FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2781

DATE FILMED 6/2/89 CAMERA NO. 4

CAMERAMAN AL

8 9 0 4 0 7 5 2 0 2 2

OGC # 941

- MUR 2781

CITIZENS FOR REAGAN

November 7, 1988

General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Sir:

I recently filed a complaint dated November 4, 1988 against Governor Michael Dukakis, a candidate for President, and SANE/FREEZE. Unfortunately, it was not notarized. A notarized copy of the same complaint is attached.

Please accept my apologies for the confusion.

Sincerely,

Peter T. Flaherty
Chairman

PTF/deks

Enclosure

88040752023

RECEIVED
FEDERAL ELECTION COMMISSION
88 NOV -7 PM 3:08

1156 Fifteenth St., N.W. Suite 500, Washington, D.C. 20005 (202) 331-0541

Peter T. Flaherty

CITIZENS FOR REAGAN

DISTRICT OF COLUMBIA:

Subscribed and sworn to before me this 7th day of November, 1988.

Ella Elliott, Notary Public
My Commission expires 1/1/89

November 4, 1988

General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Sir:

This is a formal complaint filed by Citizens for Reagan, a 501(c)(4) organization, against Governor Michael Dukakis, a candidate for President, and SANE/FREEZE. The complaint concerns a negative independent expenditure against Vice President George Bush, a candidate for President, in the form of attached advertisement which appeared in the October 25, 1988 New York Times and possibly other publications.

The advertisement is apparently a violation of the Federal Election Campaign Act. Thousands of dollars appear to have been illegally spent in a cynical attempt to unfairly influence the outcome of a federal election. The defendants appear to have violated the law in the following manner:

1) The advertisement is a prohibited corporate expenditure; SANE/FREEZE is not a political action committee and apparently is a 501(c)(3) or 501(c)(4) organization.

2) The defendants have failed to meet the reporting requirements for independent expenditures.

3) The advertisement contains no disclaimer.

Further in light of the long-standing and strong advocacy of a so-called nuclear freeze by Michael Dukakis, we ask the Commission to investigate whether the advertisement was taken out with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, Governor Michael Dukakis or any agent or any authorized committee of Dukakis.

Thank you for your attention to this complaint.

Sincerely,

Peter T. Flaherty
Chairman

PTF/deks

1156 Fifteenth St., N.W. Suite 500, Washington, D.C. 20005 (202) 331-0541

3 9 0 4 0 7 5 2 0 2 4

MR. BUSH, READ OUR LIPS:

THE FREEZE MEANS BOTH SIDES

MR. BUSH, why do you keep misrepresenting the nuclear Freeze, saying it calls for unilateral cuts only in U.S. weapons?

The American people support a negotiated Freeze with the Soviets—86 percent in the most recent poll.* Because they know that it means *both* sides freeze.

Even the delegates to your Republican convention in New Orleans favored the Freeze by a 58 to 32 margin.** Because they know it means *both* sides.

Over 10 million Americans in nine states and 28 cities and counties have voted 'yes' on nuclear Freeze referenda.

And why do you think so many Americans support the Freeze?

Because they know something you should know. That a mutual and verifiable nuclear Freeze would stop the *Soviet* nuclear buildup.

Since the Freeze was initially proposed during your first year as vice president, the Soviets have added 3,300 strategic weapons to their arsenal.

That's 3,300 additional Soviet nuclear bombs now targeted at U.S. soil that could have been 'frozen' out of existence.

And of course we support the INF.

It reduces weapons for the first time and introduces on-site inspection.

But the INF Treaty affects only five percent of the total nuclear arsenal. That leaves 95 percent untouched. And growing everyday.

More weapons are being added than INF takes away.

A Freeze would be better. It would halt all weapons, not just a few. It would eliminate the most accurate and lethal new weapons. And it would be easier to verify as *any* new production, testing or deployment would be a violation.

That's why more than 85 percent of Americans think the Freeze is a good idea. And why you should too.

This has been a message from **SANE/FREEZE.**

[illegible] help pay for this [illegible] **SANE FREEZE**, 711 [illegible] Washington, D.C. 20003

*Americans Talk Security, poll # 10 by the Yankelovich Group, Oct. 1988

**The Analysis Group, poll commissioned by Freeze Voter, Aug. 1988

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

November 16, 1988

SANE/FREEZE
711 G Street, SE
Washington, DC 20003

RE: MUR 2781
SANE/FREEZE

Gentlemen:

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 2781. 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.

9 2 0 4 0 7 5 2 0 2 6

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

39040750027

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 16, 1988

Robert A. Farmer, Treasurer
Dukakis For President Committee,
Inc.
105 Chauncy Street
Boston, MA 02111

RE: MUR 2781
Dukakis For President,
Committee, Inc. and
Robert A. Farmer, as
treasurer

Dear Mr. Farmer:

The Federal Election Commission received a complaint which alleges that the Dukakis For President Committee, Inc. 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 2781. 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 Dukakis For President Committee, Inc. 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.

2 2 0 4 0 7 5 2 0 2 8

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

cc: Governor Michael S. Dukakis
85 Perry Street
Brookline, MA 02146

92040752029

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 16, 1988

Peter T. Flaherty, Chairman
Citizens For Reagan
1156 15th Street, NW
Suite 500
Washington, DC 20005

RE: MUR 2781

Dear Mr. Flaherty:

This letter acknowledges receipt on November 7, 1988, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by the Dukakis For President Committee, Inc. and Robert A. Farmer, as treasurer, and SANE/FREEZE. 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 2781. 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

9 0 0 4 0 7 5 2 0 3 0

OGC 1175

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 NOV 25 AM 9:30

LAW OFFICE OF
RICHARD MAYBERRY & ASSOCIATES
FIFTH FLOOR
888 16TH STREET, N.W.
WASHINGTON, D.C. 20006
(202) 785-6677

November 21, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 NOV 25 PM 1:12

Janice Lacey, Esquire
Federal Election Commission
Office of the General Counsel
999 E Street, NW
Sixth Floor
Washington, D.C. 20463

Re: MUR 2781

Dear Ms. Lacey:

Enclosed you will find an executed statement designating this firm as counsel for SANE/FREEZE.

The answer appears due on December 5, 1988. Additional time is required to collect the necessary information from my client. Also, my existing caseload plus the upcoming holiday schedule makes a December 5, 1988 reply difficult.

I respectfully request a 20-day extension of time to and including December 26, 1988.

Thank you for your prompt consideration of this request. If there are any problems with the extension, please call me at 785-6677.

Very truly yours,

Richard Mayberry

Richard Mayberry

RM:rjy

cc: Duane Shank

12024075031

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2781

NAME OF COUNSEL: Richard Mayberry

ADDRESS: 888 16th Street, NW
Fifth Floor
Washington, D.C. 20006

TELEPHONE: (202) 785-6677

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

11/18/88
Date

Duane Shank
Signature Acting Executive Director

RESPONDENT'S NAME: SANE/FREEZE

ADDRESS: 711 G. Street, SE
Washington, D.C. 20003

~~**HOME PHONE:**~~ XXXXXXXXXXX

BUSINESS PHONE: (202) 546-7100

2 2 0 4 0 7 5 2 0 3 2

Flm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 30, 1988

Richard Mayberry, Esq.
Richard Mayberry & Associates
Fifth Floor
888 16th Street, N.W.
Washington, D.C. 20006

Re: MUR 2781
SANE/FREEZE

Dear Mr. Mayberry:

This is in response to your letter dated November 21, 1988, which we received on November 25, 1988, requesting an extension of 21 days, until December 26, 1988, to respond to the complaint in MUR 2781. 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 December 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

9904075203

OGC 1370

LAW OFFICE OF
RICHARD MAYBERRY & ASSOCIATES
FIFTH FLOOR
888 16TH STREET, N.W.
WASHINGTON, D.C. 20006
(202) 785-6677

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 DEC 15 AM 11:53

December 15, 1988

BY HAND

Ms. Janice Lacey, Esquire
Office of the General Counsel
Federal Election Commission
Sixth Floor
Washington, D.C. 20463

Re: MUR 2781 - SANE/FREEZE

Dear Ms. Lacey:

Please find enclosed our response and an affidavit in reference to the above-stated mater.

Should you have any questions, please contact me.

Very truly yours,

Richard Mayberry

Richard Mayberry

RM:rjy

Enclosure

cc: Duane Shank

9 0 0 4 0 7 5 2 0 3 4

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ELECTION COMMISSION

In The Matter Of SANE/FREEZE, Respondents.	)	MUR No. 2781

Affidavit of Duane Shank

Duane Shank deposes and says:

1. I am an adult citizen of the United States, not under any disability, and make this affidavit of my own personal knowledge, information and belief.

2. In my capacity as Acting Executive Director of SANE/FREEZE, I am responsible for the overall management and coordination of SANE/FREEZE programs.

3. I have read the complaint in MUR 2781 and I have become familiar with its allegations concerning a communication by SANE/FREEZE placed on October 26, 1988 in the New York Times.

4. In both 1988 Presidential Debates, Vice-President George Bush publicly stated that a nuclear Freeze would support only unilateral cuts in U.S. weapons. He further said nuclear Freeze opposes the INF Treaty and would allow modernization only of the Soviet forces.

5. A primary goal of SANE/FREEZE is securing a bilateral and verifiable freeze. Also, SANE/FREEZE supports the INF Treaty, and is against unilateral modernization of the Soviet Union's armed forces.

6. The sole purpose of the October 26, 1988 New York Times communication was to defend the concept of nuclear freeze, and to publicly reveal the inaccuracies in Mr. Bush's statements regarding SANE/FREEZE and the Freeze -- not to influence the general presidential election.

2 2 0 4 0 7 5 2 0 3 6

7. The October 26, 1988 New York Times communication was not taken out with the cooperation of or with the prior consent of, or in consultation with, or at the request or suggestion of Governor Michael Dukakis or any agent or any authorized committee of Dukakis.

Duane Shank

Duane Shank

SUBSCRIBED AND SWORN TO ME this 15th day of December, 1988.

Notary Public

My Commission Expires July 31, 1991

2 2 0 4 0 7 5 2 0 3 7

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ELECTION COMMISSION

In The Matter Of SANE/FREEZE, Respondents.	)	MUR No. 2781

9 0 0 4 0 7 5 2 0 3 8

Response of SANE/FREEZE

SANE/FREEZE responds to the complaint of "Citizens For Reagan" as follows:

Background

SANE/FREEZE is a non-profit, tax-exempt organization with 1,750 members across the United States. Its goal is to develop public support for government policies that will lead away from war and towards world peace. Nuclear disarmament is a primary objective of SANE/FREEZE. SANE/FREEZE believes this objective can

best be achieved through a bilateral and verifiable US-USSR comprehensive freeze (the "Freeze") on the production, testing and deployment of all nuclear weapons.

In both Presidential debates held in the fall of 1988, Vice President George Bush publicly stated that the Freeze would involve only unilateral cuts in U.S. weapons. See Affidavit of Duane Shank, ¶ 4 ("Shank Aff."). These statements were false and appeared aimed at discrediting SANE/FREEZE and other proponents of a bilateral and verifiable freeze on nuclear armament. Shank Aff., ¶¶ 5,6. Mr. Bush also stated in the September 25, 1988 Presidential Debate that nuclear freeze advocates oppose the INF Treaty. This, too, was false. Id. SANE/FREEZE supports the INF Treaty, which reduced the number of nuclear weapons for the first time and introduced on-site inspection of weapons production sites. Finally, Mr. Bush stated that the Freeze would limit U.S. forces while allowing the Soviets to proceed with modernization of their forces (October 14, 1988 Presidential Debate). This statement completely misstated the position of SANE/FREEZE on the modernization issue. Id.

Not surprisingly, irate SANE/FREEZE members and regional chapters nationwide contacted the national office and urged it to publicly correct Mr. Bush's inaccurate statements. SANE/FREEZE concluded a prompt response was needed to prevent Mr. Bush from undermining public support for the Freeze. Accordingly,

SANE/FREEZE placed the communication which is the subject matter of this complaint on October 26, 1988 in the New York Times. See Exhibit 1. The ad simply pointed out the inaccuracies in Mr. Bush's statements regarding SANE/FREEZE and the Freeze. It did not ask the reader to take any specific action. At the bottom, a notice stated that the ad was "a message from SANE/FREEZE."

The complaint against SANE/FREEZE and Governor Dukakis was filed by "Citizens for Reagan" on November 4, 1988. The complaint alleges that the communication in question was a negative independent expenditure against Mr. Bush. Complainants argue that the ad failed to have appropriate disclaimers and that if SANE/FREEZE paid for the expenditure it made an illegal corporate expenditure which was not reported to the Commission. Complainants also request the Commission to investigate the matter to see if the communication was placed in collusion with Governor Dukakis's campaign. For the reasons set forth below, these allegations are without merit, and clearly do not support a reason to believe finding that a violation of the Campaign Act occurred or that an investigation of SANE/FREEZE or Governor Dukakis is warranted.

8 7 0 4 0 7 5 2 0 4 0

I. The SANE/FREEZE Communication Was Not An Independent Expenditure

The SANE/FREEZE communication at issue did not violate any provisions of the Federal Election Campaign Act. It is neither an in-kind contribution to the Dukakis campaign nor an independent expenditure. The communication is issue advocacy of the clearest kind. It is critical of Mr. Bush for misstating the SANE/FREEZE position on nuclear weapons reduction, a political issue of momentous import. Communications containing only factual discussion on issues do not carry any reporting or notice requirements under the Campaign Act.

A communication is an independent expenditure only if it expressly advocates the election or defeat of a clearly identified candidate and is not made with the cooperation of a candidate or any agents of the candidate. 2 U.S.C. §431 (17) and 11 C.F.R. §109.1. The Supreme Court in Buckley v. Valeo held that for a communication to be considered express advocacy it must be "unambiguously related to the campaign of a particular federal candidate." 424 U.S. 1, 80 (1975). The Court provided an illustrative list of terms which would be examples of express advocacy: words like "vote for", "vote against", "elect" and "defeat". Id. at n. 108; see also 11 C.F.R. §109.1(b)(2). The

SANE/FREEZE communication did not use any of these words. [1] In fact, it did not ask the reader to take any action at all, either express or implied.

The Supreme Court has noted:

> Candidates, especially incumbents, are intimately tied to public issues involving legislative proposals and government action. Not only do candidates campaign on the basis of their positions on public issues but campaigns themselves general issues of public concern.
>
> Buckley v. Valeo, supra, 424 U.S. at 42.

Even though the communication ran in the general election season, it was confined to discussion of issues, not elections. The context of the communication was to respond to misstatements of Mr. Bush. There is no reference anywhere in the communication to Mr. Bush's political party, to whether he is running for office, or to the existence of an election or the act of voting in any election. Nor is there anything approaching an unambiguous statement against the election of Mr. Bush.

The purpose of the ad was to confront Vice President Bush about the accuracy of his statements, not to influence the Presidential election. Shank Aff. ¶ 6 The communication did not

---

[1] The lack of these references in an ad was sufficient for the United States Court of Appeals for the Second Circuit to find that the ad did not constitute an independent expenditure. FEC v. CLITRIM, 616 F.2d 45, 53 (2nd Cir. 1980).

2 4 0 2 7 5 7 0 4 0 6 8

contain any express, or even implied candidate advocacy. [2/] In fact, the communication did not urge the reader to take any type of action. The communication was purely informative, outlining facts that Mr. Bus had misstated. The SANE/FREEZE communication fails to meet the Buckley or Furgatch standard for independent expenditures.

Moreover, even if the ad were an independent expenditure, it would not constitute an illegal corporate contribution. Independent expenditures by non-profit corporations such as SANE/FREEZE are lawful. The Supreme Court has held that non-profit corporations which are organized to express political beliefs and which have no shareholders and are not instituted by a corporation or union can make independent expenditures from corporate treasury funds. FEC v. Massachusetts Citizens for Life, 93 L.Ed.2d 539, 560 (1986). SANE/FREEZE meets this test and it could have lawfully made independent expenditures from the corporate treasury.

II. The Communication Was Not In Any Way Coordinated with the Dukakis Campaign

The complaint also alleges, without any factual foundation, that the SANE/FREEZE ad was a contribution to the campaign of Gov. Michael Dukakis. This charge is simply untrue. In order for the

---

[2/] One circuit court has held that a communication need not include any of the key phrases located in Buckley to constitute express advocacy. FEC v. Furgatch, 807 F.2d 857 (9th Cir. 1987). The court adopted a 3-prong test: the message must be unmistakably and unambiguously suggestive of only ones plausible meaning; it must present a clear plea for action; and it must make clear what action is advocated. Id. at 864. The SANE/FREEZE communication does not constitute an independent expenditure even under this standard.

ad to constitute a contribution, it must have been suggested by, discussed with, or in some way coordinated with, Mr. Dukakis or persons associated with his campaign. But SANE/FREEZE did not discuss the ad or cooperate in any way with Mr. Dukakis or any persons associated with his campaign. Shank Aff. ¶ 7. Therefore, there is no basis to this allegation.

Conclusion

For these reasons, the General Counsel should recommend that the Commission find no reason to believe that SANE/FREEZE has violated any provision of the Campaign Act.

Respectfully submitted,

Date: December 15, 1988

Richard Mayberry

Richard Mayberry
RICHARD MAYBERRY & ASSOCIATES
888 16th Street, NW
Fifth Floor
Washington, D.C. 20006
(202) 785-6677

Attorney for SANE/FREEZE

EXHIBIT 1

TH EW YORK TIMES, TUESDAY, OCTOBE 1988

MR. BUSH, READ OUR LIPS:

THE FREEZE MEANS BOTH SIDES

MR. BUSH, why do you keep misrepresenting the nuclear Freeze, saying it calls for unilateral cuts only in U.S. weapons?

The American people support a negotiated Freeze with the Soviets – 86 percent in the most recent poll.* Because they know that it means *both* sides freeze.

Even the delegates to your Republican convention in New Orleans favored the Freeze by a 58 to 32 margin.** Because they know it means *both* sides.

Over 10 million Americans in nine states and 28 cities and counties have voted 'yes' on nuclear Freeze referenda.

And why do you think so many Americans support the Freeze?

Because they know something you should know. That a mutual and verifiable nuclear Freeze would stop the *Soviet* nuclear buildup.

Since the Freeze was initially proposed during your first year as vice president, the Soviets have added 3,300 strategic weapons to their arsenal.

That's 3,300 additional Soviet nuclear bombs now targeted at U.S. soil that could have been 'frozen' out of existence.

And of course we support the INF.

It reduces weapons for the first time and introduces on-site inspection.

But the INF Treaty affects only five percent of the total nuclear arsenal. That leaves 95 percent untouched. And growing everyday.

More weapons are being added than INF takes away.

A Freeze would be better. It would halt all weapons, not just a few. It would eliminate the most accurate and lethal **new weapons**. And it would be easier to **verify** as *any* new production, testing or deployment would be a violation.

That's why more than 85 percent of Americans think the Freeze is a good idea. And why you should too.

This has been a message from **SANE/FREEZE.**

For more information [illegible] please contact **SANE/FREEZE**, [illegible] Washington, D.C. [illegible]

*American Talk Security poll # [illegible] by the Yankelovich Group, Oct. 1988

The Analysis Group, poll commissioned by **Freeze Voter, Aug. 1988

2 0 4 0 7 5 2 0 4 5

M Dukakis
fo esident
105 Chauncy St., Boston, MA 02111
1-800-USA-MIKE / (617) 451-2480

OGC 1395

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 DEC 19 AM 11:31

December 16, 1988

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

88 DEC 19 PM 1:42
RECEIVED
FEDERAL ELECTION COMMISSION

Dear Sirs:

Enclosed please find the response of Dukakis/Bentsen Committee, Inc. for MUR No. 2781.

Sincerely,

William P. Cross

William P. Cross
Dukakis/Bentsen Committee, Inc.

8 9 0 4 0 7 5 2 0 4 0

BEFORE THE FEDERAL ELECTION COMMISSION

OF THE UNITED STATES

Complainant:	:	
Citizens for Reagan	:	
	:	MUR No. 2781
Respondent:	:	
Dukakis/Bentsen Committee, Inc.	:	

The allegation made against Respondent in this Matter Under Review (MUR) is not based on a single fact. Instead, Complainant grounds his complaint on the "long-standing and strong advocacy of a so-called nuclear freeze by Michael Dukakis". On this basis alone the Complainant asks the Commission "to investigate whether the advertisement was taken out with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, Governor Michael Dukakis or any agent or any authorized committee of Dukakis".

Complainant provides not one shred of evidence that Respondent committee has any connection whatsoever to the sponsors of the relevant advertisements. Complainant merely suggests that the Commission examine the possibility that such ties might exist. If conjecture alone were sufficient basis for filing complaints, the Respondent would be justified in asking the Commission to investigate the funds spent by Complainant to advocate the election of Vice-President Bush; and in such case we do hereby so ask. Complainant and the Vice-President share the same position on a variety of issues. Thus, according to the standard advanced by Complainant, the Vice-President might be required to demonstrate the absence of ties between Complainant and the Bush campaign.

11 CFR 111.4 (d) (3) requires that a complaint " ... contain a clear and concise recitation of the facts which describe a violation of a statute or regulation over which the Commission has jurisdiction". Complainant does not begin to meet this standard as it has advanced no facts which describe a violation of any federal election law. This complaint should have been forwarded to Respondent on an informational basis only. The Commission's regulations do not require Respondent to make any response, much less a substantive one, to such a spurious complaint.

9 9 0 4 0 7 5 2 0 4 7

Daniel A. Taylor
Hill & Barlow
One International Place
Boston, MA 02114

William P. Cross
Dukakis/Bentsen Committee, Inc.
Boston, MA 02111

92040752048

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: JANUARY 9, 1989

SUBJECT: MUR 2781
FIRST GENERAL COUNSEL'S REPORT
SIGNED DECEMBER 23, 1988

The above-captioned report was received in the Secretariat at 4:32 p.m. on Wednesday, December 28, 1988 and circulated to the Commission on a 24-hour no-objection basis at 11:00 a.m. on Thursday, December 29, 1988.

There were no objections to the report.

89040752049

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
88 DEC 28 PM 4:32

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

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR #2781
DATE COMPLAINT RECEIVED
BY OGC: 11/7/88
DATE OF NOTIFICATION
TO RESPONDENT: 11/16/88
STAFF MEMBER: Janice Lacy

COMPLAINANT: Citizens for Reagan and
Peter T. Flaherty, as chairman

RESPONDENTS: Dukakis for President, Committee, Inc.
and Robert A. Farmer, as treasurer
SANE/FREEZE and Duane Shank, as
acting executive director

RELEVANT STATUTES: 2 U.S.C. § 431(17)
2 U.S.C. § 434(c)
2 U.S.C. § 441d
2 U.S.C. § 441b(a)

INTERNAL REPORTS
CHECKED: B Index

FEDERAL AGENCIES
CHECKED: None

I. GENERATION OF MATTER

The Office of the General Counsel received a complaint on November 7, 1988 from Citizens for Reagan naming Dukakis for President, Committee, Inc. and Robert A. Farmer, as treasurer ("Dukakis for President"), and SANE/FREEZE and Duane Shank, as acting executive director ("SANE/FREEZE"), as respondents. The complaint alleges that respondents violated the Act by running a political advertisement in the New York Times on October 25, 1988 against Vice President George Bush, then a candidate for President. The complainant claims that the respondents violated the Act by making a prohibited corporate expenditure in financing

8904075050

the ad; making an independent expenditure and failing to meet the reporting requirements for independent expenditures; and failing to include a disclaimer on the advertisement.

This Office notified the respondents of the complaint on November 16, 1988. On November 25, 1988, SANE/FREEZE requested a twenty-day extension until December 26, 1988 to respond to the complaint. This Office granted the extension on November 30, 1988. On December 15, 1988, SANE/FREEZE submitted its response. To date, we have not received a response from Dukakis for President.

After analyzing the response from SANE/FREEZE, as well as any response submitted by Dukakis for President, this Office will report to the Commission with appropriate recommendations.

Lawrence M. Noble
General Counsel

12/23/88
Date

BY: Lois G. Lerner
Associate General Counsel

Staff Person: Janice Lacy

9904075205 1

FEDERAL ELECTION COMMISSION RECEIVED
89 MAY -8 PM 5:06

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Dukakis for President Committee, Inc.	)	MUR 2781
and Robert Farmer, as treasurer	)	
SANE/FREEZE	)	

SENSITIVE
EXECUTIVE SESSION
MAY 16 1989

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

The Office of the General Counsel received a complaint on November 7, 1988 from Citizens for Reagan which claims violations of the Act by SANE/FREEZE and by Michael Dukakis and his authorized committees. The subject of the complaint is an advertisement which appeared in the New York Times on October 25, 1988 and addressed alleged inaccuracies in statements made by George Bush regarding the nuclear freeze. Complainant alleges that this advertisement was a "negative independent expenditure" against George Bush, then a candidate for President, which attempted to unfairly influence the outcome of a Federal election. Specifically, the Complainant asserts that SANE/FREEZE made a prohibited corporate expenditure in financing the advertisement in violation of 2 U.S.C. § 441b; made an independent expenditure and failed to report the expenditure in violation of 2 U.S.C. § 434(c); and failed to include an appropriate disclaimer on the advertisement in violation of 2 U.S.C. § 441d(a). Additionally, the Complainant claims that SANE/FREEZE placed the advertisement with the cooperation of Mr. Dukakis or one of his authorized campaign committees.

SANE/FREEZE is a non-profit, tax-exempt organization whose primary objective is to develop public support for nuclear

8 9 0 4 0 7 5 2 0 5 2

disarmament. See Attachment I(8). SANE/FREEZE confirms that it placed the advertisement in question in the New York Times on October 26, 1988. Attachment I(10). Both Dukakis for President, Inc., Mr. Dukakis' principal campaign committee, and SANE/FREEZE deny that Mr. Dukakis or any of his committees had any involvement with SANE/FREEZE in placing the advertisements.

II. FACTUAL AND LEGAL ANALYSIS

A. Alleged Violations of 2 U.S.C. § 434(c) and § 441d(a)

1. The Legal Standard for Express Advocacy

Complainant alleges that the SANE/FREEZE advertisement is a "negative independent expenditure against Vice President George Bush," and that the Respondents violated 2 U.S.C. § 434(c) by failing to report the independent expenditure. Additionally, Complainant alleges that the advertisement contains no disclaimer, which violates 2 U.S.C. § 441d(a).

The application of Sections 434(c) and 441d(a) is conditioned on the presence of express advocacy. Section 434(c) requires the reporting of independent expenditures, while 2 U.S.C. § 431(17) defines "independent expenditure" as:

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

3 9 0 4 0 7 5 2 0 5 3

Likewise, pursuant to Section 441d(a) and 11 C.F.R. § 110.11(a)(1), newspaper advertisements that expressly advocate the election or defeat of a clearly identified candidate or solicit contributions must disclose the sponsorship and authorization of such advertisements.

The SANE/FREEZE advertisement did not solicit contributions; the advertisement was addressed to George Bush, not to the public. Accordingly, the failure to include a disclaimer would result in a Section 441d(a) violation only if the advertisement expressly advocated the election or defeat of a clearly identified candidate. Thus, the key issue raised by Complainant's allegations is whether the SANE/FREEZE advertisement expressly advocated the defeat of George Bush or election of Michael Dukakis.

Express advocacy has been explained in two Supreme Court cases. First, the Court noted "the distinction between discussion of issues and candidates and advocacy of election or defeat of candidates may often dissolve in practical application." Buckley v. Valeo, 434 U.S. 1, 42 (1976). The Court drew a distinction between issue discussion, which is protected by the Constitution, and candidate-oriented speech that is regulated by the Act. In order to provide adequate First Amendment protection for the discussion of issues, the Court defined express advocacy for purposes of the Act as requiring the "use of language such as 'vote for,' 'elect,' 'support'." Id. at

8904075054

44, n. 52. In F.E.C. v. Massachusetts Citizens for Life, 479 U.S. 238 (1986), the Court reaffirmed this standard, commenting that where the "message is marginally less direct than 'Vote for Smith'," the Court would still find express advocacy.

The United States Court of Appeals for the Ninth Circuit addressed the Buckley standard in Federal Election Commission v. Harvey Furgatch, 807 F. 2d 857 (9th Cir. 1987). The Furgatch court concluded that "speech need not include any of the words listed in Buckley to be express advocacy under the Act...." Id. at 864. The speech must, however, "when read as a whole, and with limited reference to external events, be susceptible of no other reasonable interpretation but as an exhortation to vote for or against a specific candidate." Id.

2. **Application of the Law to the Facts**

a. **Description of the Advertisement**

Both the Complainant and SANE/FREEZE attached copies of the advertisement in their submissions to the Commission. The advertisement (see Attachment I(15)) shows the bold headline, "Mr. Bush, read our lips: the freeze means both sides." The body of the advertisement opens with the question, "Mr. Bush, why do you keep misrepresenting the nuclear freeze, saying it calls for unilateral cuts only in U.S. weapons?" The first half of the advertisement then reports statistics showing support of the freeze by "the American people," "delegates to your Republican convention in New Orleans," and other "Americans."

9 7 0 4 0 7 5 2 0 5 5

The second half of the advertisement shows the headings: "And why do you think so many Americans support the Freeze?" and "And of course we support the INF." This portion of the advertisement presents the position of SANE/FREEZE on the nuclear freeze, reporting statistics on nuclear weapons and discussing the INF Treaty. The advertisement ends with the statements that "A Freeze would be better," and "That's why more than 85 percent of Americans think the Freeze is a good idea. And why you should too." Finally, the bottom of the advertisement states that "This has been a message from SANE/FREEZE," and "To receive more information or to help pay for this advertisement, please contact SANE/FREEZE."

b. **Analysis**

Respondents argue that the purpose of this advertisement is "to defend the concept of nuclear freeze, and to publicly reveal the inaccuracies of Mr. Bush's statements regarding SANE/FREEZE and the Freeze - not to influence the general presidential election." Attachment I(6). These alleged inaccuracies arose from public statements purportedly made by Mr. Bush during the Presidental debates. In an effort to correct these alleged inaccuracies, SANE/FREEZE claims, it placed the advertisement in question.

The advertisement reflects this purpose; at bottom, the message of the advertisement is a criticism of Mr. Bush for his position on the nuclear freeze. Such criticism arguably casts a

9 9 0 4 0 7 5 2 0 5 6

negative light on Mr. Bush close to election day. The issue raised by such critical speech is whether it is express advocacy which subjects the advertisement to the requirements of the Federal Election Campaign Act.

This issue is addressed by analyzing the advertisement in light of the standard used by the Furgatch court, i.e., whether the advertisement, "when read as a whole, and with limited reference to external events, [can] be susceptible of no other reasonable interpretation but as an exhortation to vote for or against a specific candidate." Id. at 864.

It could be argued that the SANE/FREEZE advertisement conveys the message that, because Mr. Bush was against the freeze and "85 percent of Americans think the freeze is a good idea," a reader who was in favor of the freeze should not vote for Mr. Bush. However, the fact so many logical steps must be taken to reach this conclusion illustrates that the language in the advertisement is not "express," that is, not unsusceptible to other interpretation as required by the Furgatch court.

Aside from any such indirect message, the advertisement does not contain an unambiguous statement against the election of Mr. Bush or for the election of Mr. Dukakis. Rather, the advertisement focuses on the nuclear disarmament issue, emphasizing Mr. Bush's allegedly inaccurate portrayal of SANE/FREEZE's own position on that issue.

A relevant factor is the timing of the advertisement: it was published on October 25, 1988, two weeks before the election. The advertisement clearly identifies a candidate, Mr. Bush, by name,

8 9 0 4 0 7 5 2 0 5 7

and makes reference to "delegates to your Republican convention" and to the Americans who "have voted 'yes' on Nuclear Freeze referenda." Additionally, the advertisement plays on a phrase from one of Mr. Bush's campaign speeches in which Mr. Bush said, "Read my lips: no new taxes," by stating, "Mr. Bush, read our lips: The freeze means both sides." These facts indicate that the advertisement referenced the upcoming election.

Even so, the Furgatch court directed that only "limited reference" be made to external events such as upcoming elections. In its response to the complaint, SANE/FREEZE argues that "even though the communication ran in the general election season, it was confined to discussion of issues, not elections. The context of the communication was to respond to misstatements of Mr. Bush." Attachment I(12). Mr. Bush allegedly made these "misstatements" on September 25, 1988 and October 14, 1988; the advertisement ran on October 25, 1988, ten days after the last alleged misstatement. Thus, the advertisement was a timely response to the alleged inaccuracies which had occurred two weeks previously. The advertisement was published in the New York Times, a nationally-circulated newspaper; this would be a logical forum to correct alleged inaccuracies, given that Mr. Bush's statements were made at the nationally-televised presidential debates. It thus appears that Mr. Bush discussed the nuclear freeze issue during the course of the election, the Presidential debates being the forum for such discussion. It also appears that the advertisement, when read as a whole, discusses the nuclear freeze issue with only very limited reference to the

8 9 0 4 0 7 5 2 0 5 8

Republican convention and none to the election campaign which was the context in which the most recent public discussion of the freeze issue had arisen. Again, even with such references, the advertisement contains no clear plea to readers to vote for or against a candidate.

This matter is very similar to MUR 2580, in which the Commission found no reason to believe that Common Cause violated the Act by running an advertisement criticizing Senator Dole for his position on a campaign finance reform bill. There, the advertisement addressed Mr. Dole, criticizing his position regarding a campaign finance reform issue, and appeared during the primary election season. It was concluded that this advertisement constituted issue advocacy about which Common Cause could lobby Mr. Dole without violating the Act.

Based on the above interpretation of the facts using the Furgatch standard, as well as recent Commission action in a similar matter, this Office concludes that there is no express advocacy in the SANE/FREEZE advertisement. Accordingly, the advertisement in question does not constitute an independent expenditure, and the requirements regarding the reporting of independent expenditures at 2 U.S.C. § 434(c) do not apply to this disbursement. Additionally, because the communication does not expressly advocate the defeat of a candidate, the disclaimer provisions of 2 U.S.C. § 441d do not apply. Therefore, this Office recommends that the Commission find no reason to believe that SANE/FREEZE violated 2 U.S.C. §§ 434(c) and 441d.

3 9 0 4 0 7 5 2 0 5 9

B. **Corporate Expenditures**

2 U.S.C. § 441b(a) provides that it is unlawful for a corporation to make an expenditure in connection with any election for federal office. The term "expenditure" is defined for purposes of Section 441b to mean any direct or indirect payment or anything of value to any candidate, campaign committee or political party or organization in connection with any election to Federal office. See 2 U.S.C. § 441b(b)(2). The complaint in this matter alleges that SANE/FREEZE (a non-profit corporation) violated Section 441b(a) by making an expenditure, the placement of the advertisement, in connection with a Federal election.

It is also the position of this Office that the advertisement cited in the complaint falls short of being in connection with a federal election. As noted above, it was an issue-oriented advertisement. It contains no identification of George Bush as a candidate, no identification of an opposing candidate, no reference to any election campaign. See MUR 2580; MUR 2587. This Office recommends that the Commission find no reason to believe that SANE/FREEZE violated 2 U.S.C. § 441b(a).

C. **Dukakis for President Committee, Inc.**

Both SANE/FREEZE and the Dukakis for President Committee, Inc. (the "Committee") deny that the Committee was involved in the placing of the advertisement. Specifically, SANE/FREEZE states that the advertisement "was not taken out with the cooperation of or with the prior consent of, or in consultation with, or at the request or suggestion of governor

9 3 0 4 0 7 5 2 0 5 0

Michael Dukakis or any agent or any authorized committee of Dukakis." Attachments I(7), I(14). Likewise, the Committee asserts that "Complainant provides not one shred of evidence that Respondent committee has any connection whatsoever to the sponsors of the relevant advertisements. Complainant merely suggests that the Commission examine the possibility that such ties might exist." Attachment I(2). The Committee further argues that Complainant "has advanced no facts which describe a violation of any federal election law." Id.

Because there is no evidence that the Committee authorized or sponsored this advertisement and because the advertisement does not meet the criteria for being in connection with an election, this Office recommends that the Commission find no reason to believe that the Dukakis for President Committee, Inc. and Robert Farmer, as treasurer, violated 2 U.S.C. § 441b(a).

8904075206 1

III. **RECOMMENDATIONS**

1. Find no reason to believe that SANE/FREEZE violated 2 U.S.C. §§ 434(c), 441d, and 441b(a).

2. Find no reason to believe that Dukakis for President Committee, Inc. and Robert Farmer, as treasurer, violated 2 U.S.C. § 441b(a).

3. Approve the attached letters.

4. Close the file.

Lawrence M. Noble
General Counsel

May 8, 1989
Date

BY: George F. Rishel
George F. Rishel
Acting Associate General Counsel

Attachments
1. Response to Complaint
2. Proposed letters to Respondents
3. Proposed letter to Complainant

Staff Person: Janice Lacy

8 9 0 4 0 7 5 2 0 6 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /JOSHUA MCFADDEN
COMMISSION SECRETARY

DATE: MAY 9, 1989

SUBJECT: OBJECTION TO MUR 2781 - General Counsel's Report Signed May 8, 1989

The above-captioned document was circulated to the Commission on Tuesday, May 9, 1989 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	
Commissioner Josefiak	
Commissioner McDonald	
Commissioner McGarry	X
Commissioner Thomas	

This matter will be placed on the meeting agenda for May 16, 1989.

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

89040752063

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: MAY 10, 1989

SUBJECT: COMMENTS TO MUR 2781 - General Counsel's Report Signed May 8, 1989

Attached is a copy of Commissioner Elliott's vote sheet with comments regarding the above-captioned matter.

Attachment:
copy of vote sheet

89040752064

BALLOT

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DATE & TIME TRANSMITTED: TUESDAY, MAY 9, 1989 11:00

COMMISSIONER: AIKENS, [redacted], JOSEFIAK, McDONALD, McGARRY, THOMAS

RETURN TO COMMISSION SECRETARY BY THURSDAY, MAY 11, 1989 11:00

SUBJECT: MUR 2781 - General Counsel's Report
Signed May 8, 1989

89 MAY 10 PM 12:28
FEDERAL ELECTION COMMISSION
RECEIVED

8 9 0 4 0 7 5 2 0 6 5

(X) I approve the recommendation

( ) I object to the recommendation

COMMENTS: I agree with the recommendations but I do not agree at all with the analysis

DATE: 5-10-89 SIGNATURE Lee Ann Elliott

A DEFINITE VOTE IS REQUIRED. ALL BALLOTS MUST BE SIGNED AND DATED.

PLEASE RETURN ONLY THE BALLOT TO THE COMMISSION SECRETARY.

PLEASE RETURN BALLOT NO LATER THAN DATE AND TIME SHOWN ABOVE.

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN
COMMISSION SECRETARY

DATE: MAY 11, 1989

SUBJECT: OBJECTIONS TO MUR 2781 - General Counsel's Report Signed May 8, 1989

The above-captioned document was circulated to the Commission on Tuesday, May 9, 1989 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	
Commissioner Josefiak	X
Commissioner McDonald	
Commissioner McGarry	X
Commissioner Thomas	

This matter will be placed on the meeting agenda for May 16, 1989.

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

89040752066

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Dukakis for President Committee, Inc. and Robert Farmer, as treasurer	)	MUR 2781
SANE/FREEZE	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 16, 1989, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2781:

1. Find no reason to believe that SANE/FREEZE violated 2 U.S.C. §§ 434(c), 441d, and 441b(a).

2. Find no reason to believe that Dukakis for President Committee, Inc. and Robert Farmer, as treasurer, violated 2 U.S.C. § 441b(a).

3. Approve the letters attached to the General Counsel's report dated May 8, 1989.

4. Close the file.

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

Attest:

May 17, 1989
Date

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

3 2 9 4 0 7 5 2 0 6 7

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

May 22, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Peter T. Flaherty, Chairman
Citizens for Reagan
1156 Fifteenth Street, N.W. Suite 500
Washington, D.C. 20005

RE: MUR 2781

Dear Mr. Flaherty:

On May 16, 1989, the Federal Election Commission reviewed the allegations of your complaint dated November 4, 1988, and found that on the basis of the information provided in your complaint, and information provided by the Respondents, there is no reason to believe SANE/FREEZE violated 2 U.S.C. §§ 434(c), 441b(a), and 441d; and that there is no reason to believe that the Dukakis for President Committee, Inc. and Robert Forman, as treasurer, violated 2 U.S.C. § 441b(a). Accordingly, on May 16, 1989, the Commission closed the file in this matter. The Federal Election Campaign Act of 1971, as amended ("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,

Lawrence M. Noble
General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosure
General Counsel's Report

8 9 0 4 0 7 5 2 0 6 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 22, 1989

Richard Mayberry
888 16th Street, N.W.
Fifth Floor
Washington, D.C. 20006

RE: MUR 2781
SANE/FREEZE

Dear Mr. Mayberry:

On November 16, 1988, the Federal Election Commission notified your client, SANE/FREEZE, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On May 16, 1989, the Commission found, on the basis of the information in the complaint, and information provided by your client, that there is no reason to believe SANE/FREEZE violated 2 U.S.C. §§ 434(c), 441b(a), and 441d. Accordingly, the Commission closed its file in this matter.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosure
General Counsel's Report

2204075 0 5 7

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 22, 1989

CLOSED

Daniel A. Taylor, Esquire
Hill & Barlow
One International Place
Boston, MA 02114

RE: MUR 2781
Dukakis for President
Committee, Inc. and
Robert Farmer, as treasurer

Dear Mr. Taylor:

On November 16, 1988, the Federal Election Commission notified your clients, Dukakis for President Committee, Inc. and Robert Farmer, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On May 16, 1989, the Commission found, on the basis of the information in the complaint, and information provided by your clients, that there is no reason to believe your clients violated 2 U.S.C. § 441b(a). Accordingly, the Commission closed its file in this matter.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosure
General Counsel's Report

9040750

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2781

DATE FILMED 6/2/89 CAMERA NO. 4

CAMERAMAN AL

8904075207 1