p.m. (e.g. 8:00 p.m.) (A.M.) (P.M.)

(5.) Return Date 10/16/84 (Month/Day/Year) and (6.) Time 10:00 p.m. (e.g. 7:30 a.m.) (A.M.) (P.M.)

(7.) Number of Hours in Transit n/a

* Transit hours may or may not be included; however, the payment made must be based on the equivalent hourly rate that is allowable.

(8.) Total Fee Payment of $3,000

(9.) a. _____ * Number of Consulting/Lecturer Hours.

b. $_____ Hourly Rate.

c. $3,000 Total Payment (a × b = c)

(10.) I understand that I cannot claim reimbursement for time applied for these services while on regular duty hours for the state, county, or city.

(11.) Jim Wright
Name of Claimant (Last, First, M.I.)

(12.) 450 - 14 - 1507
Social Security No./Federal I.D. No.

(13.) _____
P.O. Box/Street

(14.) _____
City State Zip

(15.) Jim Wright
Signature of Claimant

(16.) 10/16/84
Date Signed

FOR SWTSU ACCOUNT MANAGER USE ONLY

(17.) Account No. 37350

(18.) Budget Item No. _____ (If applicable)

APPROVED BY:

(19.) Account Manager, Signature

(20.) _____
Date Signed

(21.) ROUTE TO THE GENERAL ACCOUNTING OFFICE.

FOR GENERAL ACCOUNTING OFFICE USE ONLY

General Ledger _____ Source _____ Account No. _____ Object Class _____ Budget Item No. _____

EQUAL OPPORTUNITY EMPLOYER

Form VPFM 5-19-75

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9 3 0 4 3 5 1 2 0 1 6

SOUTHWEST TEXAS STATE UNIVERSITY
SAN MARCOS, TEXAS

NO. 191570

TO STATE BANK AND TRUST CO
SAN MARCOS, TEXAS

88 234
1149

DATE		
10	12	84

AMOUNT
**$3,000.00

MUST BE PRESENTED FOR PAYMENT WITHIN 60 DAYS

SWTSU 3000.00

PAY TO THE ORDER OF Jim Wright

SOUTHWEST TEXAS STATE UNIVERSITY
BOARD TR. RECEIPTS GENERAL FUND A/C #10

NOV 2 8 1984

B-23 8-2.4

⑈191570⑈ ⑆114902340⑆ ⑈000⑉001⑉9⑈ ⑈0000300000⑈

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SOUTHWEST TEXAS STATE UNIVERSITY
SAN MARCOS, TEXAS

NON-NEGOTIABLE

NO. 191570

VENDOR NO

ENTD OCT 29 1984

NO

886835

Jim Wright
Honorable - Majority Leader
U.S. House of Representatives
Washington, D.C. 20515

REMITTANCE ADVICE - DETACH AND RETAIN FOR YOUR RECORDS

CODING SECTION						DEJ	BI	AMOUNT
10-12-84	191570	2040	0100	37350		3251		**3,000.00

ADVICE SECTION							
INVOICE NO	DATE	GROSS		OTHER DEDUCTIONS	SYM	NET	SYMBOLS (SYM) 1 CREDIT MEMO 2 FREIGHT 3
841016	84-10-16						
				Total		**3,000.00	

APPROVED
Assistant Director of Accounting

APPROVED
Director of Accounting

C 10-15

9 3 0 4 3 5 1 2 0 1 8

Pay to
Madison Publishing Co.

[signature]
For Deposit
Madison Publishing
Company - Ft Worth

37-66 37-68
PAY ANY BANK, BANKER,
OR TRUST CO. P.E.B.

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V ANY BANK, BANKER,
OR SAN ANTONIO

NOV 28 84 :6

InterFirst Bank
University Drive
37-66 Ft. Worth, TX 37-66

37-68 37-68
PAY ANY BANK, BANKER,

9304351201 9

To Lm

Date 11/17 Time 10:37

WHILE YOU WERE OUT

M Kathy

of Congress Wrights

Phone 202/225-8840

Area Code Number Extension

TELEPHONED		PLEASE CALL	✓
CALLED TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		URGENT	
RETURNED YOUR CALL			

Message

Operator

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TEXAS CHRISTIAN UNIVERSITY
P. O. Box 32888
Fort Worth, Texas 76129
817-921-7288

RECEIVED
NOV 26 1984
OFFICE OF THE PRESIDENT

November 19, 1984

The Honorable Robert Hardesty
Office of the President
Southwest Texas State University
San Marcos, Texas 78666

Dear President Hardesty:

I am sending you the enclosed advance page galleys because I think that you will find them to be interesting reading.

A group of Jim Wright's friends have felt for a long time that a collection of his thoughts, recollections, and reflections (written and spoken over the years) should be put together and published in such a book as this.

From a multitude of sources--speeches, articles, books, and personal scribblings in his journal--he has assembled this collection of mostly very short pieces. The tentative title for the collection is Reflections of a Public Man.

While a general thread of continuity connects the pieces, sometimes tightly and sometimes loosely, *each one* constitutes an integrity within itself.

If you find these Reflections worthy and believe that others will enjoy them, I would like to have some comments from you for possible use on the flyleaf or back cover of the book. Knowing of the very high regard in which Jim holds you, I am certain that he would be greatly pleased by any personal commentary--brief or otherwise--that you might feel like offering.

This book will go to press quite soon; I would enjoy hearing from you at your earliest convenience.

Sincerely,

Ben Procter

Ben Procter
Professor of History

LI
Prepare
Reb comment?
LW

Yes
elaborate
interesting
reminiscing

9304351 2020

Ben Proctor

Dear Dr. Proctor: (Ben? Mr. Proctor?)

Thank you for sending me a copy of Reflections of a Public Man. I agree that the thoughts and recollections of Representative Jim Wright are well worthy of publication.

Jim Wright is a public servant who has earned the respect of both his colleagues in government and his constituents for his leadership, integrity, and intelligence. He is an eloquent man, with the insight and the humor that make his remarks and articles a delight to read. I am sure that readers throughout the country will enjoy his recollections from over the years as much as I have.

Sincerely, RLH

9304351202

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

November 4, 1984

Professor Ben Procter
Texas Christian University
P.O. Box 32888
Fort Worth, Texas 76129

Dear Professor Procter:

Thank you for sending me a copy of Reflections of a Public Man. I agree that the thoughts and recollections of Representative Jim Wright are well worthy of publication.

Jim Wright is a public servant who has earned the respect of both his colleagues in government and his constituents for his leadership, integrity, and intelligence. He is an eloquent man, with the insight and the humor that make his remarks and articles a delight to read. I am sure that readers throughout the country will enjoy his recollections from over the years as much as I have.

Sincerely,

Robert L. Hardesty

Robert L. Hardesty
President

RLH/bcv

9304351202 2

F
Jim Wright
Lecture

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

November 5, 1984

The Honorable Jim Wright
U. S. House of Representatives
Washingtion, D.C. 20515

Dear Jim:

Your address to our students, faculty, and guests at the Lyndon Baines Johnson Distinguished Lecture Series was superb. I know that everyone found it as provocative and stimulating as I did. Many thanks for an excellent presentation.

Enclosed is a scrapbook as a memento of the event. It was an evening well worth remembering.

Sincerely,

Bob

Robert L. Hardesty
President

RLH/bcv

9304351202 3

JIM WRIGHT
TEXAS
MAJORITY LEADER

RECEIVED
DEC 14 1984
OFFICE OF THE PRESIDENT

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

November 28, 1984

Dr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Bob:

Just a note to thank you for your letter and the wonderful photo album. I sincerely appreciate your thoughtfulness in sending it.

It was a great pleasure for me to participate in the LBJ Distinguished Lecture Series. Mighty glad to be able to be there.

Certainly was impressed with the quality of the students' questions and their grasp of the vital issues facing the nation today. I think this says a lot about the quality of instruction our learning institutions are providing.

Thanks again for thinking of me. Please let me know if there is ever any way in which I may be of assistance.

Warmest best wishes.

Sincerely,

Jim Wright

9304351202 4

Wright file

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

December 10, 1984

The Honorable Jim Wright
U. S. House of Representatives
Washington, D. C. 20515

Dear Jim:

Following each presentation given for the Lyndon Baines Johnson Distinguished Lecture Series, we print the speech in booklet form for selective distribution. We are now preparing to print the provocative address that you delivered last month.

Enclosed is a copy of your address, slightly edited for publication. I would appreciate it if you would review this manuscript and either return it with your changes or let us know if it is all right to print as is.

Thank you for your cooperation. We look forward to hearing from you.

Sincerely,

Bob

Robert L. Hardesty
President

RLH/bcw

Enclosure

9304351 2025

JIM WRIGHT
TEXAS
MAJORITY LEADER

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

RECEIVED
JAN 2 1985
OFFICE OF THE PRESIDENT

December 28, 1984

Dr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Dr. Hardesty:

Enclosed please find Jim Wright's corrections on the speech he gave as part of the LBJ Distinguished Lecture Series. You will note corrections made in pencil and in blue ink; both have been approved by Jim Wright.

Also note that Jim Wright has inserted eight sub-headings into the text.

It is my understanding that the speech, printed in booklet form, will be distributed to top Texas office-holders, in addition to your usual mailing list. Jim Wright surely hopes this can be done.

Thank you very much for the very good job your staff did in transcribing Jim Wright's speech.

Best wishes for the New Year.

Sincerely,

Matthew Cossolotto

Matthew Cossolotto
Special Assistant

Encl: Walls and Bridges

9304351 2026

Walls and bridges

In thinking about what might be an appropriate subject to discuss tonight as we celebrate the public career of Lyndon Baines Johnson, I decided that we should honor his memory by considering together two very familiar models of the building trade--things we see every day here on the campus and wherever we go in our walks of life.

I'd like for us to think together tonight about walls and bridges--things that separate and things that unite--not just the physical structures of wood and masonry and metal, the objects of architecture. In a larger sense, almost everything we do in life--surely everything we do as a government and as a society, and ~~a tremendous number of~~ many things we do in our interpersonal relations with other people--build either a wall or a bridge. Either ~~they~~ we divide people and separate them from their natural destiny by means of an impenetrable barrier, a wall, or we unite them and connect them to those destinies by means of a bridge.

LBJ: Bridge Builder (Sub Head)

Walls of misunderstanding disconnect people from other people, and bridges of understanding unite them. I hope that you will be builders of bridges. I don't think anything could be more symbolic of the public life and career of Lyndon B. Johnson than to speak in terms of bridge-building. He spent a great portion of his public life tearing down walls of alienation and hostility and separation--walls which divided class against class, race against race, religion against religion, section against section--and building bridges in their place. I think it's not an exaggeration to suggest that Lyndon B. Johnson probably was the preeminent bridge-builder of modern America.

He was surely our century's most skilled practitioner of ~~consensus,~~ compromise, building ~~these~~ bridges of understanding, reason, arrangements of mutual accommodation, consensus. "Do not despise compromise," Henry Clay once said.

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"It is the cement that holds the Union together."

As Senate Majority Leader and as President, Lyndon Johnson repeatedly fashioned compromises that spanned the deep chasms of misunderstanding which had separated political parties and had separated branches of our government. As Senate Majority Leader he reached across the Senate aisle with bridges of understanding and conciliation. Both as President and as Senate Majority Leader, he built bridges of understanding between Congress and the White House. He helped tear down the walls of alienation that divided the North and the South in this country. He was an apostle of bipartisan foreign policy. I remember what Lyndon Johnson said when a group of Democrats suggested that we challenge President Eisenhower on some foreign policy question. He said "Look, if we were all flying over the ocean together in a large commercial aircraft -- though we would not have picked the pilot, though he might be someone we might not have individually chosen--I don't believe there's a man here who'd be silly enough to pour water in the gasoline tank just to embarrass the pilot."

That was Lyndon Johnson's attitude in the question of foreign policy when a Republican sat in the White House. As Majority Leader of the Senate he felt that he had the responsibility to demonstrate to the nation and the world that when the President of the United States speaks for us in the councils of the nations, he speaks for all of us. He demonstrated that we are not so torn apart and eaten up by the internally corrosive acids of political division that we're incapable of presenting a consistent foreign policy position to the rest of the world. In that role Lyndon Johnson was superb.

His was the hand, of course, that guided through Congress the first civil rights legislation since Reconstruction days. In this way he built a bridge that united races. Along with Sam Rayburn, he, Lyndon

(MORE)

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Johnson provided the leadership which led this state of ours along the path of peaceful compliance with the Supreme Court's ruling on segregated schools. He didn't let Texas get trapped into the position of some of the other Southern states, with massive resistance, and riots, and other forms of social disruption.

Personal Reminescence

I remember an episode in 1956. Lyndon had been thrown somewhat unwillingly into a contest to become leader of the Democratic state delegation to the national convention in Chicago that year. He hadn't asked for that role; it had been thrust upon him by his friend and mentor--my mentor--Sam Rayburn.

Without even asking Lyndon, Mr. Rayburn stated publicly that he thought Lyndon Johnson ought to be the leader of the delegation. Well, there was vigorous competition for the position. A very popular governor wanted to apply for that role. Four years earlier, the governor had led our delegation to a national convention, and he had come back to endorse the Republican nominee, for President.

Lyndon, thrown into the middle of the ring but not quite ready for the contest, asked me if I would fly down with him and do some missionary work among the people in my part of the state. On the way down, we were reading the newspapers. It was a bitter, vicious kind of contest. Those contesting his leadership described him as "Lyndon Johnson, a tool of the NAACP," and other pejorative things that brought up ghosts of racial intolerance and memories of the Ku Klux Klan. (This was, remember, only two years after Brown vs. Board of Education. There still coursed through our state tremors of resentment against that Supreme Court ruling.)

I asked him on the way, "Lyndon, what are you going to say, how are you going to answer this criticism?" He said, "Well, Jim, I'm not. If I have to prove that I hate Negroes worse than somebody else in order to lead this state delegation,

(MORE)

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I'm not going to win this contest." He ~~went on to say that there is~~ mentioned a little colored girl--that was the polite term in those days--named Helen, who brought his coffee into the Majority Leader's office every morning. He said, "I'm not going to have to avert my eyes and look away when she comes in because I'm ashamed of something I've said." Then he went on to ~~say and~~ describe his feelings a few earlier right after he suffered his near fatal heart attack. I ~~thought~~ felt this was the genuine man speaking, not the public figure ~~who is~~ polished up for newspaper consumption~~--he said,~~ "When I lay there in the hospital bed, ~~(you remember it had only been a year before that he'd had his near fatal heart attack)~~ I thought of a lot of things. I'm aware of a lot of things I've done in my life that I'm not too proud of, but I'm not going to die with that on my conscience." Lyndon Johnson then came to Texas, and he explained that he was here in a unifying role, not to divide classes or to divide races or to divide religions.

Sub Head

Bridges of Opportunity

I think maybe the greatest bridges he built were bridges of opportunity. The massive programs that Lyndon Johnson initiated for education in this state and throughout the United States made it possible for literally millions of young Americans to cross those bridges of opportunity to a college education and better, more satisfying lives. Others who had for one reason or another been found wanting--failed, dropped out of school--were given a second chance in ~~things~~ projects like the Job Corps. There, many of them redeemed those chances; they lived up to Lyndon's faith in them. Seventy percent of the people in the Job Corps got jobs and paid in taxes to the government many times over the amount that had been invested in giving them a second chance. They used the bridges of opportunity.

One of the last speeches ~~that~~ Lyndon made after he ~~had~~ announced that he would ~~no longer~~ not seek ~~the Presidency~~ re-election as President was at Texas Christian University in my city of Fort Worth. It was there that he announced his advocacy of the 18-year-old vote. This was a bridge of participation for those whom he ~~felt~~ wanted

(MORE)

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so ~~deeply in his mind that he would like to~~ fervently to extricate from Vietnam. I think the greatest disappointment of Lyndon Johnson's political career was the fact that he ~~tried so earnestly,~~ failed, despite so earnestly trying -- through speeches, through offers, through public gestures -- to build a bridge of peaceful understanding with the North Vietnamese. In one speech at Johns Hopkins University he offered the North Vietnamese a peace plan ~~in~~ which ~~they~~ ~~both sides~~ would jointly provide massive help ~~to~~ so both sides could reconstruct the war-ravaged ~~parts~~ regions of that shattered country. ~~And I think~~ The deepest disappointment that beset him was that, in that effort and in many less advertised private overtures, ~~that he made,~~ he wasn't able to build that bridge to peace. ~~So,~~ When he left the presidency he did so with a very heavy heart, and he did so with a pledge that he wanted to spend the rest of his days in office seeking peace. Lyndon B. Johnson was a bridge-builder.

Sub Head

Builders of Walls

As for ~~On~~ the builders of walls, ~~though,~~ there are those in our society whose main preoccupation in life is to divide people, to build walls that separate people. They make a cohesive society infinitely more difficult. I think I can attest to that as few people can because I have the dubious responsibility and thus know the difficulty of trying to weld together a heterogeneous mass of opinionated individualists--the Democrats in the House--to get them to agree on any one thing at any one time. To try to do that is to know what Will Rogers meant when he said, "I don't belong to any organized political party; I'm a Democrat." That's just about the way it is.

A cohesive society is made even more difficult by something that Kevin Phillips described very ably in an article he wrote a few years ago for Harper's magazine. In titled "The Balkanization of America," ~~Phillips~~ Phillips' article ~~Phillips wrote of~~ described a growing spirit of parochialism which is splintering our society and disintegrating our fundamental national sense of unity. Too many Americans, he concluded, have begun to think of themselves first and foremost as members of some particular economic, social, racial, or religious group, and only

9304351203 1

afterwards, ~~then~~ if at all, as Americans.

I see this every day in the House of Representatives. You know, the Congress is just a mirror of the American people. The kind of government we have is probably not much better or much worse than we deserve. If we want the kind of leadership that divides us, that appeals to our prejudices, that stirs up our dislike for this or that or the other group, then that's the kind of government we're likely to have.

Congress can rise to heights of sparkling statesmanship, but it can also sink to levels of crass mediocrity, ~~too.~~ Because Congress is people. I suppose the best definition of the United States House of Representatives is its title. We are representative of the people who send us there. We probably have about the same ~~degree~~ mixture of faults and virtues and strengths and weaknesses as the electorate. As a whole, we distill the diverse and sometimes inchoate public mood ~~then~~ into an essence. An apt description ~~Perhaps the best definition~~ was given by the late Majority Leader Hale Boggs when he said the United States House of Representatives is a collection of ordinary men and women grappling with extraordinary problems. There are coursing through the electorate as a whole those who would divide rather than unite--those who would cast doubt, mistrust, and suspicion on other groups in our society. That is going to be reflected ~~made known~~ in the House of Representatives. It is dissolving some of the glue that once held us together. It is making the process of governing infinitely more difficult.

Some nations and governments are builders of walls. In the third century B.C., the Chin dynasty of China built the world's longest, most continuous wall to separate their country from all other countries and to shield ~~free~~ their people from what they saw as the evils of foreign influence. It was the first complete national ~~real~~ isolationism. ~~of any nation.~~ Nobody could get in or out. Behind that wall, China languished for 1800 years and fell hopelessly behind the rest of the world. It had erected a barrier which mankind's new

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discoveries and increasing knowledge couldn't penetrate.

There could not be a more grotesque example than the Berlin Wall. Its purpose is not to keep others out, as was that of the China wall, but to keep its own people in, to make a prison of a whole society. It seems to me that the refusal of any country to permit out-migration of the citizens who want to leave is a confession of the moral and social impoverishment, economic destitution and intellectual bankruptcy of that country.

Inspirational Leadership (Sub Head)

On the other hand, I guess the most inspiring people of history are those who have been builders of bridges. Abraham Lincoln was a builder of bridges. He was a conciliator. He wanted very desperately to find a means to solve the differences between the North and South. There is preserved in a parlor of the New York Avenue Presbyterian Church, a church which I sometimes attend when I'm in Washington, a bill written in Lincoln's own hand which would have provided a means for settling the differences between the North and South peacefully and without bloodshed. He proposed and wrote a bill by which the Federal government would purchase the slaves from the slaveholders so that they would not suffer agonizing financial loss or economic trauma, and then would give the slaves their writs of manumission as a gift of the United States government.

Lincoln called the representatives of the loyal slave states roundabout and made an earnest appeal to get support for this approach. He said, "May the whole vast future not have cause to lament that we neglected the best opportunity to save human life." Well, neglect it they did. There wasn't a single person who would introduce the bill. It never did get introduced, and Lincoln the bridge-builder and peace-maker had failed.

The greatest people of history are the bridge-builders. They are the ones we remember. Sometimes they are martyred because people of hate will not tolerate their works of good will. Gandhi believed that bridges could be built in which one nation might become

(MORE)

9304351203 3

pluralistic enough that it could serve within its constituency people of both ~~of~~ the Hindu and Mohammedan religions. Because of that, Gandhi was slain. But who today remembers the name of his slayer?

Anwar Sadat was a man whom I have come to admire greatly. I knew him as a warm and gracious, daring and courageous human being. I admired him perhaps more than any other world leader in that era because he had the physical courage, the ~~mental,~~ intellectual courage, and the moral courage to stand for something that wasn't necessarily popular among his people. He wanted to build a bridge over which these ancient half-brothers, the sons of Abraham, after so many long and fruitless centuries of alienation, anger and mistrust, might meet in the middle and solve their problems in a mutually acceptable way. Because of that, he was slain. Who can remember the names of the people who slew Anwar Sadat?

America through most of its history has been a builder of bridges. I think that's what characterizes our nation. There have been ~~crazy~~ times when we've not lived up to that promise; times when the Ku Klux Klan ~~stirred~~ foments its poisons ~~period, the periods in which~~ times when economic necessity ~~has driven~~ drives us to build economic walls in the form of tariffs and quotas. There have even been times when we have been unwilling to listen to other people. In this political season, we have seen the rebirth of a sad spectacle on a few college campuses where people shouted speakers down ~~rather than~~ instead of hearing them out--boorish kinds of childish chanting not worthy of a college campus or even of a high school campus. To wall off speakers with vocal screeching and not let those hear them who want to is ~~childishness in the extreme. This~~ mental infantilism. It is the antithesis of intellectuality. It is building a wall, a throwback to prehistoric times.

Pope John XXIII was a builder of bridges, religious bridges to a warmer fellowship among the different religious faiths and denominations. There are some people in organized religion who would arrogate to themselves the

(MORE)

9304351 2034

attributes of the deity and arbitrarily exclude others. They build sometimes the biggest walls. There are some who endow their own political prejudices with religious justification. I guess from the beginning there have been people not content to be created in God's image. They wanted to recreate God in their own images, to endow the Creator with their own petty prejudices. They believe that because they don't like ~~such and such,~~ something, therefore God doesn't like it, and they're impelled to go out and destroy it in His name. Religious walls.

The builders of walls usually operate out of fear. All the legal and economic tricks which for years kept blacks and other minorities from voting and getting an education and sharing fully in the richness of this society were walls. They were built for the most part by people who honestly feared that unless the minorities were walled off and kept in their place, there would be fewer privileges for them~~f~~elves. They saw freedom as if it were in short supply, to be hoarded, rather than as a gift to be shared and made more rich for the sharing.

In response to that, we saw about a decade ago a retaliatory building of walls among some ~~of the~~ blacks. Riots broke out, and they began to build their own walls in retaliation, burning the bridges of understanding that had been so laboriously built up over many years, blaming white people in general for their problems, defending violence in the name of black power. You remember that sad period. You see, one wall begets another. That's the thing about it. Communication breaks down, riots break out, and a nation begins to break apart.

Thrust of American History (Sub Head)

"Something there is," as Robert Frost said, "that doesn't love a wall, that ~~and~~ wants it down." Given occasional abberations, the history of this country of ours has been one long, sometimes sporadic, but generally ~~continuing~~ continuous process of building bridges.

(MORE)

9304351 2035

We've been breaking through those horizontal walls that hold people down and ~~other~~ the vertical walls that hold people in ~~and through the perpendicular walls that~~ and don't let people expand. We've tried our best as a nation, I think, to create something new in the world. And ~~if we~~ America stands for anything distinctive, it is that we set out, ~~not~~ only half consciously perhaps, to do something different from our predecessors in Europe. They created an aristocracy and endowed it as a ruling class. We didn't do that. Nor did we follow the example of the French Revolution or ~~the~~ the Russian Revolution--destroy the aristocracy and put in its place a dictatorship of the proletariat, bringing everything down to its lowest common denominator. We didn't do that either.

No, our goal was to expand the privileged class until it shared its benefits with the humblest citizens of the land, an aristocracy with a difference. Not a nobility to which some are born and others forever denied, but one to which all ~~can~~ may aspire and most can attain. Not a snobbish aristocracy of exclusiveness but one which constantly seeks to enlarge its membership. Not an aristocracy of special privilege, but one of universal privilege, whose members qualify by self-preparation and by assuming the responsibilities that go with privilege. That's what we've stood for. That's what has become the American dream. There hasn't been any society in the world's history that has been so upwardly mobile or ~~that has been~~ so expansionary in making a piece of the action available to more and ever more people.

This evolved over the years, the generations: a country where the humblest child born of the most improvident circumstance may have as his or her birthright the right to as good a free, public education as a prince or potentate could get anywhere else on earth; ~~an education~~ unlimited by lack of opportunity; an equal right to vote and participate in the political process; the right to useful work; a very real chance to own property; a

(MORE)

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people's capitalism in which more and more people can participate.

In starts and stops, in bursts of creative energy and pauses for regrouping, we have moved consistently toward these goals. They're not wholly fulfilled for all of America's children. Not yet.

In the past three or four years we have seen the beginning of an era of retrenchment. We seem to have lost the zeal, the dream, the drive and thrust to go out and expand these rights and opportunities to more and ever more people. Maybe that's a good sign. Maybe it shows that we have thus far done pretty well, and that we want to stop and be able to assimilate those gains we have made.

Dangers of Retrenchment (Sub Head)

But there's something about it that disturbs me. I don't want to see an era of retrenchment stall and stop the progress toward the full realization of the American dream that has been our heritage and our history.

Consider what progress we did make in just 20 years, the two short decades from 1960 until 1980. In those 20 years, think about the bridges that were built for Americans. The number of college graduates annually receiving degrees increased by 150 percent. The growth in graduate education was even more impressive. In 1980 the nation conferred approximately 400,000 master's degrees, compared with only 78,000 in 1960. That's an increase of some 400 percent. For millions of Americans, these were the bridges of opportunity.

By 1980, we'd reached a point where 79 percent of the non-white youth were finishing high school. Not nearly good enough, but a whole lot better than the 52 percent that did so in 1960. In the age group of those who will receive baccalaureate degrees from Southwest Texas State University this year, one out of every four Americans will complete college. In 1960, the number was one out of every eight.

(MORE)

9304351203 7

Yet, there is something deeply disturbing to me in the present scene. The number of high school and college graduates as a percentage of our population has remained at a plateau for the past three years and has even shown some alarming signs of turning downward. Economic conditions in general, tuition costs, declining availability of student loans and financial assistance, could, if we are not careful, limit the accessibility of higher education to a declining percentage of our young population. That, in my judgment, would be tragic, probably the worst thing on God's earth that could happen to us. It would be historically retrogressive, going backwards.

Last year we graduated some 54,000 young Americans from colleges and universities in the United States in scientific, mathematical and engineering disciplines. Japan, with half our population, graduated about 77,000. Russia graduated some 300,000 people they call engineers. There is no comparison in the curriculae, of course. But they graduated 300,000 people with some technological proficiency.

I think the very best investment this government ever made, with the single possible exception of the Louisiana Purchase, was the G.I. Bill of Rights after World War II. You can demonstrate clearly and without any doubt that it enriched our social fabric, made for a stronger economy, paid the government back in dollars and cents 20 times over. ~~And~~ The higher earning capacities it made possible for hundreds of thousands of people of my generation paid back the government in taxes. Yet today we quibble and quarrel over whether we can afford such things as Pell Grants and student loans and work study ~~permits~~ programs. I think, like Nebuchadnezzar, that we are in the process of forgetting the dream.

It doesn't make any difference how sophisticated our weapons, ~~are~~ nor how sophisticated our machines of production, if we do not have the educated,

(MORE)

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skilled, talented manpower and womanpower able to operate, design, maintain, and create. We're not going to be first in defense, we're not going to be first in economic competition among the nations, if we don't have the human resources.

International Bridges. (Sub Head)

(finally)

There are other bridges, of course. I ~~just~~ want to challenge you to renew this American commitment to build bridges, ever more bridges, of understanding with other nations of the world.

Student exchanges are powerful bridges. In Central America, Cuba and the Soviet Union are giving 7,500 full-time scholarships to promising Central American students. Our country is giving about 50. And then we wonder why those people are tempted to look elsewhere. Bridges have to be built to demonstrate that a government created by electoral means is capable of helping those people solve their legitimate social and economic objectives. If we were ~~able~~ willing in sufficient numbers to send a Peace Corps, send a literacy corps, send a medical corps, we wouldn't ever have to send the Marine Corps. It strikes me that those are the kinds of bridges we need to build.

And so, on this day I ask you to make a commitment in your lifetimes and in your careers that you will seek to be builders of bridges. I ask even that you will try that hardest bridge of all. ~~because~~ Someday, somehow, we're going to have to find a means of building a bridge of mutual understanding with the people of the Soviet Union. I cannot believe that those people, however misguided they may be in their political philosophy, are devoid of the same basic human instincts that we have: a love of their children and the desire for those children to be able to grow up and live in peace, ~~and~~ rather than under the menace of a mushroom cloud.

Today the United States and Soviet Union together are spending about $600 billion on the unproductive implements of terror. We're doing it because we're afraid of what Russia would do to us if we didn't, and I

(MORE)

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suppose they're doing it because they're afraid of what we might do to them if they didn't. We live in a world of some 50,000 nuclear warheads with one million times the destructive capacity of the bomb that destroyed Hiroshima and ushered in the nuclear age.

In both of our countries there are unmet needs; the need for research to be done, diseases to be cured, people to be educated, hospitals to be built, better housing and all kinds of infrastructural things that make life richer and better for all of our people.

Now, we won't resolve these needs overnight. We won't find a peaceful solution at the snap of our fingers. We're not going to accept their form of society, and probably they aren't going to accept ours. They don't have to accept our form of society if they don't want to. But it just defies common sense that sane, adult, mature people with presumed intelligence that I think all of us in God's creation should have, cannot find some way to build bridges of understanding whereby, mutually, we might be able to divert a little bit more of our substance into the ennobling things of life feeding the hungry, clothing the naked, caring for the sick, educating the illiterate. Every minute in 1984, 30 children in the world will die of hunger or for want of inexpensive vaccines. And every minute the world's military budgets will consume $1,300,000 for the unproductive ~~influence~~ implements of terror.

And so, I urge that you and all those whom you may influence might extend to the best of your abilities the arts and talents of the bridge-builder and not of those who build walls that divide and separate people from one another.

***

9304351 20040

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2152

Student and
Institutional Relations

April 25, 1985

Mr. Phil Duncan
Congressman Jim Wright's Office
819 Taylor Street, Room 9A10
Fort Worth, Texas 76102

Dear Phil:

As a follow-up to Congressman Wright's excellent presentation last Fall for the LBJ Distinguished Lecture Series, we have printed the address in booklet form. Enclosed are six copies for your office.

We also are sending copies to Congressman Wright as well as to statewide elected officials in Texas. If you would like additional copies or have other suggestions for their distribution, please let us know.

Sincerely,

Leatha Miloy

Leatha Miloy
Vice President

LM:ml

Enclosures

9304351204 1

Southwest Texas State University is an affirmative action, equal opportunity educational institution

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

June 3, 1985

The Honorable Jim Wright
Majority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Jim:

As you will recall, twenty years ago this coming November 8, President Johnson returned here to his alma mater to sign into law the landmark Higher Education Act of 1965.

Southwest Texas State University plans to mark the 20th anniversary of the signing of the Higher Education Act with a series of events on November 7 and 8.

Our Lyndon Baines Johnson Distinguished Lecturer for the Fall semester will be invited to speak on the historic significance of the Higher Education Act and a symposium will be held in conjunction with that lecture.

In addition, Congressman Bill Ford, Chairman of the House Postsecondary Education Subcommittee, has scheduled a special hearing at Southwest Texas on November 8 as part of the reauthorization process of the Higher Education Act. Congressman Ford plans to invite several nationally prominent leaders to debate some of the current questions being raised about higher education, including the Federal Government's role in making higher education accessible to all qualified young men and women. It should be a lively occasion.

I will be sending you more details when we have all the participants lined up, but I wanted to let you know about the event now so you can circle the dates on your calendar. I hope you will plan to be here.

Sincerely,

Bob

Robert L. Hardesty

RLH:ml

9304351 20042

JIM WRIGHT
TEXAS
MAJORITY LEADER

RECEIVED
JUN 24 1985
OFFICE OF THE PRESIDENT

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

June 20, 1985

Mr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Bob:

Just a note to thank you for your letter advising me of the activities you are planning at the University on November 7 and 8 to mark the 20th anniversary of the signing of the Higher Education Act.

Have marked the dates on my calendar and hope it will be possible for me to be present.

Best regards.

Sincerely,

Jim Wright

RC. Leatha

9304351204 3

Leatha:

RLH asked that the left-over Wright lecture books be sent to Marshall Lynam in Wright's D.C. office

1236 Longworth House Office Building
Washington, D.C. 20515

bck Rite
(*7.44)
37350

mam

70 lbs

108

9304351204 4

RECEIVED
JUL 5 1985
STUDENT RELATIONS

Dept office

call Rowhouse
account.

X # of Jim Wri
lecture booklets

Belma
Pls. check w/ P.O.
about how to send
these. Use acct.
27125.

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2152

Student and
Institutional Relations

file Wright lecture booklet

July 10, 1985

Mr. Marshall Lynam
Congressman Jim Wright's Office
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Lynam:

Under separate cover I am sending approximately 400 of the Jim Wright LBJ Distinguished Lecture booklets for your use.

Sincerely,

Marian Loep

Marian Loep
Administrative Assistant

ML

93043512045

JIM WRIGHT
TEXAS
MAJORITY LEADER

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

RECEIVED
AUG 12 1985
STUDENT ...

August 5, 1985

Ms. Marian Loep
Administrative Assistant
Student and Institutional Relations
Southwest Texas State University
San Marcos, Texas 78666-4615

Dear Marian:

Thank you ever so much for sending the 400 copies of the booklet reprinting my speech in the Distinguished Lecture Series at Southwest Texas State.

The shipment arrived safely, and the booklet will come in very handy indeed.

Please convey my gratitude also to President Hardesty. I genuinely enjoyed my visit to Southwest Texas State, and will look forward to an opportunity to see you all again.

Best wishes.

Sincerely,

Jim Wright

9304351 20046

xc: President Hardesty

file - Jim Wright Lecture booklets

Southwest Texas State University
San Marcos, Texas 78666-4604 AC512 245-2132

Learning Resources Center

October 24, 1985

MEMORANDUM

TO: President Robert Hardesty

VIA: Dr. Bob Gratz

FROM: William F. Mears

SUBJECT: Representative Jim Wright's Book

Approximately one year ago, the Library received 504 copies of Congressman Jim Wright's book, Reflections of a Public Man. Up to this point, we have been storing these items as requested.

One of these items has been added to the University's collection. Now the question of what to do with remaining items has come up as we work with materials in the storage area.

If no specific plans have been made as to what might be done with the books, I would like to offer the following suggestions:

a) The Library could put them on a display table indicating interested parties could take one;

b) they could be given to the honor students; and/or

c) we could contact some of the political science teachers to see whether they would be interested in offering them to their students.

If you have any questions or if I can be of further assistance on this matter, please let me know. I look forward to your response. Attached you will find a copy of the purchase order which was attached to the items.

WFM:ja
#71

9304351204 7

PURCHASE ORDER

1004

PURCHASER: Southwest Indus. Fair Chain

STREET ADDRESS: [illegible]

CITY: [illegible] STATE: Texas ZIP: 75666

PHONE: President Hardesty

Promises to pay Madison Publishing Company, Fort Worth, Texas, for delivery of books or printed material as identified below.

VENDOR

MADISON PUBLISHING COMPANY
3800 W. VICKERY BLVD.
FORT WORTH, TEXAS 76107
817-732-8200

QUANTITY ORDERED	DESCRIPTION	UNIT PRICE	AMOUNT
[illegible]	REFLECTIONS OF A PUBLIC MAN—CONG. JIM WRIGHT	5.95	[illegible]

SHIPMENT AUTHORIZED BY: [illegible]

SUBTOTAL	[illegible]
TAX Exempt	
TOTAL AMOUNT	[illegible]

9 3 0 4 3 5 1 2 0 4 8

Southwest Texas State University
San Marcos, Texas 78666-4604 AC512 245-2132

Learning Resources Center

May 24, 1988

MEMORANDUM

To : Dr. Leatha F. Miloy
Vice President for Student
and Institutional Relations

From : William F. Mears

Subject: Representative Jim Wright's Book

Background:

Sometime in fall 1984, the President's Office sent to the Library five hundred and four (504) copies of Jim Wright's book, Reflections of a Public Man. At the time they were sent to us, it was requested that we store these. In the Fall of 1985, we raised the question as to how we might handle them because of the need for space that they were occupying.

A memorandum was sent to President Hardesty suggesting what might be done with these items (see attached). The outcome of that memo was that Dr. Bland, who was then Acting Chair of the Department of Political Science, was sent approximately 500 of the items in November, 1985.

A copy of this title is presently in our collection found under the Classification No. E840.8.W75.A38-1984. It has been circulated two (2) times.

If you have further questions, please feel free to call me.

WFM/cj
Mears 1,#23

Attachment

93043512049

A F F I D A V I T

IN THE MATTER OF

JAMES C. WRIGHT, JR.

Committee on Standards of Official Conduct
U.S. House of Representatives
Preliminary Inquiry

I, Mary~~ann~~ Ann Mendoza, depose and state as follows:

1. I am currently employed in the office of the President of Southwest Texas State University in San Marcos, Texas and have been so employed since June 12, 1978.

2. During 1984, I assisted Mr. Robert ~~M.~~ L. Hardesty, then President of Southwest Texas State University, with administrative matters regarding the October 16, 1984 appearance of House Majority Leader James C. Wright, Jr. as a guest lecturer for the University's LBJ Lecture Series.

3. Attached are copies of the University's March 30, 1984 letter to Congressman Wright inviting him to speak and Congressman Wright's June 19, 1984 letter accepting the invitation.

4. At some time after Congressman Wright's October 16, 1984 lecture, I received a phone call from a woman in his office who informed me that Congressman Wright had received the University's check for the agreed $3,000 honorarium, but that he had already reached the dollar limit that year for honoraria allowed to be received by a Congressman. She asked if the University would object to Congressman Wright purchasing books for the University with the $3,000. After consulting Mr. Hardesty, I informed her that the University had no objection to receiving the books from Congressman Wright.

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5. We received 504 (see attachment) books on Fall (exact date unknown), 1984. We sent the books to the University library. To my knowledge the library kept several copies and distributed the rest to honor students in the Political Science Department.

I have read the above two-page affidavit and it is true and correct to the best of my knowledge and belief.

Mary Ann Mendoza
Mary~~ann~~ Ann Mendoza

Dated: December 15, 1988

Subscribed and sworn to before me
this 15 day of December,
19 88.

M. Cynthia Dean
Notary Public

M. CYNTHIA DEAN
Notary Public, State of Texas
My Commission Expires Oct. 21, 1989

My commission expires 10-21-89.

9304351205 1

Southwest Texas State University
San Marcos, Texas 78666-4615 AC512 245-2121

Office of
the President

March 30, 1984

The Honorable Jim Wright
House of Representatives
United States Congress
Washington, D.C. 20515

Dear Jim:

One thing you can say about Southwest Texas -- we are persistent. Although we've been unable to fit your calendar and ours together this spring, we do hope you'll be able to schedule a trip to San Marcos next fall to deliver the Lyndon Baines Johnson Distinguished Lecture.

Just a few days before his death in 1973, President Johnson came to Southwest Texas, his alma mater, and revealed his plans to bring the finest minds and the most distinguished leaders to the campus to lecture. When I became president in 1981, I decided to carry out his plans by creating the lecture series in his name. I know he would be pleased to know that we have asked you to participate in this series. Others have been former President Gerald Ford, former Congresswoman Barbara Jordan, Tom Johnson, publisher of the Los Angeles Times and executive assistant to President Johnson, Dr. Warren Hollister, the nation's leading authority on the Magna Carta, and Admiral Bobby Ray Inman, President of MCC.

The date for the lecture could be at your convenience during the fall semester. We are prepared to pay your expenses and an honorarium of $3,000. The honorarium is modest, but I can assure you that we will make up for it in the enthusiastic response of our faculty and students.

It would be a personal honor for me -- and for Mary -- to have you on our campus again and we would love to have you and your family as our guests for dinner or a luncheon while you are here.

Sincerely,

Bob

Robert L. Hardesty
President

RLH:ml

the progressive university with a proud past

9304351205 2

JIM WRIGHT
TEXAS
MAJORITY LEADER

RECEIVED
JUN 25 1984
OFFICE OF THE PRESIDENT

Congress of the United States
House of Representatives
Office of the Majority Leader
Washington, D.C. 20515

June 19, 1984

Dr. Robert L. Hardesty
President
Southwest Texas State University
San Marcos, Texas 78666

Dear Bob:

I've now reached the point where I can start filling in my fall schedule and was wondering if Monday, October 15 or Tuesday, October 16 would be a good day for the LBJ Distinquished Lecture which you so graciously invited me to deliver earlier this year. If neither day will work because of other school functions, let me know and I'll find another time.

You're persistent and I'm determined -- I'm going to visit Southwest Texas this year!

Warmest regards.

Sincerely,

Jim Wright

xc D. L. Finley

9304351205 3

PURCHASE ORDER

1004

PURCHASER: Southwest Institute

STREET ADDRESS:

CITY: [illegible] STATE: Texas ZIP: 75666

PHONE: President Hardesty

Promises to pay Madison Publishing Company, Fort Worth, Texas, for delivery of books or printed material as identified below.

VENDOR

MADISON PUBLISHING COMPANY
3800 W. VICKERY BLVD.
FORT WORTH, TEXAS 76107
817-732-8200

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SUBTOTAL	[illegible]
TAX Exempt	
TOTAL AMOUNT	[illegible]

SHIPMENT AUTHORIZED BY:

[illegible]

0 3 0 4 3 5 1 2 0 5 4

James C. Wright, Jr.
9A10 Lanham Federal Building
819 Taylor Street
Fort Worth, Texas 76102

Speaker
U.S. House of Representatives
1987 - 1989

Member of Congress
12th District, Texas
1955 - 1989

OGC 0468

March 21, 1991

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
91 MAR 22 AM 9:41

Anne Weissenborn, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Matter Under Review 2649

Dear Ms. Weissenborn:

My counsel has forwarded me the Federal Election Commission's denial of my motion to dismiss the above-referenced matter under review, along with a set of questions regarding the publication and dissemination of my book, Reflections of a Public Man. The Commission has requested that I respond to these questions in writing and under oath.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 MAR 22 AM 10:48

I write this letter to inform the Federal Election Commission, through you, that I must respectfully decline to respond to these written questions or to further participate in these proceedings for the very good reasons which I set forth.

As you are aware, the Ethics Committee of the United States House of Representatives, through its Special Counsel Phelan, investigated the publication and dissemination of Reflections of a Public Man. The Special Counsel thereafter prepared a report accusing me of violating federal law and House of Representatives Rules regulating the receipt of honoraria. This is the very same subject matter the Federal Election Commission now proposes to re-visit two years after the House proceedings against me were terminated.

For its part, The Special Counsel's report is based on a mistaken view of federal law and House Rules respecting the receipt of honoraria, the facts he gathered, and his role as Special Counsel. Although the Ethics Committee tasked Mr. Phelan with investigating the allegations surrounding Reflections of a Public Man and preparing a balanced report of the law and facts thus at issue, Mr. Phelan instead erroneously and prematurely arrogated to himself the authority to act as my prosecutor, judge, and jury. His so-called "report" is the unfortunate product of his errors and over-reaching.

93043512055

The "facts" Mr. Phelan catalogued in his "report" are one-sided. In fact, this report contains numerous factual errors, gratuitous conclusions, and misattributions of sworn testimony before the Committee. The report further fails even to begin to set out the record evidence -- and, indeed, there is a preponderance -- that militate against his conclusion that I acted improperly. Moreover, not only did Mr. Phelan labor under a misunderstanding of the federal law and House of Representatives rules governing receipt of honoraria, but he refused to articulate for the Committee the legal theory upon which I was advised and in good faith believed (and continue to believe) that Reflections of a Public Man was prepared, published, and disseminated in a proper and lawful manner. Certainly, the royalties I received from the publisher were lawful, contractual, and expressly exempted from the outside earnings limitations which apply to Members of Congress.

Although I believe, pursuant to the speech or debate clause, that I am under no obligation at this juncture to place before the Commission an affirmative case as to the propriety of my actions, I do feel the Commission may surely take notice of the legislative intent of the honoraria limits as articulated by the sponsors of those limits. Attached hereto are copies of (1) an article by Hon. David Obey which appeared in The Washington Post of April 25, 1989; (2) an affidavit of Hon. Harold S. Sawyer subscribed and dated May 22, 1989; and (3) an affidavit of Donald F. Terry subscribed and dated May 22, 1989.

Mr. Obey was the Chairman of the Commission which officially proposed to Congress the limitations in question. Mr. Sawyer was a Republican member of the House Select Committee charged with implementing and interpreting those limitations. Mr. Terry was Staff Director of that Select Committee, also staff member of the Commission on Administrative Review charged with drafting these limitations, and author of Advisory Opinion 13, adopted by the Select Committee to clarify the application of the rule dealing with limitations on members' outside earned income. All three stress that book royalties are expressly excluded from the legal limitations.

In response to the Special Counsel's report and the public furor it inevitably raised, I chose to resign both the Speakership of the United States House of Representatives and my very seat in that distinguished body. I decided upon this course of action (and, accordingly chose not to defend myself further) with a very heavy heart. I did it to spare the House of Representatives and this country the costly distraction and the public spectacle of further proceedings against its Speaker. To that end, I gave up my life's career. Surely, that is recompense enough.

9304351 2056

In so doing, however, I did not then and do not now believe that I engaged in any activity in connection with the publication and dissemination of Reflections of a Public Man that could in any way be construed as improper, not to mention illegal. Indeed, it is my firm belief that I would have been fully and completely vindicated had I been permitted to present my defense to the Committee prior to the widespread public dissemination of the flawed Phelan report. That defense, coming after the Committee's action and attendant publicity, as I stated above, would have come at the expense of embroiling the House of Representatives further, to the detriment of the public business, in the unfortunate spectacle that developed two Springs ago.

Notwithstanding my certainty of my innocence, the prospects for my ultimate vindication, and the unjustness of the manner in which the Special Counsel proceeded and I stood accused, I am unfortunately forced to decline to participate in the Federal Election Commission's attempt to re-visit the Special Counsel's report through its own enforcement proceedings.

As was set forth in my Motion to Dismiss, the Ethics Committee's investigation precludes Federal Election Commission jurisdiction over this subject matter under the United States Constitution's speech or debate clause. That the Federal Election Commission has elected to proceed by using the very report prepared by the Special Counsel to the House Ethics Committee brings the speech or debate issue to the fore. Indeed, as a former leader of the House of Representatives, it is incumbent upon me to continue to protect that body's constitutional and, once exercised, exclusive prerogative to elect to investigate and discipline (if necessary) its members.

Further, another round of protracted litigation over Reflections of a Public Man can only further deplete my increasingly scarce resources. It should not be forgotten that I renounced my career in public service in an effort to put this unfortunate matter behind both myself and the House of Representatives.

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While it is becoming increasingly common for competing investigatory bodies to feel compelled to seek successive "pounds of flesh" from those whom they propose to investigate, such a never-ending cycle of investigations imposes real financial and personal burdens on those involved. In this case, however, it was the House of Representatives that chose, as was its right under Article I of the Constitution, to proceed first to investigate allegations regarding Reflections of a Public Man. Under the speech or debate clause, the House of Representatives must, therefore, also act last.

Respectfully submitted,

James C. Wright, Jr.

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[From the Washington Post, Apr. 25, 1989]

THE WRIGHT REPORT—THEY'RE MISAPPLYING THE RULES

(By David Obey)

I would like to offer some thoughts about the manner by which Congress and the nation reach judgments on the ethics of public men and women.

My only particular credential is that in 1977 I chaired the commission that rewrote, reformed and strengthened the House Code of Conduct under which Speaker Jim Wright is now being judged.

Of course, the ethics of public figures should be judged in a broad context. It is ironic, as George Will has thoughtfully noted [op-ed, April 18], that in the '80s the ethics of public figures are being discussed solely in terms of personal or financial acts.

When I first unpacked my bag of Wisconsin progressive values 20 years ago, as an idealistic 30-year-old newcomer to Congress, I had the idea—and still have the idea—that public decisions which deny decent shelter to today's poor and steal from the living standards of tomorrow's families in order to continue the fiction that wealthy people are undertaxed are at least as unethical as, say, Judge Ginsburg's smoking a marijuana cigarette or a Cabinet nominee's feeling a female knee in public. So is lying to Congress about financing an illegal war.

Of course, there must be a higher standard than that of the marketplace for those of us who serve in public life. That is why members of Congress disclose the amounts and sources of their outside income even though those who report our actions and shape public opinion in the process do not (disregarding Adlai Stevenson's warning that those who shape the public mind may do evil just as great as those who steal the public purse).

I will reach no final conclusion about the speaker's case until I have all the facts. My purpose in writing is to help ensure that House rules for which I have prime responsibility are correctly understood and applied by the House, which must live by them, and the public, which must be served by them.

I do so with reluctance because rewriting those rules in 1977 was painful. Those rules changes cost some of my colleagues a lot of money—more than $100,000—and while the vast majority have recognized that I was simply doing my job for the good of the institution, a few have never forgiven me.

The issue before the standards committee at the moment is not, as some have written, whether Jim Wright should remain as speaker. The issue is whether he has broken House rules. In my view, two rules cited by the standards committee in its initial report a week ago are being misapplied.

Book Royalties: In examining the meaning of the rule of book royalties, the committee report makes two mistakes:

(1) It asserts that the intention of my commission in drafting the House rule can be determined by reading Senate debate. But the House rule was adopted before that Senate debate took place on the basis of testimony before us that occurred 77 days before Senate consideration.

(2) Committee Counsel Richard Phelan was "guided by the language of Advisory Opinion 13" in determining the royalty provision. That is wrong because the advisory opinion had nothing to do with the copyright exemption. It was drafted to distinguish between earned and unearned income from businesses. It was never even considered in the context of royalty income.

If today's committee feels that the speaker violated House rules in his actions on book royalties, it must cite different rules and a different line of reasoning than the one contained in its erroneous report.

Interest in Legislation: The second misapplied rule is the committee's new definition of who has a distinct interest in legislation. This is crucial because it would determine if or when the speaker received illegal gifts from George Mallick, a business associate and a 30-year close, personal friend. The committee report determined that Mallick had a direct interest in legislation "by virtue of the fact that he had large holdings and investments." That interpretation is an absolutely arbitrary ex post facto rewriting of the rule.

In writing the gift limitation, we made no distinction whatsoever on the basis of a citizen's economic status. Advisory Opinion 10, produced to guide members through this tricky thicket, spelled out four specific covered categories: a lobbyist, one who hires a lobbyist, one who maintains a separate political action committee, or one who the member knows has a distinct and special interest that sets him apart from others in his class. We specifically warned that members must be wary of gifts over $100 "unless such gift is from a close, personal friend."

That language (and constant assurances I gave numerous members in 1977—that it would not be construed to require members to become accountants in their dealings with lifelong personal friends) makes it reasonable to assume that for 1981-1985 Wright could have concluded the rule did not cover Mallick. I do not know whether he was covered after 1985 because I do not have all the facts. The standards committee will, I am sure, review those events carefully.

I am confident that the House and the committee will be mindful of their public obligation and will do whatever is right. But T.S. Eliot also warned us that the greatest treason is to "do the right deed for the wrong reason."

One other point: I am amused when some members of the press blithely dismiss as weak the rules under which Wright is being judged. Any reading of the congressional debate that took place at the time would leave no doubt that they were regarded as far too strong by many thoughtful members. And they were also regarded as being too tough by some members of the press, including a highly respected reporter for The Post who wrote an op-ed piece the day we adopted these rules, urging their defeat because they were too meddlesome. I do not mind the change of opinion expressed by some in the press today, but I do mind the sanctimony that occasionally accompanies that change of opinion.

No branch of government in our 200-year history has so thoroughly and excruciatingly examined the conduct of anyone within it as has the House in this instance. That should bring credit, not condemnation, on the House in which I proudly serve.

—

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[U.S. House of Representatives before the Committee on Standards of Official Conduct]

AFFIDAVIT OF HAROLD S. SAWYER

IN THE MATTER OF SPEAKER JAMES C. WRIGHT, JR.

STATE OF MICHIGAN,
County of Kent, ss:

I, Harold S. Sawyer, am competent to give affidavits at law, and testify as follows:

1. I am a partner in the Grand Rapids law firm of Warner, Norcross & Judd. I served as a Republican Member of Congress from 1977 to 1985.

2. In 1978, I served as a Republican Member of the House Select Committee on Ethics ("the Preyer Committee"), which drafted and later issued a number of Advisory Opinions implementing and interpreting the House's Rules of Official Conduct.

3. During my service as a member of the Preyer Committee, our Committee had occasion to consider Rule XLIII, Clause 4, which prohibits members from accepting gifts from persons with a "direct interest In legislation." We were very concerned with who would be considered to have a direct Interest *for purposes of the Rule*, since virtually anyone who holds property, belongs to a profession, receives Social Security or any other form of government assistance, or works as a farmer has a "direct Interest" in legislation before Congress. In the broad sense, any citizen does, but that certainly was not what the Rule Intended.

4. In my opinion, Rule XLIII Is specifically limited to the three classes of individuals described in the Rule: lobbyists, officers or directors of lobbyists, and any person retained by a lobbyist. Under the legal principal of *expressio unus exclusio alterius*, persons not falling within one of these specific three categories is not covered by Rule XLIII and does not have a "direct Interest" in legislation for purposes of the Rule. To avoid the application of this rule, a draftsman normally states "including but not limited to" or words to this effect. This was deliberately not done.

5. My understanding from public reports is that Mr. Mallick—the person from whom Speaker Wright is charged with having accepted a gift—is not a person who falls within any of the three categories delineated In Rule XLIII. If he is not, then in my opinion Speaker Wright cannot have violated the Rule.

6. While I was serving on the Select Committee, we adopted Advisory Opinion No. 10, which interprets Rule 43. The Advisory Opinion indicates that an individual who "has a distinct or special interest in influencing or affecting the federal legislative process which sets such individual . . . apart from the general public" is, for purposes of Rule XLIII, an individual with a "direct Interest" in legislation. In my opinion, the Advisory Opinion was intended to describe, not expand, the scope of Rule XLIII. Indeed, an Advisory Opinion cannot lawfully expand the scope of a House Rule.

7. Even to the extent some members of the Select Committee might have believed that Advisory Opinion No. 10 expanded the scope of Rule XLIII, Mr. Mallick still would not constitute an individual with a "direct interest" in legislation, assuming that the media description of his activities is accurate. No one serving with me on the Select Committee ever even suggested that, under Advisory Opinion No. 10, an individual would be deemed to have a "direct Interest" in legislation simply because he had real estate investments, oil and gas investments, or loans from federally insured lending institutions. Indeed, if such a person has a "direct interest," then Advisory Opinion No. 10 has rendered Rule XLIII essentially meaningless, since virtually anyone would have a "direct Interest." This was *not* the purpose or intention of the Committee on which I served.

8. As I previously have advised this Committee, I do not believe that Speaker Wright's conduct relating to the sale of books and the receipt of royalties can possibly have violated House Rule XLVII, the limit on Outside Earned Income. The Rule expressly excludes copyright royalties from the earned income limit. This was a blanket exemption. In my opinion, any qualified lawyer with whom the Speaker had consulted as to whether he could sell books on which he was paid a royalty without having the annual 30 percent limit apply, in lieu of accepting honorariums, certainly would have advised him that he could do so under the plain terms of Rule XLVII. While this Committee may conclude that the blanket exemption of copyright royalties is unwise, it cannot fairly or lawfully reinterpret that Rule and apply a new definition retroactively in the current proceedings against the Speaker.

9. Since Speaker Wright plainly has not violated the letter of the Rule, it would be grossly unfair, in my opinion, to conclude that he has violated the "spirit" of the Rule. It is difficult to perceive what the "spirit" of the Rule is. It cannot be the restriction of outside income per se, since unearned income is unlimited, as is earned income from farming, ranching, or any other family-controlled business. Nor can the "spirit" be to limit the time spent by members on outside activities, since a member is permitted to give four times as many $500 speeches as he is $2,000 speeches, and since there is no limit at all on unpaid speeches. Indeed, my understanding is that the Speaker gave hundreds of speeches for which he received no honorarium and in connection with which he sold no books. I point this out only to illustrate the danger and unfairness of attempting to enforce the "spirit," rather than the letter, of a House Rule. Lawyers, after all, spend much of their time advising clients as to how to comply with the letter of the law while neither attempting nor even being able to make any sense of the law or determine its "spirit."

10. I do not know the Speaker well, and have no partisan interest in this matter, as should be obvious from my political affiliation. However, as a lawyer and as one who served on the Select Committee during the relevant period, I feel obliged to note the extremely serious legal shortcomings in the Committee's preliminary interpretation of the House Rules the Speaker has been charged with violating.

Further affiant sayeth not.

HAROLD S. SAWYER.

Subscribed and sworn to before me this 22nd day of May, 1989.

BARBARA J. CALLAN,
Notary Public, Kent County, Michigan.

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[U.S. House of Representatives before the Committee on Standards of Official Conduct]

AFFIDAVIT OF DONALD F. TERRY

IN THE MATTER OF SPEAKER JAMES C. WRIGHT, JR.

DISTRICT OF COLUMBIA.

I, Donald F. Terry, am competent to give affidavits at law, and testify as follows:

1. I am currently employed by the House Committee on Small Business. I was a staff member on the Commission on Administrative Review, which was charged in 1976 with the responsibility for drafting new Rules of Official Conduct for the House. I also am the former Staff Director of the House Select Committee on Ethics, which interpreted and implemented the House Rules of Official Conduct, once they were adopted by the House on March 2, 1977.

2. In my capacity as Staff Director of the Select Committee, I drafted Advisory Opinion No. 13, which was adopted by the Select Committee to clarify the application of House Rule XLVII (the Rule dealing with limitations on Members' outside earned income).

3. My understanding, and—to my knowledge—the understanding of all members of my staff and of the Select Committee at the time, was that the express copyright royalty exclusion contained in Rule XLVII was a blanket exclusion.

4. During the course of drafting Advisory Opinion No. 13, I had several meetings and conversations with Douglas D. Drysdale, a member of the law firm of Caplin & Drysdale, who had been retained by the Select Committee to provide expert counsel and technical assistance concerning issues relating to the application of House Rule XLVII. One provision proposed by Mr. Drysdale for inclusion in Advisory Opinion No. 13 was a subparagraph entitled "Real Facts Controlling." The subparagraph, which I accepted for inclusion in my draft of the Advisory Opinion, provides that "The limitations proposed by Rule XLVII may not be avoided by devices designed to circumvent them. In all cases, the real facts will control" My understanding of this provision and the basis on which I included it in the draft was that it principally related to the concern that a Member might try to mischaracterize earned income (which is limited under Rule XLVII) as unearned income (which is not limited). To my recollection, there was no discussion either between me and Mr. Drysdale or in my conversations with members regarding the specific application of this subsection to Rule XLVII's exclusion of copyright royalties from the earned income limitation.

5. Mr. Drysdale and his law firm did submit proposed language specifically relating to copyright royalties, which language arguably would have restricted the otherwise blanket copyright royalty exclusion in Rule XLVII. I rejected this proposed language, however, just as I rejected a number of other provisions proposed by Mr. Drysdale in his 29-page memorandum. Because I rejected at a staff level the copyright royalty language proposed by Mr. Drysdale, to the best of my knowledge, it was never reviewed by the members of the Select Committee, and, therefore, cannot be now used as a basis to interpret application of Rule XLVII.

6. In the course of the investigation of Speaker Wright, neither the Outside Special Counsel nor any member of the Committee's staff has interviewed me or otherwise sought my view as to the proper interpretation of Rule XLVII or Advisory Opinion No. 13.

Further affiant sayeth not.

DONALD F. TERRY.

Sworn to and subscribed by the undersigned Notary Public on this 22 day of May, 1989, to certify which witness my hand and seal of office at 1:35 PM.

THOMAS J. LANKFORD.

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE
EXECUTIVE SESSION
APR 23 1991

In the Matter of	)	
	)	
	)	MUR 2649
	)	
James C. Wright, Jr.	)	

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

On February 12, 1991, the Commission voted to deny the request by counsel for James C. Wright, Jr., for dismissal of the complaint and reason to believe finding in this matter, and to approve subpoenas and orders to be sent to Mr. Wright, Southwest Texas State University and the Satellite Broadcasting and Communications Association. Responses to the subpoenas and orders have been received.

II. **ANALYSIS**

a. Mr. Wright

Mr. Wright's response consists of a letter dated March 21, 1991, (Attachment 1) in which he "respectfully decline[s] to respond to these written questions or to further participate in these proceedings . . . ." In support of this position he relies upon the argument raised earlier by counsel, namely that the Speech or Debate Clause of the United States Constitution "precludes Federal Election Commission jurisdiction over this subject matter . . .," arguing that once the United States House of Representatives exercised its assertedly "exclusive prerogative to elect to investigate and discipline (if necessary) its members," the Commission could not then act.

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An analysis of the applicability of the Speech or Debate Clause to the present matter was set out in the report submitted by this Office to the Commission on January 30, 1991. Based upon that analysis and upon other evidence available to the Commission at the time it made its reason to believe determination, the Commission determined to deny counsel's request to dismiss the complaint and reason to believe finding. Mr. Wright's response to the subpoena and order provides no new information or analysis with regard to his Speech or Debate Clause defense.

In light of Mr. Wright's refusal to answer the interrogatories posed by the Commission and to provide the documents subpoenaed, this Office recommends that the Commission authorize the filing of a civil action to enforce the subpoena and order in United States District Court.

b. Satellite Broadcasting and Communications Association

On March 7, 1991, this Office received the responses of the Satellite Broadcasting and Communications Association ("SBCA") to the Commission's subpoena and order submitted over the signature of Charles C. Hewitt, President. (Attachment 2). Although the SBCA's answers to the Commission's interrogatories appear to fulfill the requirements of the Commission's order, they raise additional questions.

Mr. Hewitt confirms that the SBCA, then operating under its original name, Satellite Television Industry Association, Inc., ("SPACE") purchased 1,680 copies of Reflections of a Public Man in August of 1985. He also confirms that Mr. Wright appeared at the

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September, 1985, SPACE trade show in Nashville, Tennessee. SBCA has assertedly been "unable to locate any records that indicate the payment of Mr. Wright of an honorarium for the appearance in question" because all such records are still in the possession of the Committee on Standards of Official Conduct, U.S. House of Representatives ("House Committee"), or of the Public Integrity Section, Criminal Division, Department of Justice.

Mr. Hewitt states that it was the lobbying law firm of Brown and Finn [now Brown, Finn and Nietert] which arranged for Mr. Wright's appearance and for the purchase of the books. In response to the question of whether the SBCA's purchase of the books was made "in lieu of the payment of an honorarium to Mr. Wright for his appearance" at the trade show, Mr. Hewitt states, "Any discussions regarding the circumstances leading to the purchase recommendation, if they took place, were between Mr. Wright, his associates or representatives, and the firm of Brown and Finn."

In light of the central role apparently played by Brown, Finn and Nietert with regard to any honorarium paid and the purchase of Mr. Wright's book, this Office recommends that the Commission approve the attached subpoena and order to be sent to this firm.

In the SBCA's answer to the Commission's fourth interrogatory there is also the statement that a fundraiser for Mr. Wright was held by the Association at the September, 1985 trade show held in Nashville, Tennessee. No further details are provided. According to the State Corporation Commission of Virginia, SBCA has been incorporated since April 18, 1984.

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This Office recommends that the Commission find reason to believe that the SBCA violated 2 U.S.C. § 441b by expending corporate funds on a fundraising event for Mr. Wright, and approve a second, follow-up subpoena and order seeking information concerning that event. In the absence of detailed information concerning the fundraiser, and in order to prevent a delay in pursuing, by means of subpoena enforcement, the answers and documents already being sought from Mr. Wright, this Office is postponing any recommendation regarding a violation of 2 U.S.C. § 441b by Mr. Wright's authorized committee until additional facts can be obtained from the SBCA.[1]

The SBCA has not produced the documents requested in the Commission's subpoena because, as stated above, these documents are apparently still in the possession of either the Justice Department or of the U.S. House of Representatives. According to Mr. Hewitt, the documents being sought were provided to the House Committee on October 19 and 25, 1988, and have never been returned to the SBCA.

Given the SBCA's asserted inability to comply with the Commission's document requests, and because documents relevant to the present matter obtained by the House Committee and the Public Integrity Section probably go beyond those sought from the SBCA, this Office recommends that the Commission approve the attached

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1. The Wright Appreciation Committee, Mr. Wright's principal campaign committee in 1985-86, is still an ongoing committee. An examination of reports filed by Mr. Wright's authorized committees for the second half of 1985 has revealed no contributions or expenditures apparently linked to a fundraising event in Nashville in September of that year.

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letters to the Office of the Clerk, U.S. House of Representatives,[2] and to the Public Integrity Section requesting that all documents in their possession concerning bulk sales of Reflections of a Public Man and payments of honoraria to Mr. Wright in 1984 be made available to this Office for examination and copying.

c. **Southwest Texas State University**

The answers to interrogatories and documents furnished by Southwest Texas State University appear to be complete. These responses confirm that Mr. Wright was initially paid a $3,000 honorarium for an appearance at the University on October 16, 1986, but that a representative of Mr. Wright telephoned the office of the president of the University at a later, unspecified date to say that Mr. Wright had already reached his honoraria limitation for that year and to ask if the University "would object to Congressman Wright purchasing books for the University with the $3,000."[3] The University agreed and received 504 copies. A copy of a purchase order showing the University as purchaser is included in the documents produced.

III. RECOMMENDATIONS

1. Authorize the Office of the General Counsel to file a civil suit in United States District Court to enforce the subpoena and order sent to James C. Wright, Jr.

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2. According to a letter from the chairman of the Committee on Standards of Official Conduct to the SBCA, the Office of the Clerk has custody of materials deemed the property of the U.S. House of Representatives. See page 16 of attachments.

3. Affidavit signed by MaryAnn Mendoza, an employee in the office of the President of the University, on December 15, 1988.

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2. Find reason to believe that the Satellite Broadcasting and Communications Association violated 2 U.S.C. § 441b.

3. Approve the attached Factual and Legal Analysis to be sent to the Satellite Broadcasting and Communications Association.

4. Approve the attached subpoena and order to be sent to the Satellite Broadcasting and Communications Association.

5. Approve the attached subpoena and order to be sent to Brown, Finn and Nietert.

6. Approve the attached letters to be sent to the General Counsel, Office of the Clerk, U.S. House of Representatives, and to the Public Integrity Section, Criminal Division, U.S. Department of Justice.

7. Approve the sending of appropriate letters to Brown, Finn and Nietert and to the Satellite Broadcasting and Communications Association.

Date 7/11/91

Lawrence M. Noble
General Counsel

Attachments

1. Response from James C. Wright, Jr.
2. Response from Satellite Broadcasting and Communications Association
3. Factual and Legal Analysis
4. Subpoena and Order - Brown, Finn and Nietert
5. Subpoena and Order - Satellite Broadcasting and Communications Association
6. Letters (2)

Staff Member Assigned: Anne Weissenborn

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2649
James C. Wright, Jr.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on April 23, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2649:

1. Authorize the Office of the General Counsel to file a civil suit in United States District Court to enforce the order sent to James C. Wright, Jr.

2. Reject recommendations 2 and 3 in the General Counsel's report dated April 11, 1991.

3. Approve the subpoena and order to be sent to the Satellite Broadcasting and Communications Association, as recommended in the General Counsel's report dated April 11, 1991, subject to the revisions as agreed during the meeting discussion of this date.

4. Approve the subpoena and order to be sent to Brown, Finn and Nietert, as recommended in the General Counsel's report dated April 11, 1991.

(continued)

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5. Approve the letters to be sent to the General Counsel to the Clerk, U.S. House of Representatives, and to the Public Integrity Section, Criminal Division, U.S. Department of Justice, as recommended in the FEC General Counsel's report dated April 11, 1991, and amended by the General Counsel's office during the Commission's meeting discussion of April 23, 1991.

6. Approve the sending of appropriate letters to Brown, Finn and Nietert and to the Satellite Broadcasting and Communications Association, pursuant to the actions noted above.

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

Attest:

4-25-91
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 3, 1991

Mr. Steven R. Ross
General Counsel
Office of the Clerk
U.S. House of Representatives
H-105, Capitol Building
Washington, D.C. 20515

RE: MUR 2649

Dear Mr. Ross:

As part of its investigation of honoraria received by former U.S. Representative James C. Wright between 1984 and 1987, and of bulk purchases of his book, Reflections of a Public Man, the Federal Election Commission requests access to all documents within the possession of the Office of the Clerk pertaining to these transactions.

The attorney in the Office of the General Counsel assigned to this matter is Anne A. Weissenborn, who can be reached at 376-8200.

Thank you for your cooperation.

Sincerely,

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 3, 1991

George E. McDowell, Chief
Public Integrity Section
Criminal Division
U.S. Department of Justice
Washington, D.C. 20530

RE: MUR 2649

Dear Mr. McDowell:

As part of its investigation of honoraria received by former U.S. Representative James C. Wright between 1984 and 1987, and of bulk purchases of his book, Reflections of a Publ Man, the Federal Election Commission requests access to all documents within the possession of the Department of Justice pertaining to these transactions.

The attorney in the Office of the General Counsel assigned to this matter is Anne A. Weissenborn, who can be reached at 376-8200.

Thank you for your cooperation.

Sincerely,

Lawrence Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 3, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Deppish Kirkland, III
Senior Vice-President - Operations &
General Counsel
Satellite Broadcasting and Communications
Association of America
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

RE: MUR 2649

Dear Mr. Kirkland:

The Federal Election Commission acknowledges receipt of the responses of Charles C. Hewitt, President of the Satellite Broadcasting and Communications Association of America ("the Association") to its subpoena and order issued on February 19, 1991.

Examination of those responses has raised additional questions concerning a fundraising event apparently held by the Association for James C. Wright, Jr., at the time of the Association's trade show in Nashville, Tennessee, in September, 1985. Consequently, the Commission has issued a second subpoena and order which requires the Association to provide certain information about that event. The subpoena and order is enclosed.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Charles Hewitt, President
Satellite Broadcasting & Communications Association of America
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

Having received and examined the answers to interrogatories submitted on behalf of the Satellite Broadcasting and Communications Association of America on March 4, 1991, the Federal Election Commission, pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, hereby orders you to submit additional written answers to questions attached to this Order and subpoenas you to produce the documents requested in the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents, within 15 days of your receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 30th day of April, 1991.

John Warren McGarry

John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories
Document Request

9304351207 4

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

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"You" shall mean the firm to which these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"SBCA" shall mean the Satellite and Communciations Association of America, Inc., and the same entity under its original corporate name of Satellite Television Industry Association, Inc.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES

1. Please describe the fundraising event which the SBCA held for James C. Wright, Jr., during his stay in Nashville, Tennessee, at the time of the SBCA's September, 1985 trade show. Provide the date and location of the event, the number of individuals invited, and the source of the guest list.

2. Was the fundraising event cited in Question 1 a part of, or separate from, Mr. Wright's appearance at the SBCA trade show?

3. Please state whether the purpose of the fundraising event held for Mr. Wright by the SBCA in Nashville at the time of the September, 1985, trade show was to raise funds to be used in Mr. Wright's campaigns for federal office. Describe the content of any solicitations made either orally or in writing.

4. Please state the total amount of contributions raised at the fundraising event held for Mr. Wright in Nashville in 1985.

5. Please state the total amount expended by the SBCA for the fundraising event held for Mr. Wright in Nashville in 1985. What was the source of the funds expended?

REQUEST FOR DOCUMENTS

Please produce all documents related to the fundraising event held for James C. Wright in Nashville, Tennessee, in September, 1985, including, but not limited to, invitations, solicitation materials, programs, invoices, vouchers and cancelled checks.

93043512077

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 3, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Richard L. Brown, Esquire
Frederick Wells Finn, Esquire
Brown, Finn and Nietert
1920 N Street, N.W., Suite 660
Washington, D.C. 20036

RE: MUR 2649

Dear Mr. Brown and Mr. Finn:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order which requires Brown, Finn and Nietert to provide certain information in connection with an investigation it is conducting. The Commission does not consider your firm a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure

9304351207 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Brown, Finn & Nietert
Suite 600
1920 N Street, N.W.
Washington, D.C. 20036

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents, within 15 days of your receipt of this Order and Subpoena.

93043512079

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 30th day of April, 1991.

John Warren McGarry

John Warren McGarry, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Attachment
Interrogatories
Document Request

9304351120 80

INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9304351208 1

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the firm to which these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Brown and Finn" shall mean the firm of Brown, Finn and Nietert in 1985.

"SBCA" shall mean the Satellite and Communications Association of America, Inc., and the same entity under its original corporate name of Satellite Television Industry Association, Inc.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of

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both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

INTERROGATORIES

The Commission is in possession of information that the Satellite Television Industry Association, Inc., now known as the Satellite Broadcasting and Communications Association of America, Inc., ("SBCA"), may have made a bulk purchase of Reflections of a Public Man by James C. Wright, Jr., in 1985, rather than pay an honorarium to former Congressman Wright for his appearance at that association's trade show in September of that year. In addition, it appears that the SBCA organized a fundraiser for Mr. Wright at the time of the same trade show. Please answer the following questions regarding Brown and Finn's representation of the SBCA at that time, and concerning the firm's involvement with Mr. Wright's appearance at the SBCA trade show, with any fundraiser held, and with the SBCA's purchase of the Wright books:

1. Was Brown and Finn employed by the SBCA to perform lobbying activities for the Association in 1985?

2. Did Brown and Finn arrange for the appearance of James C. Wright, Jr., at the September, 1985, SBCA trade show held in Nashville, Tennessee? If yes, please state the date that Mr. Wright or his representative was first approached with such an invitation and the date upon which arrangements for his appearance were finalized. Please identify the individuals who took part in these discussions.

3. Please provide details of the financial arrangements made for Mr. Wright's appearance, including any commitments regarding the payment of an honorarium or other compensation for Mr. Wright's appearance.

4. Was Brown and Finn ever informed by Mr. Wright or his representatives during discussions of his appearance at the trade show that Mr. Wright had reached, or would soon reach, his annual limitation on the receipt of honoraria in 1985?

9304351208 3

5. Was the suggestion ever made to Brown and Finn that the SBCA purchase copies of Reflections of a Public Man in lieu of paying Mr. Wright an honorarium for his appearance at the SBCA trade show? If yes, please identify the person who made this suggestion.

6. Did Brown and Finn suggest to SBCA that the Association make a bulk purchase of copies of Reflections of a Public Man in 1985? Was this suggestion made in the context of the SBCA's invitation to Mr. Wright to appear at the September, 1985, trade show?

7. Was the bulk purchase of Mr. Wright's book by the SBCA made in lieu of the payment to Mr. Wright of an honorarium for his appearance at the SBCA trade show in Nashville?

8. Did the SBCA hold a fundraising event for Mr. Wright during his stay in Nashville at the time of the trade show? What role did Brown and Finn play in the organization of this event?

9. Was the fundraising event cited in Question 8 a part of, or separate, from Mr. Wright's appearance at the SBCA trade show itself? Please describe this event, including its location and date, the number of individuals invited, and the source of the guest list.

10. Please state whether the purpose of the fundraising event held for Mr. Wright by the SBCA in Nashville at the time of the September, 1985, trade show was to raise funds to be used in his campaigns for federal office. Describe the content of any solicitations made either orally or in writing.

11. Please state the total amount of contributions raised at the fundraising event held by the SBCA for Mr. Wright in Nashville in 1985.

12. Please state the total amount expended by the SBCA for the fundraising event held by the SBCA for Mr. Wright in Nashville in 1985.

REQUEST FOR DOCUMENTS

1. Please produce all documents, including but not limited to letters, memoranda, and telephone logs, involving communications with James C. Wright, Jr., a representative of Mr. Wright or a representative of Madison Publishing Company,

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concerning Mr. Wright's appearance at the SBCA September, 1985, trade show in Nashville, Tennessee, and his compensation for that appearance.

2. Please produce all documents, including but not limited to letters, memoranda, telephone logs or messages, purchase orders, invoices and cancelled checks, involving the bulk purchase by the SBCA in 1985 of Reflections of a Public Man.

3. Please produce all documents, including any solicitation materials, related to the fundraising event held for James C. Wright, by the SBCA in Nashville, Tennessee, in September, 1985.

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OGC 1251

EPSTEIN BECKER & GREEN, P.C.
ATTORNEYS AT LAW
1227 25TH STREET, N.W.
WASHINGTON, D.C. 20037-1156†

(202) 861-0900
TELECOPIER (202) 296-2882
DIRECT LINE

250 PARK AVENUE
NEW YORK, NEW YORK 10177-0077†
(212) 351-4500

1875 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-2501
(213) 556-8861

SIX LANDMARK SQUARE
STAMFORD, CONNECTICUT 06901-2704†
(203) 348-3737

ONE RIVERFRONT PLAZA
NEWARK, NEW JERSEY 07102-8401
(201) 642-1900

27 SCHOOL STREET
BOSTON, MASSACHUSETTS 02108-4303
(617) 720-3555

†P.C. NEW YORK, WASHINGTON, D.C., CONNECTICUT, VIRGINIA AND TEXAS ONLY

FOUR EMBARCADERO
SAN FRANCISCO, CALIFORNIA 94111-5954
(415) 398-3500

12201 MERIT DRIVE
DALLAS, TEXAS 75251-2213†
(214) 490-3143

116 SOUTH MONROE STREET
TALLAHASSEE, FLORIDA 32301-1530
(904) 681-0596

2400 SOUTH DIXIE HIGHWAY, SUITE 100
MIAMI, FLORIDA 33133
(305) 856-1100

510 KING STREET, SUITE 301
ALEXANDRIA, VIRGINIA 22314-3132†
(703) 684-1204

LEGAL & CONFIDENTIAL

May 22, 1991

91 MAY 22 PM 5:15
RECEIVED
FEDERAL ELECTION COMMISSION
MUR 2649

93043512086

HAND-DELIVERED

Anne A. Weissenborn, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, D.C. 20463

RE: M.U.R. 2649: Subpoena Issued To Brown, Finn & Nietert, Chartered

Dear Anne:

As discussed, enclosed please find a letter from Richard L. Brown of Brown, Finn & Nietert, Chartered ("BFN"), confirming that our firm has been retained by BFN to assist it in responding to the Federal Election Commission's ("the Commission") subpoena in connection with M.U.R. 2649.

In addition, on behalf of BFN we request an extension-of-time of seventeen days, from May 24, 1991 to June 10, 1991, to respond to the Commission's subpoena[1]. As discussed, prior to responding to the Commission's subpoena, BFN needs to obtain formal notification that

[1]The referenced subpoena was received by our client in the mail on May 6, 1991. Thus, the date for the response is May 24, 1991. See 11 C.F.R. § 111.2(c).

the Satellite Broadcasting and Communications Association of America, Inc. ("SBCA") has waived its attorney-client privilege with regard to the matters addressed by the subpoena. We have been informed by SBCA's counsel that it may be several weeks before our client receives a written "waiver-of-privilege" letter.

Please do not hesitate to call me at 202/861-1877 if you have any questions regarding this extension-of-time request or any other matters in connection with the Commission's subpoena.

Best regards,

Leslie J. Kerman

Leslie J. Kerman

Enclosure

cc: Richard L. Brown, Esquire

9304351208 7

LAW OFFICES
BROWN FINN & NIETERT, CHARTERED
SUITE 660
1920 N STREET, N.W.
WASHINGTON, D.C. 20036

TEL (202) 887-0600
FAX (202) 457-0126

May 22, 1991

Anne A. Weissenborn, Esq.
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2649

Dear Ms. Weissenborn:

Brown Finn & Nietert, Chartered has retained Leslie Kerman of Epstein, Becker & Green to assist us in responding to the Federal Election Commission's subpoena of April 30, 1991.

Sincerely,

Richard L. Brown

Richard L. Brown

DJK\FEC

93043512088

OGC 1270

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2649
)
)

91 MAY 24 AM 9:03

Response of Charles C. Hewitt to
Interrogatories and
Request for Documents

TO: Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Via Messenger

Attached hereto are the Responses of Charles C. Hewitt, President of the Satellite Broadcasting & Communications Association of America, to certain Interrogatories and Request of Production of Documents issued under the seal of the Chairman of the Federal Election Commission on the 30th day of April, 1991.

Respectfully submitted,

Deppish Kirkland, III
General Counsel
Satellite Broadcasting & Communications
Association of America

225 Reineker's Lane
Suite 600
Alexandria, VA 22314
703-549-6990

93043512089

RESPONSE TO INTERROGATORIES

QUESTION 1: Please describe the fundraising event which the SBCA held for James C. Wright, Jr., during his stay in Nashville, Tennessee, at the time of the SBCA's September, 1985 trade show. Provide the date and location of the event, the number of individuals invited, and the source of the guest list.

ANSWER It is my recollection that there was a fundraising effort for Mr. Wright associated with his appearance at the 1985 satellite trade show in Nashville. As pointed out in my answers to the Interrogatories issued on February 19, 1991, all records related to this matter have been provided previously to the U.S. House of Representatives, Committee on Standards of Official Conduct and have not been returned to this office. Nevertheless, in response to the second set of Interrogatories issued on April 30, 1991, we have conducted another search of our records, including those in storage facilities, and are unable to locate any additional record of the details of the fundraising effort noted above. Therefore, the answers reflected herein are stated to the best of my recollection but without the benefit of review of any records which may have been provided earlier to the Committee on Standards of Official Conduct or which may be in the possession of the law firm of Brown & Finn, referenced in my answer to Question No. 6 of the February 19, 1991 set of Interrogatories.

QUESTION 2: Was the fundraising event cited in Question 1 a part of, or separate from, Mr. Wright's appearance at the SBCA trade show?

ANSWER It is my recollection that there was a reception of some type associated with Mr. Wright's speech to several thousand of the attendees of the trade show in question. The fundraising itself was conducted prior to the show and the source of the guest list for the purpose of the fundraising was the list of SBCA "Pioneer Members" (which at that time was the highest level of members in the Association), plus other dealers and distributors who had been solicited by the law firm of Brown & Finn prior to the show.

The fundraising event was separate from Mr. Wright's appearance at the trade show, but occurred during the same time period.

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QUESTION 3: Please state whether the purpose of the fundraising event held for Mr. Wright by the SBCA in Nashville at the time of the September, 1985, trade show was to raise funds to be used in Mr. Wright's campaigns for federal office. Describe the content of any solicitation made either orally or in writing.

ANSWER The purpose of the fundraising effort was to provide to Mr. Wright campaign funds. Any solicitation, whether oral or in writing, was conducted by, written by and handled by the law firm of Brown & Finn.

QUESTION 4: Please state the total amount of contributions raised at the fundraising event held for Mr. Wright in Nashville in 1985.

ANSWER It is my recollection that the total amount of contributions resulting from the fundraising effort was about twenty thousand dollars ($20,000). Again, this answer is not formed from a review of any documentation or other records.

QUESTION 5: Please state the total amount expended by the SBCA for the fundraising event held for Mr. Wright in Nashville in 1985. What was the source of the funds expended?

ANSWER The cost of any reception at the trade show would have been most likely covered as a trade show expense. We have conducted a second search of our records, including those in storage, to determine whether or not we can identify any specific expenses for a reception held for Mr. Wright at the September, 1985 trade show. We have been unable to separately identify any such expenses.

ANSWERS SUBMITTED BY:

Charles C. Hewitt, President
Satellite Broadcasting & Communications
Association of America

93043512091

The above and foregoing Answers to Interrogatories of Charles C. Hewitt, President, Satellite Broadcasting & Communications Association of America, were sworn to and subscribed before me, an officer duly authorized to administer oaths in the State of Virginia, this 23rd day of May, 1991.

County of Fairfax

George H. Kresslein, Jr.

George H. Kresslein, Jr.

My Commission Expires on the 30th day of September, 1993.

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RESPONSE TO REQUEST FOR DOCUMENTS

REQUEST: Please produce all documents related to the fundraising event held for James C. Wright in Nashville, Tennessee, in September, 1985, including, but not limited to, invitations, solicitation materials, programs, invoices, vouchers and canceled checks.

ANSWER: Please refer to the answer to Interrogatory responses No. 1,2 and 3 to the Interrogatories issued with this Request for Documents. The SBCA does not have possession of or access to any records such as those requested herein. It is possible that the law firm of Brown & Finn (last known address provided in earlier answers) may have some such records since the fundraising efforts in question were handled by that firm. We have conducted a specific search for such documents in response to this Request, in addition to that conducted in response to the earlier Request of February 19, 1991.

RESPONSE SUBMITTED BY:

Charles C. Hewitt, President
Satellite Broadcasting & Communications
Association of America

9304351209 3

BBC 1675

Satellite Broadcasting and Communications Association

June 17, 1991

MUR 2649

Officers
President
Charles C. Hewitt
Chairman
Robert N. Caird
Home Box Office, Inc.
1st Vice Chairman
William E. Berman
GE American Comm., Inc.
2nd Vice Chairman
Donald Berg
Channel Master
Past Chairman
Gordon D. Main
Main Electronics Co.
Chairman Emeritus
H. Taylor Howard
Chaparral Comm., Inc.

Directors
Charles Abbott
Satellite Scanners Inc.
Char Beales
COMSAT
Mark Brady
Uniden Corp.
Susan Denison
Showtime Satellite Networks
Thomas Dumit
General Instrument Corp.
Glenn Gurgiolo
Satellite Sports Networks
Ted Kasch
Zenith Electronics Corp.
Doug Lindquist
Houston Tracker Systems
Phil Lucachick
U.S. Satellite Broadcasting
Mike Mountford
Earth Terminal TV Ltd.
King Oberlin
King's Antenna Service
Bob Phillips
NRTC
Mike Schroeder
Consumer Satellite Systems
Jack Zsakany
AT&T Satellite Communications

Executive Staff
Senior Vice President-Operations & General Counsel
Deppish Kirkland
Senior Vice President Government Affairs
Andrew R. Paul

Ms. Leslie J. Kerman
Epstein, Becker & Green, P.C.
1227 25th Street, N.W.
Washington, DC 20037

Ref: Federal Elections Commission Inquiry - James C. Wright, Jr.

Dear Ms. Kerman:

You have advised me that you represent the firm of Brown & Finn of Washington, D.C. in regard to an inquiry by the Federal Elections Commission into certain activities of Mr. James C. Wright, Jr. As I have informed you, the SBCA has been contacted by the Commission and requested to provide information related to the purchase by the SBCA of copies of Mr. Wright's book, Reflections of a Public Man, in 1985 and the SBCA's solicitation of campaign contributions to Mr. Wright in connection with a speaking appearance at the 1985 SBCA/STTI trade show held in Nashville, Tennessee.

At the time in question, the firm of Brown & Finn represented the SBCA and was directly involved in the matters noted above. You have advised me that the Federal Elections Commission has submitted requests for information to Brown & Finn in regard to the above matters and that, in your firm's opinion, Brown & Finn cannot answer those requests absent a waiver of the attorney-client privilege from the SBCA.

While it is not clear to me that there are confidential communications from the SBCA which Brown & Finn would be required to disclose in order to describe that firm's actions, it is also not the desire of the SBCA to hinder the Commission's inquiry. Therefore, the SBCA Board of Directors has authorized the waiver of the attorney-client privilege that otherwise may have prevented its prior counsel, Brown & Finn, from responding to the inquiry by the Federal Elections Commission noted above. The privilege is waived solely for this purpose and for this proceeding by the Commission and is not intended to extend beyond the scope of the matters being investigated.

This is not intended to suggest that the SBCA believes confidential communications from the SBCA to Brown & Finn took place during the time in question which might relate to the subject matter of the present

91 JUN 24 AM 10:37
RECEIVED FEDERAL ELECTION COMMISSION
91 JUN 24 PM 3:47
RECEIVED FEDERAL ELECTION COMMISSION COUNSEL
9304351209 4

225 Reinekers Lane, Suite 600 • Alexandria, Virginia 22314 • Phone: (703)549-6990 • Fax: (703)549-7640

Commission inquiry. In addition, this waiver is not intended to release Brown & Finn from any obligation to the SBCA which may have arisen from its prior representation.

You will note that I have provided a copy of this correspondence to the office of the General Counsel of the Federal Elections Commission for their information. The meeting of the SBCA Board of Directors took place on Wednesday, June 12, 1991. I regret the delay in responding to your request, but such a waiver required Board approval.

Please let me know if you have any questions about the above. With best regards, I remain,

Sincerely,

Deppish Kirkland
Senior Vice President of Operations
General Counsel

DK/nlf

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

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06C 2198

U.S. Department of Justice

Washington, D.C. 20530

AUG 0 9 1991

MUR 2649

91 AUG 14 AM 10:26

91 AUG 14 AM 9:53

FEDERAL ELECTION COMMISSION

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

Dear Mr. Noble:

In your letter dated May 3, 1991, you request access to all documents within the possession of the Department of Justice pertaining to honoraria earned by former House Speaker James C. Wright, Jr. and all documents relating to bulk purchases of his book, Reflections of a Public Man. All such materials in the custody of the Public Integrity Section were obtained through a federal grand jury, and therefore, pursuant to Rule 6(e) of the Federal Rules of Criminal Procedure, a court order is required before we may disclose them to you. See In re Sealed Case, 801 F.2d 1379, 1381 (D.C. Cir. 1986)(denying SEC access to documents subpoenaed by federal grand jury).

As many, if not all, of the persons and entities subpoenaed by the grand jury retained copies of the records they produced, we believe that the Commission will be unable to make the particularized showing required to secure such a court order. Of course you will be able to obtain copies of records relevant to your investigation directly from these persons and entities.

If you have any questions, please call Stuart M. Goldberg, a trial attorney in this office, at (202) 514-1433.

Sincerely,

Gerald E. McDowell

Gerald E. McDowell
Chief
Public Integrity Section
Criminal Division

9304351209 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 20, 1991

Leslie J. Kerman, Esquire
Epstein, Becker & Green
1227 25th Street, NW
Washington, D.C.

RE: MUR 2649
Brown, Finn & Nietert

Dear Ms. Kerman:

On May 3, 1991, your client, Brown, Finn and Nietert, was sent a Subpoena to Produce Documents and an Order to Submit Written Answers in connection with an investigation being undertaken by the Federal Election Commission. To date no such documents or answers have been received by this Office.

Given the length of time which has elapsed since the issuance of the subpoena and order, it has become necessary for this Office to recommend to the Commission that it authorize the filing of a subpoena enforcement action in United States District Court. Such a recommendation will be made unless this Office receives a response to the subpoena and order within ten days of your receipt of this letter.

If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93043512097

OGC 43

EPSTEIN BECKER & GREEN, P.C.
ATTORNEYS AT LAW
1227 25TH STREET, N.W.
WASHINGTON, D.C. 20037-1156†

(202) 861-0900
TELECOPIER (202) 296-2882
DIRECT LINE

250 PARK AVENUE
NEW YORK, NEW YORK 10177-0077†
(212) 351-4500

1875 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067-2501
(213) 556-8861

SIX LANDMARK SQUARE
STAMFORD, CONNECTICUT 06901-2704†
(203) 348-3737

ONE RIVERFRONT PLAZA
NEWARK, NEW JERSEY 07102-8401†
(201) 642-1900

27 SCHOOL STREET
BOSTON, MASSACHUSETTS 02108-4303
(617) 720-3555

111 PINE STREET*
SAN FRANCISCO, CALIFORNIA 94111-5614
(415) 398-3500

12750 MERIT DRIVE
DALLAS, TEXAS 75251-1209†
(214) 490-3143

116 SOUTH MONROE STREET
TALLAHASSEE, FLORIDA 32301-1530
(904) 681-0596

2400 SOUTH DIXIE HIGHWAY, SUITE 100
MIAMI, FLORIDA 33133
(305) 856-1100

510 KING STREET, SUITE 301
ALEXANDRIA, VIRGINIA 22314-3132†
(703) 684-1204

†P.C. NEW YORK, WASHINGTON, D.C., NEW JERSEY
CONNECTICUT, VIRGINIA AND TEXAS ONLY

*CONDUCTED AS EPSTEIN BECKER MULKEEN & GREEN

February 11, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 FEB 11 PM 5:16

93043512098

HAND-DELIVERED

Anne Weissenborn, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, D.C. 20463

RE: M.U.R. 2649: Response of Brown, Finn & Nietert, Chartered to the Subpoena to Produce Documents and Order to Submit Written Answers

Dear Ms. Weissenborn:

Enclosed please find the Response of Brown, Finn & Nietert, Chartered, to the Subpoena to Produce Documents and Order to Submit Written Answers issued under the Seal of the Chairman of the Federal Election Commission in connection with M.U.R. 2649.

Please do not hesitate to contact me at 202/861-1877 if you have any questions regarding the enclosed Response.

Sincerely,

Leslie J. Kerman

Leslie J. Kerman

Enclosures

The following constitutes the response of Brown, Finn & Nietert, Chartered ("BFN") to the Subpoena to Produce Documents and Order to Submit Written Answers issued under the seal of the Chairman of the Federal Election Commission in connection with M.U.R. 2649.

INTERROGATORY 1

QUESTION: Was Brown and Finn employed by the SBCA to perform lobbying activities for the Association in 1985?

ANSWER: Yes.

INTERROGATORY 2

QUESTION: Did Brown and Finn arrange for the appearance of James C. Wright, Jr., at the September, 1985, SBCA trade show held in Nashville, Tennessee? If yes, please state that date that Mr. Wright or his representative was first approached with such an invitation and the date upon which arrangements for his appearance were finalized. Please identify the individuals who took part in these discussions.

ANSWER: Yes, BFN arranged for James C. Wright, Jr. to appear at the SBCA trade show held in Nashville, Tennessee on September 3, 1985. BFN does not recall the precise date on which Mr. Wright or his representative were first approached regarding the appearance. To the best of BFN's recollection, Derrick A. Humphries, formerly of BFN, spoke to Michael Grisso, a member of Mr. Wright's staff regarding the appearance on August 8, 1985. (Mr. Grisso's current position and address are unknown to BFN.) However, BFN does not recall whether the August 8th conversation with Mr. Grisso was the first time that Mr. Wright or his representative was approached concerning an appearance by Mr. Wright at the SBCA trade show.

BFN does not recall the precise date when the arrangements were finalized. However, to the best of BFN's recollection, arrangements were finalized on or around August 29, 1985.

INTERROGATORY 3

QUESTION: Please provide details of the financial arrangements made for Mr. Wright's appearance, including any commitments regarding the payment of an honorarium or other compensation for Mr. Wright's appearance.

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ANSWER: To the best of BFN's recollection, SBCA paid for Mr. Wright's airfare to and from Nashville, Tennessee on September 3, 1985. To the best of BFN's recollection, no commitments were made regarding the payment of an honorarium or other compensation to Mr. Wright in connection with his appearance at the September 3, 1985 SBCA trade show.

INTERROGATORY 4

QUESTION: Was Brown and Finn ever informed by Mr. Wright or his representatives during discussions of his appearance at the trade show that Mr. Wright had reached, or would soon reach, his annual limitation on the receipt of honoraria in 1985?

ANSWER: To the best of its recollection, BFN was never informed by Mr. Wright or his representatives during discussions of his appearance at the trade show that Mr. Wright had reached, or would soon reach, his annual limitation on the receipt of honorarium in 1985.

INTERROGATORY 5

QUESTION: Was the suggestion ever made to Brown and Finn that the SBCA purchase copies of Reflections of a Public Man in lieu of paying Mr. Wright an honorarium for his appearance at the SBCA trade show? If yes, please identify the person who made this suggestion.

ANSWER: To the best of BFN's recollection, it was never suggested to BFN that the SBCA purchase copies of Reflections of a Public Man in lieu of paying Mr. Wright an honorarium for his appearance at the SBCA trade show.

INTERROGATORY 6

QUESTION: Did Brown and Finn suggest to SBCA that the Association make a bulk purchase of copies of Reflections of a Public Man in 1985? Was this suggestion made in the context of the SBCA's invitation to Mr. Wright to appear at the September, 1985 trade show?

ANSWER: To the best of its recollection, BFN did suggest to SBCA that it purchase copies of Reflections of a Public Man for distribution to attendees of the SBCA trade show, as a special memento in connection with Mr. Wright's appearance.

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INTERROGATORY 7

QUESTION: Was the bulk purchase of Mr. Wright's book by the SBCA made in lieu of the payment to Mr. Wright of an honorarium for his appearance at the SBCA trade show in Nashville?

ANSWER: To the best of BFN's recollection, the bulk purchase of Mr. Wright's book by the SBCA was not made in lieu of the payment to Mr. Wright of an honorarium for his appearance at the SBCA trade show in Nashville.

INTERROGATORY 8

QUESTION: Did the SBCA hold a fundraising event for Mr. Wright during his stay in Nashville at the time of the trade show? What role did Brown and Finn play in the organization of this event?

ANSWER: The SBCA's separate segregated fund, the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC"), sponsored a fundraising event for the "Jim Wright Appreciation Fund" on September 3, 1985. This was a separate event from Mr. Wright's appearance at the SBCA trade show.

BFN served as counsel to SPACEPAC and a BFN partner, Richard L. Brown, was the treasurer of SPACEPAC. Accordingly, BFN was involved in the organization of the referenced fundraising event.

INTERROGATORY 9

QUESTION: Was the fundraising event cited in Question 8 a part of, or separate, from Mr. Wright's appearance at the SBCA trade show itself? Please describe this event, including its location and date, the number of individuals invited, and the source of the guest list.

ANSWER: The fundraising event was a separate event from Mr. Wright's appearance at the trade show. The fundraiser was a reception held in a suite at the Opryland Hotel in Nashville, Tennessee on September 3, 1985. The fundraiser was held prior to Mr. Wright's speech at the SBCA trade show. To the best of BFN's recollection, approximately thirty to fifty invitations to the fundraiser were distributed primarily to SBCA directors

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and other members of the trade associations.

INTERROGATORY 10

QUESTION: Please state whether the purpose of the fundraising event held for Mr. Wright by the SBCA in Nashville at the time of the September, 1985, trade show was to raise funds to be used in his campaigns for federal office. Describe the content of any solicitations made either orally or in writing.

ANSWER: The purpose of the fundraising event which was sponsored by SPACEPAC, not the SBCA, was to raise monies for the "Jim Wright Appreciation Fund", a joint-fundraising committee between the Majority Congress Committee (a non-connected federal political committee) and the Wright Appreciation Committee (Mr. Wright's authorized campaign committee). Solicitations involved the distribution of invitations (a copy of said invitation is included in BFN's Response to the Commission's Request for Production of Documents), as well as follow-up telephone calls requesting confirmation regarding whether or not the invitee would be attending the fundraiser.

INTERROGATORY 11

QUESTION: Please state the total amount of contributions raised at the fundraising event held by the SBCA for Mr. Wright in Nashville in 1985.

ANSWER: To the best of BFN's recollection, the fundraising event sponsored by SPACEPAC on September 3, 1985 raised approximately $26,035.00 for the "Jim Wright Appreciation Fund". Contributions raised in connection with the event were earmarked through SPACEPAC, and reported as earmarked contributions to both the recipient committee and the Federal Election Commission (see documents provided by BFN in connection with the Commission's Request for Production of Documents.)

INTERROGATORY 12

QUESTION: Please state the total amount expended by the SBCA for the fundraising event held by the SBCA for Mr. Wright in Nashville in 1985.

ANSWER: To the best of BFN's recollection, the direct costs associated with the

9304351210 2

SPACEPAC-sponsored fundraising event were nominal. The fundraiser was held in the SBCA-directors convention hospitality suite, and lasted less than one hour. To the best of BFN's recollection, the hospitality suite was stocked by the SBCA with beverages and snack foods for the entire convention, and no additional refreshments were ordered for the fundraiser.

Moreover, to the best of BFN's recollection, invitations to the fundraiser were included in an SBCA regular newsletter or other mailing, and thus it is likely that no additional postage costs were incurred due to the fundraiser.

REQUEST FOR DOCUMENTS

REQUEST #1: Please produce all documents, including but not limited to letters, memoranda, and telephone logs, involving communications with James C. Wright, Jr., a representative of Mr. Wright or a representative of Madison Publishing Company, concerning Mr. Wright's appearance at the SBCA September, 1985, trade show in Nashville, Tennessee, and his compensation for that appearance.

RESPONSE: Attached are the following documents:

1. Copy of Memorandum from Derrick A. Humphries to Richard L. Brown, dated August 29, 1985, regarding "Proposed Nashville Schedule for Congressman Jim Wright."

2. Copy of Special Event Notice on Congressman Wright's appearance.

3. Copy of BFN billing logs reflecting attorney time recorded specifically in connection with arranging Congressman Wright's appearance at the SBCA convention (only attorney time which specifically refers to Mr. Wright's appearance at the SBCA convention is included -- all other time entries have been deleted).

REQUEST #2: Please produce all documents, including but not limited to letters, memoranda, telephone logs or messages, purchase orders, invoices and cancelled checks, involving the bulk purchase by the SBCA in 1985 of Reflections of a Public Man.

RESPONSE: Attached are the following documents:

9304351210 3

1. Copy of Madison Publishing Company Purchase Order -- Number #1717.

2. Copy of cancelled check to Madison Publishing Company from the Satellite Television Industry Association, Inc.

REQUEST #3: Please produce all documents, including any solicitation materials, related to the fundraising event held for James C. Wright, by the SBCA in Nashville, Tennessee, in September, 1985.

RESPONSE: Attached are the following documents:

1. Copy of Invitation to Fundraiser on September 3, 1985 sponsored by SPACEPAC.

2. Undated letter to Richard Brown with attached Contributor List for Fundraiser.

3. Letter dated October 4, 1985 to Mr. Grisso from Mr. Humphries enclosing list of attendees/contributors for the Fundraiser.

4. Letter dated October 18, 1985 to Mr. Schnerigner from Mr. Brown enclosing "Special Contributor Card".

5. Letter dated October 18, 1985 to Mr. Schultheiss from Mr. Brown enclosing "Special Contributor Card".

6. Letter dated October 18, 1985 to Mr. Rothbarth from Mr. Brown enclosing "Special Contributor Card".

7. Letter dated October 18, 1985 to Mr. Wirth from Mr. Brown enclosing "Special Contributor Card".

8. Letter dated October 18, 1985 to Mr. Howard from Mr. Brown enclosing "Special Contributor Card".

9. Letter dated October 18, 1985 to Mr. Giner from Mr. Brown enclosing "Special Contributor Card".

10. Letter dated October 18, 1985 to Mr. Smith from Mr. Brown enclosing "Special Contributor Card".

11. Letter dated November 5, 1985 to Mr. Wright from Mr. Brown transmitting check and contributor information to the Wright Appreciation Fund in connection with earmarked contributions.

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12. Fifty-Four (54) letters dated November 5, 1985 to Mr. Wright from Mr. Brown transmitting earmarked contributor information to the Wright Appreciation Fund.

13. Letter dated November 26, 1985 to Mr. Lynam from Mr. Humphries transmitting information cards on contributors to the Wright Appreciation Fund.

14. Letter dated December 26, 1985 to Mr. Wright from Mr. Brown transmitting earmarked check and contributor information to the Wright Appreciation Fund.

15. Letter dated April 2, 1986 to Mr. Butterfield of the Federal Election Commission from Mr. Brown transmitting amended 1985 Year-End Report Schedules.

BFN reserves the right to supplement its Response if it discovers additional information or documents in connection with the matters addressed herein.

RESPONSE SUBMITTED BY:

Richard L. Brown

Richard L. Brown
Partner
Brown, Finn & Nietert, Chartered

The above and foregoing Response of Brown, Finn & Nietert Chartered was sworn to and subscribed before me, an officer duly authorized to administer oaths, by **Richard L. Brown**, in the District of Columbia, this 11TH day of February, 1992.

Linda A. Smith

Notary Public

My Commission Expires: My Commission Expires Sept. 14, 1993

9 3 0 4 3 5 1 2 1 0 5

REQUEST #1

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 FEB 11 PM 5:17

LAW OFFICES
BROWN & FINN
CHARTERED
SUITE 510
1920 N STREET, N.W.
WASHINGTON, D.C. 20036

(202) 887-0600

DIRECT COMMUNICATIONS TO
DERRICK A. HUMPHRIES

MEMORANDUM

TO: Richard L. Brown

FROM: Derrick A. Humphries

DATE: August 29, 1985

SUBJECT: Proposed Nashville Schedule for Congressman Jim Wright

The following proposed schedule is for Congressman Jim Wright on Tuesday, September 3 (all activities at the Opryland Hotel):

2:43 pm	Arrival at Nashville airport, American Airlines, Flight 494; met by Rick Brown, Taylor Howard.
3:15-3:30 pm	Arrival at Opryland Hotel. Check into room to freshen up.
3:45-4:45 pm	Photos and visit outdoor and indoor exhibits at Opryland Hotel accompanied by SPACE officers and directors (Rick Brown, Chuck Hewitt, Taylor Howard and Bud Ross).
4:45-5:15 pm	Back to room to rest.
5:15-6:15 pm	Private reception.
6:15 pm	Speak at rally.
6:45 pm	Depart for airport.
7:27 pm	Depart for Washington, D.C. on American Airlines, Flight 352.

DAH:k

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SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990

6 pm Tuesday

Tuesday 6 pm

SPECIAL EVENT!

Meet the Majority Leader and one of the "most respected" members of the U.S. House of Representatives: Texas **Congressman Jim Wright.**

Meet the man who many believe will be the next Speaker of the U.S. House of Representatives and is considered to be among the most powerful American political figures: **Congressman Jim Wright**

Meet the "most persuasive debater" in the U.S. House of Representatives: **Congressman Jim Wright**

Meet the man who President Lyndon Johnson called "one of the greatest Congressmen in the United States": **Congressman Jim Wright**

Meet the author of the books, "Reflections of a Public Man," "You and Your Congressman," "Of Swords and Plowshares": **Congressman Jim Wright**

Meet the political leader who is a frequent guest on national television shows such as "Face the Nation," "Meet the Press," "Issues and Answers," "AM America," the "Today Show," "This Week With David Brinkley", "C-Span" and other shows and networks: **Congressman Jim Wright**

Don't miss this once in a lifetime opportunity to meet a genuine American political hero.

***

Meet Congressman Jim Wright
Tuesday, September 3, 6:00 pm
(prior to the banquet).

Opryland Hotel, President's Lobby

***

Be able to tell your friends, family and neighbors that you met the next Speaker of the U.S. House of Representatives: **Congressman Jim Wright**

A Special Presentation of the SPACE/STTI Nashville Convention

9304351210 8

Partner Hours: Derrick A. Humphries

DH 7/29		1.0
DH 7/29		1.0
DH 7/29		1.0
DH 7/29		.50
DH 7/29		.50
DH 7/30		1.50
DH 7/30		1.20
DH 7/30		.50
DH 7/30		.80
DH 7/30		.40
DH 7/31		.50
DH 7/31		1.5
DH 7/31		1.0
DH 7/31		.70
DH 8/1		3.0
DH 8/2		8.0
DH 8/5		5.0
DH 8/5		.50
DH 8/5		.50
DH 8/5	Research, telcons w/M. Grisso re Nashville conv.	1.0
DH 8/6		1.5
DH 8/6		.50
DH 8/6		1.0
DH 8/6		.50
DH 8/6		.50
DH 8/6		6.0
DH 8/7		4.0
DH 8/8		.50
DH 8/8		.50
DH 8/8		.50
DH 8/8		2.5
DH 8/9		3.0
DH 8/9		1.5
DH 8/9		1.0
DH 8/12		2.0
DH 8/12		.40
DH 8/12		1.20
DH 8/14		.50
DH 8/14		2.50
DH 8/16		.50
DH 8/16		.30

DH	8/16		
DH	8/19		4.0
DH	8/19		.70
DH	8/19		.50
DH	8/19		1.0
DH	8/19		2.0
DH	8/19	Telcon w/M. Grisso re Nashville	.50
DH	8/19		1.0
DH	8/20		1.50
DH	8/20		1.50
DH	8/20		2.0
DH	8/21		1.50
DH	8/21		6.0
DH	8/22		4.0
DH	8/22		3.50
DH	8/22		1.0
			91.70

RN	7/29	
RN	7/29	7.0
RN	7/30	.50
RN	7/31	6.0
RN	8/1	1.20
RN	8/1	1.0
RN	8/7	.80
RN	8/7	.70
RN	8/12	.80
RN	8/13	1.5
RN	8/14	.50
RN	8/16	.30
RN	8/19	.50
RN	8/21	.80
RN	8/21	.50
RN	8/23	.50
RN	8/26	1.0
		.30
		23.90

FF	9/24			
FF	9/20		1.0	722
FF	9/18		2.0	722
			1.50	~~723~~ 768
DH	9/12			
DH			1.0	320.63
DH			14.0	340.63
DH			2.1	715
DH			6.35	715
DH	8/26		30.0	716
DH	8/26		.80	717
DH	8/28	Cont. to Cong. J. Wright; details; research funds	1.50	730
DH	8/26		1.50	740
DH	8/26		.10	740
DH	9/3		.20	740
DH	9/13		1.5	740
DH	9/26		.10	740
DH	9/12		.10	740
DH	9/16		.20	740
DH	9/18		.10	740
DH	8/26		.10	740
DH	8/27		1.20	760
DH	9/6		.50	760
DH	9/23		1.0	760
DH	9/27		1.50	760
			1.0	760
LH	8/27			
LH	8/28		1.80	715
LH	9/23		1.5	715
LH	9/20		7.0	715
LH	9/26		1.0	715
LH	9/27		1.5	715
LH	9/6		2.50	715
LH	9/9		1.50	715
LH	9/9		3.50	715
LH	9/19		3.0	715
LH	9/13		2.50	715
LH	9/11		3.50	715
LH	9/12		2.0	715
LH	9/13		5.0	715
LH	9/15		2.50	715
LH	9/16		4.50	715
			11.5	715

REQUEST #2

9 3 0 4 3 5 1 2 1 1 2

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 FEB 11 PM 5: 17

PURCHASE ORDER

№ 1717

SPACE
PURCHASER

300 N. WASHINGTON ST. #310
STREET ADDRESS

ALEXANDRIA, VA 22314
CITY STATE ZIP

703-549-6990
PHONE

Promises to pay Madison Publishing Company, Fort Worth, Texas, for delivery of books or printed material as identified below.

CARLOS MOORE

VENDOR

MADISON PUBLISHING COMPANY
3800 W. VICKERY BLVD.
FORT WORTH, TEXAS 76107
817-732-8200

QUANTITY ORDERED	DESCRIPTION	UNIT PRICE	AMOUNT
1,680	REFLECTIONS OF A PUBLIC MAN—CONG. JIM WRIGHT	5.95	10,000 00
	$10,000.00 8.28.85 CK 1104		

SHIPMENT AUTHORIZED BY:
Maureen E. Jones

SUBTOTAL	10,000 00
TAX	-0-
TOTAL AMOUNT	10,000 00

OK per phone 6x

SPACE
SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET, SUITE 310
ALEXANDRIA, VA 22314

1104

August 28 1985

PAY TO THE ORDER OF Madison Publishing Company $ 10,000.00

Ten thousand and 00/100 DOLLARS

SOVRAN BANK
Sovran Bank, N.A., Alexandria, Virginia

FOR Carlos Moore Books

Charles E. Jones
Carlos C. Kuzas

⑈001104⑈ ⑆056001011⑆ 310 1042 3⑈ ⑈0001000000⑈

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9 3 0 4 3 5 1 2 1 5

FOR DEPOSIT ONLY
MADISON PUBLISHING CO.
FORT WORTH, TEXAS

37-1 SE '85 06 37-1
SE 85 07 37-1
INTERFIRST BANK
FORT WORTH N.A. TEXAS 37

37-66 37-66
PAY ANY BANK, BANKER,
OR TRUST CO. P.E.G.

2-27 PATERNO SAVINGS BANK P.E.G. 27
P.O.B. BALTIMORE MD 052000278
09-09-85 004 13 0686 80661S144
Interfirst Bank
University Drive
37-66 Fort Worth, Texas 76107

SE '85 09 38-10
PAY ANY BANK P.E.G.
UTAH BANK N.A.
CLINTON UTAH

REQUEST #3

9 3 0 4 3 5 1 2 1 1 6

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 FEB 11 PM 5:17

Mr. Richard Brown
Mr. Hans Giner
Mr. Taylor Howard
Mr. Sandy Wirth

Mr. David Johnson
Mr. James Rothbarth
Mr. Rick Schneringer
Mr. David Wolford

The SPACEPAC Committee
for
The Honorable Jim Wright

Cordially invite you to attend a
wine tasting in his honor

Tuesday, September 3, 1985
5 p.m. - 6 p.m.

In the SPACE Suite
Opryland Hotel

$500 per person

9304351211 7

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

Dyd
9-17

Rick:

Total amount collected to date for Jim Wright reception is $15,900.00

Total amount to be collected:

Rick Schneringer	$2,000.00
Jim Rothbarth	2,000.00
Dave Wolford	2,000.00
Charlie Brown	250.00
Dave Vinghaus	500.00
Hoyt Foster	?

pd. 9-11

Total contributions including receivables = $22,650.00
I will send the checks over to JoAnn as soon as they arrive.

Maureen

Pg = 6,750.00

9304351211 8

GUESTS
RECEPTION FOR CONGRESSMAN JIM WRIGHT
Nashville, TN

Mr. Stan E. Leaf SRC Industries	$ 500.00	✓
Mr. Gus Wirth, Jr. Delta Satellite Corp.	2,000.00	✓
Mr. Hoyt M. Foster Foster Ranch Electronics	(have not collected)	
Mr. Gary A. Friesz ESP, Inc.	500.00	✓ Credit to SPACE PAC also
Mr. Charlie Brown Ms. Pat Brown Lefler & Brown TV	250.00	
Mr. Mike L. Gustafson Ms. Linda Jack STV	500.00	✓
Mr. Hans Giner Luxor N. America Corp.	2,000.00	✓
Mr. David Johnson Ms. JoAnne Johnson Paradigm Mfg., Inc.	2,000.00	✓
Dr. Dave Wolford Mr. Lee Keck Mr. Frank Finn CommTek Publishing Co.	(have not collected)	
Mr. Ron Wysong R.L. Drake Co.	500.00	✓
Mr. Tom Harrington Universal Electronics	500.00	✓ Contributed to SPACEPAC also
Mr. Bill Wylds Ms. Barbara Wylds Mr. Tom Teague Satellite Video Distributors	500.00	✓
Mr. Robert Behar Ms. Estrella Behar Hero Communications	500.00	✓

9304351219

Mr. Taylor Howard Ms. Ann Howard Chaparral Communications, Inc.	2,000.00
Mr. David H. Venghaus The Litchfield Group, Inc.	(have not collected)
Richard L. Brown, Esq. Brown & Finn	2,000.00
Mr. Clyde Washburn (represented at Reception by Mr. Paul F. Gabel) Cincinnati Microwave	500.00
Mr. J. P. Patterson Satellite TV Systems Supply	100.00
Mr. Stanley Price Satellite Dealer Supply, Inc.	100.00

9304351120

CONTRIBUTORS
to
SPACE PAC - JIM WRIGHT
(NOT AT RECEPTION)

Mr. Lloyd Covens Channel Guide	$ 250.00
Mr. Guy Davis Pen Tec International	500.00
Mr. Randall Odom Odom Antennas, Inc.	500.00
Mr. Frank Weeks D H Satellite	200.00
	1,450.00

93043512121

LAW OFFICES
BROWN & FINN
CHARTERED
SUITE 510
1920 N STREET, N.W.
WASHINGTON, D.C. 20036

(202) 887-0600

DIRECT COMMUNICATIONS TO
DERRICK A. HUMPHRIES

October 4, 1985

Mr. Michael Grisso
c/o The Honorable James C. Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Mike:

I have enclosed a copy of the list of attendees/contributors at the reception for Congressman Wright at the SPACE Nashville Convention. If you need any additional information, please do not hesitate to contact me.

Sincerely,

Derrick A. Humphries

DAH:k
Enclosure

9304351212 2

JIM WRIGHT RECEPTION/SPACE PAC

Behar, Robert
Estrella Behar
Hero Communications
2470 West Eighth Avenue
Hialeah, FL 33010

Brown, Charlie
Patricia Brown
Lefler & Brown TV
West Side Public Square
Knoxville, IL 61448

Brown, Richard L.
Brown & Finn
1920 N Street, N.W.
Washington, D.C. 20036

Burgess, Charlie
4214 Nottingham Place
Colorado Springs, CO 80907

Carlile, Cleo (Mr.)
Star-Com Distributor
Post Office Box 1287
Big Springs, TX 79720

Covens, Lloyd
Channel Guide
Post Office Box 2027
Englewood, CO 80150

Davis, Guy
Pen Tec International
Post Office Box 26081
Salt Lake City, UT 84126

Emery, Lawrence
R.D. #1, Box 1765
Hampden, ME 04444

Foster, Hoyt M.
Foster Ranch Electronics
Vanderpool Route
Utopia, TX 78884

Friesz, Gary A.
ESP, Inc.
3341 Holwyn Drive
Lexington, KY 40503

Giner, Hans
Luxor North America Corporation
600 108th Avenue, N.E.
Bellevue, WA 98004

Gustafson, Mike L.
STV
1500 N. Washington Street
Shelby, NC 28150

Linda Jack
1606 Capitancillas Drive
San Jose, CA 95120

Harrington, Tom
Universal Electronics, Inc.
4555 Groves Road, Suite 3
Columbus, OH 43227

Harris, Lacy
Route 7, Box 114-B
Fayetteville, NC 28306

Howard, Taylor
Ann Howard
Chaparral Communications, Inc.
2360 Bering Drive
San Jose, CA 95131

Jeffcoat, Stanley
612 South Tenth Street
Yukon, OK 73099

Johnson, David
JoAnne Johnson
Paradigm Manufacturing, Inc.
3711 Meadowview Drive
Redding, CA 96002

9304351212 3

Leaf, Stan E.
SRC Industries
773 S. Oregon Street
Ontario, OR 97914

Lewis, Ronald
512 Skylark Drive
Oklahoma City, OK 73127

Littau, Jean
Route 7, Box 35-14
Amarillo, TX 79118

Martin, Hugh
374 Sanchez Street
San Francisco, CA 94114-1616

Mattioli, Mike S.
4701 Lincoln, N.E.
Albuquerque, NM 87109

Odom, Randall
Odom Antennas, Inc.
Post Office Box 1017
Beebe, AR 72012

Oestman, Melvin
Route #1, Box 82
Brownville, NE 68321

Patterson, J.P.
Satellite TV Systems Supply
507 Pressler Street
Austin, TX 78703

Price, Stanley
Satellite Dealer Supply, Inc.
690 Linbergh Drive
Beaumont, TX 77707

Rothbarth, James
Satellite Technology Services, Inc.
2310 12 Millpark
Maryland Heights, MO 63043

Schlegel, Laurel
Post Office Box 396
Abingdon, VA 24210

Schneringer, Rick
Satellite Television Technology
International, Inc.
Post Office Box G
Arcadia, OK 73007

Schultheiss, Chris
Satellite TV Magazine
Post Office Box 2384
501 North Washington Street
Shelby, NC 28150

Smith, Billie
Route 2, Box 164-1
Ruther Glen, VA 22546

Starling, Joseph
43100 Cherbourg Lane
Lancaster, CA 93536

Switlik, Jim
906 N. Osage
Nevada, MO 64772

Tutt, John W.
Post Office Box 64
Colorado Springs, CO 80901

Venghaus, David H.
The Litchfield Group, Inc.
122 East 25th Street
New York, NY 10010

Washburn, Clyde
(represented at reception
by Paul F. Gabel)
Cincinnati Microwave
One Microwave Plaza
Cincinnati, OH 45242

Weeks, Frank
D H Satellite
Post Office Box 239
600 N. Marquette Road
Prairie du Chien, WI 53821

Wirth, Gus (Sandy)
Delta Satellite Corporation
W 63N. 148 Washington Avenue
Cedarburg, WI 53012

9304351212 4

Wolford, David
Lee Keck
Frank Finn
CommTek Publishing Company
Post Office Box 2700
Department B
Hailey, ID 83333

Wylds, Bill
Barbara Wylds
Tom Teague
Satellite Video Distributors, Inc.
Post Office Box 5145
McAllen, TX 78501

Wysong, Ronald
R.L. Drake Company
Post Office Box 112
9111 Springboro Pike
Miamisburg, OH 45342

9 3 0 4 3 5 1 2 1 2 5

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. Norval Schneringer
Post Office Box G
Arcadia, OK 73007

Dear ~~Mr. Schneringer~~ Norval:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed,stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

9304351126

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON S
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. Christopher J. Schultheiss
113 Lakeside Drive
Grover, NC 28073

Dear Mr. Schultheiss:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed,stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

93043512127

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON S. [redacted]
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. James N. Rothbarth
11880 Conway Road
St. Louis, MO 63131

Dear Mr. Rothbarth:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed, stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

93043512128

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. Gus (Sandy) Wirth
N54 W5989 Portland Road
Cedarburg, WI 53012

Dear ~~Mr. Wirth~~ Sandy:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed, stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

9304351212 9

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON S
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. H. Taylor Howard
Post Office Box 48
San Andreas, CA 95249

Dear Mr. Howard:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed, stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

93043512130

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON S... SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. Hans C. Giner
1310 - 98th, N.E.
Bellevue, WA 98004

Dear Mr. Giner:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed, stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

93043512131

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

October 18, 1985

Mr. Richard A. Smith
5114 Decatur
Boise, Idaho 83704

Dear ~~Mr. Smith~~ Richard:

In accordance with your recent conversation with our office concerning your contribution to Congressman James C. Wright, and pursuant to the rules of the Federal Election Commission, please find enclosed a yellow "Special Contributor" card for your signature. Please sign at the "x" and return this card in the enclosed self-addressed, stamped envelop.

Thank you for responding in support of Congressman Wright.

Sincerely,

Rich

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure

93043512132

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Wright:

In support of the excellent job that you are doing in representing the interests of all the American people, I am pleased to transmit the enclosed check to the "Wright Appreciation Fund," the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee.

This check represents the earmarked contributions of some of your admirers and supporters, together with the appropriate Federal Election Commission information. A list of the names and addresses of these contributors and the amounts of their contributions is also enclosed.

On behalf of these contributors and myself, I am pleased to transmit these earmarked contributions to you.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosures

SPACE PAC:

1920 N Street, N.W.
Suite 510
Washington, D.C. 20036

93043512133

SPACE - PAC
1920 N STREET, N.W., SUITE 510
WASHINGTON, D.C. 20036

1037

15-55/540

November 5 19 85

PAY TO THE ORDER OF Wright Appreciation Fund $ 26,015.00***

Twenty-six Thousand Fifteen Dollars ********** DOLLARS

AMERICAN SECURITY BANK, N.A.
18TH AND M STREET N.W.
WASHINGTON, D.C.

FOR

⑈001037⑈ ⑆054000551⑆21⑈864 63 270⑈

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Accardo, Frank 6453 Via De Anzar Rancho Palos Verdes, CA 90274	20.00	09/13/85
Barnes, Gerald R. 58 Camp Road Oriskany Falls, NY 13425	20.00	08/29/85
Behar, Robert 21330 N.E. 23rd Court Miami, FL 33180	500.00	08/31/85
Brown, Charlie L. 523 East Mill Knoxville, IL 61448	250.00	09/01/85
Brown, Richard L. 11008 Balantre Lane Potomac, MD 20854	2,000.00	09/05/85
Burgess, Charlie L. 4214 Nottingham Place Colorado Springs, CO 80907	25.00	09/03/85
Carlile, Cleo L. (Mr.) 608 West 15th Big Spring, TX 79720	500.00	09/11/85
Covens, Lloyd 1401 East Girard, No. 9-236 Englewood, CO 80110	250.00	09/01/85
Davis, Guy C. 2923 South 650 East Bountiful, Utah 84010	500.00	09/02/85
Emery, Lawrence R.D. #1, Box 1765 Hampden, ME 04444	10.00	09/05/85
Foster, Hoyt M. Vanderpool Route Utopia, TX 78884	250.00	08/15/85
Friesz, Gary 669 Cindy Blair Way Lexington, KY 40503	500.00	09/01/85
Giner, Hans C. 1310 - 98th N.E. Bellevue, WA 98004	2,000.00	09/01/85
Gustafson, Mike 1606 Capitancillos Drive San Jose, CA 95120	500.00	09/02/85

93043512135

Harrington, Tom Box 1085 Boca Grande, FL 33921	500.00	08/31/85
Harris, Lacy Route 7, Box 114-B Tom Starling Road Fayetteville, NC 28306	10.00	08/28/85
Hattersley, Gary N. Box 19-91 Maple Street Sugar Grove, IL 60554	10.00	08/31/85
Howard, H. Taylor Post Office Box 48 San Andreas, CA 95249	2,000.00	08/31/85
Jeffcoat, Stanley 612 South Tenth Street Yukon, OK 73099	10.00	08/29/85
Johnson, David P. 3855 Swasey Drive Redding, CA 96001	2,000.00	09/03/85
Keck, James A. NE 1611 Tahuya River Drive Tahuya, WA 98588	10.00	08/30/85
Kearney, Donald L. Post Office Box 193 Crescent, OR 97733	10.00	10/04/85
Klahr, C.D. (III) 10404 East Lake Road North East, PA 16428	10.00	08/29/85
Leach, Frank Box 519 Spring Green, WI 53588	500.00	08/22/85
Leaf, Stan E. Route 1, Box 249 Payette, Idaho 83661	500.00	09/03/85
Lewis, Ronald K. 512 Skylark Drive Oklahoma City, OK 73127	20.00	09/04/85
Littau, Jean Route 7, Box 35-14 Amarillo, TX 79118	10.00	09/17/85
Lynch, Gary S. Box 232 Yuma, CO 80759	10.00	08/29/85
Martin, Hugh 374 Sanchez Street San Francisco, CA 94114-1616	20.00	09/01/85

93043512136

Mattioli, Mike S. 4701 Lincoln, N.E. Albuquerque, NM 87109	10.00	09/03/85
Mennino, Thomas 12 Popular Street Norwall, CT 06855	10.00	09/27/85
Odom, Randall V. Post Office Box 517 Beebe, AR 72012	500.00	09/02/85
Oestman, Melvin Route #1, Box 82 Brownville, NE 68321	10.00	09/04/85
Patterson, J.P. 600 Buckey Trail Austin, TX 78746	100.00	09/03/85
Price, Stanley 690 Lindberg Beaumont, TX 77707	100.00	09/02/85
Rothbarth, James N. 11880 Conway Road St. Louis, MO 63131	2,000.00	09/10/85
Roy, Claude J. 5390 N. Michigan Saginaw, MI 48604	10.00	09/05/85
Schlegel, Laurel A. Post Office Box 396 Abingdon, VA 24210	15.00	09/14/85
Schneringer, Norval Post Office Box G Arcadia, OK 73007	2,000	08/22/85
Schultheiss, Christopher J. 113 Lakeside Drive Grover, NC 28073	2,000	08/27/85
Smith, Billie T. (Ms.) Route 2, Box 164-1 Ruther Glen, VA 22546	10.00	08/31/85
Smith, Michael G. Post Office Box 42 Alpine, AZ 85920	10.00	09/01/85
Smith, Richard A. 5114 Decatur Boise, Idaho 83704	2,000.00	09/18/85
Starling, Joseph D. 43100 Cherbourg Lane Lancaster, CA 93536	10.00	08/30/85

9304351213 7

Switlik, Jim 906 N. Osage Nevada, MO 64772	15.00	09/17/85
Tutt, John W. Post Office Box 64 Colorado Springs, CO 80901	50.00	09/10/85
Venghaus, David H. 105 State Street Brooklyn, NY 11201	500.00	09/18/85
Washburn, Clyde 9033 Winthrop Drive Cincinnati, Ohio 45249	500.00	09/01/85
Weeks, Franklin Route 2, Box 409 B Prairie Du Chien, WI 53821	200.00	09/02/85
Wirth, Gus (Sandy) N54 W5989 Portland Road Cedarburg, WI 53012	2,000.00	08/30/85
Wylds, William W. Route 3, Box 532D Mission, TX 78572	500.00	09/03/85
Wysong, Ronald E. 1300 Penbrooke Trail Centerville, Ohio 45459	500.00	09/03/85

9304351218

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

92 FEB 11 PM 5:17

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Charlie L. Burgess 4214 Nottingham Place Colorado Springs, CO 80907
2.	Amount of contribution:	$25.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Charlie L. Burgess

93043512139

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Gerald R. Barnes 58 Camp Road Oriskany Falls, NY 13425
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	August 29, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Gerald R. Barnes

93043512140

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Frank Accardo 6453 Via De Anzar Rancho Palos Verdes, CA 90274
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	September 13, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Frank Accardo

93043512141

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Hugh Martin 374 Sanchez Street San Francisco, CA 94114-1616
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Hugh Martin

9304351214 2

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Gary S. Lynch Box 232 Yuma, CO 80759
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 29, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Gary S. Lynch

93043512143

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Jean Littau Route 7, Box 35-14 Amarillo, TX 79118
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 17, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Jean Littau

9304351214 4

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Ronald K. Lewis 512 Skylark Drive Oklahoma City, OK 73127
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	September 4, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Ronald K. Lewis

93043512145

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	C.D. Klahr III 10404 East Lake Road North East, PA 16428
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 29, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: C.D. Klahr III

93043512146

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	James A. Keck NE 1611 Tahuya River Drive Tahuya, WA 98588
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 30, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: James A. Keck

93043512147

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Donald L. Kearney Post Office Box 193 Crescent, OR 97733
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	October 4, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Donald L. Kearney

93043512148

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Stanley Jeffcoat 612 South Tenth Street Yukon, OK 73099
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 29, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Stanley Jeffcoat

93043512149

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Gary N. Hattersley Box 19-91 Maple Street Sugar Grove, IL 60554
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 31, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Gary N. Hattersley

93043512150

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Lacy Harris Route 7, Box 114-B Tom Starling Road Fayetteville, NC 28306
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 28, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Lacy Harris

93043512151

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Lawrence Emery R.D. #1, Box 1765 Hampden, ME 04444
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 5, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Lawrence Emery

93043512152

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Claude J. Roy 5390 N. Michigan Saginaw, MI 48604
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 5, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Claude J. Roy

93043512153

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Stanley Price 690 Lindberg Beaumont, TX 77707
2.	Amount of contribution:	$100.00
3.	Date of receipt of contribution:	September 2, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Stanley Price

93043512154

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	J.P. Patterson 600 Buckey Trail Austin, TX 78746
2.	Amount of contribution:	$100.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: J.P. Patterson

93043512155

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Melvin Oestman Route #1, Box 82 Brownville, NE 68321
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 4, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Melvin Oestman

93043512156

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.

300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314

(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Thomas Mennino 12 Popular Street Norwall, CT 06855
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 27, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Thomas Mennino

93043512157

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Mike S. Mattioli 4701 Lincoln, N.E. Albuquerque, NM 87109
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Mike S. Mattioli

93043512158

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	John W. Tutt Post Office Box 64 Colorado Springs, CO 80901
2.	Amount of contribution:	$50.00
3.	Date of receipt of contribution:	September 10, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: John W. Tutt

93043512159

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Jim Switlik 906 N. Osage Nevada, MO 64772
2.	Amount of contribution:	$15.00
3.	Date of receipt of contribution:	September 17, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Jim Switlik

93043512160

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Joseph D. Starling 43100 Cherbourg Lane Lancaster, CA 93536
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 30, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Joseph D. Starling

93043512161

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Michael G. Smith Post Office Box 42 Alpine, AZ 85920
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Michael G. Smith

93043512162

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Billie T. Smith Route 2, Box 164-1 Ruther Glen, VA 22546
2.	Amount of contribution:	$10.00
3.	Date of receipt of contribution:	August 31, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Billie T. Smith

93043512163

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Laurel A. Schlegel Post Office Box 396 Abingdon, VA 24210
2.	Amount of contribution:	$15.00
3.	Date of receipt of contribution:	September 14, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Laurel A. Schlegel

93043512164

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Christopher J. Schultheiss 113 Lakeside Drive Grover, NC 28073
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	August 27, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Christopher J. Schultheiss

93043512165

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Norval Schneringer Post Office Box G Arcadia, OK 73007
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	August 22, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Norval Schneringer

93043512166

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Richard A. Smith 5114 Decatur Boise, Idaho 83704
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	September 18, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Richard A. Smith

93043512167

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
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November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	William W. Wylds Route 3, Box 532D Mission, TX 78572
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: William W. Wylds

93043512168

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
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November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Ronald E. Wysong 1300 Penbrooke Trail Centerville, Ohio 45459
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Ronald E. Wysong

93043512169

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
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November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Gus (Sandy) Wirth N54 W5989 Portland Road Cedarburg, WI 53012
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	August 30, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Gus (Sandy) Wirth

93043512170

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.

300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314

(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1. Original contributor's name and mailing address: Franklin Weeks, Route 2, Box 409 B, Prairie Du Chien, WI 53821
2. Amount of contribution: $200.00
3. Date of receipt of contribution: September 2, 1985
4. Intended recipient as designated by the contributor: Congressman James C. Wright
5. Date of transmittal of contribution to intended recipient: November 5, 1985
6. Form of transmittal: SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Franklin Weeks

30435121171

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Clyde Washburn 9033 Winthrop Drive Cincinnati, Ohio 45249
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Clyde Washburn

93043512172

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1. Original contributor's name and mailing address: David H. Venghaus, 105 State Street, Brooklyn, NY 11201
2. Amount of contribution: $500.00
3. Date of receipt of contribution: September 18, 1985
4. Intended recipient as designated by the contributor: Congressman James C. Wright
5. Date of transmittal of contribution to intended recipient: November 5, 1985
6. Form of transmittal: SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: David H. Venghaus

93043512173

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Randall V. Odom Post Office Box 517 Beebe, AR 72012
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 2, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Randall V. Odom

93043512174

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	James N. Rothbarth 11880 Conway Road St. Louis, MO 63131
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	September 10, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: James N. Rothbarth

93043512175

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1. Original contributor's name and mailing address: Guy C. Davis, 2923 South 650 East, Bountiful, Utah 84010
2. Amount of contribution: $500.00
3. Date of receipt of contribution: September 2, 1985
4. Intended recipient as designated by the contributor: Congressman James C. Wright
5. Date of transmittal of contribution to intended recipient: November 5, 1985
6. Form of transmittal: SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Guy C. Davis

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SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Lloyd Covens 1401 East Girard, No. 9-236 Englewood, CO 80110
2.	Amount of contribution:	$250.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Lloyd Covens

93043512177

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Cleo L. Carlile 608 West 15th Big Spring, TX 79720
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 11, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Cleo L. Carlile

93043512178

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Tom Harrington Box 1085 Boca Grande, FL 33921
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	August 31, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Tom Harrington

93043512179

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Mike Gustafson 1606 Capitancillos Drive San Jose, CA 95120
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 2, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Mike Gustafson

93043512180

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
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November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Hans C. Giner 1310 - 98th N.E. Bellevue, WA 98004
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Hans C. Giner

93043512181

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Gary Friesz 669 Cindy Blair Way Lexington, KY 40503
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Gary Friesz

93043512182

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
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November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Hoyt M. Foster Vanderpool Route Utopia, TX 78884
2.	Amount of contribution:	$250.00
3.	Date of receipt of contribution:	August 15, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Hoyt M. Foster

93043512183

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
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ALEXANDRIA, VIRGINIA 22314
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November 5, 1985

The Honorable Jim Wright
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Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	H. Taylor Howard Post Office Box 48 San Andreas, CA 95249
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	August 31, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: H. Taylor Howard

93043512184

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
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November 5, 1985

The Honorable Jim Wright
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1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	David P. Johnson 3855 Swasey Drive Redding, CA 96001
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: David P. Johnson

93043512185

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Stan E. Leaf Route 1, Box 249 Payette, Idaho 83661
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	September 3, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Stan E. Leaf

93043512186

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Frank Leach Box 519 Spring Green, WI 53588
2.	Amount of contribution:	$500.00
3.	Date of receipt of contribution:	August 22, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Frank Leach

9304351218 7

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Richard L. Brown 11008 Balantre Lane Potomac, MD 20854
2.	Amount of contribution:	$2,000.00
3.	Date of receipt of contribution:	September 5, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Richard L. Brown

93043512188

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Charlie L. Brown 523 East Mill Knoxville, IL 61448
2.	Amount of contribution:	$250.00
3.	Date of receipt of contribution:	September 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Charlie L. Brown

93043512139

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 5, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1. Original contributor's name and mailing address: Robert Behar
   21330 N.E. 23rd Court
   Miami, FL 33180
2. Amount of contribution: $500.00
3. Date of receipt of contribution: August 31, 1985
4. Intended recipient as designated by the contributor: Congressman James C. Wright
5. Date of transmittal of contribution to intended recipient: November 5, 1985
6. Form of transmittal: SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Robert Behar

93043512190

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

November 12, 1985

Mr. Michael Grisso
c/o The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. ~~Grisso:~~ Mike

Please associate the following information with the list of contributors sent to Congressman Wright, along with our letter dated November 5, 1985:

Stephen Osechi
Box 512, R.D. #1
Lake Ariel, PA 18436

I am also forwarding to you copies of letters with information on each contributor to the Jim Wright Appreciation Fund, pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission, in Marshall Lynam's absence. The originals were inadvertently sent to each contributor by my secretary and, therefore, I am providing you with copies.

If you have any questions regarding either of these matters, please do not hesitate to contact our office.

Sincerely,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosures

93043512191

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.

300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314

(703) 549-6990
FAX 703/549-7640

November 9, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Marshall Lynam

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the Jim Wright Appreciation Fund, the joint fundraising committee formed by the Wright Appreciation Committee and the Majority Congress Committee. Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	Stephen Osechi Box 512, R.D. #1 Lake Ariel, PA 18436
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	October 1, 1985
4.	Intended recipient as designated by the contributor:	Congressman James C. Wright
5.	Date of transmittal of contribution to intended recipient:	November 5, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1037

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: Stephen Osechi

9304351219 2

LAW OFFICES
BROWN & FINN
CHARTERED
SUITE 510
1920 N STREET, N.W.
WASHINGTON, D.C. 20036

(202) 887-0600

DIRECT COMMUNICATIONS TO
DERRICK A. HUMPHRIES

November 26, 1985

92 FEB 11 PM 5:17

93043512193

Mr. Marshall Lynam
c/o The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Dear Marshall:

Please find enclosed information cards for persons who designated $1,000 or more in contributions to the Wright Appreciation Fund through SPACE PAC. They are: Richard L. Brown, Gus "Sandy" Wirth, David Paul Johnson and Richard A. Smith. A card for James Rothbarth will be forwarded to you when we receive it.

Thank you again for the opportunity to be a part of Congressman Wright's "Cowtown Jamboree."

Sincerely,

Derrick

Derrick A. Humphries

DAH:k
Enclosures

Dear Jim:

You bet! You can count on me as a $1,000 sponsor of your Cowtown Jamboree on Nov. 16, and I will be seeing you at the special Sponsors' Reception and Dinner the previous evening — at 6:30 p.m. Friday, Nov. 15, in the Tarrant County Convention Center in Fort Worth.

Name Richard A. Smith

Residence Address 5114 Decatur

City, State and Zip Boise, Idaho 83704

Title or Position Controller

Employer (or Firm) Commtek Publishing

If self-employed, check block ☐

Principal Place of Business 9440 Fairview, Boise, Idaho 83704

Business publishing company Business Telephone (208) 322-1760

(The information above is required by the Federal Election Commission. Thanks!)

Please make check payable to the **WRIGHT APPRECIATION FUND.**

Jim Wright's Cowtown Jamboree

Dear Jim:

You bet! You can count on me as a $1,000 sponsor of your Cowtown Jamboree on Nov. 16, and I will be seeing you at the special Sponsors' Reception and Dinner the previous evening — at 6:30 p.m. Friday, Nov. 15, in the Tarrant County Convention Center in Fort Worth.

Name Gus "Sandy" Wirth

Residence Address N54 W5989 Portland Road

City, State and Zip Cedarburg, WI 53012

Title or Position Chairman

Employer (or Firm) Delta Satellite Corporstion

If self-employed, check block ☐

Principal Place of Business One Echo Plaza, Cedarburg, WI 53012

Business satellite dish co. Business Telephone (800) 558-5582

(The information above is required by the Federal Election Commission. Thanks!)

Please make check payable to the **WRIGHT APPRECIATION FUND.**

Jim Wright's Cowtown Jamboree

Dear Jim:

You bet! You can count on me as a $1,000 sponsor of your Cowtown Jamboree on Nov. 16, and I will be seeing you at the special Sponsors' Reception and Dinner the previous evening — at 6:30 p.m. Friday, Nov. 15, in the Tarrant County Convention Center in Fort Worth.

Name Richard L. Brown

Residence Address 11008 Balantre Lane

City, State and Zip Potomac, Maryland 20854

Title or Position Lawyer

Employer (or Firm) Brown & Finn, Chartered

If self-employed, check block ☒

Principal Place of Business 1920 N Street, NW, Suite 510

Business law firm Business Telephone (202) 887-0600

(The information above is required by the Federal Election Commission. Thanks!)

Please make check payable to the **WRIGHT APPRECIATION FUND.**

Jim Wright's Cowtown Jamboree

Dear Jim:

You bet! You can count on me as a $1,000 sponsor of your Cowtown Jamboree on Nov. 16, and I will be seeing you at the special Sponsors' Reception and Dinner the previous evening — at 6:30 p.m. Friday, Nov. 15, in the Tarrant County Convention Center in Fort Worth.

Name DAVID PAUL Johnson

Residence Address 9665 Surrey DR.

City, State and Zip Redding CA. 96001

Title or Position President

Employer (or Firm) PARAGON MFG INC

If self-employed, check block ☐

Principal Place of Business 3711 Bissonwick DR. Redding CA

Business _____ Business Telephone 916-244-9500

(The information above is required by the Federal Election Commission. Thanks!)

Please make check payable to the **WRIGHT APPRECIATION FUND.**

9304351219 4

Special Contributor Information

Notwithstanding the allocation formula adopted by the Wright Appreciation Fund ("the Fund"), I expressly authorize the Fund to reallocate my contribution(s) if this is necessary to comply with federal election law requirements. Moreover, with respect to that portion of my contribution(s) which is allocated to the Wright Appreciation Committee, I designate the contribution as a primary election contribution up to the applicable limits, and designate the remainder of the contribution as a 1986 general election contribution.

X _____
Signature of Contributor

Special Contributor Information

Notwithstanding the allocation formula adopted by the Wright Appreciation Fund ("the Fund"), I expressly authorize the Fund to reallocate my contribution(s) if this is necessary to comply with federal election law requirements. Moreover, with respect to that portion of my contribution(s) which is allocated to the Wright Appreciation Committee, I designate the contribution as a primary election contribution up to the applicable limits, and designate the remainder of the contribution as a 1986 general election contribution.

X _____
Signature of Contributor

Special Contributor Information

Notwithstanding the allocation formula adopted by the Wright Appreciation Fund ("the Fund"), I expressly authorize the Fund to reallocate my contribution(s) if this is necessary to comply with federal election law requirements. Moreover, with respect to that portion of my contribution(s) which is allocated to the Wright Appreciation Committee, I designate the contribution as a primary election contribution up to the applicable limits, and designate the remainder of the contribution as a 1986 general election contribution.

_____
Signature of Contributor

Special Contributor Information

Notwithstanding the allocation formula adopted by the Wright Appreciation Fund ("the Fund"), I expressly authorize the Fund to reallocate my contribution(s) if this is necessary to comply with federal election law requirements. Moreover, with respect to that portion of my contribution(s) which is allocated to the Wright Appreciation Committee, I designate the contribution as a primary election contribution up to the applicable limits, and designate the remainder of the contribution as a 1986 general election contribution.

_____
Signature of Contributor

93043512195

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

December 26, 1985

The Honorable Jim Wright
U.S. House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

Attention: Michael Grisso

Dear Congressman Wright:

The Satellite Television Industry Association, Inc./SPACE Political Action Committee is pleased to transmit to you the earmarked contribution to the "Wright Appreciation Fund." Pursuant to Section 110.6(c)(2) of the Rules and Regulations of the Federal Election Commission governing earmarked contributions, the following information is provided:

1.	Original contributor's name and mailing address:	H.W. Pennington 67 Temple Road Glen Mills, PA 19342
2.	Amount of contribution:	$20.00
3.	Date of receipt of contribution:	November 7, 1985
4.	Intended recipient as designated by the contributor:	Congressman Jim Wright
5.	Date of transmittal of contribution to intended recipient:	December 31, 1985
6.	Form of transmittal:	SPACE PAC Check No. 1042

On behalf of the Satellite Television Industry Association/SPACE PAC, we are pleased to be able to transmit this earmarked contribution to you. Please do not hesitate to contact us should you have any questions or need additional information.

Very truly yours,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosure
cc: H.W. Pennington

93043512196

SPACE - PAC
1920 N STREET, N.W., SUITE 510
WASHINGTON, D.C. 20036

1042

15-55/540

12/28 19 85

PAY TO THE ORDER OF Wright Appreciation Fund $ 20.00

Twenty and 00/100---------- DOLLARS

AMERICAN SECURITY BANK, N.A.
18TH AND M STREET N.W.
WASHINGTON D.C.

FOR H.W. Pennington

Richard L. Brown

⑈001042⑈ ⑆054000551⑆ 21⑈864 63 270⑈

SPACE
THE SATELLITE TELEVISION INDUSTRY ASSOCIATION, INC.
300 N. WASHINGTON STREET
SUITE 310
ALEXANDRIA, VIRGINIA 22314
(703) 549-6990
FAX 703/549-7640

April 2, 1986

Mr. Michael D. Butterfield
Reports Analyst
Reports Analysis Division
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: The Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85-12/31/85); Identification No. C00152900

Dear Mr. Butterfield:

In response to your February 19, 1986 letter to me requesting additional information and clarification of certain entries made on Schedule A, Schedule B and the Detailed Summary Page of the above-referenced report, we are pleased to provide an amendment to the original report which includes the following:

1) The total amount of contributions itemized on Schedule A has been amended to equal the total reported on line 11(a) of the Detailed Summary Page.

2) Schedule A has been amended to provide the "intended recipient" for each earmarked receipt.

3) Attachment 1 to Schedule A provides intended recipients for earmarked receipts from Lloyd Covens, Guy C. Davis, Gary Friesz, Taylor Howard and Stan Leaf.

4) Attachment 2 to Schedule A provides all receipts by SPACE PAC.

5) Attachment 1 to Schedule B provides "Earmarked Contributions to Committee for Tim Wirth" transmitted on November 26, 1985.

6) Attachment 2 to Schedule B provides "Earmarked Contributions to Wright Appreciation Fund" transmitted on November 5, 1985.

9304351219 8

7) Attachment 3 to Schedule B provides "Earmarked Contributions to Wright Appreciation Fund" transmitted on December 28, 1985.

8) Attachment to Schedule B provides "Earmarked Contributions to Committee for Tim Wirth" transmitted on December 30, 1985.

Should you have any questions or need additional information related to this matter, please contact me or Derrick Humphries of our office.

Sincerely,

Richard L. Brown
Treasurer
SPACE PAC

RLB:k
Enclosures

9304351219 9

93043512200

AMENDED SCHEDULE A

Re: The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85 - 12/31/85); Identification No. C00152900

AMENDED

SCHEDULE A

ITEMIZED RECEIPTS

Page 1 of 7 for LINE NUMBER ____
(Use separate schedule(s) for each category of the Detailed Summary Page)

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) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
A. Robert Behar 21330 N.E. 23rd Court Miami, FL 33180	Hero Communications	9/13/85	500.00
Receipt For: XX Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Occupation: President Aggregate Year-to-Date—$ 500.00		
B. Lloyd Covens 1401 East Girard, No. 9-236 Englewood, CO 80110	Channel Guide Magazine	9/1/85 10/28/85	250.00 300.00
Receipt For: XX Primary ☐ General ☐ Other (specify): See Attachment #1	Occupation: Editor/Publisher Aggregate Year-to-Date—$ 550.00		
C. Guy C. Davis 2923 South 650 East Bountiful, Utah 84010	PenTec International	9/2/85 10/29/85	500.00 300.00
Receipt For: XX Primary ☐ General ☐ Other (specify): See Attachment #1	Occupation: Vice President Aggregate Year-to-Date—$ 800.00		
D. Gary Friesz 669 Cindy Blair Way Lexington, KY 40503	ESP, Inc.	9/1/85 10/29/85	500.00 300.00
Receipt For: XX Primary ☐ General ☐ Other (specify): See Attachment #1	Occupation: President Aggregate Year-to-Date—$ 800.00		
E. Taylor Howard Post Office Box 48 San Andreas, CA 95249	Stanford University	8/31/85 10/28/85	2,000.00 300.00
Receipt For: XX Primary ☐ General ☐ Other (specify): See Attachment #1	Occupation: Professor Aggregate Year-to-Date—$ 2,300.00		
F. Stan Leaf Route 1, Box 249 Payette, Idaho 83661	SRC Industries	9/3/85 10/30/85	500.00 300.00
Receipt For: XX Primary ☐ General ☐ Other (specify): See Attachment #1	Occupation: President Aggregate Year-to-Date—$ 800.00		
G. David G. Wolford 1940 Teal Lane Boise, Idaho 83706	Commtek Publishing Co.	11/12/85	1,500.00
Receipt For: XX Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: President Aggregate Year-to-Date—$ 1,500.00		
SUBTOTAL of Receipts This Page (optional)			7,250.00
TOTAL This Period (last page this line number only)			

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SCHEDULE A

ITEMIZED RECEIPTS

Page 2 of 7 for
LINE NUMBER
(Use separate schedule(s) for each category of the Detailed Summary Page)

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) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

A. Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
Charlie L. Brown 523 East Mill Knoxville, IL 61448	Lefler & Brown Vice President	9/1/85	250.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 250.00		
B. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Richard L. Brown 11008 Balantre Lane Potomac, MD 20854	Brown & Firm Lawyer	9/5/85	2,000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 2,000.00		
C. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Tom Harrington Box 1085 Boca Grande, FL 33921	Universal Electronics President	8/31/85	500.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 500.00		
D. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Cleo L. Carlile 608 West 15th Big Spring, TX 79720	Starcom President	9/11/85	500.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 500.00		
E. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
David P. Johnson 3855 Swasey Drive Redding, CA 96001	Paradigm Manufacturing President	9/3/85	2,000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 2,000.00		
F. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Hoyt M. Foster Vanderpool Route Utopia, TX 78884	Foster Ranch Electronics President	8/15/85	250.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 250.00		
G. Full Name, Mailing Address and ZIP Code	**Name of Employer / Occupation**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Hans C. Giner 1310 - 98th N.E. Bellevue, WA 98004	Luxor Occupation	9/1/85	2,000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Aggregate Year-to-Date—$ 2,000.00		

SUBTOTAL of Receipts This Page (optional) 7,500.00

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

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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) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. Richard Acello Post Office Box 1302 Ferndale, CA 95536 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Satellite TV Week Occupation: Managing Editor Aggregate Year-to-Date—$ 300.00	11/15/85	300.00
B. Edward L. Gibson 8601 W. 116th Street Overland Park, KS 66210 Receipt For: ☐ Primary ☒ General ☐ Other (specify): Committee for Tim Wirth	Birdview Satellite Comm. Occupation: Manager Aggregate Year-to-Date—$ 1,500.00	10/29/85	1,500.00
C. Charles A. Ross Post Office Box 963 Chanute, KS 66720 Receipt For: ☒ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Birdview Satellite Comm. Occupation: President Aggregate Year-to-Date—$ 1,500.00	10/29/85	1,500.00
D. Dan Berge 25071 South Beeson Road Beaver Creek, OR 97004 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Continental Satellite Mfg. Occupation: President Aggregate Year-to-Date—$ 300.00	10/29/85	300.00
E. Michael Brocklehurst 10550 Southeast Stevens Way Portland, OR 97266 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Continental Satellite Mfg. Occupation: Vice President Aggregate Year-to-Date—$ 300.00	11/19/85	300.00
F. Sally DiDonato 402A Appleton Road Rexford, NY 12148 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	National Satellite Comm. Occupation: President Aggregate Year-to-Date—$ 300.00	10/22/85	300.00
G. Charles W. Ergen 10 W. Fair Avenue Littleton, CO 80120 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Echosphere Corporation Occupation: President Aggregate Year-to-Date—$ 300.00	10/28/85	300.00
SUBTOTAL of Receipts This Page (optional)			4,500.00
TOTAL This Period (last page this line number only)			

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SCHEDULE A

ITEMIZED RECEIPTS

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

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) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Paul F. Gabel 3340 Grasmere Drive Lexington, KY 40503	ESP INC.	10/29/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: Manager Aggregate Year-to-Date—$ 300.00		
B. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
William L. Gaible 1022 Sundance Drive Miamisburg, OH 45342	Cincinnati Microwave	10/24/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: President Aggregate Year-to-Date—$ 300.00		
C. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
J. Richard Gonzalez 17 Ridge Road Katonah, NY 10536	DX Antenna	10/30/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: Vice President/Marketing Aggregate Year-to-Date—$ 300.00		
D. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Richard Goodwin Post Office Box 1118 Salem VA 24153	Startech, Inc.	10/29/85	900.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: President Aggregate Year-to-Date—$ 900.00		
E. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Samuel S. Harris R.R. #1, Box 141 Selma, IN 47383	Satellite Sam's	10/29/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: Owner Aggregate Year-to-Date—$ 300.00		
F. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
William S. Heinz 1726 Lynnwood Drive New Albany, IN 47150	H&H Electrical Systems	10/28/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: Owner Aggregate Year-to-Date—$ 300.00		
G. Full Name, Mailing Address and ZIP Code	**Name of Employer**	**Date (month, day, year)**	**Amount of Each Receipt This Period**
Gary J. Kistinger S.R. 247-A Palenville, NY 12463	Satellite Video Services	10/22/85	300.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Occupation: President Aggregate Year-to-Date—$ 300.00		

SUBTOTAL of Receipts This Page (optional) 2,700.00

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

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SCHEDULE A

ITEMIZED RECEIPTS

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

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Name of Committee (in Full) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. James E. Riffel 4110 Y Camp Road Burlington, IA 52601 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Winegard Company Occupation: Salesman Aggregate Year-to-Date—$ 900.00	10/29/85	900.00
B. Martin Ross 41 Court of Greenway Northbrook, IL 60062 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	U.S. Satellite Occupation: President Aggregate Year-to-Date—$ 300.00	10/24/85	300.00
C. Michael C. Schroeder 49 W. 111th Street Carmel, IN 46032 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Consumer Satellite Systems Occupation: President Aggregate Year-to-Date—$ 600.00	10/29/85	600.00
D. Peter C. Sutro 171 Mt. Harmony Road Bernardsville, NJ 07924 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	MPI Satellite Occupation: President Aggregate Year-to-Date—$ 300.00	10/29/85	300.00
E. Denver Weyant 133 E. Main Street Everett, PA 15537 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Committee for Tim Wirth	Weyant's TV Occupation: Owner Aggregate Year-to-Date—$ 300.00	10/25/85	300.00
F. Frank Leach Box 519 Spring Green, WI 53588 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Occupation: Aggregate Year-to-Date—$ 500.00	8/22/85	500.00
G. Randall V. Odom Post Office Box 517 Beebe, AR 72012 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Odom Antennas Occupation: President Aggregate Year-to-Date—$ 500.00	9/2/85	500.00

SUBTOTAL of Receipts This Page (optional) 3,400.00

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

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ITEMIZED RECEIPTS

Page 6 of 7 for
LINE NUMBER _____
(Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

Full Name, Mailing Address and ZIP Code	Name of Employer / Occupation	Date (month, day, year)	Amount of Each Receipt this Period
A. Mike Gustafson 1606 Capitancillos Drive San Jose, CA 95120 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: SRS Occupation: Aggregate Year-to-Date—$ 500.00	9/2/85	500.00
B. James N. Rothbarth 11880 Conway Road St. Louis, MO 63131 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Satellite Technology Svcs. Occupation: President Aggregate Year-to-Date—$ 2,000.00	9/10/85	2,000.00
C. Norval Schneringer Post Office Box G Arcadia, OK 73007 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Satellite Television Technology, Int'l. Occupation: President Aggregate Year-to-Date—$ 2,000.00	9/14/85	2,000.00
D. Christopher J. Schultheiss 113 Lakeside Drive Grover, NC 28073 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Satellite TV Magazine Occupation: Editor Aggregate Year-to-Date—$ 2,000.00	8/27/85	2,000.00
E. Richard A. Smith 5114 Decatur Boise, Idaho 83704 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Comtek Publishing Occupation: Manager Aggregate Year-to-Date—$ 2,000.00	9/18/85	2,000.00
F. David H. Venghaus 105 State Street Brooklyn, NY 11201 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Litchfield Group Occupation: Aggregate Year-to-Date—$ 500.00	9/18/85	500.00
G. Clyde Washburn 9033 Winthrop Drive Cincinnati, OH 45249 Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Name of Employer: Cincinnati Microwave Occupation: Aggregate Year-to-Date—$ 500.00	9/1/85	500.00

SUBTOTAL of Receipts This Page (optional) 9500.00

TOTAL ...

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SCHEDULE A

ITEMIZED RECEIPTS

Page 7 of 7 for LINE NUMBER ____ (Use separate schedule(s) for each category of the Detailed Summary Page)

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Name of Committee (in Full) The Satellite Television Industry Association, Inc./The Society for Private and Commercial Earth Stations

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Franklin Weeks Route 2, Box 409 B Prairie Du Chien, WI 53821	DH Satellite	9/2/85	200.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Occupation Aggregate Year-to-Date—$ 200.00		

B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Gus (Sandy) Wirth N54 W5989 Portland Road Cedarburg, WI 53012	Delta Satellite Corporation	8/30/85	2,000.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Occupation: President Aggregate Year-to-Date—$ 2,000.00		

C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
William W. Wylds Route 3, Box 532 D Mission, TX 78572	Satellite Video Distributors	9/3/85	500.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): Wright Appreciation Fund	Occupation Aggregate Year-to-Date—$ 500.00		

D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Ronald E. Wysong 1300 Penbrooke Trail Centerville, OH 45459	R.L. Drake	9/3/85 12/11/85	500.00 250.00
Receipt For: ☐ Primary ☐ General ☐ Other (specify): See Attachment 1	Occupation: President Aggregate Year-to-Date—$ 750.00		

E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation Aggregate Year-to-Date—$		

SUBTOTAL of Receipts This Page (optional)	3,200.00
TOTAL This Period (last page this line number only)	

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Re: The Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85-12/31/85); Identification No. C00152900

ATTACHMENT 1 TO SCHEDULE A

Name	Date	Amount	Intended Recipient
Lloyd Covens	09/01/85	250.00	Wright Appreciation Fund
	10/28/85	300.00	Committee for Tim Wirth
Guy C. Davis	09/02/85	500.00	Wright Appreciation Fund
	10/29/85	300.00	Committee for Tim Wirth
Gary Friesz	09/01/85	500.00	Wright Appreciation Fund
	10/29/85	300.00	Committee for Tim Wirth
Taylor Howard	08/31/85	2,000.00	Wright Appreciation Fund
	10/28/85	300.00	Committee for Tim Wirth
Stan Leaf	09/03/85	500.00	Wright Appreciation Fund
	10/30/85	300.00	Committee for Tim Wirth
Ronald E. Wysong	09/03/85	500.00	Wright Appreciation Fund
	12/11/85	250.00	Refunded 12/28/85

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ATTACHMENT 2 TO SCHEDULE A

Receipts By SPACE PAC

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Arnn, Gene G. Route 2, Box 1-B Biloxi, MS 39532	10.00	08/24/85
Bull, John Post Office Box 187 Medford, NY 11763	10.00 (cash)	09/16/85
Campbell, Alan A. 2983 North Bay Road Miami Beach, FL 33140	10.00	08/25/85
Carson, Peter Route 2, Box 429 Ridgeview Road Weare, NH 03281	10.00	09/14/85
Christian, Bill 183 Brisco Road Apartment D Arroyo Grande, CA 93420	10.00	08/30/85
Christian, David L. Route 1, Box 35-A Flatwoods, LA 71427	15.00	08/29/85
Collins, John E. Route 3 Benton, KY 42025	10.00	08/26/85
Davis, Ralph C. II 1086 Plum Drive Crownsville, MD 21032	10.00	08/27/85
Doucette, Russell F. 18 Whittenmore Road Framingham, MA 01701	10.00	09/03/85
Duncan, Jim 2185 E. Remus Road Mt. Pleasant, MI 48858	10.00	10/12/85

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Ebel, Robert A. 7700 W. 67th Street Overland Park, KS 66202	10.00	09/10/85
Farley, Murphy 4624 Billy Maker Road Memphis, TN 38134	10.00	08/25/85
Faryniarz, Lawrence J. 65 Narragansett Avenue Portsmouth, RI 02771	10.00	08/30/85
Foster, Hoyt M. Vanderpool Route Utopia, TX 78884	25.00	09/09/85
Freund, Louis T. R.D. #2, Box 443 Bloomingdale, OH 43910	10.00	09/03/85
Ghere, Warren 417 North Washington Council Grove, KS 66846	20.00	08/28/85
Gonzalez, L.J. Post Office Box 371 Alliance, NE 69301	10.00	08/30/85
Grof, John C. Box 121 Atkinson, NE 68713	10.00	08/29/85
Harrington, Thomas P. Box 1085 Boca Grande, FL 33921	100.00	08/22/85
Hawkins, Gregory B. 1487 Panola Road Stone Mountain, GA 30088	15.00	08/28/85
Hillbun, Dean C. Post Office Box 391 Diamond Springs, CA 95619	10.00	08/29/85
Jacobs, Richard 126 Sylvan Drive San Francisco, CA 94132	10.00	09/09/85
Jarrell, Eldred K. Post Office Box 68 Woodside, DE 19980	20.00	09/11/85

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Jefferson, Stephen P. R.R. #12, Box 330 66 Indianapolis, IN 46236	10.00	08/26/85
Joyner, Johnny R. Route 3, 25 Dean Avenue Nashville, NC 27858	20.00	08/26/85
Judge, Allan 6496 East Bend Road Burlington, KY 41005	10.00	09/03/85
Kujath, David G. Route 2, Box 149 Whitehouse, TX 75791	10.00	09/03/85
Kyte, Stephen 8982 McNerney South Gate, CA 90280	10.00	09/02/85
Lewis, Joe M. 8515 Sardis Road Matthews, SC 28105	20.00	08/28/85
McCann, M.G. Jr. 306 E. Mapleridge Drive Metairie, LA 70001	25.00	08/30/85
Mangan, Lawrence J. 1056 - 26th Avenue, S.E. Minneapolis, MN 55144	10.00	09/01/85
Matta, Richard L. 4845 Sierra Madre Drive New Orleans, LA 70127	20.00	09/07/85
Merchant, James III Post Office Box 944 Glenmore, LA 71433	10.00	08/29/85
Morong, Wayne Morgan Guaranty Trust Co. of NY New York, NY 10001	100.00	08/19/85
Newmarker, Glenn W. 3722 Gondor Avenue Long Beach, CA 90808	10.00	09/04/85
Norris, Samuel E. III DLN 1327991 30 Patti Drive Greenville, SC 29611	10.00	10/17/85

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Olson, Barlett Box 217 Merrimac, WI 53561	100.00	08/20/85
Oteri, Anthony 3557 Barron Road Memphis, TN 38111	10.00	08/27/85
Pall, Joel A. 7778 Bronson Road Olmsted Turnpike, OH 44138	10.00	08/25/85
Patel, Anil S. 12737 Kalnor, No. 7 Norwalk, CA 90650	20.00	09/04/85
Postema, Howard H. 3010 Bomlet Royal Oak, MI 48073	15.00	08/27/85
Pray, Roger Dean Sr. Route 2, Box 429 West Chazy, NY 12992	15.00	08/31/85
Reichert, Robert J. 505 Alworth Building Duluth, MN 55802	10.00	08/28/85
Samperi, Frank Clove Branch Road Hopewell Junction, NY 12533	10.00	08/28/85
Sarti, John J. Star Route 553 Clancy, MT 59634	10.00	08/30/85
Schaper, Arthur F. Jr. Post Office Box 108 Rosenhayn, NJ 08352	25.00	08/30/85
Sidwell, William D. Post Office Box 413 Roseville, MI 48066	10.00	08/28/85
Spirito, Domeni C. 11555 Willow Hill Drive Chesterland, OH 44026	10.00	09/25/85
Stange, H.R. 1107 N. 22nd Kelso, WA 98626	20.00	08/30/85

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Steinbrook, Rodney S. 2002 Whitebriar Drive Deer Park, TX 77536	10.00	08/30/85
Subr, Robert J. National Bank of Ft. Sam Houston San Antonio, TX 78286	10.00	09/06/85
Thompson, William W. 48 Lakeview Drive Wolcott, CT 06716	10.00	09/02/85
Van Meter, William Jr. 2487 Pontiac Drive Sylvan Lake, MI 48053	10.00	08/30/85
Waldman, Carl J. R.D. 7, Box 268 Hanover, PA 17331	25.00	09/19/85
Weggeland, Dan W. 22389 Buckboard Trail Palo Cedro, CA 96073-9743	50.00	08/20/85
Welch, Stephen J. 27 Whittemore Road Framingham, MA 01701	10.00	09/03/85
Wilkin, Leslie 460 West Avenue Tallmadge, OH 44278	98.00 (cash)	09/16/85

Receipts of Contributions of $200 or More By SPACE PAC

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Julie L. Bernard East 139th Street Bronx, NY 10451 Employer: Motelvision Co. Occupation: Executive	250.00	08/21/85
Charles L. Brown 523 E. Mill Knoxville, IL 61448 Employer: Lefler & Brown TV Occupation: Vice President	250.00	10/18/85

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C.L. Carlile 608 West 15th Big Spring, TX 79720 Employer: Starcom Distributors Occupation: President	250.00	08/14/85
Sally DiDonato 402 A Appleton Road Rexford, NY 12148 Employer: National Satellite Communications Occupation: Executive	250.00	11/19/85
Gary Friesz 669 Cindy Blair Way Lexington, KY 40503 Employer: ESP, Inc. Occupation: President	250.00	09/01/85
Paul Robinson 1417 St. Johns Road Roslyn, PA 19001 Employer: ASTREX Occupation: CPA	250.00	09/25/85
Norval Schneringer Post Office Box G Arcadia, OK 73007 Employer: Satellite Television Technology International Occupation: President	250.00	08/19/85
Sharon Sheridan 8 Woodberry Drive Little Rock, AR 72212 Employer: Lon Sheridan, CPA Occupation: CPA	250.00	08/26/85
Wysong, Ronald E. 1300 Penbrooke Trail Centerville, OH 45459 Employer: R.L. Drake Co. Occupation: President	250.00	12/11/85

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ATTACHMENT 1 TO SCHEDULE B

Earmarked Contributions To Committee For Tim Wirth

Date: November 26, 1985
Amount: $7,800.00

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Berge, Dan 25071 South Beeson Road Beaver Creek, OR 97004	300.00	10/29/85
Brocklehurst, Michael 10550 Southeast Stevens Way Portland, OR 97266	300.00	11/19/86
Covens, Lloyd 7340 E. Caley Englewood, CO 80112	300.00	10/28/85
DiDonato, Sally 402A Appleton Road Rexford, NY 12148	300.00	10/22/85
Davis, Guy 2923 South 650 East Bountiful, UT 84010	300.00	10/29/85
Ergen, Charles W. 10 W. Fair Avenue Littleton, CO 80120	300.00	10/28/85
Friesz, Gary 669 Cindy Blair Way Lexington, KY 40503	300.00	10/29/85
Gabel, Paul F., Jr. 3340 Grasmere Drive Lexington, KY 40503	300.00	10/29/85
Gaible, William L. 1022 Sundance Drive Miamisburg, OH 45342	300.00	10/24/85

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Gonzalez, J. Richard 17 Ridge Road Katonah, NY 10536	300.00	10/30/85
Goodwin, Richard Post Office Box 1118 Salem, VA 24153	900.00	10/29/85
Harris, Samuel S. R.R. #1, Box 141 Selma, IN 47383	300.00	10/29/85
Heinz, William S. 1726 Lynnwood Drive New Albany, IN 47150	300.00	10/28/85
Howard, Henry T. 1850 Goldstrike Road Route #2 San Andreas, CA 95249	300.00	10/28/85
Kistinger, Gary J. SR 247-A Palenville, NY 12463	300.00	10/22/85
Leaf, Stan E. Route 1, Box 249 Payette, ID 83661	300.00	10/30/85
Riffel, James E. 4110 Y Camp Road Burlington, IA 52601	900.00	10/29/85
Ross, Martin 41 Court of Greenway Northbrook, IL 60062	300.00	10/24/85
Schroeder, C. Michael 49 W. 111th Street Carmel, IN 46032	600.00	10/29/85
Sutro, Peter C. 171 Mt. Harmony Road Bernardsville, NJ 07924	300.00	10/29/85
Weyant, Denver 133 E. Main Street Everett, PA 15537	300.00	10/25/85

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Re: The Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85-12/31/85); Identification No. C00152900

ATTACHMENT 2 TO SCHEDULE B

Earmarked Contributions To Wright Appreciation Fund

Date: November 5, 1985
Amount: $26,015.00

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Accardo, Frank 6453 Via De Anzar Rancho Palos Verdes, CA 90274	20.00	09/13/85
Barnes, Gerald R. 58 Camp Road Oriskany Falls, NY 13425	20.00	08/29/85
Behar, Robert 21330 N.E. 23rd Court Miami, FL 33180	500.00	08/31/85
Brown, Charlie L. 523 East Mill Knoxville, IL 61448	250.00	09/01/85
Brown, Richard L. 11008 Balantre Lane Potomac, MD 20854	2,000.00	09/05/85
Burgess, Charlie L. 4214 Nottingham Place Colorado Springs, CO 80907	25.00	09/03/85
Carlile, Cleo L. (Mr.) 608 West 15th Big Spring, TX 79720	500.00	09/11/85
Covens, Lloyd 1401 East Girard, No. 9-236 Englewood, CO 80110	250.00	09/01/85
Davis, Guy C. 2923 South 650 East Bountiful, UT 84010	500.00	09/02/85
Emery, Lawrence R.D. # 1, Box 1765 Hampden, ME 04444	10.00	09/05/85

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Foster, Hoyt M. Vanderpool Route Utopia, TX 78884	250.00	08/15/85
Friesz, Gary 669 Cindy Blair Way Lexington, KY 40503	500.00	09/01/85
Giner, Hans C. 1310 - 98th N.E. Bellevue, WA 98004	2,000.00	09/01/85
Gustafson, Mike 1606 Capitancillos Drive San Jose, CA 95120	500.00	09/02/85
Harrington, Tom Box 1085 Boca Grande, FL 33921	500.00	08/31/85
Harris, Lacy Route 7, Box 114-B Tom Starling Road Fayetteville, NC 28306	10.00	08/28/85
Hattersley, Gary N. Box 19-91 Maple Street Sugar Grove, IL 60554	10.00	08/31/85
Howard, H. Taylor Post Office Box 48 San Andreas, CA 95249	2,000.00	08/31/85
Jeffcoat, Stanley 612 South Tenth Street Yukon, OK 73099	10.00	08/29/85
Johnson, David P. 3855 Swasey Drive Redding, CA 96001	2,000.00	09/03/85
Keck, James A. NE 1611 Tahuya River Drive Tahuya, WA 98588	10.00	08/30/85
Kearney, Donald L. Post Office Box 193 Crescent, OR 97733	10.00	10/04/85
Klahr, C.D. (III) 10404 East Lake Road North East, PA 16428	10.00	08/29/85

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Leach, Frank Box 519 Spring Green, WI 53588	500.00	08/22/85
Leaf, Stan E. Route 1, Box 249 Payette, ID 83661	500.00	09/03/85
Lewis, Ronald K. 512 Skylark Drive Oklahoma City, OK 73127	20.00	09/04/85
Littau, Jean Route 7, Box 35-14 Amarillo, TX 79118	10.00	09/17/85
Lynch, Gary S. Box 232 Yuma, CO 80759	10.00	08/29/85
Martin, Hugh 374 Sanchez Street San Francisco, CA 94114-1616	20.00	09/01/85
Mattioli, Mike S. 4701 Lincoln, N.E. Albuquerque, NM 87109	10.00	09/03/85
Mennino, Thomas 12 Popular Street Norwall, CT 06855	10.00	09/27/85
Odom, Randall V. Post Office Box 517 Beebe, AR 72012	500.00	09/02/85
Oestman, Melvin Route #1, Box 82 Brownville, NE 68321	10.00	09/04/85
Osecki, Stephen Box 346, Route 590 Hanlin, PA 18427	20.00	10/01/85
Patterson, J.P. 600 Buckey Trail Austin, TX 78746	100.00	09/03/85
Price, Stanley 690 Lindberg Beaumont, TX 77707	100.00	09/02/85

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Rothbarth, James N. 11880 Conway Road St. Louis, MO 63131	2,000.00	09/10/85
Roy, Claude J. 5390 N. Michigan Saginaw, MI 48604	10.00	09/05/85
Schlegel, Laurel A. Post Office Box 396 Abingdon, VA 24210	15.00	09/14/85
Schneringer, Norval Post Office Box G Arcadia, OK 73007	2,000.00	08/22/85
Schultheiss, Christopher J. 113 Lakeside Drive Grover, NC 28073	2,000.00	08/27/85
Smith, Billie T. (Ms.) Route 2, Box 164-1 Ruther Glen, VA 22546	10.00	08/31/85
Smith, Michael G. Post Office Box 42 Alpine, AZ 85920	10.00	09/01/85
Smith, Richard A. 5114 Decatur Boise, ID 83704	2,000.00	09/18/85
Starling, Joseph D. 43100 Cherbourg Lane Lancaster, PA 93536	10.00	08/30/85
Switlik, Jim 906 N. Osage Nevada, MO 64772	15.00	09/17/85
Tutt, John W. Post Office Box 64 Colorado Springs, CO 80901	50.00	09/10/85
Venghaus, David H. 105 State Street Brooklyn, NY 11201	500.00	09/18/85
Washburn, Clyde 9033 Winthrop Drive Cincinnati, OH 45249	500.00	09/01/85

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Weeks, Franklin Route 2, Box 409-B Prairie Du Chien, WI 53821	200.00	09/02/85
Wirth, Gus (Sandy) N54 W5989 Portland Road Cedarburg, WI 53012	2,000.00	08/30/85
Wylds, William W. Route 3, Box 532D Mission, TX 78572	500.00	09/03/85
Wysong, Ronald E. 1300 Penbrooke Trail Centerville, OH 45459	500.00	09/03/85

93043512221

Re: The Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85-12/31/85); Identification No. C00152900

ATTACHMENT 3 TO SCHEDULE B

Earmarked Contributions To Wright Appreciation Fund

Date: December 28, 1985
Amount: $20.00

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
H.W. Pennington 67 Temple Road Glen Mills, PA 19342	20.00	11/07/85

93043512222

Re: The Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee Year-End Report (10/1/85-12/31/85); Identification No. C00152900

ATTACHMENT 4 TO SCHEDULE B

Earmarked Contributions To Committee For Tim Wirth

Date: December 30, 1985
Amount: $4,800.00

Contributor's Name and Mailing Address	Amount of Contribution	Date of Receipt of Contribution
Acello, Richard Post Office Box 1302 Ferndale, CA 95536	300.00	11/15/85
Managing Editor, Satellite TV Week		
Gibson, Edward L. 8601 W. 116th Street Overland Park, KS 66210	1,500.00	10/29/85
Sales Manager, Birdview Satellite Communications		
Ross, Charles A. Post Office Box 963 Chanute, KS 66720	1,500.00	10/29/85
President, Birdview Satellite Communications		
Wolford, David G. 1940 Teal Lane Boise, ID 83706	1,500.00	11/12/85
President, Commtek Publishing Company		

93043512223

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 2649
	)	
James C. Wright, Jr.	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On January 11, 1990, the Commission found reason to believe that James C. Wright, Jr., had violated 2 U.S.C. § 441i by accepting excessive honoraria in the form of bulk purchases of his book, Reflections of a Public Man, by an organization or organizations before which he had appeared in 1984-1985. Included with the letter notifying Mr. Wright's counsel of this determination were questions approved by the Commission on March 7, 1990. Mr. Wright had resigned his seat in the United States House of Representatives on June 30, 1989.

On April 20, 1990, counsel responded to the complaint and to the Commission's reason to believe finding and questions by asserting that the Speech or Debate Clause of the Constitution barred "litigation" by the Commission of the very issues considered by the House [Ethics] Committee in the proceeding which lead [sic] to his resignation." Counsel also cited the self-discipline clause of the U.S. Constitution, Article I, Section 4, Clause 2 in support of his argument that the Commission should dismiss its reason to believe finding and take no further action.

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The Commission considered and rejected these arguments. On February 12, 1991, it voted to deny the request to dismiss the complaint and approved an order to provide written answers to interrogatories to be served on Mr. Wright as well as subpoenas to be sent to two bulk purchasers of his book, Southwest Texas State University ("the University") and the Satellite Broadcasting and Communications Association ("SBCA").

On March 22, 1991, this Office received a response from Mr. Wright in which he asserted his belief that he had not engaged in any improper or illegal activity with regard to the publication and dissemination of his book, but in which he also declined to "participate in the Federal Election Commission's attempt to revisit the Special Counsel's Report" on the basis of the Commission's alleged lack of jurisdiction over the issue involved. On April 23, 1991, the Commission voted to authorize the filing of a civil suit in United States District Court to enforce the order sent to Mr. Wright. Also on April 23, 1991, the Commission approved a second subpoena and order to be sent to the SBCA and another subpoena and order to be sent to Brown, Finn & Nietert, the firm which had arranged for Mr. Wright's appearance before the SBCA in 1985.

A Petition to Show Cause Why the Commission's Administrative Order Should Not Be Enforced was filed against Mr. Wright in the United States District Court for the Northern District of Texas, Fort Worth Division, on July 22, 1991. Following a show cause hearing, the court, on November 12, 1991, ordered Mr. Wright to comply with the Commission's order on or before January 10, 1992.

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On the latter date counsel filed an appeal of the district court's order in the U.S. Court of Appeals for the Fifth Circuit. Plaintiff's brief is due on March 29, 1992.

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III. **RECOMMENDATIONS**

1. Enter into conciliation with James C. Wright, Jr., prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreement and the appropriate letter.

3/13/92
Date

Lawrence M. Noble
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2649
James C. Wright, Jr.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 26, 1992, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2649:

1. Enter into conciliation with James C. Wright, Jr., prior to a finding of probable cause to believe.

2. Approve the proposed conciliation agreement and the appropriate letter as recommended in the General Counsel's report dated March 18, 1992.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Potter was not present.

Attest:

3/26/92
Date

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

93043512236

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 1, 1992

Abbe David Lowell, Esquire
David E. Frulla, Esquire
Brand & Lowell
923 Fifteenth Street, NW
Washington, D.C. 20005

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Lowell and Mr. Frulla:

On January 11, 1990, the Federal Election Commission found reason to believe that James C. Wright, Jr., had violated 2 U.S.C. § 441i. the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your client agrees with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission.

If you have any questions or concerns, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

Enclosure

93043512237

OGC 4656

BRAND & LOWELL
A PROFESSIONAL CORPORATION
923 FIFTEENTH STREET, N.W.
WASHINGTON, D.C. 20005

TELEPHONE: (202) 662-9700
TELECOPIER: (202) 737-7565

April 9, 1992

BY HAND DELIVERY

Anne Weissenborn, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

92 APR -9 PM 1:08

Re: MUR 2649

Dear Anne:

As we discussed this morning, the conciliation agreement for the above-captioned MUR is acceptable. We very much appreciate your efforts to conclude this matter promptly and on a mutually satisfactory basis. I attach the executed original of the conciliation agreement to this letter.

Please advise us when it will be submitted to the Commission for approval, when it is approved, and when the file and agreement will be made public.

Thank you very much in advance for keeping us posted.

Sincerely,

David E. Frulla

Enclosure

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
James C. Wright, Jr.)

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by counsel for James C. Wright, Jr. (Attachment 1).

This Office also recommends that the Commission close the file with regard to Mr. Wright. This Office is not recommending at this time that the Commission close the complete file because of questions, which arose during the investigation of the book purchase made by the Satellite Broadcasting and Communications Association ("the SBCA"), regarding a fundraiser held in September, 1985, by that trade association's separate segregated fund, the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC"), for the Wright Appreciation Fund ("the Fund"). This fundraiser was sponsored by SPACEPAC but was

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apparently paid for by the SBCA and resulted in contributions earmarked for the Fund but made through SPACEPAC. A report addressing SPACEPAC's fundraising activities on behalf of the Fund and other committees is being prepared.[1]

II. **RECOMMENDATION**

1. Accept the attached conciliation agreement with James C. Wright, Jr.

2. Close the file as it pertains to James C. Wright, Jr.

3. Approve the appropriate letter.

4/15/92
Date

Lawrence M. Noble
General Counsel

Attachment
Conciliation Agreement

Staff Assigned : Anne A. Weissenborn

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1. The Fund served as joint fundraising representative for the Congressman Wright Appreciation Committee and the Majority Congress Committee.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
James C. Wright, Jr.	)	MUR 2649

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 21, 1992, the Commission decided by a vote of 6-0 to take the following actions in MUR 2649:

1. Accept the conciliation agreement with James C. Wright, Jr., as recommended in the General Counsel's Report dated April 15, 1992.

2. Close the file as it pertains to James C. Wright, Jr.

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated April 15, 1992.

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

Attest:

4-22-92
Date

Delores R. Harris
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., April 16, 1992 11:45 a.m.
Circulated to the Commission: Thurs., April 16, 1992 4:00 p.m.
Deadline for vote: Tues., April 21, 1992 4:00 p.m.

dr

93043512241

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 28, 1992

Abbe David Lowell, Esquire
David E. Frulla, Esquire
Brand & Lowell
923 Fifteenth Street, NW
Washington, DC 20005

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Lowell and Mr. Frulla:

On April 22, 1992, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441i, a provision of the Federal Election Campaign Act of 1971, as amended, in effect in 1985 and 1986. Accordingly, the file has been closed in this matter as it pertains to your client.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel. Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

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Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 2649
	)	
James C. Wright, Jr.	)	

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
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CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Citizens for Reagan. The Federal Election Commission ("Commission") found reason to believe that James C. Wright, Jr., ("Respondent") violated 2 U.S.C. § 441i.

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

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

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

III. Respondent enters voluntarily into this agreement with the Commission.

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

1. In 1984 and 1985, 2 U.S.C. § 441i limited to $2,000 the amount which any elected officer of a branch of the Federal Government could accept as an honorarium for any appearance, speech, or article.

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2. In 1984 and 1985 11 C.F.R. § 110.12(b) defined "honorarium" as "a payment of money or anything of value received by an officer or employee of the Federal government, if it is accepted as consideration for an appearance, speech, or article."

3. In 1984 and 1985 11 C.F.R. § 110.12(b)(1) defined "officer or employee of the Federal government" as including "any Member of Congress."

4. In 1984 and 1985 Respondent was a member of the United States House of Representatives and thus was subject to the provisions of 2 U.S.C. § 441i.

5. By letter dated March 30, 1984, the president of Southwest Texas State University ("the University") invited Respondent to give a speech at the University. In the same letter Respondent was offered an honorarium of $3,000 plus expenses.

6. On October 16, 1984, Respondent gave a speech at the University. A check for $3,000 was written by the University made payable to Respondent and dated October 12, 1984.

7. Respondent later endorsed the $3,000 check from the University to Madison Publishing Company ("Madison"), publisher of Respondent's book, Reflections of a Public Man. Madison then sent to the University 504 copies of Respondent's book.

8. Respondent received $1,650 or 55% of the $3,000 paid to Madison, pursuant to his contract with Madison to publish and market his book.

9. On September 3, 1985, Respondent appeared at the annual trade show of the Satellite Television Industry

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Association, now the Satellite Broadcasting and Communications Association ("SBCA"), held in Nashville, Tennessee. Respondent did not receive any payment from the Satellite Television Industry Association designated as an honorarium for this appearance.

10. On September 5, 1985, Madison received a check dated August 28, 1985, in the amount of $10,000 from the Satellite Television Industry Association for the purchase of 1,680 copies of Respondent's book, Reflections of a Public Man.

11. Respondent received $5,500 of the $10,000 paid for the books, pursuant to his contract with Madison.

V. Respondent has contended that his receipt of the $3,000 check from the University was at most an inadvertent receipt of an excessive honorarium which was rectified when the $3,000 was used to purchase books for the University. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination that Respondent's receipt of an honorarium from the University of $3,000 exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VI. Respondent has contended that the bulk purchase of his book by the Satellite Television Industry Association for $10,000, resulting in a payment to him of $5,500, was not made in lieu of an honorarium for his contemporaneous appearance at the SBCA trade show in 1985. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination

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that Respondent's $5,500 share of the proceeds from this bulk purchase exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VII. Respondent will pay to the Federal Election Commission the amount of Four Thousand Five Hundred Dollars ($4,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement(s) contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

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made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

LM Noble (LP)
Lawrence M. Noble
General Counsel

4-28-92
Date

FOR THE RESPONDENT:

Abbe D. Lowell
(Name) Abbe D. Lowell
(Position) Attorney for Respondent

April 9, 1992
Date

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of	
Wright Appreciation Fund and Craig Ruppe, as treasurer Wright Appreciation Committee and Henry Kerry, as treasurer Majority Congress Committee and its treasurer Satellite Broadcasting and Communications Association, Inc. Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee and its treasurer	MUR 2649

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GENERAL COUNSEL'S REPORT

I. BACKGROUND

During the investigation of relationships between bulk purchases of Reflections of a Public Man by James C. Wright, Jr., and Mr. Wright's appearances at events sponsored by purchasers, information was received concerning a fundraiser held by the political action committee of one of the book purchasers during that purchaser's annual trade show. The principal event in question was the trade show of the Satellite Television Industry Association, Inc., now the Satellite Broadcasting and Communications Association ("SBCA"), held in Nashville, Tennessee, in early September, 1985, while the fundraiser was an invitational event sponsored by the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC"). SPACEPAC registered with

the Commission on March 31, 1982, became a multicandidate committee as of September 4, 1984, and terminated as of its 1987 Mid-Year Report.

II. FACTUAL AND LEGAL ANALYSIS

a. SPACEPAC Fundraiser

As was noted in this Office's report of March 18, 1992, the president of the SBCA, Charles Hewitt, in his response to the Commission's initial interrogatories concerning the SBCA's book purchase, stated that a fundraiser was held for Mr. Wright during his attendance at the 1985 trade show. In his response to a second set of interrogatories addressed to the SBCA concerning the fundraiser (Attachment 1), Mr. Hewitt stated that, to the best of his recollection,

> there was a reception of some type associated with Mr. Wright's speech to several thousand of the attendees of the trade show in question. The fundraising itself was conducted prior to the show and the source of the guest list for the purpose of the fundraising was the list of SBCA "Pioneer Members" (which at that time was the highest level of members in the Association), plus other dealers and distributors who had been solicited by the law firm of Brown & Finn prior to the show.[1]

Mr. Hewitt also stated,

> The purpose of the fundraising effort was to provide to Mr. Wright campaign funds. Any solicitation, whether oral or in writing, was conducted by, written by and handled by the law firm of Brown & Finn.

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1. In his response Mr. Hewitt stated, as he did in his earlier response to interrogatories, that all SBCA records related to this matter had previously been provided to the U.S. House of Representatives and had not been returned.

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With regard to the contributions raised, Mr. Hewitt stated,

> It is my recollection that the total amount of contributions resulting from the fundraising effort was about twenty thousand dollars ($20,000). [T]his answer is not formed from a review of any documentation or other records.

And with regard to the expenses for this fundraiser, it is Mr. Hewitt's recollection that

> [t]he cost of any reception at the trade show would have been most likely covered as a trade show expense. We have conducted a second search of our records, including those in storage, to determine whether or not we can identify any specific expenses for a reception held for Mr. Wright at the September, 1985 trade show. We have been unable to separately identify such expenses.

Given the apparently prominent role played by Brown & Finn, now Brown, Finn & Nietert ("BFN") in the organization of the reception for Mr. Wright at the SBCA trade show, a series of interrogatories were also submitted to that firm. According to the response submitted by Richard L. Brown through counsel on February 11, 1992, (Attachment 2), the fundraising event was sponsored by SPACEPAC.[2] Mr. Brown has stated,

> The fundraiser was a reception held in a suite at the Opryland Hotel in Nashville, Tennessee, on September 3, 1985. The fundraiser was held prior to Mr. Wright's speech at the SBCA trade show. To the best of BFN's recollection, approximately thirty to fifty invitations to the fundraiser were

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2. During 1982 SPACEPAC reported only $3,125 in receipts and $900 in expenditures. During the 1983-84 election cycle its receipts totaled $15,722 and its expenditures $17,400, the latter including $14,900 in contributions to candidates. Prior to the event here at issue SPACEPAC's 1985 activities had involved $2,400 in receipts and $2,542.56 in expenditures, $1,700 of which consisted of contributions to two federal candidates. No contributions had been made to a committee associated with Mr. Wright.

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distributed primarily to SBCA's directors and other members of the trade association.

- - -

The purpose of the fundraising event which was sponsored by SPACEPAC, not the SBCA, was to raise monies for the "Jim Wright Appreciation Fund", a joint-fundraising committee between the Majority Congress Committee (a non-connected federal political committee) and the Wright Appreciation Committee (Mr. Wright's authorized campaign committee).[3] Solicitations involved the distribution of invitations . . . as well as follow-up telephone calls requesting confirmation regarding whether or not the invitee would be attending the fundraiser.

- - -

To the best of BFN's recollection, the fundraising event . . . raised approximately $26,035.00 for the "Jim Wright Appreciation Fund". Contributions raised in connection with the event were earmarked through SPACEPAC, and reported as earmarked contributions to both the recipient committee and the Federal Election Commission. . . .

- - -

To the best of BFN's recollection, the direct costs associated with the SPACEPAC-sponsored fundraising event were nominal. The fundraiser was held in the SBCA-directors convention hospitality suite, and lasted less than one hour. To the best of BFN's recollection, the hospitality suite was stocked by the SBCA with beverages and snack foods for the entire convention, and no additional refreshments were ordered for the fundraiser.

Moreover, to the best of BFN's recollection, invitations to the fundraiser were included in an SBCA regular newsletter or other mailing, and thus it is likely that no additional postage costs were incurred due to the fundraiser.

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3. In 1985 the Wright Appreciation Fund was established to serve as the joint fundraising representative for the second two committees, the first of which was Mr. Wright's authorized campaign committee and the second a multicandidate committee created by Mr. Wright which contributed to congressional candidates.

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The invitation to this fundraising event (Attachment 3) stated, "The SPACEPAC Committee for The Honorable Jim Wright cordially invite you to attend a wine tasting in his honor." The event was to be held on September 3, 1985, in the "SPACE Suite" and the charge was to be $500 per person. At the top of the invitation are listed eight names of individuals, apparently the SPACEPAC committee cited below.

There are no expenditures for this event included by SPACEPAC in its 1985 reports to the Commission. According to the responses to the Brown, Finn and Nietert interrogatories, the costs of the fundraising event, which would have involved the invitations, follow-up telephone calls, room rental and refreshments, were met by the trade association itself, not SPACEPAC. Thirty to fifty invitations went out, the room used for an hour was the SBCA's convention hospitality suite, and the food and drinks were already in the room. Neither the SBCA nor BFN has provided the exact amount of the expenditures allocable to the fundraising event, although the latter has stated that the costs would have been "nominal".

The contributions for Mr. Wright received by SPACEPAC and sent on to the Wright Appreciation Fund were not nominal. According to information supplied by Brown, Finn and Nietert and contained in SPACEPAC's amended reports to the Commission, fifty-four individuals contributed a total of $26,035 in amounts ranging from $10 to $2,000.

SPACEPAC's 1985 Year End Report shows that it disbursed $26,015 by means of a SPACEPAC check to the Wright Appreciation

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Fund on November 5, 1985, (see also Attachment 4-a) and an additional $20 on December 28, 1985, to the same committee. The first of these checks (Attachment 4-b), written on a SPACEPAC account, was deposited by the Wright Appreciation Fund on November 12, 1985, (Attachment 4-c) and later, apparently on February 11, 1986, and March 14, 1986, the funds were divided between the Wright Appreciation Committee and the Majority Congress Committee on an approximately 3-1 basis ($19,526.25 to the WAC and $6,508.75 to the MCC). The Wright Appreciation Committee and the Majority Congress Committee reported these contributions as having been received on November 12, 1985, and December 10, 1985, from the individual contributors and as having been divided between the above two committees. (See Attachment 5)[4].

It is not clear from the information in hand that all of the individuals who contributed to the Wright Appreciation Fund through SPACEPAC actually were invited to and/or attended the fundraising event on September 3, 1985. The dates of the contributions ranged from August 22 to November 7, 1985. In addition, because the amounts of the individual contributions were as low as $10 and as high as $2,000, it appears either that the $500 figure on the invitation was optional or that another solicitation effort was used separate from the fundraiser.

It also appears that the individual contributors understood that their contributions would go to Jim Wright, but it does not appear that all were told that their contributions would go to the

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4. The Majority Congress Committee submitted the Wright Appreciation Committee's amended report as its own.

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Wright Appreciation Fund and then on to the Wright Appreciation Committee and the Majority Congress Committee. The invitation cited above does not include a statement to this effect and the contributors generally made their checks payable either to some combination of SPACEPAC and Jim Wright or only to SPACEPAC with a notation that it was for Jim Wright. Some of the checks were simply made payable to SPACEPAC with no notation. (Attachment 6).[5]

B. Statutory and Regulatory Provisions

The Federal Election Campaign Act ("the Act") defines "contribution" as including "any gift, . . . loan, advance, . . . or anything of value made by any person for the purpose of influencing any election for Federal office." The Act limits to an aggregate of $5,000 the contributions which a multicandidate committee may make to a candidate committee per election or to

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5. None of the checks cite the Wright Appreciation Fund as an intended recipient. Follow-up letters apparently written to the contributors of more than $1,000 cite "your contribution to Congressman James C. Wright." (Attachment 7-a). There were, however, at least four contributors of more than $1,000 who signed cards which authorized the Fund to allocate their contributions in compliance with the FECA and which agreed to a division of their contributions to the Wright Appreciation Committee between the primary and general elections. (Attachment 7-b). Brown, Finn and Nietert has also provided completed contributor cards which told the donors to make their checks payable to the Wright Appreciation Fund. (Attachment 8). Therefore, these particular individuals apparently had reason to know, if only after the fact, the exact disposition of their contributions to Jim Wright.

The contributor cards at Attachment 8 cite "Jim Wright's Cowtown Jamboree," a large Wright Appreciation Fund fundraiser held in November in Fort Worth, Texas. Because the reports filed by SPACEPAC and the Fund show no contributions from the individuals whose names are on the cards other than those collected by SPACEPAC in August and September, 1985, and sent on to the Fund on November 12, 1985, it appears that these contributors were permitted to apply their earlier contributions toward becoming a "sponsor" of the Cowtown Jamboree activities.

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another multicandidate committee per calendar year. 2 U.S.C. § 441a(a)(2)(A) and (C). Contributions from individuals are limited to $1,000 per election to candidate committees and $5,000 per calendar year to multicandidate committees. 2 U.S.C. § 441a(a)(1)(A) and (C).

2 U.S.C. § 441b generally prohibits corporations from making contributions or expenditures in connection with federal elections. However, an incorporated trade association may make partisan communications to its individual members and to representatives of corporate members. 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.3(a)(2) and § 114.8(h). These partisan communications may include the suggestion that a contribution be made to a specific candidate so long as the trade association itself does not facilitate the making of such contributions. See Explanation and Justification of Regulations, H. Doc. No. 95-44, 95th Cong., 1st Sess. at 104-105. See also Advisory Opinion 1982-2.

Incorporated membership organizations, like other corporations, may also establish, administer and solicit voluntary contributions to a separate segregated fund. 2 U.S.C. § 441b(b)(2)(C).

The Commission's regulations expressly permit control by a corporation of its separate segregated fund. 11 C.F.R. § 114.5(d). The separate segregated fund thus becomes in effect an arm of the creating and administering body. The only separation between the two entities mandated by law is that their funds be kept strictly segregated. Pipefitters v. United States, 407 U.S. 385, 414 (1972).

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As with other corporations, contributions must be made to or through the separate segregated fund of an incorporated membership organization, not to or through the association itself.

The costs incurred by a membership organization or a corporation for a communication to its members or executive or administrative personnel are not expenditures for purposes of the Act so long as the organization is not established primarily to influence elections for Federal office, although expenditures for communications expressly advocating the election or defeat of a clearly identified candidate must be reported if they exceed $2,000 per election. 2 U.S.C. § 431(9)(B)(iii) and 11 C.F.R § 100.8(b)(4).

The Act provides that any person, defined to include a committee, may act as a conduit or intermediary of contributions earmarked for a particular candidate, provided that the conduit or intermediary reports the original source and the intended recipient of such earmarked contributions to the Commission and to the intended recipient. 2 U.S.C. § 441(a)(8); 11 C.F.R. § 110.6. Commission regulations state that "earmarked means a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee." 11 C.F.R. § 110.6(b). These regulations require a conduit or intermediary to transmit an earmarked contribution to the intended recipient within 10 days of the conduit's or intermediary's receipt of the contribution. 11 C.F.R. § 102.8(a) and (c) and 11 C.F.R. § 110.6(b)(2)(iii).

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Contributions which pass through the conduit's account are to be disclosed, regardless of amount, on schedules of itemized receipts and expenditures filed with the Commission by the conduit and are to be included in the total receipts and disbursements reported by the conduit. See 11 C.F.R. § 110.6(c)(1)(i).

Because conduit activity facilitates contributions, only a corporation's separate segregated fund may engage in such an undertaking. Advisory Opinion 1986-4 (see discussion below).

Commission regulations provide that a conduit's or intermediary's contribution limits are not affected by passing on earmarked contributions, except where the conduit exercises any direction or control over the choice of the recipient candidate. 11 C.F.R. § 110.6(d)(1). The regulations state that if the conduit or intermediary exercises direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit and shall be so reported. 11 C.F.R. § 110.6(d)(2).

The regulations with regard to direction or control by a conduit are based upon the legislative history of 2 U.S.C. § 441a(a)(8). The Report of the Committee on House Administration on the 1974 amendments to the Federal Election Campaign Act stated,

> It is the understanding of the committee that the following rule will apply with respect to the application of the contributions limitations established by [current section 441a]: if a person exercises any direct or indirect control over the making of a contribution, then such contribution shall count toward the limitation imposed with respect to such person under subsection [441a], but it will not count toward such a person's contribution limitation when it is demonstrated that such person exercised no

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> direct or indirect control over the making of the contribution involved.

H.R. Rep. No. 1239, 93rd Cong., 2d Sess. 16 (1974), reprinted in FEC Legislative History of Federal Election Campaign Act Amendments of 1984 at 650 (1977). The Conference Report contained the same language. H.R. Rep. No. 1438, 93rd Cong., 2d Sess. 51, 52 (1974).

Neither the legislative history nor the Commission's regulations provide specific guidance as to the criteria required for a conduit to be considered to have exercised "direction or control" over the choice of the recipient candidate of an earmarked contribution. See Explanation and Justification for 11 C.F.R. § 110.6(d), 54 Fed. Reg. 34098 (1989). The issue of "direction or control" has been addressed by the Commission on a case-by-case basis, and recently by the Court of Appeals for the District of Columbia in the context of a particular solicitation program.

C. **Advisory and Judicial Opinions - Direction or Control**

Several advisory opinions issued by the Commission have addressed the "direction or control" issue with regard to the activities of a separate segregated fund and its connected organization. In Advisory Opinion 1981-57, the Commission considered whether contributions made through a payroll deduction plan could be earmarked for specific candidates without affecting the conduit's contribution limit. The conduit, the segregated fund of a labor organization, proposed that the union's members be permitted to authorize payroll deductions which would be

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transferred to the conduit committee as contributions earmarked for either a named candidate or a political action committee. Each individual would be able to determine the timing of the earmarked contribution because he or she could make arrangements for earmarking at any time. In light of the requester's assertions that the conduit would serve only as an intermediary and that contributors would be permitted to contribute to any candidate or political committee, the Commission determined that the payroll deduction plan would be permissible. The Commission also did not find that the proposed plan would result in direction or control by the conduit. There was no indication in the proposal that the segregated fund would make separate communications to members urging earmarking to particular candidates; however, in a footnote, the Commission expressly reserved the question of whether, if such separate communications took place, the conduit would be deemed to have exercised direction or control over resulting contributions.

In Advisory Opinion 1986-4, a corporation proposed a solicitation program run by "volunteer" corporate employees. The corporation did not have a separate segregated fund. The proposal called for the so-called volunteers to solicit a "pledge" from corporate executives to make a specific amount of political contributions. The corporate executives would complete a form indicating their degree of interest in participating, the contribution categories they wanted to learn more about, and the amount of their contribution pledge. A corporate employee would then act as administrator of the solicitation program by matching

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up potential contributors with contribution possibilities. The Commission utilized a "totality of the circumstances" approach in concluding that the corporation would exercise direction or control over the proposed earmarked contributions because it would be the corporation which would decide whether, in response to a solicitation, a candidate should receive an earmarked contribution, what the aggregate amount should be, and who should be canvassed until that amount was reached. In addition, although the checks were to be made payable to the candidate committee, they were to be collected by the corporation and delivered to the recipient by a corporate representative, thereby also placing control of timing with the corporation.

The Commission also determined in AO 1986-4 that the corporation would have to establish a separate segregated fund to perform the conduit's role. In addition, if the planned solicitation program remained the same, the separate segregated fund would also have to report contributions made to candidates and other committees as coming from both the original contributors and the fund. In other words, direction or control would still exist even if a separate segregated fund were to be established by the corporation.[6]

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6. During its consideration of Advisory Opinion Request 1987-29, the Commission failed by a vote of 3-3 to approve a draft response which would have determined that the requester's planned conduit program would have resulted in direction or control. The advisory opinion request, submitted by an incorporated membership organization, stated that the organization wished to encourage its members to contribute to candidates endorsed by the organization by establishing an honorific designation called "the Legislative Circle." To be eligible, individual members would have to agree to make a minimum of $1,000 in contributions, of which $600 would

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In June, 1992, the United States Court of Appeals for the District of Columbia Circuit in Federal Election Commission v. National Republican Senatorial Committee, No. 91-5176 (D.C. Cir. June 12, 1992)("FEC v. NRSC"), reversed the decision of the district court in Federal Election Commission v. National Republican Senatorial Committee, 761 F. Supp. 813 (D.D.C. 1991)("NRSC"), which had found that the National Republican Senatorial Committee, as a conduit, had exerted some "direction or control" over contributions which it had solicited for Republican candidates for the United States Senate in 1986, with resulting violations of the reporting and contribution limitation provisions of the Act. The NRSC program at issue involved direct mail solicitations consisting of 24 versions of a letter citing four

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(Footnote 6 continued from previous page)
have to go to candidates selected from those endorsed by the membership organization. The individuals were to receive follow-up letters or telephone calls soliciting contributions to endorsed candidates or committees. The membership organization asserted that it would not facilitate the making of contributions by providing envelopes or stamps, but contributions were to be forwarded to the organization's separate segregated fund for delivery. Costs of the solicitation efforts would be absorbed by the membership organization, while the costs of receipt and delivery of contributions would be borne by the separate segregated fund.

The draft response to this scenario found it to be very similar to that at issue in AO 1986-04 and thus to result in direction or control. In both instances it was the program which would direct the individual to a specific candidate and which would urge the individual not only to contribute, but to do so through the corporation's separate segregated fund. The draft also found that the membership organization was attempting to control the timing of the contributions through follow-up solicitations. In addition, such control would be exerted by making participation in the special program contingent upon giving to endorsed candidates.

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unnamed Senatorial campaigns in four named states which were assertedly in special need of assistance. Each letter requested a specific amount, depending upon the donative histories of those on the various lists used, and contributors were asked to make their checks payable to the NRSC or to a fund controlled by that committee. The resulting contributions were placed in an NRSC account and then distributed among the candidate committees.

The district court found that "some direction or control" resulted from the following cited facts:

> The NRSC, not the candidates, chose how many letters would mention each candidate and which candidates would be mentioned in which letters; The NRSC, not the candidates, selected the mailing lists for each version of the letters mailed;
>
> The potential donors were given only one choice - "to write checks to the NRSC for equal distribution to four preselected candidates;
>
> The letters requested precise amounts - there was no suggestion that they could contribute other amounts;
>
> Because the solicitation letters cited potential beneficiaries by state, the identities of the candidates were "obscured". . . . "[T]he fundraisers hoped to raise funds for candidates for whom donors might have little specific enthusiasm by blurring the specific funding requests in a general pro-party message.";
>
> The NRSC deposited the checks received into its own account; and,
>
> Its legal obligation to pass on the checks to the candidate committees was not clear in the solicitation letters.

761 F.Supp. at 818-819.

Earlier the district court had addressed the same facts as the result of an action brought against the Commission by Common Cause,

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pursuant to 2 U.S.C. § 437g(a)(8). In Common Cause v. Federal Election Commission, 729 F. Supp. 148 (D.D.C.. 1990), ("Common Cause") the court found that the Commission's initial failure, by a vote of 3-3 to find probable cause to believe the NRSC had violated 2 U.S.C. §§ 434(b) and 441a(h) with regard to the conduit program described above, had been arbitrary and capricious.

In FEC v. NRSC, the court of appeals based its decision to reverse upon the same equally divided vote as that at issue in Common Cause, finding that the statement of reasons issued by the Commissioners who had opposed making probable cause to believe determinations "provided a reasoned justification for not proceeding" and represented the official Commission construction of 11 C.F.R. § 110.6(d). The appeals court focused upon the two factors which the dissenting Commissioners had determined to not be indicative of direction or control, namely the deposit of solicited contributions into the NRSC's account prior to distribution to the recipient candidate committees, and the pre-selection by the NRSC of the candidates for whom contributions were solicited, and found the dissenters' construction of the regulation to be reasonable.

D. **Application of Law to Facts**

1. **Corporate Contributions**

The first issue to be addressed is whether or not the SBCA violated 2 U.S.C. § 441b by having incurred expenditures in connection with the fundraiser held for Jim Wright by the SBCA's separate segregated fund. As noted above, the association acknowledges that between thirty and fifty invitations to this event were included in mailings to its members. These invitations

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included a solicitation for contributions, and were followed up by telephone calls seeking confirmation of attendance at the fundraiser. The association also acknowledges that the event was held in the association's hospitality suite and that the refreshments served were those stocked by the SBCA for the convention.

With regard to the solicitations, the Act and regulations do, as stated above, permit a trade association to suggest to its members that they contribute to specific candidates so long as the association does not facilitate the making of the contributions by, for example, providing either envelopes or a payroll deduction plan or by collecting the contributions itself. Communication costs are not included within the definition of expenditure.

In the present matter, the association apparently included invitations to the fundraiser in a more general mailing to members. These invitations included a solicitation; however, these invitations were part of the overall preparations for the SPACEPAC fundraising event rather than solely communications seeking contributions. Thus, the corporation's expenditures for printing and mailing the invitations, along with those incurred for follow-up telephone calls, do not qualify as exempt communication expenditures. Rather, they were part of the facilitation of contributions to Mr. Wright.[7] As for the cost of the room and the refreshments for the fundraiser, the trade association acknowledges

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7. Although the contributions apparently went into a SPACEPAC account and were then forwarded by means of a SPACEPAC check, questions arise as to whether the corporation was involved in the initial receipt of the contributions.

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that the room was one already being used by the association in connection with the trade fair and that the refreshments were part of general provisions for the fair participants. It should be possible to obtain from the hotel an approximation of what Mr. Wright and/or his committees would have had to expend if they had undertaken this fundraiser on their own.

It appears that the SBCA made corporate expenditures on behalf of Mr. Wright in these regards, resulting in a violation of 2 U.S.C. § 441b. This Office recommends that the Commission find reason to believe that the SBCA violated 2 U.S.C. § 441b.

2. Conduit Activities - Direction or Control

As stated above, between August 22 and November 7, 1985, SPACEPAC collected a total of $26,035 from members of the SBCA which it forwarded by means of a SPACEPAC check to the Wright Appreciation Fund on November 5, 1985. These contributions were the result of a solicitation effort which apparently sought contributions for only one candidate, namely James C. Wright, Jr. The invitations cited the figure of $500 as the amount of admission to the fundraiser, although smaller (and larger) amounts were apparently accepted. Almost all of the contributor checks were earmarked for Jim Wright, but were made payable to SPACEPAC - Jim Wright, or a variation thereof, not to a particular committee. The contributions went into the SPACEPAC account where many were held for two months or more before being sent on to the Wright Appreciation Fund which in turn distributed the funds to two other committees. Approximately three fourths of the amount received went to Mr. Wright's authorized committee and one fourth to the

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multicandidate committee which he had established to support other candidates for Congress.

11 C.F.R. § 110.6(d) states that contributions made through a conduit will not affect the conduit's contribution limitation unless the conduit exercises any direction or control over the choice of the recipient candidate. In FEC v. NRSC, the court of appeals found reasonable the argument that a conduit's pre-selection of the candidates or campaigns to benefit from a particular solicitation program, and the deposit of resulting contributions into the conduit's account prior to distribution, would not result in "direction or control" over the choice of the ultimate recipients.

The conduit program established and executed by the SBCA and SPACEPAC for the benefit of Mr. Wright differed in certain significant respects from the program at issue in FEC. v. NRSC. In FEC v. NRSC, the solicitation program before the court informed the potential contributors that their contributions would be divided among four campaigns identified by specific state names, and the contributions were so divided. Although the NRSC had control of the overall system, the contributors were told, albeit indireclty, which campaigns they were being asked to support and they made the ultimate decisions to give to the campaigns in the four cited states.

In the present matter the solicitation was for "Jim Wright," but the apparent intent of SPACEPAC, and its ultimate practice, was to send the contributions on to a joint fundraising committee which then redistributed the contributions to Mr. Wright's authorized

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campaign committee and to a separate, multicandidate political action committee. It was apparently not made clear to the persons solicited by SPACEPAC where their contributions would go and/or which candidates besides Mr. Wright would benefit, resulting in SPACEPAC's participation in the direction or control of the selection of the ultimate recipients.

Secondly, in FEC v. NRSC the contributions received by the conduit went into the conduit's account, and were distributed within the 10 days required by 11 C.F.R. §§ 102.6(b) and 110.6(b)(2)(iii). In the present matter the contributions remained in the conduit's account for two months or more prior to being sent on, resulting in SPACEPAC's having determined the timing of the contributions' distribution.

As noted above, SPACEPAC terminated its existence as a political committee in 1987; however, its connected organization, the SBCA, continues. Given the SBCA's control of its separate, segregated fund, the two entities were one for purposes of such activities as the conduiting of contributions. The SBCA is thus liable for the acts of SPACEPAC.

This Office recommends that the Commission find that the SBCA, as the connected organization of SPACEPAC, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(d)(2) as a result of SPACEPAC's having failed to report as contributions from itself $26,035 in contributions which it solicited in 1985 and sent on to the Wright Appreciation Fund for distribution to the Wright Appreciation Committee and to the Majority Congress Committee. This Office also recommends that the Commission find reason to believe that the

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SBCA, as the connected organization of SPACEPAC, violated 2 U.S.C. § 441a(a)(2)(A).

3. Timing of Transfer

In 1985, as they still do, the Commission's regulations required conduits to transmit earmarked contributions to the intended recipient within 10 days of receipt by the conduit. 11 C.F.R. § 102.8(a). In the present matter, SPACEPAC received the solicited contributions in late August and September, 1985, but did not forward the funds to the Wright Appreciation Fund until November of that year.

On this basis, this Office recommends that the Commission find reason to believe that the Satellite Broadcasting and Communications Association, as the connected organization of SPACEPAC, violated 11 C.F.R. § 102.8(a).

III. William Carlos Moore

The complaint filed in MUR 2649 alleged violations of the Act by a number of respondents including William Carlos Moore whose company, Madison Publishing Company, had published Reflections of a Public Man by James C. Wright, Jr. On January 11, 1990, the Commission rejected the recommendations made by the Office of the General Counsel that the Commission find reason to believe William Carlos Moore had violated the Act. However, the file was not closed as it pertains to this respondent.

In light of the recent acceptance by the Commission of a conciliation agreement with Mr. Wright and the closing of the file as it pertains to him, this Office recommends that the Commission also close the file as it pertains to Mr. Moore.

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IV. RECOMMENDATIONS

1. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc., violated 2 U.S.C. § 441b.

2. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc., as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee, violated 2 U.S.C. § 434(b), 2 U.S.C. § 110.6(d)(2) and 2 U.S.C. § 441a(a)(2)(A).

3. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc., as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee, violated 11 C.F.R. § 102.8(a).

4. Close the file as it pertains to William Carlos Moore.

5. Approve the attached Factual and Legal Analysis and the appropriate letters.

8/17/92
Date

Lawrence M. Noble
General Counsel

Attachments

1. Response received from Charles Hewitt
2. Response received from Brown, Finn and Nietert
3. Invitation to SPACEPAC fundraiser
4. Transmission letter, check and Fund report of receipt
5. Appreciation Committee report
6. Examples of checks
7. Sample letter to contributor and allocation cards
8. Letter and information cards
9. Factual and Legal Analysis

Staff Assigned: Anne Weissenborn

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: AUGUST 21, 1992

SUBJECT: MUR 2649 - GENERAL COUNSEL'S REPORT DATED AUGUST 17, 1992.

The above-captioned document was circulated to the Commission on Tuesday, August 18, 1992 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner McDonald	
Commissioner McGarry	XXX
Commissioner Potter	
Commissioner Thomas	

This matter will be placed on the meeting agenda for Tuesday, August 25, 1992.

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

93043512271

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2649
Wright Appreciation Fund and Craig Ruppe, as treasurer;	)	
Wright Appreciation Committee and Henry Kerry, as treasurer;	)	
Majority Congress Committee and its treasurer;	)	
Satellite Broadcasting and Communications Association, Inc.;	)	
Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee and its treasurer.	)	

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on September 15, 1992, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2649:

1. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc. violated 2 U.S.C. § 441b.

2. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc., as the connected organization of the Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee, violated 2 U.S.C. § 434(b), 2 U.S.C. § 110.6(d)(2), and 2 U.S.C. § 441a(a)(2)(A).

(continued)

3. Find reason to believe that the Satellite Broadcasting and Communications Association, Inc., as the connected organization of the Satellite Television Industry Association/ The Society for Private and Commercial Earth Stations Political Action Committee, violated 11 C.F.R. § 102.8(a).

4. Close the file as it pertains to William Carlos Moore.

5. Approve the Factual and Legal Analysis and the appropriate letters as recommended in the General Counsel's report dated August 17, 1992.

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

Attest:

9-18-92
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 5, 1992

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

SUBJECT: Correction - MUR 2649

On September 15, 1992, the Commission, in response to recommendations contained in the General Counsel's Report in MUR 2649 dated August 17, 1992, made several determinations with regard to violations by the Satellite Broadcasting and Communications Assocation, Inc., of the Federal Election Campaign Act and of the Commission's regulations. The second recommendation in the report contained an incorrect citation to a regulation; 11 C.F.R. § 110.6(d)(2) was cited as 2 U.S.C. § 110.6(d)(2).

Unless there is an objection, this Office will correct the record in this matter to show the correct citation, 11 C.F.R. § 110.6(D)(2).

Staff Assigned: Anne Weissenborn

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

TO: LAWRENCE NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DONNA ROACH

DATE: OCTOBER 6, 1992

SUBJECT: CORRECTION - MUR 2649. MEMORANDUM TO THE COMMISSION DATED OCTOBER 5, 1992

The above-captioned matter was received in the Commission Secretariat at 3:33 p.m. on Monday, October, 1992 and circulated on a 24-hour no-objection basis at 4:00 p.m. on Monday, October 5, 1992.

There were no objections to the recommendation that the Office of General Counsel will correct the record in this matter to show the correct citation, 11 C.F.R. § 110.6(D)(2).

93043512275

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

October 14, 1992

Deppish Kirkland
General Counsel
Satellite Broadcasting and Communications Association, Inc.
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

RE: MUR 2649

Dear Mr. Kirkland:

On September 15, 1992, the Federal Election Commission found that there is reason to believe the Satellite Broadcasting and Communciations Association, Inc., ("SBCA") violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and that the SBCA, as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC") violated 2 U.S.C. § 434(b), 11 C.F.R. § 110.6(d)(2), and 2 U.S.C. § 441a(a)(2)(A). 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 SBCA. 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 within 30 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the SBCA, the Commission may find probable cause to believe that violations have 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

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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 outside 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 enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Anne A. Weissenborn, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2649
)

INTERROGATORIES

TO: Satellite Broadcasting and Communications Association, Inc.
225 Reinekers Lane
Alexandria, VA 22314

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request.

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INSTRUCTIONS

In answering these interrogatories furnish all information, however obtained, including hearsay, that is in the possession of, known by or otherwise available to you, including information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1985, to June 1, 1986.

The following interrogatories are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents all documents and materials which may otherwise be construed to be of their scope.

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QUESTIONS

1. Please describe in detail the sequence and contents of the arrangements made by the SBCA and/or SPACEPAC through the law firm of Brown and Finn with James C. Wright for a fundraiser on his behalf to be held on September 3, 1985.
Please include:

a. Whether this event was held at the initiative of SBCA and/or SPACEPAC or at the request of Mr. Wright or his representative?

b. The identities of the individuals representing Mr. Wright and the SBCA and/or SPACEPAC who were involved in the planning of the event.

2. When and by whom were the SBCA and/or SPACEPAC informed that contributions received in connection with the September 3, 1985, fundraiser should be forwarded to the Wright Appreciation Fund?

3. Was the SBCA and/or SPACEPAC informed prior to the September 3, 1985, event of the specific distribution which the Wright Appreciation Fund would make of contributions forwarded by the SBCA and/or SPACEPAC. If yes, please identify the person so notified and state the information regarding such a distribution which was conveyed.

4. If the SBCA and/or SPACEPAC was informed of the planned distribution of contributions by the Wright Appreciation Fund prior to the September 3, 1985, fundraiser, were the persons solicited for contributions in connection with this event in turn informed about this potential distribution prior to making their contributions? If yes, how was this information shared, either orally or in writing? Was there an oral presentation at the fundraiser during which the planned distribution was discussed? If yes, who made this presentation and what was said in this regard?

5. What requests or instructions, if any, were given by Mr. Wright or his representative to the SBCA and/or SPACEPAC with respect to the identification on the invitations to the September 3, 1985, fundraiser, or in other solicitation information to be distributed, of the intended ultimate recipients of potential contributions and with respect to the appropriate payees on any contribution checks to be written?

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6. If the SBCA and/or SPACEPAC was not informed of plans for the ultimate distribution of contributions prior to the September 3, 1985, fundraiser, was such information received prior to the forwarding of the proceeds to the Wright Appreciation Fund on November 5 and December 28, 1985? If yes, on what date and by whom was this information supplied?

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Satellite Broadcasting and Communications Association, Inc. MUR 2649

I. BACKGROUND

During the course of an investigation into the relationship of the bulk purchase of James C. Wright, Jr.'s book, Reflections of a Public Man, by the Satellite Television Industry Association, Inc., now the Satellite Broadcasting and Communications Association, Inc. ("SBCA"), and Mr. Wright's appearance at an annual trade show sponsored by that purchaser, the Commission received information concerning a fundraiser held by the association's political action committee at the time of the same trade show. The principal event in question was the association's trade show held in Nashville, Tennessee, in early September, 1985, while the fundraiser was an invitational event sponsored by the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC"). SPACEPAC registered with the Commission on March 31, 1982, became a multicandidate committee as of September 4, 1984, and terminated as of its 1987 Mid-Year Report.

II. FACTUAL AND LEGAL ANALYSIS

a. SPACEPAC Fundraiser

The president of the SBCA, Charles Hewitt, in his response to the Commission's initial interrogatories concerning the SBCA's book purchase, stated that a fundraiser was held for Mr. Wright during

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his attendance at the 1985 trade show. In his response to a second set of interrogatories addressed to the SBCA concerning the fundraiser, Mr. Hewitt stated that, to the best of his recollection,

> there was a reception of some type associated with Mr. Wright's speech to several thousand of the attendees of the trade show in question. The fundraising itself was conducted prior to the show and the source of the guest list for the purpose of the fundraising was the list of SBCA "Pioneer Members" (which at that time was the highest level of members in the Association), plus other dealers and distributors who had been solicited by the law firm of Brown & Finn prior to the show.[1]

Mr. Hewitt also stated,

> The purpose of the fundraising effort was to provide to Mr. Wright campaign funds. Any solicitation, whether oral or in writing, was conducted by, written by and handled by the law firm of Brown & Finn.

With regard to the contributions raised, Mr. Hewitt stated,

> It is my recollection that the total amount of contributions resulting from the fundraising effort was about twenty thousand dollars ($20,000). [T]his answer is not formed from a review of any documentation or other records.

And with regard to the expenses for this fundraiser, it is Mr. Hewitt's recollection that

> [t]he cost of any reception at the trade show would have been most likely covered as a trade show expense. We have conducted a second search of our records, including those in storage, to determine whether or not we can identify any specific expenses for a reception held for Mr. Wright at the September, 1985 trade show. We have been unable to separately identify such expenses.

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1. In his response Mr. Hewitt stated, as he did in his earlier response to interrogatories, that all SBCA records related to this matter had previously been provided to the U.S. House of Representatives and had not been returned.

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Given the apparently prominent role played by Brown & Finn, now Brown, Finn & Nietert ("BFN") in the organization of the reception for Mr. Wright at the SBCA trade show, a series of interrogatories were also submitted to that firm. According to the response submitted by Richard L. Brown through counsel on February 11, 1992, the fundraising event was sponsored by SPACEPAC.[2] Mr. Brown has stated,

> The fundraiser was a reception held in a suite at the Opryland Hotel in Nashville, Tennessee, on September 3, 1985. The fundraiser was held prior to Mr. Wright's speech at the SBCA trade show. To the best of BFN's recollection, approximately thirty to fifty invitations to the fundraiser were distributed primarily to SBCA's directors and other members of the trade association.
>
> - - -
>
> The purpose of the fundraising event which was sponsored by SPACEPAC, not the SBCA, was to raise monies for the "Jim Wright Appreciation Fund", a joint-fundraising committee between the Majority Congress Committee (a non-connected federal political committee) and the Wright Appreciation Committee (Mr. Wright's authorized campaign committee).[3] Solicitations involved the distribution of invitations . . . as well as

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2. During 1982 SPACEPAC reported only $3,125 in receipts and $900 in expenditures. During the 1983-84 election cycle its receipts totaled $15,722 and its expenditures $17,400, the latter including $14,900 in contributions to candidates. Prior to the event here at issue SPACEPAC's 1985 activities had involved $2,400 in receipts and $2,542.56 in expenditures, $1,700 of which consisted of contributions to two federal candidates. No contributions had been made to a committee associated with Mr. Wright.

3. In 1985 the Wright Appreciation Fund was established to serve as the joint fundraising representative for the second two committees, the first of which was Mr. Wright's authorized campaign committee and the second a multicandidate committee created by Mr. Wright which contributed to congressional candidates.

> follow-up telephone calls requesting confirmation regarding whether or not the invitee would be attending the fundraiser.
>
> - - -
>
> To the best of BFN's recollection, the fundraising event . . . raised approximately $26,035.00 for the "Jim Wright Appreciation Fund". Contributions raised in connection with the event were earmarked through SPACEPAC, and reported as earmarked contributions to both the recipient committee and the Federal Election Commission. . . .
>
> - - -
>
> To the best of BFN's recollection, the direct costs associated with the SPACEPAC-sponsored fundraising event were nominal. The fundraiser was held in the SBCA-directors convention hospitality suite, and lasted less than one hour. To the best of BFN's recollection, the hospitality suite was stocked by the SBCA with beverages and snack foods for the entire convention, and no additional refreshments were ordered for the fundraiser.
>
> Moreover, to the best of BFN's recollection, invitations to the fundraiser were included in an SBCA regular newsletter or other mailing, and thus it is likely that no additional postage costs were incurred due to the fundraiser.

The invitation to this fundraising event stated, "The SPACEPAC Committee for The Honorable Jim Wright cordially invite you to attend a wine tasting in his honor." The event was to be held on September 3, 1985, in the "SPACE Suite" and the charge was to be $500 per person. At the top are listed eight names of individuals, apparently the SPACEPAC committee cited below.

There are no expenditures for this event included by SPACEPAC in its 1985 reports to the Commission. According to the responses to the Brown, Finn and Nietert interrogatories, the costs of the fundraising event, which would have involved the invitations, follow-up telephone calls, room rental and refreshments, were met

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by the trade association itself, not SPACEPAC. Thirty to fifty invitations went out, the room used for an hour was the SBCA's convention hospitality suite, and the food and drinks were already in the room. Thus, it would apparently be very difficult to determine the exact amount of the expenditures allocable to the fundraising event. It also appears that the costs would have been in fact relatively nominal.

The contributions for Mr. Wright received by SPACEPAC and sent on to the Wright Appreciation Fund were not, however, nominal. According to information supplied by Brown, Finn and Nietert and contained in SPACEPAC's amended reports to the Commission, fifty-four individuals contributed a total of $26,035 in amounts ranging from $10 to $2,000.

SPACEPAC's 1985 Year End Report shows that it disbursed $26,015 by means of a SPACEPAC check to the Wright Appreciation Fund on November 5, 1985, and an additional $20 on December 28, 1985, to the same committee. The first of these checks, written on a SPACEPAC account, was deposited by the Wright Appreciation Fund on November 12, 1985, and later, apparently on February 11, 1986, and March 14, 1986, the funds were divided between the Wright Appreciation Committee and the Majority Congress Committee on an approximately 3-1 basis ($19,526.25 to the WAC and $6,508.75 to the MCC). The Wright Appreciation Committee and the Majority Congress Committee reported these contributions as having been received on November 12, 1985, and December 10, 1985, from the individual

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contributors and as having been divided between the above two committees.[4]

It is not clear from the information in hand that all of the individuals who contributed to the Wright Appreciation Fund through SPACEPAC actually were invited to and/or attended the fundraising event on September 3, 1985. The dates of the contributions ranged from August 22 to November 7, 1985. In addition, because the amounts of the individual contributions were as low as $10 and as high as $2,000, it appears either that the $500 figure on the invitation was optional or that another solicitation effort was used separate from the fundraiser.

It also appears that the individual contributors understood that their contributions would go to Jim Wright, but it does not appear that all were told that their contributions would go to the Wright Appreciation Fund and then on to the Wright Appreciation Committee and the Majority Congress Committee. The invitation cited above does not include a statement to this effect and the contributors generally made their checks payable either to some combination of SPACEPAC and Jim Wright or only to SPACEPAC with a notation that it was for Jim Wright. Some of the checks were simply made payable to SPACEPAC with no notation.[5]

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4. The Majority Congress Committee submitted the Wright Appreciation Committee's amended report as its own.

5. None of the checks cite the Wright Appreciation Fund as an intended recipient. Follow-up letters apparently written to the contributors of more than $1,000 cite "your contribution to Congressman James C. Wright." There were, however, at least four contributors of more than $1,000 who signed cards which authorized the Fund to allocate their contributions in compliance with the FECA and which agreed to a division of their contributions to the

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b. Statutory and Regulatory Provisions

The Federal Election Campaign Act ("the Act") defines "contribution" as including "any gift, . . . loan, advance, . . . or anything of value made by any person for the purpose of influencing any election for Federal office." The Act limits to an aggregate of $5,000 the contributions which a multi-candidate committee may make to a candidate committee per election or to another multi-candidate committee per calendar year. 2 U.S.C. § 441a(a)(2)(A) and (C). Contributions from individuals are limited to $1,000 per election to candidate committees and $5,000 per calendar year to multicandidate committees. 2 U.S.C. § 441a(a)(1)(A) and (C).

2 U.S.C. § 441b generally prohibits corporations from making contributions or expenditures in connection with federal elections. However, an incorporated trade association may make partisan communications to its individual members and to representatives of corporate members. 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.3(a)(2)

(Footnote 5 continued from previous page)
Wright Appreciation Committee between the primary and general elections. Brown, Finn and Nietert has also provided completed contributor cards which told the donors to make their checks payable to the Wright Appreciation Fund. Therefore, these particular individuals apparently had reason to know, if only after the fact, the exact disposition of their contributions to Jim Wright.

The contributor cards cite "Jim Wright's Cowtown Jamboree," a large Wright Appreciation Fund fundraiser held in November in Fort Worth, Texas. Because the reports filed by SPACEPAC and the Fund show no contributions from the individuals whose names are on the cards other than those collected by SPACEPAC in August and September, 1985, and sent on to the Fund on November 12, 1985, it appears that these contributors were permitted to apply their earlier contributions toward becoming a "sponsor" of the Cowtown Jamboree activities.

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and § 114.8(h). These partisan communications may include the suggestion that a contribution be made to a specific candidate so long as the trade association itself does not facilitate the making of such contributions. See Explanation and Justification of Regulations, H. Doc. No. 95-44, 95th Cong., 1st Sess. at 104-105. See also Advisory Opinion 1982-2.

Incorporated membership organizations, like other corporations, may also establish, administer and solicit voluntary contributions to a separate segregated fund. 2 U.S.C. § 441b(b)(2)(C).

The Commission's regulations expressly permit control by a corporation of its separate segregated fund. 11 C.F.R. § 114.5(d). The separate segregated fund thus becomes in effect an arm of the creating and administering body. The only separation between the two entities mandated by law is that their funds be kept strictly segregated. Pipefitters v. United States, 407 U.S. 385, 414 (1972).

As with other corporations, contributions must be made to or through the separate segregated fund of an incorporated membership organization, not to or through the association itself.

The costs incurred by a membership organization or a corporation for a communication to its members or executive or administrative personnel are not expenditures for purposes of the Act so long as the organization is not established primarily to influence elections for Federal office, although expenditures for communications expressly advocating the election or defeat of a

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clearly identified candidate must be reported if they exceed $2,000 per election. 2 U.S.C. § 431(9)(B)(iii) and 11 C.F.R § 100.8(b)(4).

The Act provides that any person, defined to include a committee, may act as a conduit or intermediary of contributions earmarked for a particular candidate, provided that the conduit or intermediary reports the original source and the intended recipient of such earmarked contributions to the Commission and to the intended recipient. 2 U.S.C. § 441(a)(8); 11 C.F.R. § 110.6. Commission regulations state that "earmarked means a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee." 11 C.F.R. § 110.6(b). These regulations require a conduit or intermediary to transmit an earmarked contribution to the intended recipient within 10 days of the conduit's or intermediary's receipt of the contribution. 11 C.F.R. § 102.8(a) and (c) and 11 C.F.R. § 110.6(b)(2)(iii). Contributions which pass through the conduit's account are to be disclosed, regardless of amount, on schedules of itemized receipts and expenditures filed with the Commission by the conduit and are to be included in the total receipts and disbursements reported by the conduit. See 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(c)(1)(i).

Because conduit activity facilitates contributions, only a corporation's separate segregated fund may engage in such an undertaking. Advisory Opinion 1986-4 (see discussion below).

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Commission regulations provide that a conduit's or intermediary's contribution limits are not affected by passing on earmarked contributions, except where the conduit exercises any direction or control over the choice of the recipient candidate. 11 C.F.R. § 110.6(d)(1). The regulations state that if the conduit or intermediary exercises direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit and shall be so reported. 11 C.F.R. § 110.6(d)(2).

The regulations with regard to direction or control by a conduit are based upon the legislative history of 2 U.S.C. § 441a(a)(8). The Report of the Committee on House Administration on the 1974 amendments to the Federal Election Campaign Act stated,

> It is the understanding of the committee that the following rule will apply with respect to the application of the contributions limitations established by [current section 441a]: if a person exercises any direct or indirect control over the making of a contribution, then such contribution shall count toward the limitation imposed with respect to such person under subsection [441a], but it will not count toward such a person's contribution limitation when it is demonstrated that such person exercised no direct or indirect control over the making of the contribution involved.

H.R. Rep. No. 1239, 93rd Cong., 2d Sess. 16 (1974), reprinted in FEC Legislative History of Federal Election Campaign Act Amendments of 1984 at 650 (1977). The Conference Report contained the same language. H.R. Rep. No. 1438, 93rd Cong., 2d Sess. 51, 52 (1974).

Neither the legislative history nor the Commission's regulations provide specific guidance as to the criteria required

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for a conduit to be considered to have exercised "direction or control" over the choice of the recipient candidate of an earmarked contribution. See Explanation and Justification for 11 C.F.R. § 110.6(d), 54 Fed. Reg. 34098 (1989). The issue of "direction or control" has been addressed by the Commission on a case-by-case basis, and recently by the Court of Appeals for the District of Columbia in the context of a particular solicitation program.

C. Advisory and Judicial Opinions - Direction or Control

Several advisory opinions issued by the Commission have addressed the "direction or control" issue with regard to the activities of a separate segregated fund and its connected organization. In Advisory Opinion 1981-57, the Commission considered whether contributions made through a payroll deduction plan could be earmarked for specific candidates without affecting the conduit's contribution limit. The conduit, the segregated fund of a labor organization, proposed that the union's members be permitted to authorize payroll deductions which would be transferred to the conduit committee as contributions earmarked for either a named candidate or a political action committee. Each individual would be able to determine the timing of the earmarked contribution because he or she could make arrangements for earmarking at any time. In light of the requester's assertions that the conduit would serve only as an intermediary and that contributors would be permitted to contribute to any candidate or political committee, the Commission determined that the payroll deduction plan would be permissible. The Commission

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also did not find that the proposed plan would result in direction or control by the conduit. There was no indication in the proposal that the segregated fund would make separate communications to members urging earmarking to particular candidates; however, in a footnote, the Commission expressly reserved the question of whether, if such separate communications took place, the conduit would be deemed to have exercised direction or control over resulting contributions.

In Advisory Opinion 1986-4, a corporation proposed a solicitation program run by "volunteer" corporate employees. The corporation did not have a separate segregated fund. The proposal called for the so-called volunteers to solicit a "pledge" from corporate executives to make a specific amount of political contributions. The corporate executives would complete a form indicating their degree of interest in participating, the contribution categories they wanted to learn more about, and the amount of their contribution pledge. A corporate employee would then act as administrator of the solicitation program by matching up potential contributors with contribution possibilities. The Commission utilized a "totality of the circumstances" approach in concluding that the corporation would exercise direction or control over the proposed earmarked contributions because it would be the corporation which would decide whether, in response to a solicitation, a candidate should receive an earmarked contribution, what the aggregate amount should be, and who should be canvassed until that amount was reached. In addition, although the checks were to be made payable to the candidate committee,

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they were to be collected by the corporation and delivered to the recipient by a corporate representative, thereby also placing control of timing with the corporation.

The Commission also determined in AO 1986-4 that the corporation would have to establish a separate segregated fund to perform the conduit's role. In addition, if the planned solicitation program remained the same, the separate segregated fund would also have to report contributions made to candidates and other committees as coming from both the original contributors and the fund. In other words, direction or control would still exist even if a separate segregated fund were to be established by the corporation.

In June, 1992, the United States Court of Appeals for the District of Columbia Circuit in Federal Election Commission v. National Republican Senatorial Committee, No. 91-5176 (D.C. Cir. June 12, 1992)("FEC v. NRSC"), reversed the decision of the district court in Federal Election Commission v. National Republican Senatorial Committee, 761 F. Supp. 813 (D.D.C. 1991)("NRSC"), which had found that the National Republican Senatorial Committee, as a conduit, had exerted some "direction or control" over contributions which it had solicited for Republican candidates for the United States Senate in 1986, with resulting violations of the reporting and contribution limitation provisions of the Act. The NRSC program at issue involved direct mail solicitations consisting of 24 versions of a letter citing four unnamed Senatorial campaigns in four named states which were assertedly in special need of assistance. Each letter requested a

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specific amount, depending upon the donative histories of those on the various lists used, and contributors were asked to make their checks payable to the NRSC or to a fund controlled by that committee. The resulting contributions were placed in an NRSC account and then distributed among the candidate committees.

The district court found that "some direction or control" resulted from the following cited facts:

> The NRSC, not the candidates, chose how many letters would mention each candidate and which candidates would be mentioned in which letters; The NRSC, not the candidates, selected the mailing lists for each version of the letters mailed;
>
> The potential donors were given only one choice - "to write checks to the NRSC for equal distribution to four preselected candidates;
>
> The letters requested precise amounts - there was no suggestion that they could contribute other amounts;
>
> Because the solicitation letters cited potential beneficiaries by state, the identities of the candidates were "obscured". . . . "[T]he fundraisers hoped to raise funds for candidates for whom donors might have little specific enthusiasm by blurring the specific funding requests in a general pro-party message.";
>
> The NRSC deposited the checks received into its own account; and,
>
> Its legal obligation to pass on the checks to the candidate committees was not clear in the solicitation letters.

761 F.Supp. at 818-819.

Earlier the district court had addressed the same facts as the result of an action brought against the Commission by Common Cause, pursuant to 2 U.S.C. § 437g(a)(8). In Common Cause v. Federal Election Commission, 729 F. Supp. 148 (D.D.C.. 1990), ("Common

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Cause") the court found that the Commission's initial failure, by a vote of 3-3 to find probable cause to believe the NRSC had violated 2 U.S.C. §§ 434(b) and 441a(h) with regard to the conduit program described above, had been arbitrary and capricious.

In FEC v. NRSC, the court of appeals based its decision to reverse upon the same equally divided vote as that at issue in Common Cause, finding that the statement of reasons issued by the Commissioners who had opposed making probable cause to believe determinations "provided a reasoned justification for not proceeding" and represented the official Commission construction of 11 C.F.R. § 110.6(d). The appeals court focused upon the two factors which the dissenting Commissioners had determined to not be indicative of direction or control, namely the deposit of solicited contributions into the NRSC's account prior to distribution to the recipient candidate committees, and the pre-selection by the NRSC of the candidates for whom contributions were solicited, and found the dissenters' construction of the regulation to be reasonable.

d. **Application of Law to Facts**

1. **Corporate Contributions**

The first issue to be addressed is whether or not the SBCA violated 2 U.S.C. § 441b by having incurred expenditures in connection with the fundraiser held for Jim Wright by the SBCA's separate segregated fund. As noted above, the SBCA acknowledges that between thirty and fifty invitations to this event were included in mailings to its members. These invitations included a solicitation for contributions, and were followed up by telephone calls seeking confirmation of attendance at the fundraiser. The

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association also acknowledges that the event was held in the association's hospitality suite and that the refreshments served were those stocked by the SBCA for the convention.

With regard to the solicitations, the Act and regulations do, as stated above, permit a trade association to suggest to its members that they contribute to specific candidates so long as the association does not facilitate the making of the contributions by, for example, providing either envelopes or a payroll deduction plan or by collecting the contributions itself. Communication costs are not included within the definition of expenditure.

In the present matter, the association apparently included invitations to the fundraiser in a more general mailing to members. These invitations included a solicitation; however, these invitations were part of the overall preparations for the SPACEPAC fundraising event rather than solely communications seeking contributions. Thus, the corporation's expenditures for printing and mailing the invitations, along with those incurred for follow-up telephone calls, do not qualify as exempt communication expenditures. Rather, they were part of the facilitation of contributions to Mr. Wright.[6] As for the cost of the room and the refreshments for the fundraiser, the trade association acknowledges that the room was one already being used by the association in connection with the trade fair and that the refreshments were part of general provisions for the fair participants.

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6. Although the contributions apparently went into a SPACEPAC account and were then forwarded by means of a SPACEPAC check, questions arise as to whether the corporation was involved in the initial receipt of the contributions.

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It appears that the SBCA made corporate expenditures on behalf of Mr. Wright in these regards. There is reason to believe that the SBCA violated 2 U.S.C. § 441b.

2. Conduit Activities - Direction or Control

As stated above, between August 22 and November 7, 1985, SPACEPAC collected a total of $26,035 from members of the SBCA which it forwarded by means of a SPACEPAC check to the Wright Appreciation Fund on November 5, 1985. These contributions were the result of a solicitation effort which apparently sought contributions for only one candidate, namely James C. Wright, Jr. The invitations cited the figure of $500 as the amount of admission to the fundraiser, although smaller (and larger) amounts were apparently accepted. Almost all of the contributor checks were earmarked for Jim Wright, but were made payable to SPACEPAC - Jim Wright, or a variation thereof, not to a particular committee. The contributions went into the SPACEPAC account where many were held for two months or more before being sent on to the Wright Appreciation Fund which in turn distributed the funds to two other committees. Approximately three fourths of the amount received went to Mr. Wright's authorized committee and one fourth to the multicandidate committee which he had established to support other candidates for Congress.

11 C.F.R. § 110.6(d) states that contributions made through a conduit will not affect the conduit's contribution limitation unless the conduit exercises any direction or control over the choice of the recipient candidate. In FEC v. NRSC, the court of appeals found reasonable the argument that a conduit's

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pre-selection of the candidates or campaigns to benefit from a particular solicitation program, and the deposit of resulting contributions into the conduit's account prior to distribution, would not result in "direction or control" over the choice of the ultimate recipients.

The conduit program established and executed by the SBCA and SPACEPAC for the benefit of Mr. Wright differed in certain significant respects from the program at issue in FEC. v. NRSC. In FEC v. NRSC, the solicitation program before the court informed the potential contributors that their contributions would be divided among four campaigns identified by specific state names, and the contributions were so divided. Although the NRSC had control of the overall system, the contributors were told, albeit indirectly, which campaigns they were being asked to support and they made the ultimate decisions to give to the campaigns in the four cited states.

In the present matter the solicitation was for "Jim Wright," but the apparent intent of SPACEPAC, and its ultimate practice, was to send the contributions on to a joint fundraising committee which then redistributed the contributions to Mr. Wright's authorized campaign committee and to a separate, multicandidate political action committee. It was apparently not made clear to the persons solicited by SPACEPAC where their contributions would go and/or which candidates besides Mr. Wright would benefit, resulting in SPACEPAC's participation in the direction or control of the selection of the ultimate recipients.

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Secondly, in FEC v. NRSC the contributions received by the conduit went into the conduit's account, and were distributed within the 10 days required by 11 C.F.R. §§ 102.6(b) and 110.6(b)(2)(iii). In the present matter the contributions remained in the conduit's account for two months or more prior to being sent on, resulting in SPACEPAC's having determined the timing of the contributions' distribution.

As noted above, SPACEPAC terminated its existence as a political committee in 1987; however, its connected organization, the SBCA, continues. Given the SBCA's control of its separate, segregated fund, the two entities were one for purposes of such activities as the conduiting of contributions. The SBCA is thus liable for the acts of SPACEPAC.

There is reason to believe that the SBCA, as the connected organization of SPACEPAC, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(d)(2) as a result of SPACEPAC's having failed to report as contributions from itself $26,035 in contributions which it solicited in 1985 and sent on to the Wright Appreciation Fund for distribution to the Wright Appreciation Committee and to the Majority Congress Committee. There is also reason to believe that the SBCA, as the connected organization of SPACEPAC, violated 2 U.S.C. § 441a(a)(2)(A).

2. **Timing of Transfer**

In 1985, as they still do, the Commission's regulations required conduits to transmit earmarked contribution to the intended recipient between 10 days of receipt by the conduit. In the present matter, SPACEPAC received the contributions in late

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August and September, 1985, but did not forward the funds to the Wright Appreciation Fund until November of that year.

There is reason to believe that the Satellite Broadcasting and Communications Association, as the connected organization of SPACEPAC, violated 11 C.F.R. § 102.8(a).

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Satellite Broadcasting and Communications Association

Officers
President
Chuck Hewitt
Chairman
Taylor Howard
Chaparral Communications
1st Vice Chair
Mike Schroeder
Consumer Satellite Systems
2nd Vice Chair
Rik Hawkins
Starpath of Hardin Co.
Past Chairman
Gordon Main
Main Corporation

Directors
Charlie Abbott
Satellite Scanners
Vinton Bauer
HBO Satellite Services
Don Berg
Channel Master
Jim Bunker
General Instrument Corp.
Buddy Davis
Davis Antenna
Susan Denison
Showtime Satellite Networks
Glenn Gurgiolo
Satellite Sports Networks
Tom Hawley
Group W Satellite Comm.
Bob Hedinger
AT&T
Ted Kasch
Zenith Corporation
Gil Korta
Eastern Microwave, Inc.
Steve Labrie
Coast Satellite Network
Kevin Leslie
Leslie Engineering
Jim DeFranco
Houston Tracker Systems
Phil Lucachick
USSB
Mike Mountford
Earth Terminal TV
King Oberlin
King's Antenna Service
Bob Phillips
NRTC
Jim Ramo
Hughes Communications
Diana Ritchie
The Disney Channel
Dave Robison
DSI Distributing
Rick Towers
Towers Satellite Systems
Carey Chastain
Unisen Corp.

Executive Staff
Senior V.P. Government Affairs
Andrew R. Paul
Director of Operations
Alan E. Burgess
Director of Communications
Margaret J. Parone

October 23, 1992

Anne A. Weissenborn
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Ref: MUR 2649

Dear Ms. Weissenborn:

In regard to the captioned matter, this is to advise that I no longer serve as General Counsel to the Satellite Broadcasting and Communications Association, Inc. and only this afternoon found your communication of October 14, 1992, upon going through my accumulated mail which had been put aside for me at the Association. I have provided copies of your communication to the Association's President this date by facsimile and have notified his administrative assistant and the Association's Director of Operations of same and of the need to respond expeditiously.

I do not know when this mailing actually was received at the SBCA's offices but it would appear that the foregoing situation has cost us about a week in response time. Though the Association's staff changes are not of concern to the Commission, I would request the consideration of the General Counsel in extending the time for initial response to your communication.

I can assure you that the Association takes this matter very seriously and will pursue it with due dispatch. Future communications should be directed to Charles C. Hewitt, President. In addition, I have alerted those handling the mail to open any mailing from the Commission, regardless of addressee, to insure that there is no future delay in handling your communications.

Thank you for your consideration in this regard and for bringing the foregoing request to the attention of the General Counsel. I remain,

Sincerely,

Deppish Kirkland

92 OCT 28 PM 1:30
FEDERAL ELECTION COMMISSION
OCT 28 11 10 AM '92
RECEIVED
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

225 Reinekers Lane, Suite 600 • Alexandria, Virginia 22314 • Phone: (703)549-6990 • Fax: (703)549-7640

OGC#3431

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 2649
)
)

Response of Charles C. Hewitt
to Interrogatories

92 NOV 12 AM 10:33

TO: Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Via Messenger

Attached hereto are the Responses of Charles C. Hewitt, President of the Satellite Broadcasting and Communications Association of America, to certain Interrogatories issued under the seal of the Chairman of the Federal Election Commission on the 14th day of October, 1992. Also enclosed is material relating to this matter which we have located in storage since the last interrogatories of Mr. Hewitt in April, 1991, and should be considered as supplemental thereto.

Respectfully submitted,

Andrew R. Paul
Senior Vice President - Government Affairs
Satellite Broadcasting & Communications
Association of America

225 Reinekers Lane
Suite 600
Alexandria, VA 22314
703-549-6990

November 9, 1992

9304351230 4

Satellite Broadcasting and Communications Association

Officers

President
Chuck Hewitt

Chairman
Taylor Howard
Chaparral Communications

1st Vice Chair
Mike Schroeder
Consumer Satellite Systems

2nd Vice Chair
Rik Hawkins
Starpath of Hardin Co.

Past Chairman
Gordon Main
Main Corporation

Directors

Charlie Abbott
Satellite Scanners
Vinton Bauer
HBO Satellite Services
Don Berg
Channel Master
Jim Bunker
General Instrument Corp.
Buddy Davis
Davis Antenna
Susan Denison
Showtime Satellite Networks
Glenn Gurgiolo
Satellite Sports Networks
Tom Hawley
Group W Satellite Comm.
Bob Hedinger
AT&T
Ted Kasch
Zenith Corporation
Gil Korta
Eastern Microwave, Inc.
Steve Labrie
Coast Satellite Network
Kevin Leslie
Leslie Engineering
Jim DeFranco
Houston Tracker Systems
Phil Lucachick
USSB
Mike Mountford
Earth Terminal TV
King Oberlin
King's Antenna Service
Bob Phillips
NRTC
Jim Ramo
Hughes Communications
Diana Ritchie
The Disney Channel
Dave Robison
DSI Distributing
Rick Towers
Towers Satellite Systems
Carey Chastain
Uniden Corp.

Executive Staff

Senior V.P. Government Affairs
Andrew R. Paul

Director of Operations
Alan E. Burgess

Director of Communications
Margaret J. Parone

November 9, 1992

Ms. Anne A. Weissenborn
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Dear Ms. Weissenborn:

RE: MUR 2649

This is in response to the interrogatories which were enclosed with Chairman Aikens' letter of October 14, 1992, to the SBCA regarding the activities of SPACEPAC in connection with a fund raising reception sponsored by SPACEPAC for Cong. James C. Wright on September 3, 1985, in Nashville, TN.

Before replying to the specific interrogatories contained in the letter, it is appropriate to describe for the Federal Election Commission the relationship between SBCA, its predecessor organizations SPACE and the Direct Broadcast Satellite Association, and SPACEPAC. As the Commission's "Factual and Legal Analysis" on this matter correctly pointed out, SPACEPAC, as the PAC for the trade associations SPACE and DBSA, was terminated in 1987. It was dissolved following the merger on January 1, 1987, of SPACE and DBSA into SBCA, the present day national trade association of the satellite broadcasting industry. The merger also marked the termination of the contractual relationship by SPACE with the law firm of Brown & Finn. This action represented an important structural change in the way in which the satellite industry was represented by its trade association. SBCA has had no relationship with Brown & Finn since the Association's inception.

Prior to the January 1, 1987, formation of SBCA, responsibility for activities of SPACE was bifurcated. I became Executive Director of SPACE in April, 1984, with responsibility for the day-to-day functioning of the industry programs undertaken by the Association and management of a small full-time staff. Brown & Finn had been retained by SPACE

225 Reinekers Lane, Suite 600 • Alexandria, Virginia 22314 • Phone: (703)549-6990 • Fax: (703)549-7640

from it's inception in 1980 to serve as general counsel and coordinator of all SPACE political activities. As indicated in the attached memorandum dated March 31, 1984 from Richard L. Brown, a principal in the law firm of Brown & Finn, to the SPACE Executive Committee, the firm of Brown & Finn was responsible for all legal, regulatory and political activities of SPACE, including political fundraising through SPACEPAC and compliance with FEC rules and regulations and laws governing political contributions.

In my capacity as Executive Director during this period, I had little, if any, involvement in the political activities of the Association and virtually no dealings whatsoever with SPACEPAC or its related fundraising aspects. These were performed totally by Brown & Finn as administrator of SPACEPAC. None of these activities were part of the functions of the position I held as head of the Association staff.

In the context of this situation, I will attempt to reply to the interrogatories to the best of my knowledge, given the difference in Association responsibilities between Brown & Finn and Association staff as described above.

Sincerely,

Charles C. Hewitt
President

Enclosure

CCH:lrs

93043512306

RESPONSE TO INTERROGATORIES

QUESTION 1:

The sequence and contents of the arrangements made between Brown & Finn and Cong. Wright for the fund raising reception are not known to me. At whose initiative the event was conducted is not known to me. All organizational matters relating to the reception were handled by Brown & Finn.

I can only surmise as to the identity of the individuals representing SPACEPAC and Cong. Wright from the enclosed billing records from Brown & Finn for the period in question which refer to contacts with the Wright staff, together with correspondence forwarding the proceeds of the fund raising event to the Wright staff. Apparently member, or members, of the SPACE staff were asked by Brown & Finn to provide logistical support in setting up the physical facilities for the event. However, it is difficult to recollect the extent of the request and the exact responsibilities of the staff so requested.

QUESTION 2:

Any information regarding the recipient of contributions to be raised by the event of September 3, 1985, was communicated by Brown & Finn. I do not recollect the details of when and how that information was transmitted. Contributors were instructed by Brown & Finn how and to whom to make out contribution checks.

QUESTION 3:

The specific distribution of the contributions collected at the fund raising reception is not known to me.

QUESTION 4:

Any specific information regarding the distribution of contributions from the event, or the information available to persons solicited for contributions regarding the distribution of contributions, is not known to me. However, minutes of SPACE committee meetings at Nashville prior to the reception indicate that the occurrence of the event was brought to the attention of the members present. Apparently, some communications with SPACE membership regarding the reception were made utilizing SPACE facilities, but it is difficult for me to ascertain the circumstances. To the best of my recollection, any oral presentation that may have taken place at the fund raising event never referred to the distribution of contributions. In any event, responsibility for the solicitation and distribution of contributions rested with Brown & Finn.

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QUESTION 5:

Any information communicated by the Wright staff regarding solicitations or recipients of contributions is not known to me. I had no contact with the Wright staff either prior to or following the reception. Any contact at the event would have been of a social nature only. Communications with the Wright staff regarding solicitations or receipt of contributions were handled by Brown & Finn.

QUESTION 6:

Any information regarding ultimate distribution of contributions, whether communicated before or after the receipt of contributions, is not known to me.

All the planning, organization, solicitation and conduct of the reception for Cong. Wright was performed by Brown & Finn in the firm's capacity as general counsel to SPACE and organizer and administrator of SPACEPAC. Any contact with the Wright staff in connection with September 3, 1985, reception was made by Brown & Finn. The firm also had responsibility for observing and complying with any FEC rules or campaign laws governing the solicitation and distribution of contributions made to a federal candidate such as Cong. Wright. Thus, as former Executive Director of SPACE, with functions related only to the program and administrative side of the Association's activities, I would not have been familiar with the details of the activities surrounding the operation of SPACEPAC nor of the circumstances related to the reception on September 3, 1985, for Cong. Wright.

93043512308

I hereby swear under oath that the foregoing responses have been made to the best of my knowledge and belief.

Charles C. Hewitt
President
Satellite Broadcasting & Communications
Association of America

County of: Fairfax

State of: Virginia

The above and foregoing Answers to Interrrogatories of Charles C. Hewitt, President, Satellite Broadcasting and Communications Association of America, were sworn to and subscribed before me, an officer duly authorized to administer oaths in the State of Virginia, this 9th day of November, 1992.

Karen Fettig

My commission expires on the 31st day of December, 1994.

9304351 2309

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 30, 1992

William C. Oldaker, Esquire
Eric F. Kleinfeld, Esquire
Manatt, Phelps, Rothenberg & Evans
1200 New Hampshire Avenue, NW
Washington, DC 20036

RE: MUR 2649
William Carlos Moore

Dear Mr. Oldaker and Mr. Kleinfeld:

On July 20, 1988, the Federal Election Commission notified your client, William Carlos Moore, of a complaint alleging that he had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

On January 11, 1990, the Commission considered the complaint but there was an insufficient number of votes to find reason to believe Mr. Moore had violated the Act. More recently, on September 15, 1992, the Commission closed its file in this matter as it pertains to your client.

This matter will become part of the public record within 30 days after the file 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.

You are advised that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply with respect to all respondents still involved in this matter. The Commission will notify you when the entire file has been closed.

If you have any questions, please direct them to Anne A. Weissenborn, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

93043512310

MUR # 2449

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM LOCATIONS.

93043512311

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2649

DATE FILMED 11/15/93 CAMERA NO. 2

CAMERAMAN MC

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

✓ Microfilm

Public Rcds

Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 2649.

12/10/93

93043541995

THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS

FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.

2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.

3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.

4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.

5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

93043541996

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Robert F. Bauer, Esquire
Judith L. Corley, Esquire
Perkins Coie
607 14th Street, NW
Washington, DC 20005-2011

RE: MUR 2649 and MUR 2555
Coelho for Congress and
Jeff Denno, as treasurer

Dear Mr. Bauer and Ms. Corley:

On March 14, 1990, the Coelho for Congress Committee and Jeff Denno, as treasurer, were notified that the Federal Election Commission on January 11, 1990, had found reason to believe these respondents in MUR 2649 had violated 2 U.S.C. § 441b(a). On January 11, 1990, the Commission also voted to sever from MUR 2649 and incorporate into MUR 2555 the issues involving your clients. On April 26, 1990, responses on behalf of the Coelho for Congress Committee to the Commission's determination, interrogatories and requests for documents were received.

Recently, after considering the circumstances of MUR 2555, the Commission has determined to exercise its prosecutorial discretion and to take no further action against your clients. Accordingly, the Commission has closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record

93043541997

before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

Date the Commission voted to close the file: DEC 09 1993

93043541998

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

DEC 1 8 1993

Robert F. Bauer, Esquire
Judith L. Corley, Esquire
Perkins Coie
607 14th Street, NW
Washington, DC 20005-2011

RE: MUR 2649 and MUR 2555
Democratic Congressional
Campaign Committee and
Richard M. Bates, as treasurer

Dear Mr. Bauer and Ms. Corley:

On March 14, 1990, the Democratic Congressional Campaign Committee ("the DCCC") and Richard M. Bates, as treasurer, were notified that the Federal Election Commission had found reason to believe these respondents in MUR 2649 had violated 2 U.S.C. § 441b(a). On the same date the Commission also voted to sever from MUR 2649 and incorporate into MUR 2555 issues regarding these respondents. On April 19 and May 1, 1990, responses on behalf of the DCCC to the Commission's reason to believe findings, interrogatories and requests for documents were received.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against your clients. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record

93043541999

before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn
Senior Attorney

Date the Commission voted to close the file: DEC 09 1993

93043542000

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Robert F. Bauer, Esquire
Perkins Coie
607 14th Street, NW
Washington, DC 20005-2011

RE: MUR 2649 and MUR 2555
The Honorable Tony Coelho

Dear Mr. Bauer:

On July 25, 1988, the Federal Election Commission notified your client, The Honorable Tony Coelho, of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

On January 11, 1990 the Commission voted to merge the portions of the complaint in MUR 2649 which involved your client into MUR 2555. Recently, after considering the circumstances of the latter matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the respondents in MUR 2555. Accordingly, the Commission has closed that file.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn
Senior Attorney

93043542001

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Peter T. Flaherty and Kenneth F. Boehm
Citizens for Reagan
c/o Conservative Campaign Fund
1156 15th Street, NW, Suite 500
Washington, DC 20005

MURS 2649 and 2555

Dear Mr. Flaherty and Mr. Boehm:

On July 18, 1988, the Federal Election Commission received the complaint filed by you on behalf of Citizens for Reagan alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act") by James C. Wright, Jr., Tony Coelho, the Democratic Congressional Campaign Committee ("DCCC"), William Carlos Moore, and Don Dixon of Vernon Savings and Loan Association. This complaint was designated MUR 2649. Earlier, on December 7, 1987, the Commission had received a complaint filed by Dr. Daniel F. Kripke alleging violations of the Act by Vernon Savings and Loan Association, Don Dixon, Friends of Bill Lowery, Citizens for Jack Kemp, and Campaign for a New Majority. This earlier complaint was designated MUR 2555.

On August 30, 1988, the Commission found reason to believe in MUR 2555 that Vernon Savings and Loan Association had violated 2 U.S.C. § 441b, but also voted to take no further action at that time as to this respondent. On the same date the Commission found reason to believe that Don R. Dixon had knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441(f); that Dana Dixon had violated 2 U.S.C. § 441f; that Ernest Osuna had violated 2 U.S.C. § 441f; and that the Friends of Bill Lowery and its treasurer had violated 2 U.S.C. §§ 441b(a), 434(b)(4)(A) and 434(b)(8). The Commission found no reason to believe that Citizens for Jack Kemp and its treasurer had violated 2 U.S.C. § 441b(a), and took no action at that time as to whether the Campaign for a New Majority and its treasurer had violated 2 U.S.C. § 441b(a). An investigation ensued.

On January 11, 1990, the Commission addressed both MUR 2555 and MUR 2649, finding reason to believe that James C. Wright, Jr. had violated 2 U.S.C. § 441i; that the DCCC and its treasurer had violated 2 U.S.C. § 441b(a); that Coelho for Congress had violated 2 U.S.C. § 441b(a); and that Don R. Dixon had violated 2 U.S.C. §§ 441b(a) and 441f. The Commission also found reason to believe

9304354200 2

that Vernon Savings and Loan had violated 2 U.S.C. § 441b(a), but determined to take no further action as to that respondent. There was an insufficient number of votes to find reason to believe that William Carlos Moore had violated the Act. The Commission voted to sever from MUR 2649 and incorporate into MUR 2555 issues regarding Vernon Savings and Loan Association, the DCCC, Coelho for Congress, and Don Dixon.

On October 30, 1990, the Commission found reason to believe in MUR 2555 that Don R. Dixon, John V. Hill, Pat L. Malone and Patrick G. King had knowingly and willfully violated 2 U.S.C. § 441b and 2 U.S.C. § 441f. On the same date the Commission also found reason to believe that Raleigh Blakely, Rocky Crocker, Roy F. Dickey, Jr., B. Ray Jeter, Andrew B. Kaplan, Charles E. King, Woody Lemons, Richard Little, Mike Maples, W.D. Rothwell, John G. Smith and James T. Wright had violated 2 U.S.C. § 441f. The Commission additionally found reason to believe that Vernon Savings and Loan Association had violated 2 U.S.C. § 441b and 441f, but took no further action in accordance with prior determinations as to this entity.

On April 22, 1992, in MUR 2649, the Commission accepted a conciliation agreement signed on behalf of James C. Wright, Jr. and closed the file as to this respondent. A copy of this agreement is enclosed.

On September 15, 1992, the Commission found reason to believe in MUR 2649 that the Satellite Broadcasting and Communications Association, Inc. ("SBCA") had violated 2 U.S.C. § 441b, and that the SBCA, as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC") had violated 2 U.S.C. § 434(b), 11 C.F.R. § 110.6(d), and 2 U.S.C. § 441a(a)(2)(A) in connection with a fundraising event held for James C. Wright, Jr. in 1985.

Recently, after considering the circumstances of this matter, the Commission determined to exercise its prosecutorial discretion and to take no further action against the remaining respondents in MUR 2555 and MUR 2649. Accordingly, the Commission closed its file in this matter. The Commission has admonished Don R. Dixon, John V. Hill, Pat L. Malone, and Patrick G. King to take steps to

9304354200 3

ensure future compliance with 2 U.S.C. §§ 2 U.S.C. § 441b(a) and 441f. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Anne A. Weissenborn
Senior Attorney

Attachment
Conciliation Agreement

Date the Commission voted to close the file: DEC 09 1993

93043542004

BEFORE THE FEDERAL ELECTION COMMISSION

92 APR -9 PM 1:10

In the Matter of	)	
	)	
	)	MUR 2649
	)	
James C. Wright, Jr.	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Citizens for Reagan. The Federal Election Commission ("Commission") found reason to believe that James C. Wright, Jr., ("Respondent") violated 2 U.S.C. § 441i.

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

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

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

III. Respondent enters voluntarily into this agreement with the Commission.

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

1. In 1984 and 1985, 2 U.S.C. § 441i limited to $2,000 the amount which any elected officer of a branch of the Federal Government could accept as an honorarium for any appearance, speech, or article.

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2. In 1984 and 1985 11 C.F.R. § 110.12(b) defined "honorarium" as "a payment of money or anything of value received by an officer or employee of the Federal government, if it is accepted as consideration for an appearance, speech, or article."

3. In 1984 and 1985 11 C.F.R. § 110.12(b)(1) defined "officer or employee of the Federal government" as including "any Member of Congress."

4. In 1984 and 1985 Respondent was a member of the United States House of Representatives and thus was subject to the provisions of 2 U.S.C. § 441i.

5. By letter dated March 30, 1984, the president of Southwest Texas State University ("the University") invited Respondent to give a speech at the University. In the same letter Respondent was offered an honorarium of $3,000 plus expenses.

6. On October 16, 1984, Respondent gave a speech at the University. A check for $3,000 was written by the University made payable to Respondent and dated October 12, 1984.

7. Respondent later endorsed the $3,000 check from the University to Madison Publishing Company ("Madison"), publisher of Respondent's book, Reflections of a Public Man. Madison then sent to the University 504 copies of Respondent's book.

8. Respondent received $1,650 or 55% of the $3,000 paid to Madison, pursuant to his contract with Madison to publish and market his book.

9. On September 3, 1985, Respondent appeared at the annual trade show of the Satellite Television Industry

9304354200 6

Association, now the Satellite Broadcasting and Communications Association ("SBCA"), held in Nashville, Tennessee. Respondent did not receive any payment from the Satellite Television Industry Association designated as an honorarium for this appearance.

10. On September 5, 1985, Madison received a check dated August 28, 1985, in the amount of $10,000 from the Satellite Television Industry Association for the purchase of 1,680 copies of Respondent's book, Reflections of a Public Man.

11. Respondent received $5,500 of the $10,000 paid for the books, pursuant to his contract with Madison.

V. Respondent has contended that his receipt of the $3,000 check from the University was at most an inadvertent receipt of an excessive honorarium which was rectified when the $3,000 was used to purchase books for the University. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination that Respondent's receipt of an honorarium from the University of $3,000 exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VI. Respondent has contended that the bulk purchase of his book by the Satellite Television Industry Association for $10,000, resulting in a payment to him of $5,500, was not made in lieu of an honorarium for his contemporaneous appearance at the SBCA trade show in 1985. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination

9304354200 7

that Respondent's $5,500 share of the proceeds from this bulk purchase exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VII. Respondent will pay to the Federal Election Commission the amount of Four Thousand Five Hundred Dollars ($4,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement(s) contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

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made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

LMNoble (JP)
Lawrence M. Noble
General Counsel

4-28-92
Date

FOR THE RESPONDENT:

Abbe David Lowell
(Name) Abbe D. Lowell
(Position) Attorney for Respondent

April 9, 1992
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Daniel F. Kripke, M.D.
8437 Sugarman Drive
La Jolla, CA 92037

RE: MUR 2555 and MUR 2649

Dear Dr. Kripke:

On December 7, 1987, the Commission had received a complaint which you had filed alleging violations of the Act by Vernon Savings and Loan Association, Don Dixon, Friends of Bill Lowery, Citizens for Jack Kemp, and Campaign for a New Majority. This complaint was designated MUR 2555.

Later, on July 18, 1988, the Federal Election Commission received the complaint filed on behalf of Citizens for Reagan alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act") by James C. Wright, Jr., Tony Coelho, the Democratic Congressional Campaign Committee ("DCCC"), William Carlos Moore, and Don Dixon of Vernon Savings and Loan Association. This complaint was designated MUR 2649.

On August 30, 1988, the Commission found reason to believe in MUR 2555 that Vernon Savings and Loan Association had violated 2 U.S.C. § 441b, but also voted to take no further action at that time as to this respondent. On the same date the Commission found reason to believe that Don R. Dixon had knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441(f); that Dana Dixon had violated 2 U.S.C. § 441f; that Ernest Osuna had violated 2 U.S.C. § 441f; and that the Friends of Bill Lowery and its treasurer had violated 2 U.S.C. §§ 441b(a), 434(b)(4)(A) and 434(b)(8). The Commission found no reason to believe that Citizens for Jack Kemp and its treasurer had violated 2 U.S.C. § 441b(a), and took no action at that time as to whether the Campaign for a New Majority and its treasurer had violated 2 U.S.C. § 441b(a). An investigation ensued.

On January 11, 1990, the Commission addressed both MUR 2555 and MUR 2649, finding reason to believe that James C. Wright, Jr. had violated 2 U.S.C. § 441i; that the DCCC and its treasurer had violated 2 U.S.C. § 441b(a); that Coelho for Congress had violated 2 U.S.C. § 441b(a); and that Don R. Dixon had violated 2 U.S.C. §§ 441b(a) and 441f. The Commission also found reason to believe

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that Vernon Savings and Loan had violated 2 U.S.C. § 441b(a), but determined to take no further action as to that respondent. There was an insufficient number of votes to find reason to believe that William Carlos Moore had violated the Act. The Commission voted to sever from MUR 2649 and incorporate into MUR 2555 issues regarding Vernon Savings and Loan Association, the DCCC, Coelho for Congress, and Don Dixon.

On October 30, 1990, the Commission found reason to believe in MUR 2555 that Don R. Dixon, John V. Hill, Pat L. Malone and Patrick G. King had knowingly and willfully violated 2 U.S.C. § 441b and 2 U.S.C. § 441f. On the same date the Commission also found reason to believe that Raleigh Blakely, Rocky Crocker, Roy F. Dickey, Jr., B. Ray Jeter, Andrew B. Kaplan, Charles E. King, Woody Lemons, Richard Little, Mike Maples, W.D. Rothwell, John G. Smith and James T. Wright had violated 2 U.S.C. § 441f. The Commission additionally found reason to believe that Vernon Savings and Loan Association had violated 2 U.S.C. § 441b and 441f, but took no further action in accordance with prior determinations as to this entity.

On April 22, 1992, in MUR 2649, the Commission accepted a conciliation agreement signed on behalf of James C. Wright, Jr. and closed the file as to this respondent. A copy of this agreement is enclosed.

On September 15, 1992, the Commission found reason to believe in MUR 2649 that the Satellite Broadcasting and Communications Association, Inc. ("SBCA") had violated 2 U.S.C. § 441b, and that the SBCA, as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee ("SPACEPAC") had violated 2 U.S.C. § 434(b), 11 C.F.R. § 110.6(d), and 2 U.S.C. § 441a(a)(2)(A) in connection with a fundraising event held for James C. Wright, Jr. in 1985.

Recently, after considering the circumstances of this matter, the Commission determined to exercise its prosecutorial discretion and to take no further action against the remaining respondents in MUR 2555 and MUR 2649. Accordingly, the Commission closed its file in this matter. The Commission has admonished Don R. Dixon, John V. Hill, Pat L. Malone, and Patrick G. King to take steps to

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ensure future compliance with 2 U.S.C. §§ 2 U.S.C. § 441b(a) and 441f. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Anne A. Weissenborn
Senior Attorney

Attachment
Conciliation Agreement

Date the Commission voted to close the file: DEC 09 1993

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BEFORE THE FEDERAL ELECTION COMMISSION

92 APR -9 PM 1:10

In the Matter of	)	
	)	
	)	MUR 2649
	)	
James C. Wright, Jr.	)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Citizens for Reagan. The Federal Election Commission ("Commission") found reason to believe that James C. Wright, Jr., ("Respondent") violated 2 U.S.C. § 441i.

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

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

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

III. Respondent enters voluntarily into this agreement with the Commission.

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

1. In 1984 and 1985, 2 U.S.C. § 441i limited to $2,000 the amount which any elected officer of a branch of the Federal Government could accept as an honorarium for any appearance, speech, or article.

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2. In 1984 and 1985 11 C.F.R. § 110.12(b) defined "honorarium" as "a payment of money or anything of value received by an officer or employee of the Federal government, if it is accepted as consideration for an appearance, speech, or article."

3. In 1984 and 1985 11 C.F.R. § 110.12(b)(1) defined "officer or employee of the Federal government" as including "any Member of Congress."

4. In 1984 and 1985 Respondent was a member of the United States House of Representatives and thus was subject to the provisions of 2 U.S.C. § 441i.

5. By letter dated March 30, 1984, the president of Southwest Texas State University ("the University") invited Respondent to give a speech at the University. In the same letter Respondent was offered an honorarium of $3,000 plus expenses.

6. On October 16, 1984, Respondent gave a speech at the University. A check for $3,000 was written by the University made payable to Respondent and dated October 12, 1984.

7. Respondent later endorsed the $3,000 check from the University to Madison Publishing Company ("Madison"), publisher of Respondent's book, Reflections of a Public Man. Madison then sent to the University 504 copies of Respondent's book.

8. Respondent received $1,650 or 55% of the $3,000 paid to Madison, pursuant to his contract with Madison to publish and market his book.

9. On September 3, 1985, Respondent appeared at the annual trade show of the Satellite Television Industry

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Association, now the Satellite Broadcasting and Communications Association ("SBCA"), held in Nashville, Tennessee. Respondent did not receive any payment from the Satellite Television Industry Association designated as an honorarium for this appearance.

10. On September 5, 1985, Madison received a check dated August 28, 1985, in the amount of $10,000 from the Satellite Television Industry Association for the purchase of 1,680 copies of Respondent's book, Reflections of a Public Man.

11. Respondent received $5,500 of the $10,000 paid for the books, pursuant to his contract with Madison.

V. Respondent has contended that his receipt of the $3,000 check from the University was at most an inadvertent receipt of an excessive honorarium which was rectified when the $3,000 was used to purchase books for the University. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination that Respondent's receipt of an honorarium from the University of $3,000 exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VI. Respondent has contended that the bulk purchase of his book by the Satellite Television Industry Association for $10,000, resulting in a payment to him of $5,500, was not made in lieu of an honorarium for his contemporaneous appearance at the SBCA trade show in 1985. For purposes of reaching an agreement in this matter, Respondent does not contest the Commission's determination

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that Respondent's $5,500 share of the proceeds from this bulk purchase exceeded the $2,000 per appearance limitation on honoraria, in violation of 2 U.S.C. § 441i.

VII. Respondent will pay to the Federal Election Commission the amount of Four Thousand Five Hundred Dollars ($4,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

X. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement(s) contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

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made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

LM Noble (LP)
Lawrence M. Noble
General Counsel

4-28-92
Date

FOR THE RESPONDENT:

Abbe D. Lowell
(Name) Abbe D. Lowell
(Position) Attorney for Respondent

April 9, 1992
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 1 0 1993

Abbe David Lowell, Esquire
David E. Frulla, Esquire
Brand & Lowell
923 Fifteenth Street, NW
Washington, DC 20005

RE: MUR 2649
James C. Wright, Jr.

Dear Mr. Lowell and Mr. Frulla:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

William C. Oldaker, Esquire
Oldaker, Ryan & Leonard
818 Connecticut Avenue, NW
Washington, DC 20006

RE: MUR 2649
William Carlos Moore

Dear Mr. Oldaker:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

Andrew R. Paul
Senior Vice-President - Government Affairs
Satellite Broadcasting & Communications Association
of America
225 Reinekers Lane, Suite 600
Alexandria, VA 22314

RE: MUR 2649

Dear Mr. Paul:

On September 15, 1992, the Satellite Broadcasting & Communications Association of America, Inc. ("the Association") was notified that the Federal Election Commission had found reason to believe that the Association had violated 2 U.S.C. § 441b, and that the Association, as the connected organization of the Satellite Television Industry Association/The Society for Private and Commercial Earth Stations Political Action Committee, had violated 2 U.S.C. § 434(b), 11 C.F.R. § 110.6(d)(2) and 2 U.S.C. § 441a(a)(2)(A). On November 9, 1992, the Association submitted responses to Commission interrogatories.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Association. Accordingly, the Commission closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn

Anne A. Weissenborn
Senior Attorney

Date the Commission voted to close the file: DEC 09 1993

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