FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

June 16, 1977

Paul D. Kamenar
1712 Eye St. N.W.,
Suite 1010
Washington, D.C. 20006

Re: MUR 030 (75)

Dear Mr. Kamenar:

On June 9, 1977, the Commission determined that there is probable cause to believe that the Committee for a Constitutional Presidency-- McCarthy '76 has committed a violation of 2 U.S.C. §434(b) of the Federal Election Campaign Act of 1971, as amended, by inaccurately reporting the source of contributions on Schedule A, identified as lecture fees and travel reimbursements from various colleges, universities and other groups, and authorized and directed the Office of General Counsel to institute a civil action.

Under 2 U.S.C. §437g(a)(5)(B), the Commission may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation.

If you have any questions involving this decision, please contact Judy Browning, the attorney assigned to this case (telephone no. 202/523-4073).

Sincerely,

William C. Oldaker
General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Committee for a Constitutional Presidency -- McCarthy '76)	MUR 030 (75)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on June 9, 1977, the Commission determined by a vote of 4-0 to find probable cause to believe that a violation of 2 U.S.C. Section 434(b) had occurred in the above-captioned matter.

Voting for this determination were Commissioner Aikens, Harris, Staebler, and Thomson; Commissioners Springer and Tiernan were not present at the time of the vote.

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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BEFORE THE FEDERAL ELECTION COMMISSION

June 3, 1977

In the Matter of	)	
	)	
Committee for a Constitutional Presidency -- McCarthy '76	)	MUR 030 (75)

INTERIM CONCILIATION REPORT

I. Summary of Prior Proceedings

This matter arose in August, 1975, as a result of the apparent misreporting of various entries for lecture fees and travel reimbursements on campaign reports filed by Committee for a Constitutional Presidency -- McCarthy '76 - the principal campaign committee for Eugene McCarthy (hereinafter referred to as CCP). The entries were listed on Schedule A as contributions from colleges and universities ("honorariums" and "lecture fees for speeches by McCarthy") and raised the possibility of a violation of 2 U.S.C. § 441b.

In response to a request for clarifying amendments to their reports, CCP refused to characterize the payments in question as either contributions from McCarthy or from the colleges and universities, but rather described them as payments made directly from the colleges to CCP "for services rendered."

The Commission's position was that the payments were either contributions from McCarthy or from the colleges themselves, and, since respondent had insisted that the colleges did not intend to make contributions to CCP, but rather pay for services rendered by the candidate, the

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Commission recommended that the reports be amended to show the payments as contributions from McCarthy to his campaign.

Because of respondent's failure to amend its reports, in December, 1976, the Commission found reasonable cause to believe a violation of 2 U.S.C. §434(b) had occurred. Recommended conciliation agreements were approved by the Commission in December, 1976, and in March, 1977. Negotiations thus far have proven unsuccessful.

II. Analysis

Apparently respondent does not wish to amend its reports to show the payments in question as contributions from the candidate because this might subject McCarthy to income tax liabilities. Respondent has recently cited some 1975 opinions (Advisory Opinions 75-8,13, and 20 and Opinions of Counsel 75-22 and 93) in its arguments against the proposed conciliation agreement. These opinions dealt with the issue of whether a candidate's receiving consideration for speeches from a corporate entity would violate 2 U.S.C. §441b. The opinions (specifically AO 1975-20, Oct. 1, 1975) included dicta which suggest that payments received in consideration for a candidate's speaking engagements are contributions from the payor.

> A public appearance of a candidate before a substantial audience, whose members "could be influenced to take affirmative action in support of his candidacy as a result of that appearance," is made, in the Commission's view, for the purpose of influencing a Federal election . . . Any payment by a political committee to a candidate for Federal office in connection with such an appearance must accordingly be treated as an attributable contribution.

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It is respondent's contention that these early opinions render the Commission's recommendation (that the reports must be amended to show the money as contributions from McCarthy rather than from the colleges) an unsupportable and inconsistent one.

However, due to respondent's insistence that the payments were not intended as contributions from the colleges but rather payments to the Committee for services rendered by the candidate, the Commission's request that the reports show the payments as contributions from McCarthy does not seem unjustified.

In addition, the 1976 amendments to the Act exclude limited payments for speeches (honoraria) from the definition of "contribution" (2 U.S.C. §431(e)(5)(I)). While the honorarium exception applies only to federal officeholders (not the case at hand), it could be argued that comparable payments to non-federal officeholders are also exempt from the definition of "contribution." This means that the payments in question (none of which were over the $2,000 honorarium limit), if made today, would not be treated as contributions from the payors.

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III. Recommendation

Further negotiation on the matter of amending the reports to show the payments as contributions from McCarthy seems fruitless in light of counsel's firm stand against such amendments. The conciliation process has extended over more than four months and has included three conciliation meetings and many telephone discussions.

The attached conciliation agreement is one which

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respondent has indicated it will sign. In it, respondent would agree that the payments were for speeches by him and that, further, the monies were not intended as contributions by the colleges or universities, thus implicitly acceding to the position that Mr. McCarthy bears responsibility for use of the monies in the campaign. However, in the significant provision (the WHEREFORE clause A, on page 3) relating to the amending of the reports, the proposed amendments are not substantively different from respondent's original method of reporting, reflecting at best an amplification of the original entries. (See attachment, setting forth the changes made by McCarthy.)

It is recommended, therefore, that the Commission find probable cause to believe a violation of 2 U.S.C. s.434(b) has occurred.

William C. Oldaker
General Counsel

DATE: 6/3/77

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APPENDIX

The attached conciliation agreement is one which respondent has indicated it will sign. This revised agreement has one substantial variation from the March, 1977, agreement. The March, 1977, agreement included a provision calling for the entries in question to

> be amended to indicate that the monies received from the colleges, universities and other groups were in fact payments given be Mr. McCarthy to his campaign...

In light of respondent's contention that the payments were made directly to CCP, rather than to Mr. McCarthy, this language has been changed to read:

> ...monies received from the colleges, universities, and other groups were payments received by the campaign in return for speeches given by Mr. McCarthy. The monies were not intended as contributions by the payors.

The additional changes to the March, 1977, agreement are minor in character and are summarized as follows:

- page 2, paragraph B shows corrected address of respondent;
- page 2, paragraph E shows additional words "to respondent's knowledge" in two places, and the word "express" in one place;
- page 3, paragraph F of March, 1977, agreement has been deleted;
- page 3, paragraph G of March, 1977, agreement (now relettered as paragraph F) shows new language "in most cases";
- page 3, paragraph A of the WHEREFORE section of March, 1977, agreement has been deleted.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 030 (75)
Committee for a Constitutional	)	
Presidency--McCarthy '76	)	

CONCILIATION AGREEMENT

This matter having been initiated by the Federal Election Commission (hereinafter, the Commission) pursuant to information obtained in the course of reviewing the reports of receipts and expenditures filed by the Committee for a Constitutional Presidency--McCarthy '76, and after investigation the Commission having found reasonable cause to believe that the Committee for a Constitutional Presidency--McCarthy '76 (hereinafter, respondent) violated 2 U.S.C. §434(b).

Now, therefore, the Commission and the respondent having duly entered into conciliation as provided for in 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. The Federal Election Commission has jurisdiction over the respondent and the subject matter of this case.

II. That respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. That the pertinent facts in this matter are as follows:

A. That respondent was the principal campaign committee for Eugene J. McCarthy, candidate for election to the office of President

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of the United States in 1976, with respect to the reports at issue herein; that it registered as such with the General Accounting Office on August 15, 1974.

B. That it maintains its office at 1420 N St. N.W., Washington, D.C. 20005 and previously maintained an office at 1440 N St. N.W., Washington, D.C. 20005.

C. That it disclosed on its reports of receipts and expenditures filed with the Commission, beginning with the October 10, 1975, Quarterly report, receipts on Schedule A from various colleges, universities and other groups under the entry "lecture fees" or "travel expenses." A Complete list of these receipts is appended hereto as Exhibit 1.

D. That the above receipts were payments for travel and fees in connection with speeches and appearances by Eugene J. McCarthy at the listed colleges, universities and other groups.

E. That to respondent's knowledge in no instance did the sponsoring groups for the lectures and speeches in Exhibit 1 characterize them as fundraisers for the McCarthy campaign. Nor to respondent's knowledge were any express representations made that persons who purchased tickets or paid money to attend said speeches and lectures would be making contributions to the McCarthy campaign.

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F. That in most cases the payment to Mr. McCarthy for each speech and lecture was not conditioned on receipts from ticket sales.

WHEREFORE, Respondent agrees:

A. That each of said entries contained in each and every report referring to payments set forth in Exhibit 1 shall be amended to reflect the fact that the monies received from the colleges, universities and other groups were payments received by the campaign in return for speeches given by Mr. McCarthy. The monies were not intended as contributions by the payors.

B. That hereafter respondent will report lectures and fees for appearances similar to those set forth herein pursuant to the format set down in the preceding paragraph.

C. It is understood that the Federal Election Commission has no jurisdiction over whether the payments received by respondent, as described herein, are personal income to Mr. McCarthy within the meaning of any of the statutes set forth in the Internal Revenue Code or any of the regulations, rulings or memoranda issued pursuant thereto.

IV. General Conditions

A. 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

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relief in the United States District Court for the District of Columbia.

B. It is mutually agreed that this agreement shall become effective on the date that all parties hereto have executed same and the Commission has approved the entire agreement.

C. It is agreed that Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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FEDERAL ELECTION COMMISSION

DATE _____ BY: _____

GENERAL COUNSEL
1325 K Street, N.W.
Washington, D.C. 20463

COMMITTEE FOR CONSTITUTIONAL
PRESIDENCY--McCARTHY '76

DATE _____ BY: _____

1420 N Street, N.W.
Washington, D.C. 20005

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EXHIBIT 1

MUR 030 (75)

1/25/75	Honorarium for Euguene McCarthy speech at George Washington University, Washington, D.C. 1/15/75	$ 350.00
3/6/75	Honorarium for Eugene McCarthy speech at the University of Louisville, Louisville, Kentucky 2/28/75	$1,000.00
3/6/75	Honorarium for Eugene McCarthy speech at UCLA. Los Angeles, California November 1974	1,000.00
3/19/75	Honorarium for Eugene McCarthy speech at the Loyola University Law School 1/27/75	1,000.00
3/20/76	Honorarium for Eugene McCarthy speech at the Hibbings Community College, Minneapolis, Minn 3/15/75	200.00
4/16/75	Honorarium for Eugene McCarthy speech at the Mundelin College, Chicago, Illinois 3/3/75	250.00
4/19/75	Honorarium for Eugene McCarhty speech at St. Lawrence University, Canton, New York 4/9/75	1,350.00
4/30/75	Honorarium for Eugene McCarthy speech at the Wabash Valley College, Mount Carmel, Illinois 4/22/75	787.50
4/31/75	Honorarium for Eugene McCarthy speech at St. Olaf College, Northfield, Minnesota 4/24/75	1,215.00
5/9/75	Honorarium for Eugene McCarthy speech at the State Univ. of New York 3/6/75	600.00
5/19/75	Honorarium for Eugene McCarthy speech at Olny College, Olny, Illinois 4/22/75	787.50
5/19/75	Honorarium for Eugene McCarthy speech at the College of Marin, Marin, Ca. 5/2/75	1,080.00
5/19/75	Hororarium for Eugene McCarthy speech at Illinois College, Jacksonville, Illinois 4/21/75	1,035.00

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5/23/75	Honorarium for Eugene McCarthy speech at Butler University, Indianapolis, Indiana March 1975	$1,300.00
5/30/75	Honorarium for Eugene McCarthy speech at Oakton Community College, Morton Grove, Ill. March 24, 1975	850.00
6/28/75	Honorarium for Eugene McCarthy speech at the Shattuck School, Fairbault, Minnesota 4/24/75	200.00
6/30/75	Honorarium for Eugene McCarthy speech at Gonzaga University, Spokane, Washington 4/29/75	1,250.00
9/13/75	Lecture fee paid for speech to Western Washington State College in Bellington, Wash, by Eugene McCarthy	365.00
9/29/75	Lecture fee paid for speech to Loyola University in Los Angeles, California by Eugene McCarthy	200.00
10/28/75	U. of Illinois Med. Center lecture fee for E.J. McCarthy speech 10/16/75	600.00
10/31/75	Brandeis University Waltham, Mass. Lecture fee for E.J.M. speech 9/23/75	500.00
10/31/75	Northern Arizona Univ. Flagstaff, Arizona lecture fee- E.J.M. speech 9/23/75	750.00
11/06/75	Lamar College Beaumont, Texas lecture fee - E.J.M. speech 10/15/75	1,080.00
11/12/75	Captiol University Columbus, Ohio lecture fee-E.J.M. speech 11/2/75	163.60
11/12/75	Windham College Putney, Vermont lecture fee-E.J.M. speech 10/28/75	200.00
11/12/75	University of Ohio Miami, Ohio lecture fee-E.J.M. speech 11/3/75	1,500.00
11/28/75	Arizona State University Law School/ Student Bar Assoc. Tempe Arizona. Lecture fee 9/24/75	200.00

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12/2/75	E.J.M. speech Graduate Theological Union Berkely, California lecture fee E.J.M. speech 11/14/75	$ 200.00
12/1/75	Northwestern University Evanston, Illinois lecture fee-E.J.M. speech	500.00
12/24/75	Swarthmore College Philadelphia, Penn. lecture fee for E.J.M. speech 12/11/75	600.00
1/8/76	Lecture fee for Eugene McCarthy speech at Jewish Community Center, Wilmington, Delaware 11/24/75	1,000.00
3/5/76	Lecture fee for Eugene McCarthy speech at California State-Northridge CA	1,000.00
3/5/76	Lecture fee for Eugene McCarthy speech at UN Association-Long Beach CA	250.00
4/13/76	Francis Marion College - Florence SC	1,200.00
4/13/76	University of Idaho, Moscow ID	1,626.00
4/15/76	University of New Mexico, Albuquerque NM	1,500.00
5/25/76	University of Rochester, Rochester, NY	1,000.00

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LAW OFFICES
PAUL D. KAMENAR
1718 K STREET, N.W.
SUITE 1010
WASHINGTON, D.C. 20006

(202) 296-8960

May 23, 1977

David Spiegel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Mr. Spiegel:

This letter is in response to our telephone conversation of May 17, 1977 concerning the status of MUR 030 (75).

My last written correspondence to your offices on behalf of the Committee for a Constitutional Presidency--McCarthy '76 (Committee) was by letter dated April 29, 1977. In that letter, an attempt was made to resolve the differences between the Federal Election Commission and the Committee concerning the wording of your proposed conciliation agreement.

On May 4, 1977, Judy Browning, the attorney handling this matter, called my office and indicated a sense of approval to our suggestion that the word "express" be inserted before the word "representations" on line two of page three; that paragraph "F" on page three remain deleted (contrary to our suggestion of modification); and that paragraph A following the "Wherefore" clause on page three be changed per our suggestion. I agreed to her position aware of course that ultimate approval was to be made by the full Commission. Two weeks later, you called to inform me that in fact no such approval by the Commission would be forthcoming concerning the changing of the language to paragraph A on page three according to our suggestion. (I assume that my understanding with Ms. Browning on the other two points, i.e. the insertion of "express" and deletion of paragraph F, remains unobjectionable to date.) Instead you proffered yet another version to the wording of paragraph A in addition to the two you have made. As I understand you, this third version would read:

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> "monies received from the colleges, universities and other groups were payments received by the campaign from Mr. McCarthy in return for speeches given by him." (emphasis supplied).

The version we suggested which was rejected read:

> "monies received from the colleges, universities and other groups were payments received by the campaign in return for speeches given by Mr. McCarthy." (emphasis supplied).

As you can see, your new version is essentially identical to our version except for your addition of the prepositional phrase "from Mr. McCarthy." It is hard to believe that so much time and effort has been expended on this matter over the last two years where the addition or deletion of two or three words is in controversy. Perhaps there has been a loss of perspective in this matter--here is how we see it:

The emphasis of the Federal Election Campaign Act, as amended, is on disclosure. I am sure you and the members of the Commission will agree to that proposition. Our reports clearly disclose the source and the recipient of the payments in question. In fact, the language of your third version of paragraph A quoted above indicates on its face the Commission's acceptance of a heretofore undisputed fact, namely, that the "monies received from the colleges, universities and other groups were payments received by the campaign." It now appears that the Commission not only wants the Committee to disclose that the payments were received from the colleges by the Committee (which disclosure we have made all along) but that those same payments were also received "from Mr. McCarthy." Contrary to your recollection, the Committee has been informing the Commission all along that it is a false characterization to state that the payments were from Mr. McCarthy.

In the Committee's September 12, 1975 letter to the Commission, it is stated that "payments (from the groups) were made directly to (the) Committee." Responding to further queries from the Commission after a ten month silence on its part, the Committee again stated in its September 15, 1976 letter that the payments in question were made "to our Committee." Our recent letters and conferences further refined our position that the payments were made by the groups and received by the Committee. Nevertheless you insist that the Committee amend its report to state that the payments were made from Mr. McCarthy. Although you contend it would be such a minor change, we cannot agree to make a public statement that is false, no matter how small the phrase may be.

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You also maintain that if the prepositional phrase was not added, it would open a "can of worms" with respect to whether the payments to the campaign might be contributions. Our April 29, 177 letter stated that such a decision was up to the Commission. Our March 30, 1977 letter merely pointed out various Advisory Opinions issued by the Commission on the subject which might guide their decision. It seemed to us that the Commission's position in the instant matter was inconsistent with its prior rulings. In any event, it is not incumbent upon the Committee to take the position or make the argument that the payments should be treated as they were in those Advisory Opinions. The only position we are taking is simply this: the payments were not from Mr. McCarthy.

In summary, the Commission has found reason to believe that the Committee violated 2 U.S.C. 434(b), which is the disclosure section. The Committee believes that it has disclosed fully the source of those funds received in accordance with the statute. If you are having difficulty classifying those receipts under a particular subsection of 434(b), I direct your attention to the language of 434(b)(7). That subsection requires the disclosure of "each contribution, rebate, refund <u>or other receipt</u> in excess of $100 no otherwise listed under paragraphs (2) through (6)"(emphasis supplied). The Committee did exactly that when it reported these <u>other receipts</u> in question on the FEC form where it is imprinted: "Section A . . . Part 4 <u>Other receipts</u>." Even the relevant FEC reporting forms are entitled "REPORT OF <u>RECEIPTS</u> AND EXPENDITURES" (emphasis supplied). The category of "contributions" is merely a subclass of the larger category "receipts."

If the Commission believes that a further disclosure is still necessary to insure that the voters are not deceived as to the source of the Committee's funds, we respectfully suggest that such a position in unreasonable. Nevertheless, we will remain available to discuss this matter further with you or the Commissioners.

Very truly yours,

Paul D. Kamenar
Counsel for Respondent

cc: Mary Meehan
James Ostmann

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LAW OFFICES
PAUL D. KAMENAR
1712 EYE STREET, N.W.
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DAVID SPIEGEL
JUDY BROWNING
FEDERAL ELECTION COMMISSION
1325 K STREET, N.W.
WASHINGTON, D.C. 20463

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(202) 298-8960

FILE COPY

April 29, 1977

Judy Browning
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

RE: MUR 030 (75)

Dear Ms. Browning:

This letter will serve as follow up to the conference that was held at the Commission April 14, 1977 in David Spiegel's office. At that time, you presented to Mary Meehan and myself a copy of the original conciliation agreement with penciled modifications based upon our March 30, 1977 letter to Mr. Spiegel.

We have had an opportunity to review those modifications and are prepared to comment on them now. For the most part, we are satisfied with the changes as you have them in Parts I, II and III. However, we would still prefer to insert the word "express" before "representations" on line two of page three, and you and Mr. Speigel indicated at our April 14 meeting that you would give it some thought. As to old paragraph F, we originally stated that it was substantively incorrect. We would prefer that instead of just eliminating the paragraph as you did, that it would be better to state the truth, namely, that in fact there were solicitations for contributions, volunteers, etc. at these events.

The only real difference as we can determine, arises in the "Wherefore" clause. Your original versions stated that the

> "monies received from the colleges, universities and other groups were in fact payments given by Mr. McCarthy to his campaign."

Our letter of March 30 explained to you that the above phrase was an incorrect factual assertion and could not be agreed to. You then modified the phrase to read:

> "monies recieved from the colleges, universities and other groups were in fact contributions from Mr. McCarthy to his campaign."

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For the same reasons stated in our March 30 letter, we cannot agree to a fact that did not occur and further, may not be a "fact" but a legal conclusion. If this is truly a "fact", then perhaps you meant to include this phrase in Part III under your category of "pertinent facts." In any event, we cannot agree to this statement.

We could agree to a statement such as "monies received from the colleges, universities and other groups were in fact payments received by the campaign in return for speeches given by Mr. McCarthy." I would think that since the basic thrust of campaign laws, disclosure, has been followed by the respondent, there should be no problem with agreeing to our suggestion.

If, however, you continue to believe that there might be a "can of worms",as Dave Spiegel has expressed,with our position, then we must reply that this is the Commission's decision to make. For our part, we feel that we have been conducting our campaign in accordance with the law and will continue to do so.

We have been most patient with the Commission's procedures in this matter and would like to see this matter concluded. Nevertheless, we remain willing to discuss this further with you should you desire.

Very truly yours,

Paul D. Kamenar

Paul D. Kamenar
Counsel for Respondent

cc: Mary Meehan
James B. Ostmann

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OFFICE OF GENERAL COUNSEL

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LAW OFFICES
PAUL D. KAMENAR
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HAND DELIVER

Judy Browning
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

CONFIDENTIAL

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FEDERAL ELECTION COMMISSION

LAW OFFICES
PAUL D. KAMENAR
1712 EYE STREET, N.W.
SUITE 1010
WASHINGTON, D.C. 20006
(202) 338-6580

HAND-DELIVERED
MARCH 30, 1977

March 30, 1977

David Spiegel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20005

RE: MUR 030 (75)

Dear Mr. Spiegel:

This letter will serve as a follow up to the conference that was held in your office on Friday, March 25, 1977. At the conclusion of that conference, you handed Mary Meehan, James Ostmann, and myself, copies of a prepared Conciliation Agreement for our review. You also indicated that you would like some type of response concerning this matter by this week, and I told you a response would be forthcoming by Wednesday March 30, 1977. This letter is that response.

The Committee for a Constitutional Presidency--McCarthy '76 (hereinafter respondent) has decided that the best way to proceed would be to address the points raised in the Commission's proposed Conciliation Agreement. Accordingly, the response will follow the paragraph numbering format used in that agreement.

I. The respondent agrees that the FEC has jurisdiction over the respondent and the subject matter of this case, as long as it is understood that the jurisdiction covers only matters occuring after January 1, 1975.

II. The respondent will agree with this statement as long as there is a reasonable opportunity for further discussions on this reporting question after the FEC has reviewed this letter. Further, we would like to add a statement to the effect that in fact no action was taken by the FEC on this matter from September 12, 1975 when Mary Monroe responded to Mr. McKay's initial letter from the FEC, and until June 29, 1976 when William Oldaker sent an additional letter indicating that there may be a reporting problem. In other words, for a period of almost 10 months, the respondent did not believe there was any reporting question.

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III. With respect to the following facts:

A. Respondent was the principal campaign committee for Eugene J. McCarthy. It is unclear whether it was "with respect to the reports at issue herein" since your Exhibit 1 containing those reports were not attached to the agreement. When that is available, we will have no problem agreeing to this paragraph.

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In paragraph A you refer to "respondents"; I think you mean the singular. In any event, it is a misstatement to say that respondent "registered . . . with the Commission on August 15, 1974." The Commission was not in existence at that time. Perhaps you meant that the respondent registered with the General Accounting Office on that date, which is a fact.

B. The respondent's office is currently 1440 N Street, N.W. Washington, D.C., but it is moving next door to 1420 N Street (an amendment to the registration statement is forthcoming).

C. Again, the exhibit is not attached. We will need to ascertain exactly what the subject matter is involved here since you refer in this paragraph to reports "beginning with the October 10, 1975 Quarterly Report", but on previous occasions the FEC has referred to even earlier reports. This should be clarified. See also our response to paragraph A, supra.

D. There is no major disagreement with this paragraph.

E. The respondent is without knowledge that the lectures were or were not characterized as "fundraisers." As far as we know, the explicit word "fundraiser" was not employed; nevertheless, many of the news accounts and general promotion for the speeches indicated that Senator McCarthy was the presidential candidate. Copies of such news accounts were supplied to you earlier.

Furthermore, the respondent cannot agree to the statement that "nor were any representations made that persons . . . ." As you know, representations may be express or implied. To the best of our knowledge, there were no express representations made that persons attending were making contributions.

F. This paragraph is contrary to fact. At some of the speeches, campaign buttons, literature, and the like were sold just as they are with other political committees, and volunteers solicited.

G. Generally speaking, this statement is substantially true, although there may have been a few isolated instances where the amount of the honorarium was conditioned upon the amount collected at the door.

WHEREFORE clause:

A. The respondent will not concede that the entries on its reports were in error. That is tantamount to agreeing that respondent violated the FECA. It is our position that conciliation agreements are not admissions of any liability since the Commission makes no finding to that effect. The Commission only has found in this case "reasonable cause to believe" a violation of 2 U.S.C. 434(b) has occurred. Therefore, we will insist that

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an express clause be inserted to the effect that by entering into a conciliation agreement, respondent does not thereby admit to any violations of the Federal Election Campaign Act, as amended.

B. Respondent cannot agree with the statement that "in fact payments (were) given by Mr. McCarthy to his campaign." The fact is that payments were made in most cases to the respondent and the check made payable to respondent. In those few cases where Mr. McCarthy received the check with respect to those reported entries, he immediately gave it to the respondent. In any event, assuming the FEC's position in this matter, we do not agree that it is necessary to list the source of funds from a candidate to his or her committee. Other candidates simply report the transfer, but do not list, for example, the funds were obtained from prior legal fees for services rendered, or from selling the candidates shares of IBM stock, and the like.

C. Respondent objects to this paragraph because of the point raised in paragraph B, supra. Respondent will agree to report in futuro receipts according to the law.

D. Respondent agrees with this paragraph.

IV. General Conditions

A. Respondent agrees with this paragraph.

B. Respondent agrees with this paragraph.

C. Depending on further developments in this matter, the time for compliance may need to be altered.

This concludes our analysis of the agreement itself, but we would offer the following general observation for your further consideration in this matter:

Subsequent to our conference with you on March 25, 1977, we reviewed the FEC's prior rulings concerning honoria, which is the subject matter of this MUR. In particular, I call your attention to Advisory Opinions 1975-8, -13, and -20, and also to Opinions of Counsel 1975-22 and -93. The typical position of the FEC in all these opinions is that:

> "once an individual has become a candidate for the Presidency, all speeches made before substantial numbers of people are presumably for the purpose of enhancing his candidacy."

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(AO 75-13)

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It is undisputed that Senator McCarthy was a candidate for the Presidency and made speeches before potential voters. Whether the audience consisted of "substantial numbers" is open to debate and frankly, I do not see the legal relevance as to the size of the audience.

Perhaps you may want to reflect on the Commission's prior positions and and determine the applicability of those prior decisions to the facts here.

After your review of this statement, we would be glad to discuss this matter further with you. James Ostmann is out of town this week, but will be available next week.

Very truly yours,

Paul D. Kamenar

Paul D. Kamenar
Counsel for Respondent

cc: Mary Meehan
James Ostmann

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LAW OFFICES
PAUL D. KAMENAR
1712 EYE STREET, N.W.
SUITE 1010
WASHINGTON, D.C. 20006

Dave Spiegel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 030 (75)
Committee for a Constitutional Presidency--McCarthy '76	)	

INTERIM CONCILIATION REPORT

I. Summary of Prior Proceedings

This matter arises as a result of the apparent misreporting of various entries for lecture fees and travel reimbursements on campaign reports filed by Committee for a Constitutional Presidency--McCarthy '76 -- the principal campaign committee for Eugene McCarthy (hereinafter, CCP). The entries, which date back to January 25, 1975, were each listed on Schedule A as contributions from colleges and universities and therefore raised the possibility of a violation of 2 U.S.C. §441b. Although conceding that the monies were in fact utilized in Mr. McCarthy's presidential campaign, the committee has asserted that they are not contributions by colleges or universities, or in the alternative contributions by Mr. McCarthy to his campaign. Rather. "the monies are payments to our committee for services rendered "

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(Letter of Mary Meehan, dated September 15 1976). The Committee's response appears to be motivated by a conern that if the monies are deemed to be contributions by Mr. McCarthy to his campaign, they will also be viewed by the Internal Revenue Service as unreported personal income, thereby subjecting Mr. McCarthy to substantial tax liabilities.

On December 22, 1976, the Commission found reasonable cause to believe that CCP has violated 2 U.S.C. §434(b).

A conciliation conference was held on January 28, 1977 with the Treasurer of CCP, Mary Meehan, and counsel. James Ostmann. Mr. Ostmann contended that some of the monies in question resulted from ticketed events. As such, the monies could be listed as either contributions from the groups which sponsored the events (e.g. unincorporated student associations) or from the persons who attended the events. The effect in either case would be to obviate the need for Mr. McCarthy to consider the funds as personal income. Mr. Ostmann was advised that this agrument had been considered in the context of the Commission investigation

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herein, and that no evidence had been produced by CCP at that time to establish his contention.[1/] However, he asserted that such evidence could be produced.

The evidence subsequently submitted consisted of a synopsis listing the student groups sponsoring each event and the methods by which tickets were sold. A sample of 13 newspaper articles that were attached to the synopsis appeared to indicate that the topics discussed by Mr. McCarthy generally related to his presidential candidacy. There was nothing, however, to show that the sponsoring groups intended the event as a fundraiser or that any of the persons attending viewed themselves as contributors. It also appears that Mr. McCarthy's fees were unrelated to the proceeds for the event.

1/ According to the investigative report, the investigators were only able to examine Committee books covering the period after March 1, 1976. All books pertaining to the prior period were allegedly in the possession of Mary Monroe, former Treasurer of CCP, and Ronald Cocome, former Chairman of the Committee, and had been removed when the two left the Committee. Furthermore, the investigators were unable to determine for any of the events--before or after March 1. 1976--whether Mr. McCarthy or CCP was paid for the lecture or the travel reimbursement. The Assistant Treasurer of the Committee. James Yeager, advised the investigators that after March 1, 1976, no ticket sales were made in connection with the lectures.

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II. Analysis and Recommendation

There appears to be no disagreement that CCP's current method for reporting the lecture fees is in error The disagreement is over the manner in which the entries must be amended.

From the tenor of prior discussions in this matter it appears that CCP will argue that it was Mr. McCarthy s intent to have his appearances at the universities treated as fundraisers for his presidential campaign The monies raised from the appearances would accordingly be treated as contributions from either the sponsors of the events or the persons attending the events to Mr. McCarthy

The difficulty with this argument is that it makes the reporting of a fundraiser turn entirely on the intent of the candidate--even in a case where this intent is expressed many months after the fundraiser actually occurred It would be irrelevant whether the sponsor of the so-called fundraiser or the persons who paid for tickets intended to make contributions. Indeed, in the present case, there is no evidence of such an intention. Given the lack of such evidence, the fact that the lectures fees were apparently paid to CCP regardless of monies raised through

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ticket sales and given the further uncontroverted fact that the monies in question were used in the McCarthy campaign we think it is clear that the fees and travel reimbursements should be reported as contributions by Mr. McCarthy to his campaign.

The question of whether the monies were personal income to Mr. McCarthy and therefore subjected him to tax liabilities -- an issue which respondent apparently believes is central to this matter -- is in fact beyond the jurisdiction of the Commission. All that is at issue here is the reporting of the persons who in fact actually made the contributions to the McCarthy campaign. The tax issue involves questions which should be determined by the Internal Revenue Service

Accordingly, we would recommend that the Commission approve the conciliation agreement which is appended to this report as a basis for further negotiation in this matter. Should such negotiation prove unsuccessful, as seems likely we are prepared to recommend to the Commission that it find probable cause that a reporting violation has been committed. At such time, assuming the Commission wishes to seek civil penalties, it may wish to advise the

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Internal Revenue Service in order that it may intervene herein or in the civil suit as an interested party.

William C. Oldaker
General Counsel

Date: 3/14/77

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FEDERAL ELECTION COMMISSION
'77 FEB 18 AM 7:50

COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 N STREET, NW
WASHINGTON, D.C. 20005
(202) 737-4900

February 17, 1977

Mr. David Spiegel
Deputy Assistant General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

770562

RE: MUR 030 (75)

Dear Mr. Spiegel:

Enclosed is a paper with additional information on speaking fees received by our Committee in 1975 and 1976. We are seeking more information, or verification of present information, on some of the speeches.

In many cases, the speeches or lectures were arranged by student groups supported by student activity fees. It is my understanding that, normally, student activity fees are levied by the student government, use of the fees is determined by the student government, and the fees are kept separate from college or university funds.

In other cases noted in the enclosed paper, registration or admission fees covered part or all of the speaker fees.

Sincerely,

Mary Meehan
Treasurer

Enclosure

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COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY

1440 N STREET, NW
WASHINGTON, D.C. 20005
(202) 737-4900

ADDITIONAL INFORMATION ON SPEAKING FEES RECEIVED

BY COMMITTEE FOR A CONSTITUTIONAL PRESIDENCY, 1975 & 1976

Prepared by
Mary Meehan, Treasurer
February 17, 1977

Unless otherwise noted, the information which follows is from our schedule files. In cases where information from news stories is cited, copies of the news stories are attached.

3/6/75	Honorarium for speech at the University of Louisville, Louisville, KY, 2/28/75. This was for a lecture on "Poetry and War" at the Third Annual Conference on Twentieth Century Literature, apparently sponsored by the Department of Modern Languages, College of Arts and Sciences. There was a conference registration fee of $1 for students and $15 for others.	$ 1,000.00
3/19/75	Honorarium for speech at Loyola University School of Law, New Orleans, LA, 1/27/75. Mr. Joseph R. Zane of Pottsville, PA, who arranged this speech when he was a Loyola law student, says that the Student Bar Association sponsored the speech and paid the honorarium. He states that the Student Bar Association is the equivalent of a student government. Its activities, including its speakers, are supported by the law students' dues.	1,000.00
4/19/75	Honorarium for speech at St. Lawrence University, Canton, NY, 4/9/75. This was sponsored by the University Center Association Lecture Committee.	1,350.00
4/30/75	Honorarium for speech at Wabash Valley College, Mount Carmel, IL, 4/22/75. This was sponsored by the Student Senate. The REPUBLICAN-REGISTER (Mt. Carmel, IL) of April 21,	787.50

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1975 carried a news item on the event which noted, "Tickets will be available at the door." It did not state a price for the tickets.

4/31/75	Honorarium for speech at St. Olaf College, Northfield, MN, 4/24/75. This was sponsored by the Student Action Senate Political Activities Committee and/or the Director of Student Activities.	$ 1,215.00
5/19/75	Honorarium for speech at Olney Central College, Olney, IL, 4/22/75. This was sponsored by the Student Senate, according to THE MAIL (Olney, IL), April 21, 1975. An earlier issue of THE MAIL (March 31, 1975) noted that college students with ID cards would be admitted free, but that tickets for adults would be $1 in advance or $1.50 at the door. THE HERALD (Decatur, IL) of May 2, 1975 reported that only about 35 persons were present just before the speech started. Since the Student Senate sponsored the speech, we assume that the difference was covered by student activity fees.	787.50
5/19/75	Honorarium for speech at the College of Marin, Marin, CA, 5/2/75. THE RECORD (Mill Valley, CA) of April 30, 1975 reported that tickets for the speech would be $1.50 for College of Marin students and $2.50 for others. The INDEPENDENT JOURNAL (San Rafael, CA) of May 3, 1975 reported that an audience of 400 attended the speech. But Mr. Richmond Young of Petaluma, CA, who arranged for the speech, believes that ticket sales covered the speaking fee, though not publicity and travel expenses.	1,080.00
5/19/75	Honorarium for speech at Illinois College, Jacksonville, IL, 4/21/75. According to the COURIER (Jacksonville, IL) of April 22, 1975, this was sponsored by the Student Activities Board of the Student Forum.	1,035.00
5/30/75	Honorarium for speech at Oakton-Maine Community College, Morton Grove, IL, 3/24/75. This was for a lecture on "De Tocqueville: Writing of History," sponsored by the Oakton Writers' Club, a student group. Mrs. Belle Lyman of Morton Grove, who was then President of the Oakton Writers' Club and who arranged the speech, reports that the money for the fee came from student activity fees.	850.00

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9/13/75	Lecture fee for speech at Western Washington State College, Bellingham, WA, 4/28/75. According to the HERALD (Bellingham, WA) of April 11, 1975, the speech was sponsored by the Undergraduate Political Science Club, and there was an admission fee of 50¢ per person. An undated Herald clip after the speech said that some 1,200 persons attended. This was several hundred more than needed to cover the fee.	$ 365.00
9/29/75	Lecture fee for speech at Loyola Marymount University, Los Angeles, CA, 9/22/75. This was sponsored by the Student Activities Board.	200.00
10/31/75	Lecture fee for speech at Brandeis University, Waltham, MA, 10/29/75. Ms. Deborah Sorkin of Norwich, CT, who was a Brandeis student at the time, recalls that the speech was sponsored by the Student Senate and that $2 tickets were sold. She remembers that about 400 persons attended the speech; so it appears that ticket sales more than covered the speaker's fee.	500.00
11/6/75	Lecture fee for speech at LaMar University, Beaumont, TX, 10/15/75. This was sponsored by the Setzer Student Center Council Forum Committee.	1,080.00
11/12/75	Lecture fee for speech at Capitol University, Columbus, OH, 11/2/75. Apparently there was an error in reporting on this appearance. The sum appears to be for expenses, rather than for a fee. The sum is little more than round-trip air fare between Washington, DC and Columbus, OH.	163.60
11/28/75	Lecture fee for speech at Arizona State University Law School, Tempe, AZ, 9/24/75. This was sponsored by the Student Bar Association, which we assume is supported by student fees or dues.	200.00
12/2/75	Lecture fee for speech at conference sponsored by Graduate Theological Union, Berkeley, CA, 11/14/75. FEC summary apparently erred in giving this figure as $200.	500.00
12/24/75	Lecture fee for speech at Swarthmore College, Swarthmore, PA, 12/11/75. Mr. Charles Preston of Washington, DC, who was	600.00

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then a field organizer for our Committee, and who arranged the speech, recalls that it was sponsored by the student lecture series, funds for which came from student activity fees.

1/8/76	Lecture fee for speech at the Jewish Community Center, Wilmington, DE, 11/24/75. This was one of a series of four lectures in a special Bicentennial program. Tickets were sold for the event ($2.50 for adults and $1.25 for senior adults and students). Mrs. Toby Weiner of the Jewish Community Center estimates that about 200 persons attended. The lecture series was also partially supported by $25 "patron" contributions made specifically for the lecture series. Mrs. Weiner says that detailed financial records for 1975 are not available; but from information she provided, I estimate that about $750 of the speaker's fee was covered by ticket sales and patrons' contributions (which amounted to season tickets).	$1,000.00
3/5/76	Lecture fee for speech in Long Beach, CA, 2/28/76. The fee was paid by the UN Association, Long Beach, CA; we have no information to indicate that this group is incorporated. The UN Association was one of 10 groups which sponsored a conference on "Global Issues and Opportunities," of which the McCarthy speech was a part, according to the LONG BEACH PRESS TELEGRAM of February 11, 1976. The STATE COLLEGE FORTY-NINER of February 23, 1976 reported that there would be a $6.50 registration fee (including lunch) for non-students and a $2 registration fee (excluding lunch) for students. Ms. Barbara Barron of Burbank, CA, who helped arrange the speech (and who serves as Vice Chairwoman of our Committee), believes that the $250 was for travel expenses--not for an honorarium.	250.00
4/15/76	University of New Mexico, Albuquerque, NM, 3/29/76. According to the Albuquerque TRIBUNE of March 26, 1976, the speech was sponsored by the Speakers Committee of the Associated Students, and tickets were sold--$1 for students and $2.50 for others.	1,500.00
5/25/76	University of Rochester, Rochester, NY, 5/8/76. This was a speech for Class Day; the topic was "What Seniors Can Expect to Find When They Go Out Into the World." It was sponsored by the Students' Association.	1,000.00

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Press Telegram Long Beach, CA Feb. 11, 1976

Groups join forces for global confab

A coalition of non-governmental groups in Long Beach has banded together to sponsor a one-day seminar dealing with world affairs.

"Global Issues and Opportunities" is theme for the gathering, which will convene Feb. 28 in the Student Center at Long Beach City College, 4901 E. Carson St.

Keynote speaker for the general session from 8:30 to 9 a.m. will be Dr. John F. Walzer, professor of history at Long Beach State University. His subject will be "The Revolutionary Role of America in the Modern World."

Participants will then adjourn to one of five workshops covering such subjects as "Taxation: Policies for Foreign Aid and National Defense"; "Focus on the Future: Energy/Environment/Economics"; "The Human Encounter: World Pluralism"; "Why Are Women an Issue?", and "Long Beach as an International City (Why in the World Long Beach?)"

THE MODERATOR for each workshop discussion is from one of the ten sponsoring groups. These are American Association of University Women, American Friends Service, Adult Education Association, LBSU, League of Women Voters, Long Beach City College, National Organization for Women, PTA, Southeast Los Angeles County Social Studies Council and United Nations Association. Overall chairperson is Laurel C. Parker of the Long Beach Chapter, UNA.

Participating in the taxation panel will be George F. Goerl, visiting assistant professor of political science at LBSU; Dr. Marion S. Beaumont, associate professor of economics at LBSU, and Jim Phelps, director of budget and research for the City of Long Beach. Dr. Robert L. Delorme, chairman of the political science department at LBSU, will moderate.

Panelists on energy, environment and economics will be Dr. Robert Rooney, chairman of the Regional South Coast California Coastal Zone Conservation Commission; Dr. Rich Lussier, assistant professor of environmental health at LBSU; Michael Befeler, coordinator of Project Survival in Long Beach, and Joan Fill, home economist, Consumer Services coordinator for Southern California Edison Company. Betty Wylder of Long Beach PTA Council will be moderator.

The world pluralism panel will feature Johanna Roden, professor of German at LBSU; Dr. Philip Maitam, Vietnamese refugee from the University of Saigon and a teacher with Los Angeles City Schools, and LBSU foreign students, Subri Mirta from India and Nuanna Irondi from Nigeria. Moderating will be Carol Larsen of AAUW.

DR. JOHN WALZER
Keynote address

EUGENE McCARTHY
Luncheon speaker

Anna Doroshaw from Long Beach Chapter of NOW will moderate the women issue panel. Speakers will be Cora Cocks, director of Long Beach Family Planning Center and vice chairwoman of the California Commission on Aging; Esther Jackson, in charge of Homemaker Training Program for Senior Opportunities Services; Renee Simon, Long Beach Third District councilwoman, and Charlotte Further, history instructor at LBSU.

The international city panel will have Mrs. Vivian Lindgren, chairwoman of International Committee of Women's Council to Long Beach Chamber of Commerce; Robert Metzger, Long Beach Port Authority; Mrs. Pat Holtz, vice president, International Community Council for Foreign Students and Visitors, and Mrs. Bernarda Martinez, power analyst, Department of Human Resources, City of Long Beach. Dr. J.R. Lindquist, director of the International Center at LBSU, will be the moderator.

Following a break at 10:30 a.m., the panels will reconvene and guests may visit a different session.

LUNCHEON WILL BE served at 12:30 p.m. Featured speaker will be Eugene McCarthy, former U.S. Senator from Minnesota and Democratic presidential candidate in the primaries in 1968. His topic will be "Opportunities for New Directions in Foreign Policy."

A wrap-up panel and discussion moderated by Robert Orr, chairman of the history and social science departments at LBCC, will conclude the program at 2:15 p.m.

Deadline for reservations is Feb. 24, with Mrs. Margaret Nee, 2121 E. First St., Long Beach 90803. Spaces in specific workshops will be filled on a first-come, first-served basis. Cost is $6.50, including lunch. Checks should be made payable to Global Conference.

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Feb. 23-76

Long Beach - California

(State College - Forty-niner)

McCarthy to speak at LBCC conference

A coalition of Long Beach area organizations will get together Sept. 29 to sponsor "a one-day seminar for citizens concerned with world affairs," from 8 a.m. to 5:15 p.m. It will be held at the Long Beach City College Student Center.

The combined effort, titled "Global Issues and Opportunities Conference," will employ a panel discussion "workshop" format, in which several Cal State Long Beach faculty members will take part.

Former U.S. Senator Eugene McCarthy is scheduled to address the conference during a luncheon. The keynote presentation will be delivered by Dr. John F. Walzer, professor of history at CSULB.

The workshops include such topics as, "Taxation: Policies for Foreign Aid and National Defense"; "Focus on the Future: Energy / Environment / Economics"; "The [illegible] World Pluralism" [illegible] Women [illegible] Beach as [illegible] (Wing [illegible]

Among [illegible] for [illegible] and Dr. [illegible] chairman of [illegible] science [illegible] Lindsay [illegible] international [illegible]

[illegible] reservation [illegible] $2 for [illegible] [illegible] [illegible] [illegible] supplied [illegible]

[illegible] additional [illegible] obtained [illegible] [illegible] Long [illegible]

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Times-Picayune
New Orleans, La.
3/23/76

—Staff Photo by Burt Steel.

ANSWERING QUESTIONS at a press conference shortly before the start of Monday night's Direction '76 forum on "The Presidency" at Tulane University are (from left) Dr. Nelson Polsby, editor of the American Political Science Review; Bill Monroe, with NBC's "Meet the Press" who served as moderator; Georgia State Sen. Julian Bond, and former U.S. Sen. Eugene McCarthy, now a candidate for President. The discussion was the first of four to be held in McAlister Auditorium on Tulane's campus. The next is scheduled for 8 p.m. Wednesday on "The Media: The Fourth Estate."

Presidents, Not Presidency Faulted at TU's Direction '76

By JOYCE DAVIS ROBINSON

Nothing is wrong with the Presidency — just with some of the occupants of that office, according to three nationally prominent political figures, one of whom is a candidate for the Presidency.

Each of the keynote speakers at the first night of Tulane University's Direction '76 forum defended the "institution" of the Presidency of the United States, but alternately blamed "personalities," "a weak Congress," and "weak (political) parties" as the reason for what they described as recently unsatisfactory Presidents.

Nelson Polsby, an acknowledged authority on presidential politics and editor of the American Political Science Review, was the only one of the three speakers who was not an elected official.

Georgia State Sen. Julian Bond and former Minnesota U.S. Sen. Eugene McCarthy are both active in national politics and McCarthy is a declared independent candidate for President. Bond has also been asked to be a presidential candidate for a third party backed by the National Black Political Assembly but he has refused.

Another scheduled speaker, Helen Thomas, UPI correspondent and dean of the White House press corps, did not appear.

The tremendous powers allocated to use by recent Presidents because of a weak "check and balance" system, said Bond.

The result of a weak Congress and "over-personalization" of the office has resulted in the evolution of an "imperical Presidency," said McCarthy.

Many presidents are seen as "infallible," said McCarthy, and a "mystique" has developed around the office.

He said the office "must be redefined in principle and recognized in practice."

"The consequences of an imperical President," said Polsby, "spread over the entire political system" resulting in "bad presidential decision making" and public disillusionment.

Each of the three speakers agreed although there can be no "guarantees" other presidents will not misuse their powers, part of the problem can be solved with taking a closer look at presidential aspirants.

Polsby contends that the public should concentrate more on the records of candidates than on their promises and platform. Bond said the public should force candidates to deal with the issues which most affect the public.

McCarthy feels only one candidate can fit the bill for President of the United States in 1976 — himself.

Bill Monroe, a Tulane graduate with NBC's "Meet The Press," served as

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[redacted]

Eugene McCarthy

McCarthy at UNM Monday

Former Sen. Eugene McCarthy, independent presidential candidate, makes his second Albuquerque visit in six months Monday to speak at 8 p.m. in Popejoy Hall.

Sponsored by the Speakers Committee of the Associated Students of University of New Mexico, the candidate will speak on "The Challenge of 1976."

Tickets are $1 for students and $2.50 for others.

McCARTHY campaigned in Albuquerque Sept. 28 in his third-party bid for the presidency. He ran for the Democratic presidential nomination in 1968.

McCarthy served in the House of Representatives for 10 years and the Senate for 12 years.

Since his retirement from the Senate in 1970, McCarthy has taught college courses in politics, literature and history, has lectured across the country, and has published several books and articles in leading publications.

Albuquerque, N
Tribune
3-26-76

3/24/76

newsclip
midwest/chicago
263-4065

MAIL
Olney, IL
D C 7,239

MARCH-31-75

Sen. McCarthy's speech to be in HS Classatorium

Senator Eugene McCarthy will speak in Olney at 8 p.m. Tuesday, April 22 at the East Richland High School Classatorium, not the OCC student union as previously announced.

839

His appearance has been arranged by the OCC Student Senate.

The public is invited to attend. Tickets for adults will be $1 in advance, $1.50 at the door. College students will be admitted free with an ID card. Children under 12 will be admitted free.

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April, 1975

CCARTHY

McCarthy packs them in with speech at Western

By BETH ERICKSON
Staff Reporter

There has never been a better time for an independent presidential candidate, Eugene McCarthy believes.

McCarthy is the former senator from Minnesota who knocked Lyndon Johnson out of the presidential running in what eventually became Richard Nixon's election of 1968.

After seven years and two presidential elections, McCarthy is making another serious bid for the presidency, this time as an independent candidate.

He took his case to Bellingham Monday, where some 1,200 persons crammed Western Washington State College's music auditorium to hear the droll-humored, sallow-faced man in the slightly ill-fitting grey suit.

Reminiscences of '68 kept popping up throughout the day. In addition to McCarthy's own occasional references to the campaign, there was the walk across campus.

The pace was swift, the day sunny, and Red Square was dotted with students going to and from class. Many paid little attention to the tall man with the silver hair but occasionally there would be a double take as McCarthy was recognized.

If he were disappointed that students didn't begin following him as he walked, as they once did, McCarthy didn't show it.

And staff worries about the turnout for his speech proved unwarranted, with McCarthy rewarded with the first full music auditorium house since the production of "Man of La-

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(continued)

Bellingham, Wash.
Herald
(Cir. D 22,250 - Sun. 23,224)

APR 11 1975

Allen & P. C. B. Est. 1888

McCarthy will make talk here

~~2108~~ 188

Eugene McCarthy, a Democratic presidential aspirant in 1968 who has announced his candidacy as an independent in 1976, will speak at Western Washington State College April 28.

McCarthy, whose appearance will be sponsored by the Undergraduate Political Science Club, will speak at 2 p.m. in the Music Auditorium. A 50-cent admission will be charged. McCarthy also will be at a public reception from 3:30 to 4:30 p.m. at the Campus Christian Ministry house.

McCarthy's strong showing in the New Hampshire primary in 1968 is considered one of the prime factors in President Lyndon Johnson's decision not to seek another term.

McCarthy, however, lost the Democratic nomination that year to Johnson's vice president, Hubert H. Humphrey, who then lost in November to Richard Nixon.

After McCarthy did not seek re-election as a U.S. senator from Minnesota, Humphrey won the election to fill the seat. Since, McCarthy has been teaching at the college level and is chairman of the Committee for a Constitutional Presidency.

He has been campaigning across the nation since announcing his candidacy as a reform candidate. Following his appearance in Bellingham, he is scheduled to speak in Seattle. He also will speak in Spokane while in Washington.

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midwest / chicago
283-4865

MAIL
Olney, IL
D C 7,239

APRIL -21-75

SENATOR McCARTHY SPEAKER HERE TUESDAY

The public is invited to attend a lecture by U.S. Sen. Eugene McCarthy at the ERHS Classtorium in Olney tomorrow, Apr. 22 at 8 p.m.

The appearance of Sen. McCarthy is sponsored by the Student Senate of Olney Central College.

Tickets are $1 in advance and may be purchased at either Olney bank, or from members of the OCC Student Senate. Tickets will also be available at the door at $1.50.

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newsclip
261-4065

REPUBLICAN-REGISTER
Mt. Carmel, IL
D C 4,142

APRIL-21-75

Presidential aspirant Eugene McCarthy to speak at WVC

B-33

Former U. S. senator and presidential candidate Eugene McCarthy will speak in Mt. Carmel tomorrow at 3 p.m. in the Wabash Valley College auditorium. McCarthy will review American political activities during the past few years and their relation to current events in his talk "America Revisited."

Tickets will be available at the door.

7704001322

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OFFICE OF GENERAL COUNSEL

Ethics Topic Of McCarthy Speech At IC

By FRANK BRIDGEWATER

Eugene J. McCarthy, former U.S. Senator from Minnesota who is running for President in 1976 as an independent, spoke last night on a wide range of issues at Rammelkamp Chapel on the Illinois College campus.

McCarthy, whose appearance was sponsored by the Student Activities Board of the Student Forum, spoke on "Ethics in Politics" to an estimated 400 persons.

Defining ethics as honesty, integrity, and "concern for social justice," McCarthy discussed forces bearing on politics.

One of these is "the reflection of morality in public." Morality in general is at a low point, McCarthy said, and this is reflected in politicians.

Another force is that ethical and moral standards accepted in the business and professional world are accepted in politics.

Also, politicians have lost the idea that public office carries special responsibility — that a person has to accept a new type of ethics upon entering politics.

Stating that there has been a "general relaxation" in the last few years of morals in politics, McCarthy said, "We shouldn't have been altogether too surprised that Watergate happened."

There have always been some dirty tricks in politics, McCarthy said, using examples of various citizen and volunteer groups which were not really voluntary; the false formation of a group merely for public relation purposes; and false mailings.

And there has always been some "spying," such as checking where politicians get their donations.

But, with burglary, breaking and entering and wiretapping conducted in the 1972 election, ". . . almost a new dimension of unethical conduct was added . . ." McCarthy said.

And where it has generally been accepted that members of a President's Cabinet, the attorney general excluded, would campaign for the President or the party, during "Watergate," agencies that were always thought to be nonpolitical were used. McCarthy gave as examples the Federal Bureau of Investigation, Internal Revenue Service, and the Central Intelligence Agency.

What To Do

What we do to rectify the situation, McCarthy stated, is "concern ourselves with the general level of morality in the country."

That includes, he said, not relying on one or two people as moral leaders.

Many in political life are lawyers, and problems can be created when a lawyer applies his law principles to public office, McCarthy said.

If a lawyer politician follows the rules of advocacy, he will tell only what will help him with the public.

To illustrate, McCarthy said President Lyndon

PRESIDENTIAL CANDIDATE Eugene McCarthy discussed "Ethics in Politics" at Illinois College last evening. McCarthy is running for President in 1976 as an independent.

newsclip
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COURIER
Jacksonville, IL
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APR 22-75
OFFICE OF GENERAL COUNSEL

7704011723

Mill Valley, Calif.
Record
(Cir. W. 4,717)

APR 3 0 1975

Allen's P. C. B Est. 1888

McCarthy to speak on the Presidency

Former US Senator Eugene McCarthy will speak at the College of Marin gymnasium on Friday, May 2 at 8 p.m.

McCarthy's lecture, titled "Toward a Responsible Presidency" is sponsored by the COM Associated Students.

On Jan. 12 McCarthy announce his candidacy for President as an Independent. His national campaign organization, the Committee for a Constitutional Presidency, is supporting petition drives in all 50 states to get his name on the ballot in November 1976.

McCarthy first achieved national prominence in 1968 when he sought the Democratic presidential nomination as an anti-war candidate.

Tickets for the May 2 presentation are $3.50 general and $2.50 for COM students. They are available in advance through the College box office.

Spokane, Wash.
Spokesman Review
(Cir. D 81,575)

MAY 1 1975

Allen's P. C. B. Est. 1888

Avoid guilt, McCarthy says

PORTLAND, Ore. (AP) — Former Sens. Eugene McCarthy, an early critic of the war in Vietnam, who is running as an independent candidate for president, said Wednesday the nation should avoid recriminations about the war.

He said the United States must never again put itself into the position of being drawn unwillingly or unwittingly into a war because of blind commitments for causes of other nations.

He also said the Vietnam war should teach us that military solutions cannot be used to deal with every international problem.

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FEDERAL ELECTION COMMISSION

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Remember McCarthy? Students Today Don't

Olney

Michael Wright and Bill Gibson were sitting in the front row of East Richland High School's auditorium one night recently waiting for the speaker to arrive.

"Is he a Democrat?" Wright, 19, asked Gibson. "I think I remember that he's kind of conservative."

Eugene McCarthy might have chuckled if he had overheard the conversation, especially since he has often been called anything but a conservative.

He might have attributed the comment to time (Wright was 12 years old when the Minnesota Democrat challenged and gained a moral victory against President Lyndon B. Johnson's delegate slate in the New Hampshire primary) or the fleeting nature of political fame.

Gibson, like Wright, an Olney Central College student, shook his head as he looked around the large room with its 1,500 seats filled by perhaps 35 people, a handful of students, college faculty members and citizens.

"It's just not right. We should have more people than this for somebody like Sen. McCarthy," the 18 - year - old said.

Two rows back a high school girl kept turning around in her seat, looking over the near - empty auditorium and moaning, "It's terrible, it's terrible. Oh, I just know he won't speak."

McCarthy already had arrived, standing in the lobby at the back of the room, chatting with the OCC officials and Olney Mayor Dean Carter, the only politician on hand to greet the man who rose from little notice in the U.S. Senate to help topple an incumbent President and mount a strong bid for his party's presidential nomination.

His figure was still recognizable, though there are changes in the man who was seen on the evening news by millions as he trudged through the snows of New Hampshire, articulating a groundswell of

By Bob Sampson

anti - war sentiment. B33

The hair was entirely silver and gray, the jowls sagged and puffy half - circles were now formed below his eyes. He seemed a bit heavier, too.

"Let's proceed, shall we," McCarthy said to his hosts and together they moved down a side aisle towards the stage.

A curtain had been stretched across the room, cutting it in half and somewhat reducing the impact of the rows of empty seats in the darkened areas through which the men now were walking.

There was only silence as McCarthy stepped from behind the curtain, into view of the audience.

Eight years ago the cheering and clapping would have been deafening.

There was not any applause until after Carter presented McCarthy a key to the city.

If McCarthy was disappointed it didn't show, perhaps because he was not viewing his lecture as overtly political. "It's educational," he told one questioner.

Moving logically from one point to another, with touches of wry humor, the lecture was a typical McCarthy speech.

He talked about the limits of presidential power, the exclusive functions of the legislative and judicial branches of government, the proper role of political parties — serious questions that are rarely discussed by other candidates.

McCarthy presents these abstract matters in a way that is understandable and tends to make his listeners wonder why they don't hear the same from

nedys, a choice of rooms that seems ironic for the only man to have beaten a Kennedy at the polls.

McCarthy moved easily among the 25-30 people gathered in the room, looking like the college professor he once was at a faculty party instead of a politician on the stump.

One one side of the room a student was trying to build up courage to introduce himself to McCarthy by practicing on another student.

"Hello, Sen. McCarthy," he repeated to his friend.

College girls in long gowns walked by the senator, eyeing him admiringly as he talked with older couples.

When asked about his political plans McCarthy was direct.

"Yes," he said, "we've got a committee organized for a third party and it's done some preliminary work.

"We expect to be on the ballot in 50 states."

And he believes at least some of those who followed him in 1968 are available, "I think

Sen. Eugene McCarthy

about one - third are ready for the call."

He moved on, meeting people, signing autographs and posing for pictures, doing all the things expected of a candidate.

As if to eliminate any doubt, he usually ended the conversations with the promise, "I'll see you in '76."

'See You in '76'

newsclip

HERALD
Decatur, IL
C 67,507

MAY -2--75

FEDERAL ELECTION COMMISSION
ORIGINAL FILE COPY
OFFICE OF GENERAL COUNSEL

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College of Marin

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[illegible] MORRIS

An audience of 400 at the College of Marin last night found that Eugene McCarthy's ribbing dry and self-effacing wit is intact, although two unsuccessful presidential campaigns have left it with a sharper edge for the third, and just beginning, round.

This time, the 58-year-old former Democratic senator from Minnesota wants to be elected to the nation's highest office as an independent, because he's convinced the two major parties have contributed to what he considers to be the frightening growth of presidential power during the last two decades.

Since the [illegible] years, McCarthy said, there has been an erosion of the "distinctions" between the functions of the different branches of government, and presidents have come to assume all powers ultimately belong to them.

"Eisenhower abused his powers, delegating them to John Foster Dulles, allowing him to go around the world signing up state treaties, and mutual pacts with whoever else would sign," McCarthy said.

"Unfortunately, subsequent Democratic administrations seemed to think they had to honor the commitments of a past administration. It became the papal succession."

This attitude gives the presidency a special character — Johnson said the Vietnam War was a matter of carrying on what three presidents before him had gotten involved in, and then when Nixon came along he said he was carrying on what four presidents had done, McCarthy said.

[illegible] stage start[illegible] when [illegible] using [illegible] my' — my [illegible] cabinet and my [illegible] That was an [illegible] for [illegible] H. Truman [illegible] was down over the [illegible] Democratic [illegible] lost the [illegible] people believed [illegible] still tied to Johnson's [illegible] strings.

Nixon carried the [illegible] thing a step farther. He started using the plural form, "we."

At first no one knew who "we" were, and it shortly became evident that Mr. Nixon considered himself the embodiment of the entire country.

It was Mark Twain who said the only persons who should call themselves "we" are the Royal [illegible]

McCarthy proposed that Nixon's ultimate debasement of the presidency and the lesson they have come in 1970 when U.S. troops entered Cambodia with a presidential order but without consent of Congress.

"That was an 'incursion' — the first we ever conducted," McCarthy said.

"Nixon's actions were himself. If we staged an invasion, we would have declared war. An incursion? There's no [illegible] you — you can't [illegible] there's no way you can [illegible] judgment on the action [illegible] and we found out that we [illegible] supposed to make a judgment because Nixon now [illegible] sidered [illegible] leaders of the [illegible]

McCarthy [illegible] Union [illegible]

The [illegible] nonsense [illegible] former [illegible] [illegible] stimulate [illegible] loyalty [illegible]

"[illegible] loyal to [illegible] president [illegible] the point of supporting his policy. Yet when a Republican was elected, they [illegible] for supporting the same [illegible]

McCarthy classified [illegible] "dangerous myth." The [illegible] "we need the two-party system to make democracy work. [illegible] multiple parties [illegible] instability."

Actually, he said, the [illegible] [illegible]

[illegible] $2 million for [illegible] convention.

"Democratic" [illegible]

He criticized campaign spending limitations similarly, saying that spending fathers would have never supported them.

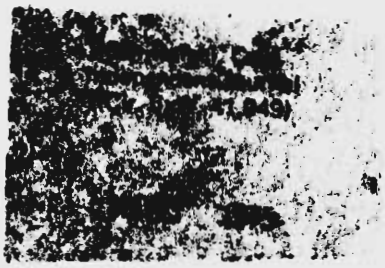
If today's laws limiting contributions to campaigns had been in effect during [illegible] McCarthy [illegible] Johnson and Goldwater [illegible] would have acted [illegible] having given too much [illegible] own fortunes to the [illegible] effort.

"And [illegible] interested [illegible] [illegible]

[illegible] Dean Rusk [illegible] secretary of state [illegible] Navy [illegible] Robert S. [illegible] secretary [illegible]

[illegible] A brief [illegible] what a young woman [illegible] asking whether he [illegible] still be able to speak as [illegible] if he were president, he [illegible] a direct answer and asked his audience to consider the case of Gerald Ford.

When Ford became president, he announced that he [illegible] "to his own man." Two [illegible] later he appeared before Congress to announce that he [illegible] everybody's man. Then, [illegible] days in office, he [illegible] that he was [illegible]



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FEDERAL ELECTION
COMMISSION

Mr. David Spiegel
Deputy Assistant General Counsel
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

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OFFICE OF GENERAL COUNSEL

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

2/2/77

Ms. Mary Meehan
Treasurer
Committee for a Constitutional
Presidency-McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Re: MUR 030 (75)

Dear Ms. Meehan:

Pursuant to the conciliation conference with me and Mrs. Sulton, and your attorney, Mr. Ostmann, on Friday January 28, 1977, I am enclosing a list of each of the honorariums and reimbursements to which the Commission's determination of reasonable cause in this matter applies. Appended to the list are the various reports on which the list is based. Reimbursements for travel expenses not initially paid by the Committee should be treated as contributions by Mr. McCarthy to his campaign committee on Schedule A, line 15. If, however, the committee paid the travel initially, then the reimbursement should be reported on Schedule A, line 17.

It is our understanding, on the basis of the conference, that you will supply us on or before February 17, 1977 with any further materials you deem relevant to showing that certain honorariums or fees for what you described as "ticketed events" were actually comprised of separate contributions by persons who attended the events. These materials, as we indicated, at the conference, had been requested during the investigative phase of this matter.

We also understand, on the basis of our separate discussion of MUR 271, that you will be supplying us with a list of the names of all of Mr. McCarthy's vice-presidential candidates. You had agreed at the conference that this list would be produced by February 6, 1977.

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As indicated in the conference, we would like to conclude the conciliation process in MUR 030 on February 17, 1977, or as soon thereafter as possible.

Sincerely yours,

David Spiegel
Deputy Assistant General Counsel

cc: James Buckley Ostmann, Esq.
1820 Jefferson Place, N.W.
Washington, D.C. 20036

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

Ms. Mary Meehan
Treasurer
Committee for a Constitutional
Presidency-McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

JAN 10 1977

Re: MUR 030 (76)

Dear Ms. Meehan:

On December 22, 1976, the Commission determined that there is reasonable cause to believe that the Committee for a Constitutional Presidency-McCarthy '76 has committed a violation of 2 U.S.C. §434(b) of the Federal Election Campaign Act of 1971, as amended (the Act) by inaccurately reporting the source of contributions on Schedule A, identified as lecture fees and travel reimbursements from various colleges, universities and other groups.

The Commission has a duty to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion and to enter into a conciliation agreement. 2 U.S.C. §437g(a)(5)(A). If we are unable to reach agreement during that period, the Commission may upon a finding of probable cause to believe a violation has occurred, institute civil suit. 2 U.S.C. §437g(a)(5)(B).

Please advise me at your earliest opportunity of your decision in this matter. If you have any questions, please feel free to contact Gloria Sulton (telephone no. 202/382-4041), the attorney assigned to this matter.

Sincerely yours,

FEDERAL ELECTION COMMISSION
OFFICIAL FILE COPY
OFFICE OF GENERAL COUNSEL

William Oldaker
General Counsel

7704030330

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 030 (76)
Committee for a Constitutional Presidency McCarthy '76	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on December 22, 1976, the Commission determined by a vote of 5-0, that there was reasonable cause to believe that a violation of the Federal Election Campaign Act of 1971, as amended, had been committed in the above-captioned matter.

Accordingly, the attached letter was sent.

Betty S. Moo
for Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Committee for a Constitutional Presidency	)	MUR 030 (76)
McCarthy '76	)	

GENERAL COUNSEL'S REPORT

I. Allegations

This case was internally generated as a result of a review of reports of receipts and expenditures filed by respondent (CCP). CCP is the principal campaign committee of Eugene McCarthy. The issue involved is the reporting of lecture fees and travel expenses paid to McCarthy by universities and colleges and other groups for appearances and speeches.

II. Evidence

The reports filed by the CCP list certain receipts for lecture fees and travel reimbursements for colleges and universities and other groups on the contribution Schedule A. The Commission made inquiry on August 29, 1975 advising of possible violations of 18 U.S.C. §§608, 610 and 611. On September 12, 1975, CCP responded characterizing the payments from universities and colleges as receipts for services rendered (i.e., lecture fees), not contributions. Further the payments, it stated, were not income to McCarthy. CCP felt that Schedule A was the only place to list these receipts.

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A second letter was sent to CCP on June 29, 1976, by the Commission. That letter advised CCP that the receipts, if not contributions by the universities, etc., should be reported as a contribution from McCarthy to his campaign and that its reports should be amended to reflect same. No response was received.

On August 20, 1976, CCP was sent a third letter with an enclosure of the June 29, 1976 letter. In reply, CCP repeated its earlier position that the lecture fees are not contributions to CCP nor income to McCarthy. CCP suggested that these lecture fees may be listed on Schedule D and that it intends to do so unless advised to the contrary.

On October 5, 1976, the Commission advised CCP that there was reason to believe a violation of 434(b) had occurred. No written response has been received.

On October 26, 1976, the Commission authorized a field investigation to resolve these issues:

1. Whether the disclosure of the lecture fees and travel expenses have been properly reported to reflect the source of the monies; and

2. Whether the reported receipts, if not income to the candidate, were received by CCP from corporations and/or Federal contractors in connection with Mr. McCarthy's candidacy.

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Prior to the investigation at CCP's office on November 9, 1976, the treasurer of CCP, Ms. Mary Meehan, made telephone contact with my office. On the first occasion, she asked for additional time to contact an attorney since she alleged she never received the October 5, 1976, letter ("reason to believe" letter inadvertently addressed to Mary Monroe, past treasurer). A copy of the October 5, 1976 letter was sent to her; however, she failed to contact my office as agreed in the prior call. On the day the investigators were scheduled to visit CCP's office, she again asked for a delay which request was refused. No further telephone contact has taken place.

On November 9, 1976, two investigators reviewed the records of CCP and were allowed to copy certain records at the Commission's office. (See attached report dated November 22, 1976). The visit revealed that the records maintained were inadequate to substantiate to whom and from whom reported receipts were made or received. No copies of cancelled checks are maintained and contributor cards prior to March 1, 1976 are in the possession of the former treasurer or chairman. Contributor cards after that date could not be located.

The green ledger which purportedly contains a record of receipts including lecture fees where payments were paid directly to CCP covered a period beginning in 1974 through the present. The investigators were able to substantiate through this ledger

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OFFICE OF GENERAL COUNSEL

a few of the listed receipts. A sampling of pages from the ledger are attached to show the manner in which these receipts were recorded.

The appointment files containing Mr. McCarthy's itinerary served to substantiate date, time, place, and in some cases, fees and subject matter of the speech given; however, these records did not show whether the fee was paid and if so, to whom. The investigators were able to determine that a number of the colleges and universities are incorporated (see report).

The investigators asked whether Mr. McCarthy maintained an employment relationship with CCP. Mr. Yeager, assistant treasurer, stated that no such agreement existed.

III. Analysis and Recommendation

CCP has consistently reported the lecture fees herein as receipts from the colleges and universities, etc. on Schedule A. There is no factual disagreement that the receipts were occasioned by speeches or appearnaces by Mr. McCarthy. Further there is no evidence to indicate that by contract or agreement CCP is entitled to receive Mr. McCarthy's income generated by these speeches and appearances. Thus, it would appear that the receipts reported by CCP generated by Mr. McCarthy's speeches and appearances are contributions by Mr. McCarthy to his principal campaign committee and should be

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reported as such. Since this committee will be audited under the criteria approved by the Commission, no additional field work is recommended. The audit staff will be apprised of the findings in this case.

With respect to the possible 441b violation, the recent opinion issued by the Commission appears to eliminate the necessity for proceeding further on this question (See AO 1976-59 dated October 27, 1976). In that opinion, the Commission states that non-officeholding Federal candidates are not limited under the Act in the amount of honoraria and related expenses which they may receive for a speech, article or appearance. The receipts at issue in this case would be considered "honoraria" within the meaning of 441i had they been paid to officeholders. In light of that opinion, such honoraria may also be paid to non-officeholders. While the fees received in this case pre-dated the opinion, remedial action seems unwarranted since there is no clear statutory basis for precluding the action taken herein nor any interpretations issued by the Commission with respect to non-officeholding Federal candidates. (See 18 U.S.C. §616, the predecessor to 2 U.S.C. §441i). Significantly none of the fees reported exceeded $2,000 and most were less than $1,000.

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It is recommended that the Commission find reasonable cause to believe that CCP has violated 2 U.S.C. §434(b) by failing to report the receipts in question as contributions from Mr. McCarthy to his committee. Further it is recommended that the attached conciliation agreement be submitted to CCP in settlement.

IV. Conclusion

Send the attached letter.

John G. Murphy, Jr.
JOHN G. MURPHY, JR.
General Counsel

DATE: December 16, 1976

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FEDERAL ELECTION COMMISSION
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OFFICE OF GENERAL COUNSEL

FEDERAL ELECTION COMMISSION

Nov. 22, 1976

Report on results of field investigation

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

____	(1) Classified Information	____	(6) Personal privacy
____	(2) Internal rules and practices	____	(7) Investigatory files
____	(3) Exempted by other statute	____	(8) Banking Information
____	(4) Trade secrets and commercial or financial information	____	(9) Well Information (geographic or geophysical)
✓	(5) Internal Documents		

Signed Judy Browning

date 9-27-77

FEC 9-21-77

7701011338

FEDERAL ELECTION COMMISSION

Nov. 4'76 Memo to Oldaker re phone conversation on plans for field investigation

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

____	(1) Classified Information	____	(6) Personal privacy
____	(2) Internal rules and practices	____	(7) Investigatory files
____	(3) Exempted by other statute	____	(8) Banking Information
____	(4) Trade secrets and commercial or financial information	____	(9) Well Information (geographic or geophysical)
✓	(5) Internal Documents		

Signed Judy Browning

date 9-22-77

FEC 9-21-77

7704011339

NOV 4 1976

Ms. Mary Meehan
Treasurer
Committee for a Constitutional
Presidency--McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Re: MUR 030 (76)

Dear Ms. Meehan:

Pursuant to your telephone conversation of November 3, 1976, with Gloria R. Sulton of my staff, I am enclosing the following letters: August 29, 1975 from Gordon Andrew McKay; response dated September 12, 1975 from Mary Monroe; October 5, 1976 from William Oldaker. I regret that there has been a mix-up between your name and Ms. Monroe's name. We were aware of the March 1, 1976 amendment to the registration statement. I can assure you that this will not occur again.

Mrs. Sulton advises me that you will be in touch with her by Friday, November 5, 1976. We shall take no further action in this matter until that time.

Sincerely yours,

William C. Oldaker
Assistant General Counsel

Enclosures

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FEDERAL ELECTION COMMISSION
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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Monroe
Treasurer
Committee for a Constitutional
Presidency -- McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

OCT 28 1976

Re: MUR 038 (76)

Dear Ms. Monroe:

The Commission voted to conduct a field investigation into the matters alleged in our notification to you of October 5, 1976. Accordingly, the Commission would like to schedule an audit and investigation of your records and interviews with you and your personnel within the next few days. The investigation will be conducted by the Commission's investigatory unit. You will be contacted by telephone to arrange a satisfactory time.

You may submit any additional material of either a factual or legal nature which you believe is relevant to the matters under investigation. Statements should be submitted under oath by individuals having personal knowledge of the matters herein.

Your cooperation and assistance will be appreciated. Every effort will be made to expeditiously conclude this matter. If you have any questions, please address them to Gloria R.SSulton (telephone no. 202/382-4041).

Sincerely yours,

William C. Oldaker
Assistant General Counsel

GSulton:pjg:10/28/76
cc: Chron file
MUR file
GS

FEDERAL ELECTION COMMISSION
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OFFICE OF GENERAL COUNSEL

7704040341

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 030 (76)
Committee for Constitutional	)	
Presidency - McCarthy '76	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 26, 1976, the Commission determined by a vote of 5-0 that a field investigation should be made in the above captioned matter. Commissioner Tiernan was absent.

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

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OFFICE OF GENERAL COUNSEL

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 030 (76)
Committee for a Constitutional	)	
Presidency-McCarthy '76	)	

GENERAL COUNSEL'S REQUEST FOR INVESTIGATION

I. Allegations

Pursuant to the Commission's determination on October 5, 1976, that there is reason to believe that a violation of 2 U.S.C. §434(b) has occurred with respect to the disclosure of certain receipts for lecture fees and travel expenses, and upon the failure of respondent (hereinafter CCP) to answer or amend its report to comply with the statutory requirements, the General Counsel requests that a field audit and investigation be conducted pursuant to 2 U.S.C. §437g(a)(2).

The issues to be resolved in this matter are as follows:

1. Whether the disclosure of the lecture fees and travel expenses have been properly reported to reflect the source of the monies.

2. Whether the reported receipts, if not income to the candidate, were received by CCP from corporations and/or Federal contractors in connection with Mr. McCarthy's candidacy.

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II. Outline of Investigation

A. Examination of Books and Records

CCP has consistently reported receipts for lecture fees and travel expenses related thereto for the period July 1, 1975 - December 31, 1975 on part 4, "other receipts (refunds, rebates, interest, etc.)," of Schedule A of the old forms. Beginning on January 1, 1976, CCP has reported these receipts on Schedule A, line 17, the equivalent of part 4 of the old forms. Most of the receipts are listed as having come from universities and colleges; a few from orgainzations such as the Nucleus Club; one from a TV Station in California.

These questions should be resolved through an examination of the books and records of CCP:

1. In what form (check, money order) was payment made by the colleges and universities, etc.?

2. To whom were the payments made?

3. What legends appeared on the instrument or accompanying letters to identify the purpose of the payment?

4. If CCP was not the original payee, who were the endorsers of the instrument?

5. Were any instruments paid by corporations, labor orgainzations or national banks?

6. Did any of the payments received co[illegible] of ticket sales for Mr. McCarthy's appearance[illegible]

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B. Vertification

In cases where the receipt cannot be verified as to payee or purpose, further vertification should be sought from CCP personnel or the makers of the instrument. Such vertification may be in the form of letters, contracts, memoranda of telephone contacts, statements from CCP personnel having personal knowledge of the transaction. Where necessary, contact may be made directly to the makers of the instruments. Since CCP maintains that the fees are not income to McCarthy, it is essential to ask these questions:

1. Is Mr. McCarthy an employee of CCP?

2. Is he receiving any form of regular pay from CCP?

3. Is there an oral or written agreement between CCP and Mr. McCarthy with respect to the lecture fee arrangement?

4. Who is responsible for scheduling and contracting for his appearances listed in the reports, i.e. who has authority to make a commitment for Mr. McCarthy's appearance?

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III. Recommendations

It is recommended that the Commission authorize a field investigation as described above. The Office of Disclosure and Compliance estimates that the investigation will take approximately three days.

WILLIAM C. OLDAKER
ASSISTANT GENERAL COUNSEL

DATE: 10/29/76

FEDERAL ELECTION COMMISSION

Oct 18 '76

Plan of investigation

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

____	(1) Classified Information	____	(6) Personal privacy
____	(2) Internal rules and practices	____	(7) Investigatory files
____	(3) Exempted by other statute	____	(8) Banking Information
____	(4) Trade secrets and commercial or financial information	____	(9) Well Information (geographic or geophysical)
V	(5) Internal Documents		

Signed Judy Browning

date 9-22-77

FEC 9-21-77

7704011346

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

OCT 05 1976

Ms. Mary Monroe
Treasurer
Committee for a Constitutional
Presidency--McCarthy '76
1440 N Street, N. W.
Washington, D. C. 20005

Re: MUR 030 (76)

Dear Ms. Monroe:

In three previous letters dated August 29, 1975, June 29, 1976, and August 20, 1976, the Commission has asked your Committee to explain certain entries in the quarterly reports filed by the Committee for a Constitutional Presidency -- McCarthy '76 (CCP). These entries involve payments to the Committee from various colleges, universities and other groups for lecture fees and travel reimbursement in connection with speeches given by Eugene McCarthy. Since you had indicated to us that the monies in question were not contributions from the sources listed, we advised you that they should have been reported as a contribution from Mr. McCarthy to his campaign. To date, you have failed to amend your reports.

Based upon your failure to properly report the described receipts, the Commission finds reason to believe that you have committed a violation of 2 U.S.C. §434(b). Moreover, if the receipts are not considered income to Mr. McCarthy and a contribution from him to his campaign committee, the colleges and universities, etc., if corporations or Federal contractors, may have made contributions "in connection with" a Federal election; therefore, your acceptance or receipt of such monies would be in violation of 18 U.S.C. §610 (now 2 U.S.C. §441b).

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P.S.

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OFFICE OF GENERAL COUNSEL

The Commission rejects your suggestion that the monies in question be reported on Schedule D. That schedule is designed for the reporting of ticket sales to dinners, luncheons or other fundraising events; Mass collections; and sale of items such as political campaign buttons and literature. Nevertheless, contributions exceeding $100 in the reporting period or aggregating in excess of $100 during the calendar year from one person are required to be itemized on Schedule A. You have provided no facts upon which the Commission can conclude that Schedule D is the proper schedule for listing the monies in question.

The Commission further notes that the receipts from the sale of Mr. McCarthy's book "to help finance our campaign" appear to be contributions within the meaning of 2 U.S.C. §431(e).

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. I would appreciate it if you would respond to this letter within five days of its receipt. Statements should be submitted under oath by individuals with personal knowledge of the matter herein.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely yours,

William C. Oldaker
Assistant General Counsel

GSulton:mpc:9/23/76

cc: MUR 030 (75) File
GS
Chron File

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OFFICE OF GENERAL COUNSEL

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2. ARTICLE ADDRESSED TO:

Ms. Mary Monroe

3. ARTICLE DESCRIPTION:

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	438202	

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X Geo Janey

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Committee for a Constitutional Presidency - McCarthy '76	)	MUR 030 (76)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 5, 1976, the Commission determined by a vote of 5-0 that there was reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended, had been committed in the above-captioned matter. Voting that there was reason to believe were Commissioners Aikens, Harris, Springer, Staebler, and Thomson; Commissioner Tiernan was not present.

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Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

FEDERAL ELECTION COMMISSION
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OFFICE OF GENERAL COUNSEL

Henshaw

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 030 (76)
Committee for a Constitutional)
Presidency - McCarthy '76)

GENERAL COUNSEL'S REPORT

I. Allegations

This case arose from an internal review of the reports of respondent (CCP). CCP is the principal campaign committee of Eugene McCarthy, independent candidate for President. The issue involved herein is how lecture fees and travel expenses paid to McCarthy by universities and colleges and other groups for his appearances and speeches must be disclosed in CCP's reports.

II. Evidence

The reports filed by the CCP list certain receipts for lecture fees and travel reimbursements for colleges and universities and other groups on the contribution Schedule A. The Commission made inquiry on August 29, 1975 advising of possible violations of 18 U.S.C. §§608, 610 and 611. On September 12, 1975, CCP responded characterizing the payments from universities and colleges as receipts for services rendered (i.e., lecture fees), not contributions. Further,

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FEDERAL ELECTION COMMISSION
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OFFICE OF GENERAL COUNSEL

the payments, it stated, were not income to McCarthy. CCP felt that Schedule A was the only place to list these receipts.

A second letter was sent to CCP on June 29, 1976, by the Commission. That letter advised CCP that the receipts, if not contributions by the universities, etc., should be reported as a contribution from McCarthy to his campaign and that its reports should be amended to reflect same. No response was received.

On August 20, 1976, CCP was sent a third letter with an enclosure of the June 29, 1976 letter. In reply, CCP repeated its earlier position that the lecture fees are not contributions to CCP nor income to McCarthy. CCP further advise that it sells copies of Mr. McCarthy's book, "The Hard Years," to support the campaign but receipts from the sale are not counted as campaign contributions. It reasoned that if a written speech is not a contribution, then the fact that the speech is given orally will not convert it into a contribution. Lastly, CCP suggests that these lecture fees may be listed on Schedule D and that it intends to do so unless advised to the contrary. See response attached.

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III. Analysis and Recommendation

CCP throughout its reports has consistently listed the lecture fees and reimbursements from the universities and colleges on Schedule A. Since the monies in question were admittedly received by Senator McCarthy's principal campaign committee, they have been properly characterized as receipts. However, it appears that unless McCarthy is employed by his principal campaign committee and that relationship gives CCP the right to receive any earnings received by him, the receipts cannot be reported as coming from the universities and colleges, etc., but instead should be reported as contributions from him to his campaign. In view of the fact that CCP has failed to amend its campaign reports to reflect the source of the funds nor presented evidence to controvert our previous position, we recommend that the Commission find reason to believe that a violation of 2 U.S.C. §434(b) has been committed. We further recommend that the Commission advise CCP that if the monies received are not income to McCarthy and a contribution from him to his campaign committee, then the colleges and universities, etc., if incorporated or government contractors, may have made contributions "in connection with" a Federal election and CCP's acceptance or receipt of such monies would be in violation of 18 U.S.C. §610 (now 2 U.S.C. §441b) should

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MICHAEL O. SULLIVAN

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no response be received to the attached letter within five days of its receipt, we are prepared to recommend a field investigation of CCP's books and records.

With respect to CCP's suggestion that it list the receipts on Schedule D, there is no basis for reporting these receipts on that schedule. Schedule D is designed for the reporting of the sale of tickets to dinners, luncheons or other fundraising events; mass collections; and the sale of items such as political campaign pins, buttons and literature. However, if a sale to any individual exceeds $100 during the reporting period or aggregates in excess of $100 within the calendar year, then itemization is required on Schedule A.

Further, it appears that CCP's characterization of the receipts from the sale of McCarthy's book as non-contributions is erroneous. It is recommended that the Committee be advised that Schedule D reporting is not acceptable based upon the facts before the Commission and that the receipts from the sale of the book are a contribution, to the extent of the full price paid for each book. This follows from the fact that the Committee volunteers that proceeds from the sale of the books "help finance our campaign."

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IV. Conclusion

Find reason to believe a violation of 2 U.S.C. §434(b) has been committed; send attached letter.

WILLIAM C. OLDAKER
Assistant General Counsel

DATE: Sept. 30, 1976

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OFFICE OF GENERAL COUNSEL

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Monroe
Treasurer
Committee for a Constitutional
Presidency--McCarthy '76
1440 N Street, N. W.
Washington, D. C. 20005

Re: MUR 030 (75)

Dear Ms. Monroe:

In three previous letters dated August 29, 1975, June 29, 1976, and August 20, 1976, the Commission has asked your Committee to explain certain entries in the quarterly reports filed by the Committee for a Constitutional Presidency -- McCarthy '76 (CCP). These entries involve payments to the Committee from various colleges, universities and other groups for lecture fees and travel reimbursement in connection with speeches given by Eugene McCarthy. Since you had indicated to us that the monies in question were not contributions from the sources listed, we advised you that they should have been reported as a contribution from Mr. McCarthy to his campaign. To date, you have failed to amend your reports.

Based upon your failure to properly report the described receipts, the Commission finds reason to believe that you have committed a violation of 2 U.S.C. §434(b). Moreover, if the receipts are not considered income to Mr. McCarthy and a contribution from him to his campaign committee, the colleges and universities, etc., if corporations or Federal contractors, may have made contributions "in connection with" a Federal election; therefore, your acceptance or receipt of such monies would be in violation of 18 U.S.C. §610 (now 2 U.S.C. §441b).

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The Commission rejects your suggestion that the monies in question be reported on Schedule D. That schedule is designed for the reporting of ticket sales to dinners, luncheons or other fundraising events; mass collections; and sale of items such as political campaign buttons and literature. Nevertheless, contributions exceeding $100 in the reporting period or aggregating in excess of $100 during the calendar year from one person are required to be itemized on Schedule A. You have provided no facts upon which the Commission can conclude that Schedule D is the proper schedule for listing the monies in question.

The Commission further notes that the receipts from the sale of Mr. McCarthy's book "to help finance our campaign" appear to be contributions within the meaning of 2 U.S.C. §431(e).

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any legal or factual materials which you believe are relevant to the Commission's investigation of this matter. I would appreciate it if you would respond to this letter within five days of its receipt. Statements should be submitted under oath by individuals with personal knowledge of the matter herein.

This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely yours,

William C. Oldaker
Assistant General Counsel

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OFFICE OF GENERAL COUNSEL

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CC #553

McCARTHY '76

RECEIVED FEDERAL ELECTION COMMISSION
76 SEP 17 P12:49

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

September 15, 1976

762315

Gloria R. Sulton, Esq.
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

Re: MUR 030 (75)

Dear Ms. Sulton:

This is in response to Mr. William Oldaker's letter of August 20, 1976.

I had thought that we had replied to his earlier letter.

As we indicated in our letter of September, 1975, lecture fees received by our Committee are neither income to Mr. McCarthy nor contributions by colleges or universities to our campaign. Rather, they are payments to our Committee for services rendered--in the same way that our payments to the C & P Telephone Company and to our landlord and our printer are payments for services rendered to us.

Our Committee sells copies of Mr. McCarthy's book, The Hard Years, to help finance our campaign. Purchase of this book is not counted as a campaign contribution. Since purchase of Mr. McCarthy's written speech is not a campaign contribution, we see no reason why payment for Mr. McCarthy's verbal speech should be considered a campaign contribution.

We believe the problem can be solved simply by listing all lecture fees on Schedule D of our FEC reports. Unless we hear from you to the contrary, we will do this in all future reports.

Sincerely,

Mary Meehan, Treasurer

cc: James Buckley Ostmann, Esq.

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OFFICE OF GENERAL COUNSEL

Officers: Alice Mahoney (Arizona), Chairwoman • Barbara Barron (California), Vice Chairwoman • Suzannah B. Hatt (New Hampshire), Secretary • Mary Meehan (Maryland), Treasurer. *National Finance Committee:* Karl Gruhn (Minnesota) • Jordan Miller (Illinois) • Shrikumar Poddar (Michigan).

McCARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005

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76 SEP 17 A10:29

WASHINGTON, DC 20463
PM
16 SEP
1976

SMALL BUSINESS
200 YEARS
BUILDING AMERICA

Gloria R. Sulton, Esq.
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

AUG 20 1976

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Ms. Mary Meehan
Treasurer
Committee for a Constitutional
Presidency--McCarthy '76
1440 N Street, N.W.
Washington, D.C. 20005

Re: MUR 030 (75)

Dear Ms. Meehan:

On June 29, 1976, I wrote to Ms. Monroe, former treasurer of your committee, regarding the reporting of monies received by the committee from colleges and universities in payment for speaking engagements and travel expenses of Mr. McCarthy. To date, I have not received a reply and the reports of receipts and expenditures at the Commission do not reflect any amendments to conform to the suggestion in that letter.

Your failure to respond within five days from receipt of this letter may give the Commission reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended, has occurred. If you have any questions regarding this matter, you may contact Gloria R. Sulton (telephone no. 382-4041), the attorney assigned to this case.

Sincerely yours,

William Oldaker
Assistant General Counsel

Enclosure: Copy of 6/29/76 letter
to Mary Monroe

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Sulton, G.R. 8/30/76

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2. ARTICLE ADDRESSED TO: 62

Ms. Mary Meehan

3. ARTICLE DESCRIPTION:

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PS Form 3811, Mar. 1974

FEDERAL ELECTION COMMISSION

May 19 '76 G.C. Memo

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

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✓	(5) Internal Documents		

Signed Judy Browning

date 9-27-77

FEC 9-21-77

7704011362

June 29, 1976

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Mary Monroe
Treasurer
Committee for Constitutional
Presidency - McCarthy '76
1440 N Street, N. W.
Washington, D. C. 20005

Re: MUR 030 (75)

Dear Ms. Monroe:

In a previous letter dated August 29, 1976, the Commission asked you to explain certain entries in the Quarterly Reports filed by the Committee for a Constitutional Presidency--McCarthy '76 (CCP). These entries involve payments to you from various colleges and universities. You indicated in a letter dated September 12, 1975, that the monies in question were payments for services rendered by Senator McCarthy, rather than contributions by colleges or universities to his campaign.

Since the monies in question were not contributions by colleges or universities, they should not have been listed as such in your reports. However, the monies were received by CCP as the Senator's principal campaign committee, and as such they do represent receipts on behalf of his campaign. If the monies were not contributions by colleges or universities, then they must be listed as a donation from the Senator to his campaign. The Senator's reports should be amended to reflect this. I would appreciate it if you would review your records in regard to this matter. Please respond to this letter within ten (10) days of its receipt.

The attorney assigned to this matter is David R. Spiegel (telephone no. 202/382-4055).

Sincerely yours,

William Oldaker
Assistant General Counsel

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OFFICE OF GENERAL COUNSEL

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CA-030-75

McCARTHY '76

1440 N Street, N.W. • Washington, D.C. 20005 • (202) 737-4900

September 12, 1975

Mr. Gordon Andrew McKay
Assistant Staff Director
for Disclosure and Compliance
Federal Election Commission
1325 K Street, NW
Washington, D. C. 20463

'75 SEP 12 PM 2:27
RECEIVED
FEDERAL ELECTION
COMMISSION

Dear Mr. McKay:

In response to your letter of August 29th, I would like to make the following points:

1) The honoraria listed on our last three reports for speaking engagements filled by Senator McCarthy were not income to Mr. McCarthy. Payments were made directly to our Committee.

2) No colleges or universities have made contributions to our campaign. The honoraria listed on our reports were payments to our Committee for services rendered--namely, for lectures given. (In a parallel case, we report payments made to corporations ranging from our printer to the telephone company to the Gestetner Corporation. Those are payments for services rendered and/or materials delivered; in no sense could they be considered contributions to corporations.)

3) The honoraria have been listed on Schedule A of our reports because that seems to be the only place where they can be listed. (There should be, we believe, a separate schedule for payments for services rendered.) We raised this question with the Office of Federal Elections, General Accounting Office, last fall. They told us to report honoraria on Schedule A, since that was the only space available, and to make it clear that the payments were honoraria--not contributions. We followed the GAO directive. The GAO never raised any questions about the honoraria; nor did it ever suggest that they were contributions.

We would like to state a formal request for a separate schedule for payments for services rendered. We hope that this can be included among the new forms which the Commission is preparing.

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OFFICE OF GENERAL COUNSEL

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Mr. Gordon Andrew McKay
Washington, D. C. 20463
September 12, 1975

Page 2.

I might add that I have found it extremely difficult to submit reports under the new law when the only forms available are the ones prepared for the old law. Our local treasurers, too, have found the situation extremely confusing. We surely hope that new, intelligible forms will be ready in time for the next reporting deadline.

Sincerely,

Mary Monroe

Mary Monroe, Treasurer
McCARTHY '76

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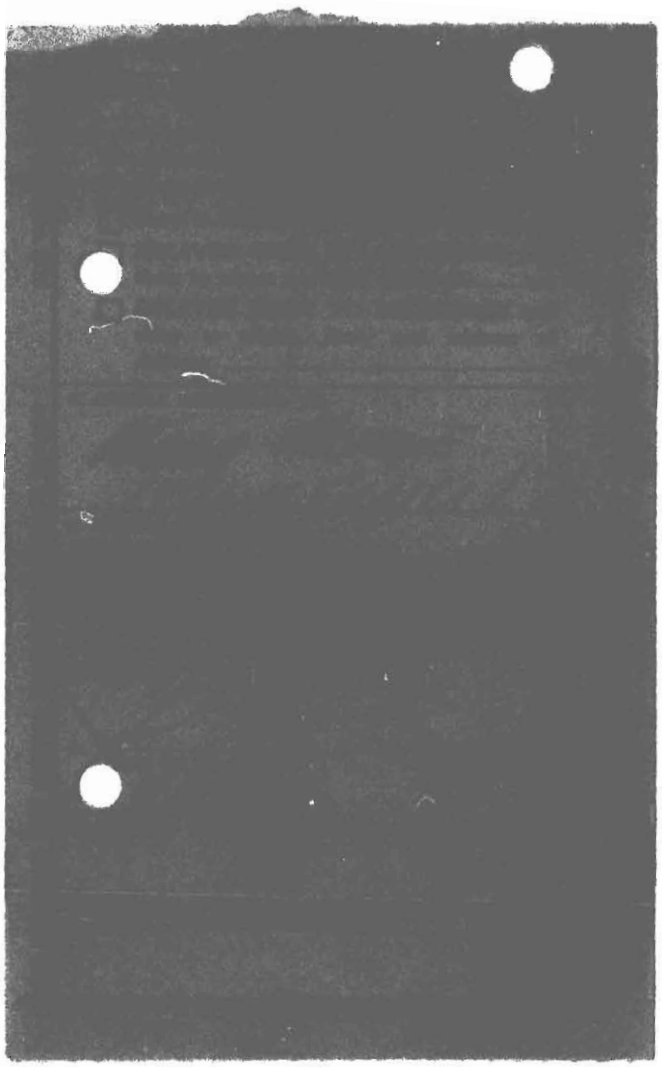

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CA-030-75

FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20463

August 29, 1975

Certified Mail 458027
Return Receipt Requested

Ms. Mary Monroe
Treasurer
Committee for Constitutional
Presidency -- McCarthy '76
1223 Connecticut Avenue, N.W.
Washington, D.C. 20016

FEDERAL ELECTION COMMISSION
OFFICIAL FILE COPY
OFFICE OF GENERAL COUNSEL

Dear Ms. Monroe:

In accordance with the provisions of 2 U.S.C. 437g, this letter is to advise you that the reporting of honorariums by your Committee in its last three reports is under review. Honorariums for speaking engagements are normally considered as taxable income to the speaker, in this case Mr. McCarthy. If the reported honorariums are taxable income to Mr. McCarthy, then any contribution to the Committee should be reported as a personal contribution from Mr. McCarthy, subject to the limitation on personal funds of a candidate and his family imposed by 18 U.S.C. 608. It is unlikely that the colleges and universities reported as making contributions in Part 4 of your reports intended to make political contributions to the McCarthy campaign. However, if this was their intention, some of the contributions may be in violation of 18 U.S.C. 610 which prohibits political contributions from corporations or 18 U.S.C. 611 which prohibits political contributions from government contractors.

The Commission invites your Committee to submit any amendments to your reports or other information which would clarify, explain, or correct the matter referred to above. Such amended reports or explanation should be received by this Commission not later than ten business days after receipt of this letter.

For your reference, enclosed please find a copy of the pamphlet entitled "Federal Election Campaign Laws" prepared by the Secretary of the United States Senate. If further assistance or guidance is required, please do not hesitate to contact me by mail or telephone ar (202) 382-6023.

Sincerely,

Gordon Andrew McKay

Gordon Andrew McKay
Assistant Staff Director
for Disclosure and Compliance

Enclosure as stated

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FEDERAL ELECTION COMMISSION

7-15-75

Compliance Office memo

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

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____	(2) Internal rules and practices	____	(7) Investigatory files
____	(3) Exempted by other statute	____	(8) Banking Information
____	(4) Trade secrets and commercial or financial information	____	(9) Well Information (geographic or geophysical)
✓	(5) Internal Documents		

Signed Judy Browning

date 9-27-77

FEC 9-21-77

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