FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 3361

DATE FILMED 3-21-92 CAMERA NO. 3

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH

91 JUL 23 AM 9:28

BEFORE THE FEDERAL ELECTION COMMISSION

OF THE UNITED STATES OF AMERICA

MUR 3361

91 JUL 23 AM 10:35
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

In the matter of:	)
	)
North Carolina Republican Party	)
	)
vs.	)
Buncombe County Attorneys For Jack Stevens For Congress, Harold Bennett, Phil Carson Barbara Heck, Ward Hendon, Joe Mcguire Bob Riddle, Landon Roberts, Allen Tarleton, and	)
Stevens For Congress, Stephen W. Woody, treasurer	)

Dear Commissioners:

This complaint, filed by the North Carolina Republican Party (hereinafter "Complainant") with it's address at 1410 Hilsboro Street, Raleigh, North Carolina, 27605, in accordance with 2 U.S.C. §437g(a)(1) and 11 C.F.R. §111.3(a) with the Federal Election Commission, (hereinafter "Commission") alleges violation of the Federal Election Campaign Act of 1971, as amended, (hereinafter "Act") by "Buncombe County Attorneys For Jack Stevens For Congress", (hereinafter collectively referred to as "Attorneys") Harold Bennett, Phil Carson, Barbara Heck, Ward Hendon, Joe Mcguire, Bob Riddle, Landon Roberts, and Allen Tarleton; and "Stevens for Congress", Stephen W. Woody Treasurer (hereinafter "Stevens").

Complainant believes the following violations to have occurred:

(1) Stevens for Congress has failed to designate Buncombe County Attorneys For Jack Stevens For Congress as an authorized committee as required by 2 U.S.C. §433(a) and 11 C.F.R. §102.1(b). The mail solicitation for contributions by Buncombe County Attorneys For Jack Stevens For Congress did not clearly identify the organization responsible for authorizing and financing the activity as required by 2 U.S.C. §441(d) and 11 C.F.R. §110.11(a)(1).

(2) Alternatively, Buncombe County Attorneys For Jack Stevens For Congress is an unauthorized committee of the Stevens for Congress committee as defined at 2 U.S.C §431(4) and 11 C.F.R. §100.5 and has failed to register with the Federal Election Commission as required by 2 U.S.C. §433(a) and 11 C.F.R. §102.1(d).

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The mail solicitation for contributions by the Buncombe County Attorneys For Jack Stevens For Congress did not clearly identify the organization responsible for financing the activity as required by 2 U.S.C. §441d(a) and 11 C.F.R. 110.11(a)(1).

(3) The Stevens for Congress committee, in soliciting contributions through the Buncombe County Attorneys For Jack Stevens For Congress committee, has failed to clearly identify the organization authorizing or responsible for financing the activity as required by 2 U.S.C. §441d(a) and 11 C.F.R. §110.11(a)(1).

FACTS:

(1) John "Jack" S. Stevens is a candidate for U.S. Congress in the 11th District of North Carolina (See Exhibit 1).

(2) John S. Stevens has designated Stevens For Congress as his principal campaign committee pursuant to (2 U.S.C. §432(e)(1) and 11 C.F.R. §102.12(a) (See Exhibit 2).

(3) "Attorneys" is a group of eight local Buncombe County attorneys soliciting and accepting contributions in support of Stevens's candidacy for federal office pursuant to a letter mailed to Buncombe County Bar members on June 12, 1991 (See Exhibits 3 & 4).

(4) Stevens for Congress has not designated "Attorneys" as an authorized committee in its Statement of Organization (See Exhibit 2).

(5) "Attorneys" has not filed as an unauthorized committee as required by §2 U.S.C. §433(a) and 11 C.F.R. §102.1(d) as of 5 pm June 25, 1991.

(6) "Attorneys" solicitation for campaign contributions on behalf of "Stevens" did not contain any identifying information regarding who authorized or financed the solicitation as required by 2 U.S.C. 441d(a) and 11 C.F.R. §110.11(a)(1) (See Exhibits 3 & 4).

(7) "Stevens" address is filed with the Federal Election Commission as Post Office Box 18473, Asheville, NC 28814-0473 (See Exhibits 1 & 2).

(8) "Attorneys" return address is shown on the envelope accompanying the solicitation as Post Office Box 2714, Asheville, NC 28802 (See Exhibit 4).

(9) "Stevens" has not as a matter of record issued a statement of disavowal as of June 27th, 1991 with the Clerk of the U.S. House of Representatives.

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(10) "Attorneys" letter does not in any manner indicate to whom the checks should be made payable. The solicitation also does not indicate that checks be returned to any address other than that shown on the return envelope (See Exhibits 3 & 4).

Upon information and belief, Complainant alleges that:

(I) **"ATTORNEYS" IS AN AUTHORIZED COMMITTEE OF "STEVENS".**

(1) "Attorneys" is an authorized political committee as defined by the Act. 11 C.F.R. §100.5(a) defines a political committee as:

> "...any committee, club, association, <u>or other group of persons</u> (emphasis added) which receives contributions aggregating in excess of $1,000 or which makes expenditures aggregating in excess of $1,000 during a calendar year..."

The solicitation indicates that the eight individuals listed as "Steering Committee" members and signatories to the solicitation are the minimum number of attorneys involved in the project. Eight individuals plus "other members of our firms" committing "substantial financial support" will exceed the $1,000 limit, thusly becoming a political committee whether authorized or unauthorized.

(2) "Attorneys" is not reported as an authorized committee by "Stevens". "Stevens" does not list "Attorneys" as an authorized committee, and has filed no amendments to this effect with the Commission. Complainant can find no documentation that "Stevens" has authorized "Attorneys" in writing to solicit or receive contributions or make expenditures on its behalf. Complainant can find no documentation that "Stevens" has disavowed the activities of same, persuant to 11 C.F.R. §100.3(a)(3).

3) "Attorneys" is an authorized committee of "Stevens". The extreme likelihood that "Stevens" has contacted "Attorneys" and asked "Attorneys" to solicit funds on "Stevens" behalf from its membership, is spoken to in "Attorneys" own solicitation:

> "Those of us signing this letter have been asked to head an effort in collecting campaign contributions from members of the Bar for Jack".

It is clear the only source likely to have contacted "Attorneys" is Jack Stevens, or an agent of "Stevens". Therefore, the actions of the committee are, in fact, authorized.

(4) "Attorneys" solicitation lacks those disclaimers required by law. "Attorneys" has failed to include in its solicitation those statements regarding sponsorship required by the Commission.

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(II) "ATTORNEYS" IS AN UNAUTHORIZED POLITICAL COMMITTEE.

(1) "Attorneys" is a unauthorized political committee and has failed to file with the Commission as an unauthorized committee of the Stevens for Congress committee as defined at 2 U.S.C. §431(4) and 11 C.F.R. §100.5 and as required to register with the Federal Election Commission by 2 U.S.C. §433(a) and 11 C.F.R. §102.1(d).

(2) "Attorneys" solicitation lacked those disclaimers required by law (See I,(3), above).

(III) "ATTORNEYS" SOLICITATION LACKS PROPER DISCLAIMERS.

(1) "Attorneys" was conducting this fundraising appeal on behalf of "Stevens" and intended all proceeds to be deposited in the Stevens principal campaign account. However, said solicitation did not contain the required identification as to whom financed and authorized the expenditure (See II, (1), above).

(2) "Attorneys" solicitation lacked disclaimers indicating such authorization (See I, (3), above).

Complainant requests that the Commission investigate and discover the basis in fact of the above allegations. Should the allegations be substantiated to the Commission's satisfaction, Complainant requests that the Commission impose any and all penalties deemed appropriate.

Respectfully Submitted,

Jack Hawke

Jack Hawke
Chairman
North Carolina Republican Party

Subscribed and Sworn to before me this 22nd day of July, 1991:

Effie S. Pennell

(Notary Public)

My Commission Expires:

12-19-92

92040395392

REGULAR MAIL

JUN 10 1991

STATEMENT OF CANDIDACY

(see reverse side for instructions)

RECEIVED
OFFICE OF INFORMATION & REGISTRATION
1991 JUN 14 AM 7:30
OFFICE OF THE CLERK
U.S. HOUSE OF REPRESENTATIVES

1. (a) Name of Candidate (in full): John S. Stevens
(b) Address (number and street): P. O. Box 18473 ☐ Check if address changed
(c) City, State, and ZIP Code: Asheville, NC 28814-0473

(FC NC11 2391) (NEW)

3. Party Affiliation: Democrat
4. Office Sought: U.S. House of Rep.
5. State & District: NC 11th

DESIGNATION OF PRINCIPAL CAMPAIGN COMMITTEE

6. I hereby designate the following named political committee as my Principal Campaign Committee for the 1992 election(s). (year of election)

NOTE: This designation should be filed with the appropriate office listed below.

(a) Name of Committee (in full): Stevens for Congress
(b) Address (number and street): P. O. Box 18473
(c) City, State and ZIP Code: Asheville, NC 28814-0473

DESIGNATION OF OTHER AUTHORIZED COMMITTEES

(Including Joint Fundraising Representatives)

7. I hereby authorize the following named committee, which is NOT my principal campaign committee, to receive and expend funds on behalf of my candidacy. N/A

NOTE: This designation should be filed with the principal campaign committee.

(a) Name of Committee (in full)
(b) Address (number and street)
(c) City, State and ZIP Code

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

Signature of Candidate: John S. Stevens
Date: June 10, 1991

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

CANDIDATES FOR THE OFFICE OF:

President mail to:
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

U.S. Senate mail to:
Secretary of the Senate
Office of Public Records
232 Hart Senate Office Bldg.
Washington, DC 20510-7116

U.S. House of Representatives mail to:
Clerk of the House of Representatives
Office of Records and Registration
1036 Longworth Office Bldg.
Washington, DC 20515-6612

For further information contact:
Federal Election Commission
Toll-free 800/424-9530
Local 202/376-3120

FEC FORM 2
(revised 4/87)

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EXHIBIT 1

REGULAR MAIL

JUN 10 1991

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

RECEIVED

1. (a) NAME OF COMMITTEE (In Full) (Check if name is changed)

Stevens for Congress

(b) Number and Street Address (Check if address is changed)

P. O. Box 18473

(c) City, State and ZIP Code

Asheville, NC 28814-0473

2. TYPE OF COMMITTEE (Check one)

X (a) This committee is a principal campaign committee. (Complete the candidate information below.)

(b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
John S. Stevens	Democrat	U.S. House of Rep.	NC Fifth

(c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

(d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

(e) This committee is a separate segregated fund.

(f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund or a party committee.

8. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
NONE		

Type of Connected Organization N/A

Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. Custodian of Records: Identify by name, address (phone number – optional) and position of the person in possession of committee books and records.

Full Name	Mailing Address	Title or Position
John S. Stevens	P. O. Box 18473 Asheville, NC 28814-0473	Candidate

6. Treasurer: List the name and address (phone number – optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address	Title or Position
Stephen W. Woody	P. O. Box 18473 Asheville, NC 28814-0473	Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
NCNB National Bank of North Carolina	Box 1881 Asheville, NC 28801

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

TYPE OR PRINT NAME OF TREASURER	SIGNATURE OF TREASURER	DATE
Stephen W. Woody	Stephen W. Woody	June 10, 1991

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

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

For further information contact:
Federal Election Commission
Toll-free 800-424-9530
Local 202-376-3120

FEC FORM 1
(revised 4/87)

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BUNCOMBE COUNTY ATTORNEYS
FOR
JACK STEVENS FOR CONGRESS

Steering Committee
Harold Bennett
Phil Carson
Barbara Heck
Ward Hendon
Joe McGuire
Bob Riddle
Landon Roberts
Allan Tarleton

Dear Fellow Attorney:

As you are probably aware, our colleague John S. Stevens (Jack) is running for Congress of the United States against the incumbent Charles Taylor. While Jack's candidacy has not been officially announced, he is running and will be elected if he gets the support that he deserves and needs.

Those of us signing this letter have been asked to head an effort in collecting campaign contributions from members of the Bar for Jack. Many of you will be involved in other aspects of his campaign and most of you would have been appropriate persons to be undertaking this task. You will have other opportunities to work for Jack if you desire but the opportunity at this time is to make a contribution.

Most of the Bar is aware of Jack's long interest in and commitment to public service. He was a Representative in the North Carolina House from 1969 to 1976. His service was distinguished. He understood and understands the legislative process. He quickly became a leader of the North Carolina House and was well thought of across the state. There is no doubt that he will be equally effective in the United States Congress. Jack has been active since that time in countless civic and governmental projects here and across the state, including most recently being a member of the Airport Authority, President of the Asheville Area Chamber of Commerce and a key member of the Memorial Mission Hospital Board.

While there is no doubt that Jack is the more qualified candidate, the incumbency factor is very important and it will cost a substantial amount for him to be elected. This is our chance to get an outstanding representative who can serve the 11th Congressional District and the nation with distinction. It is also our opportunity to have a lawyer represent us who will bring the skills and knowledge that he has obtained as a member of our Bar.

All of us and members of our firms have made substantial financial commitments to Jack's campaign. In the next few days we will be contacting you to ask that you do the same.

Harold Bennett	Phil Carson	Barbara Heck
Ward Hendon	Joe McGuire	Bob Riddle
Landon Roberts	Allan Tarleton	

EXHIBIT 3

9 2 0 4 0 8 9 5 3 9 5

Buncombe County Attorneys
for
JACK STEVENS FOR CONGRESS
P. O. Box 2714
Asheville, NC 28802

(EXHIBIT 4)

Edward B. Krause
96 Central Avenue
Asheville, NC 28801

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Jack Hawke
Chairman
North Carolina Republican Party
1410 Hilsboro Street
Raleigh, North Carolina 27605

RE: MUR 3361

Dear Mr. Hawke:

This letter acknowledges receipt on July 23, 1991, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the Buncombe County Attorneys for Jack Stevens for Congress, Stevens for Congress and Stephen W. Woody as treasurer, John S. Stevens, Harold K. Bennett, Philip G. Carson, Barbara A. Heck, George Ward Hendon, Joseph P. McGuire, Robert E. Riddle, Landon Roberts and Allan R. Tarleton. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

92040895397

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 25, 1991

Allan R. Tarleton
c/o Van Winkle, Buck, Wall, Starnes
and Davis, P.A.
11 North Market Street
P.O. Box 7376
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Tarleton:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395398

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040395399

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Landon Roberts
c/o Roberts, Stevens & Cogburn, P.A.
BB & T Building
P.O. Box 7647
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Roberts:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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92040395400

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040395401

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 25, 1991

Robert E. Riddle
c/o Riddle, Kelly & Cagle, P.A.
35 North Market Street
P.O. Box 7206
Asheville, North Carolina 28807

RE: MUR 3361

Dear Mr. Riddle:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395402

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040895403

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 25, 1991

Joseph P. McGuire
c/o McGuire, Wood & Bissette, P.A.
Suite 705 First Union National
Bank Building
82 Patton Avenue
P.O. Box 3180
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. McGuire:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395404

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040895405

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 25, 1991

George Ward Hendon
c/o Adams, Hendon, Carson, Crow &
Saenger, P.A.
72 Patton Avenue
P.O. Box 2714
Asheville, North Carolina 28802

RE: MUR 3361

9204039540 6

Dear Mr. Hendon:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040395407

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

July 25, 1991

Barbara A. Heck
81 B Central Avenue
Asheville, North Carolina 28802

RE: MUR 3361

Dear Ms. Heck:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395408

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040895409

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Philip G. Carson
c/o Adams, Hendon, Carson, Crow &
Saenger, P.A.
72 Patton Avenue
P.O. Box 2714
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Carson:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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92040895410

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040395411

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Harold K. Bennett
c/o Patla, Straus, Robinson & Moore, P.A.
Suite 300, 29 North Market
P.O. Box 7625
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Bennett:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395412

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92040895413

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Buncombe County Attorneys
for Jack Stevens for Congress
Post Office Box 2714
Asheville, NC 28802

RE: MUR 3361

Dear To Whom it May Concern:

The Federal Election Commission received a complaint which alleges that the Buncombe County Attorneys for Jack Stevens for Congress ("Attorneys") may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

92040395414

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

92034089541 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 1991

Stevens for Congress
Stephen W. Woody, Treasurer
Post Office Box 18473
Asheville, North Carolina 28814-0473

RE: MUR 3361

Dear Mr. Woody:

The Federal Election Commission received a complaint which alleges that the Stevens for Congress Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3361. Please refer to this number in all future correspondence.

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

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

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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

cc: John S. Stevens

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06C 2172

RECEIVED
FEDERAL ELECTION COMMISSION
MAIN COPY ROOM

91 AUG 13 AM 11:41

Post Office Box 7376
Asheville, North Carolina 28802

August 9, 1991

91 AUG 13 PM 4:39

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
COUNSEL

Mr. Lawrence M. Noble
General Counsel
Federal Elections Commission
Washington, D.C. 20463

Re: MUR 3361

Dear Mr. Noble:

I am writing in response to your letter of July 25, 1991 and the complaint, submitted by Jack Hawke, Chairman of the North Carolina Republican Party, which I received on July 29.

I am one of the eight individuals named in the complaint. All of us are practicing attorneys, members of the Buncombe County and North Carolina State Bars and friends and supporters of John S. "Jack" Stevens. At the request of Phil Carson I met on May 28, 1991 with most, if not all, of the seven other attorneys to discuss ways to encourage lawyers to support Jack Stevens' campaign for Congress financially and otherwise. The letter which is the subject of Mr. Hawke's complaint grew out of that meeting and an earlier meeting on May 13 which I missed.

At no time did we intend to form a committee separate from the campaign committee of Jack Stevens; at no time did we intend to mislead or confuse anyone; at no time did we suggest to any person that he or she make a contribution to anything other than the Stevens for Congress campaign committee; and at no time did any of us intend to violate any federal or state election law. I believe that our nominal expenses have been reimbursed by the Stevens for Congress committee.

I have carefully reviewed the materials you sent to me, Mr. Hawke's complaint, and the letter to which I was a signatory. I believe that the only possible violation of the election laws would be an interpretation that we should have put a statement at the bottom of our letter that it was paid

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for by Stevens for Congress. If that be the case, then I regret the oversight. Even if it was not a violation, we will put such a statement on any future letter in order that there be no question regarding the matter. For these reasons, I request that the complaint be dismissed and that no action be taken against me or any other individual or committee named in the complaint.

Sincerely yours,

Allan R. Tarleton

Allan R. Tarleton

ART/vl

cc: Harold Bennett
Ward Hendon
Landon Roberts
Phil Carson
Joe McGuire
Barbara Heck
Bob Riddle
Stephen W. Woody

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OB C2202

RECEIVED
FEDERAL ELECTION COMMISSION
MAIN COPY ROOM

August 9, 1991

91 AUG 14 AM 9:42

91 AUG 14 AM 10:26

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL UNIT

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
Washington, D.C. 20463

RE: Complaint of North Carolina Republican Party
MUR 3361

Dear Mr. Noble:

The undersigned are the eight individuals who are named in the above referenced complaint. We are all attorneys, members of the Buncombe County and North Carolina State Bars and friends and supporters of John S. "Jack" Stevens. On May 13 and May 28, 1991, at the request of the Stevens for Congress Committee, we met (although one or two of us missed one or the other of the meetings) to discuss ways to encourage lawyers to support Jack Stevens' campaign for Congress financially and otherwise. We then wrote the letter which is the subject of the complaint.

At no time did we intend to form a committee separate from the campaign committee of Jack Stevens; at no time did we intend to mislead or confuse anyone; at no time did we suggest to any person that he or she make a contribution to anything other than the Stevens for Congress Campaign Committee; and at no time did any member of the committee intend to violate any federal or state election law. The nominal expenses incurred by Adams Hendon Carson Crow & Saenger, P.A. for mailing the letter which is the subject of this complaint and by Barbara Heck for her mailing expenses have been reimbursed by the Stevens for Congress Committee.

We have each carefully reviewed the materials that you have sent to us and the letter to which we were signatories. We believe that the only possible violation of election laws would be an interpretation that we should have put a statement at the bottom of our letter that it was paid for by Stevens for Congress. If that were the case then we regret the oversight. Even if it was not a violation, we will put such a statement on any future letter in order that there be no question regarding the matter.

We have reviewed a response to be included with this one written by Mr. Stevens' campaign treasurer and by Mr. Stevens and we join in and support those statements.

We respectively request that the complaint be dismissed.

Harold Bennett	Phil Carson	Barbara Heck
Ward Hendon	Joe McGuire	Bob Riddle
Landon Roberts	Allan Tarleton	

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OB-C 2203

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL COPY ROOM

91 AUG 14 AM 9:41

August 8, 1991

91 AUG 14 AM 10:26
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Mr. Lawrence M. Noble
General Counsel
Federal Elections Commission
Washington, D. C. 20463

Re: MUR 3361

Dear Mr. Noble:

I am writing and make this statement in response to a letter dated July 25, 1991, from your office to Stephen W. Woody, Treasurer of the Stevens for Congress Committee. This letter was received by Mr. Woody the week of July 29, 1991.

June 7, 1991 I determined that I had raised $5,000.00 in contributions for a campaign for Congress and on June 10, 1991 I filed a Statement of Organization, FEC Form 1 and a Statement of Candidacy, FEC Form 2 with the Federal Elections Commission. The FEC Form 1 designated Stephen W. Woody as Treasurer.

Some time in April or May, 1991 Helen A. Powers of Asheville offered to help me in raising campaign funds. Among the people Ms. Powers contacted in May was Philip Carson, attorney of Asheville, and asked him if he would help raise some money among Asheville lawyers.

I am advised that on May 13, 1991, and thereafter one or more meetings were held among Harold K. Bennett, Philip G. Carson, Barbara Heck, G. Ward Hendon, Joseph McGuire, Robert Riddle, Landon Roberts and Allan Tarleton in an effort to raise some money for my campaign and that the letter that is the subject of this complaint was prepared and mailed as part of that effort.

I became aware May 28 that Landon Roberts, one of the eight lawyers and a member of my law firm, solicited members of our law firm for funds and collected checks in the amount of $2,500.00 against total pledges of $4,800.00. To the present date, a total of $3,300.00 against the $4,800.00 pledge has been collected and turned over to my campaign treasurer.

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Attached is a schedule showing total money collected to date from Asheville attorneys. Of that total $3,300.00 has been collected by Landon Roberts from members of our firm, $975.00 by Harold K. Bennett from members of his firm, Patla, Straus, Robinson and Moore, and $65.00 by Allan Tarleton of his firm, Van Winkle, Buck, Wall, Starnes and Davis. Barbara Heck and Robert Riddle, two of the eight lawyers in the meeting, have contributed $220.00 and $200.00 respectively.

To the best of my knowledge the only money contributed apart from the foregoing and which could in any way be attributed to any mailing has been as follows: James P. Erwin, $100.00, T. Bentley Leonard, $100.00, and William Whalen, $20.00 for a total of $220.00. All three of these checks were made payable to and delivered to my campaign treasurer.

I have not appointed the group of eight lawyers as an authorized committee pursuant to 2 U.S.C. §432(e)(1), because I did not feel that it was required.

After having learned about the letter, on June 19, 1991 I contacted a representative of the FEC on the "hotline" to discuss whether the activities of the group of eight lawyers constituted a political committee as described in 2 U.S.C. §431(4) or an authorized committee as described in 2 U.S.C. §431(6) and 2 U.S.C. §432(e)(1). I explained to her that the letter generally stated that these lawyers supported my efforts to run for Congress and and recipients would be contacted about making commitments to my campaign. I was informed that so long as members of this group were acting for my campaign committee and did not accept checks payable to their group and turned over all contributions to my Committee that they were not a political committee or an authorized committee and need not be designated by me. She also reminded me that any expenses any of the eight would need to be reported by my Committee as an in-kind contribution.

I endorse and ratify the efforts of the eight lawyers. On July 5, 1991, my campaign treasurer at my request paid $157.57 to Adams, Hendon, Carson & Crow to reimburse for mailing expenses of the letter that went out to Asheville lawyers and $20.00 to Barbara Heck for her mailing expenses. Accordingly, and to the best of my knowledge, there appear to have been no expenses by any one of the eight lawyers that have not been reimbursed by my Committee and there will have been no in-kind contributions to report.

Finally, I believe that the complaint should be dismissed for the following reasons:

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The group of eight lawyers are not a political committee or an authorized committee because they have neither raised nor spent $1,000.00 and because their efforts are individual efforts for my campaign and not for themselves as a group. They have collected no money for themselves as a group and all checks have been written and delivered to my Committee. Their efforts have been individually directed and they have made no un-reimbursed expenditures in connection with their efforts. There was only one mailing of the letter and there will be no others. Lastly, the letter was nothing more than a statement to certain Asheville lawyers to the effect that they would be contacted later and asked to consider making a contribution to my campaign fund.

I believe that the activities of these eight lawyers have been within the spirit and letter of the federal elections law in raising money for my campaign effort. The letter was a very small part of their overall effort and was directed to a very narrow group of people and not to the general public. I believe any failure of the letter to include a disclaimer, if a violation, to have been a very minor one and of a de minimis character, one from which no harm flowed or will flow and one about which no Asheville lawyer who received it would be in any way confused or under any misunderstanding.

For these reasons and on behalf of my Campaign Committee I respectfully request that this matter be dismissed.

Respectfully submitted this the 8th day of August, 1991.

Sincerely yours,

John S. Stevens

John S. Stevens

JSS/mmd

cc: Ms. Lois G. Lerner
Associate General Counsel

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RECEIVED
FEDERAL ELECTION COMMISSION
MAIN COPY ROOM

91 AUG 14 AM 9:41

Stephen W. Woody, Treasurer
Stevens for Congress
P. O. Box 18473
Asheville, NC 28814
August 9, 1991

91 AUG 14 AM 10:26
RECEIVED
FEDERAL ELECTION COMMISSION

Mr. Lawrence M. Noble
General Counsel
Federal Elections Commission
Washington, D. C. 20463

Re: MUR 3361

Dear Mr. Noble:

I am writing in response to a letter from your office to me as Treasurer of the Stevens for Congress Committee dated July 25, 1991.

On June 10, 1991, I accepted appointment as Treasurer of the Stevens for Congress Committee and made the appropriate filing with the Federal Elections Committee. I have established a bank account for the Committee, am maintaining records as required and timely filed the required FEC Form 3 for activities of the Committee through June 30, 1991.

I have reviewed your letter to me, the complaint and the enclosures. I have reviewed the letter to you dated August 8, 1991 from John S. Stevens in which he responds to your letter and the complaint.

Although I was unaware of the existence of the letter that is the subject of the complaint until sometime in late June, 1991, I acknowledge that as Treasurer of the Committee I have received and deposited to the account of the Committee the sums of money from the various lawyers as stated in Mr. Stevens' letter. I also acknowledge that I was requested by Mr. Stevens to pay and have paid from the Stevens for Congress Committee funds to Adams, Hendon, Carson & Crow the sum of $157.57 and to Barbara Heck the sum of $20.00 to reimburse them for mailing expenses.

In conclusion, I take very seriously my responsibility as Treasurer of the Committee

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and will work with all volunteers working for the Committee to see that all campaign laws will continue to be observed.

Sincerely yours,

Stephen W. Woody

Stephen W. Woody
Treasurer, Stevens for Congress Committee

SWW/mmd

cc: Ms. Lois G. Lerner
Associate General Counsel

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RECEIVED
F.E.C.
SECRETARIAT

91 OCT 21 AM 11:55

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR # 3361
DATE COMPLAINT RECEIVED
BY OGC: 7/23/91
DATE OF NOTIFICATION TO
RESPONDENTS: 7/25/91
STAFF MEMBER: J. Albert Brown

COMPLAINANTS: -Jack Hawke, Chairman of the North Carolina Republican Party

RESPONDENTS: -Stevens for Congress and Stephen W. Woody, as treasurer
-Buncombe County Attorneys for Jack Stevens for Congress
-Harold K. Bennett
-Philip G. Carson
-Barbara A. Heck
-Ward Hendon
-Joseph P. McGuire
-Robert E. Riddle
-Landon Roberts
-Allan R. Tarleton

RELEVANT STATUTES: 2 U.S.C. § 431(4)
2 U.S.C. § 431(6)
2 U.S.C. § 432(e)(1)
2 U.S.C. § 433(a)
2 U.S.C. § 441a(a)(8)
2 U.S.C. § 441d(a)
11 C.F.R. § 102.1(b) & (d)
11 C.F.R. § 102.8
11 C.F.R. § 110.6(b) - (d)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

On July 23, 1991, the Office of the General Counsel received a complaint from Jack Hawke, Chairman of the North Carolina Republican Party. The complaint alleges that an

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organization calling itself the Buncombe County Attorneys for Jack Stevens for Congress ("BCA") is either an unregistered non-connected political committee, or an undesignated authorized committee of Jack Stevens in violation of 2 U.S.C. § 433(a) and 11 C.F.R. § 102.1. In addition, Complainant alleges that BCA, or the Stevens for Congress Committee via BCA, mailed a solicitation lacking an appropriate disclaimer, in violation of 2 U.S.C. § 441d(a).

Responses to this complaint have been received from the candidate, John S. Stevens ("Jack Stevens"); the treasurer of the Stevens for Congress Committee, Stephen W. Woody; a consolidated response from eight attorneys listed as the Steering Committee of BCA ("the BCA Response"); as well as Allan R. Tarleton, one of the eight BCA attorneys. Attachments II - V.

II. FACTUAL AND LEGAL ANALYSIS

A. Alleged Registration Violation

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), a political committee is any committee or group of persons that receives contributions or makes expenditures aggregating in excess of $1,000 during a calendar year. 2 U.S.C. § 431(4)(A). In accordance with section 433(a), each political committee must register with the Commission within 10 days of receiving or expending in excess of $1,000 by filing a Statement of Organization. Commission regulations distinguish between authorized committees of a candidate and other political committees. See 11 C.F.R. § 102.1(b) & (d). Authorized

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committees are either the principal campaign committee, or any other political committee authorized by a candidate under Section 432(e)(1) of the Act to receive contributions or make expenditures on behalf of that candidate. 2 U.S.C. § 431(6).

The Act also permits a contributor to "earmark" or direct his or her contribution to a candidate through an intermediary or conduit. 2 U.S.C. § 441a(a)(8). A "conduit or intermediary means any person who receives and forwards an earmarked contribution to a candidate or a candidate's authorized committee." 11 C.F.R. § 110.6(b)(2). The Commission's regulations define earmarking as:

> a designation, instruction, or encumbrance, whether direct or indirect, express or implied, oral or written, which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

11 C.F.R. § 110.6(b).

When acting as an intermediary or conduit, such persons are required to forward earmarked contributions within 10 days after receipt. 11 C.F.R. §§ 102.8 and 110.6(b)(2)(iii). Commission regulations also require such an intermediary or conduit to report the original source and the intended recipient of contributions to the Commission, the Clerk of the House of Representatives, or the Secretary of the Senate, as appropriate, and to the recipient candidate or authorized committee. 2 U.S.C. § 441a(a)(8) and 11 C.F.R. § 110.6(c)(1). Such a report may be made via the conduit's or intermediary's regularly

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filed Commission report for the relevant reporting period in which the earmarked contribution is received. If the conduit or intermediary is not otherwise required to register and report, a letter may be filed with the Commission within thirty days after forwarding the earmarked contribution detailing the information required by the Commission regulations. See 11 C.F.R. § 110.6(c).

The information which the conduit must provide to the Commission includes the following: the name and mailing address of each contributor and, for each earmarked contribution in excess of $200, the contributor's occupation and the name of his or her employer; the amount of each earmarked contribution, the date received by the conduit, and the intended recipient as designated by the contributor; and the date each earmarked contribution was forwarded to the recipient candidate or authorized committee and whether the earmarked contribution was forwarded in cash or by the contributor's check or by the conduit's check. 11 C.F.R. § 110.6(c)(iv)(A) - (C).

The regulations require that the recipient candidate or authorized recipient committee shall report each conduit or intermediary who forwards more than an aggregate of $200 in contributions in accordance with the provisions found at 11 C.F.R. § 110.6(c)(2). Finally, if a conduit or intermediary exercises any direction or control over the choice of the recipient candidate, such earmarked contributions are considered as made by both the original contributor and the conduit or intermediary, and such contributions will count against both of

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their respective contribution limitations.

11 C.F.R. § 110.6(d).

Complainant alleges that BCA falls within the definition of political committee because as a "group of eight local Buncombe County attorneys soliciting and accepting contributions in support of Stevens's candidacy" it has crossed the $1,000 registration threshold. As such, Complainant argues that BCA has failed to register as required under Section 433(a), or should have been designated as an authorized committee of Jack Stevens.

According to the responses received, it appears that Helen A. Powers of Asheville contacted Philip Carson on behalf of Mr. Stevens' campaign to request that he help raise money among Asheville lawyers. Certain members of the eight lawyer steering committee who compose the BCA met on May 13 and May 28, 1991, in response to Mrs. Powers' request. According to his response, Mr. Stevens learned of these meetings on May 28, 1991, when Landon Roberts of Mr. Stevens' own firm solicited members of that firm on behalf of BCA. See Attachment III at 1. The result of this firm-wide solicitation effort is apparently reflected by seven contributions totaling $2,750 from members of the firm Roberts Stevens & Cogburn, all of which appear in the Stevens For Congress 1991 Mid-Year Report.

As a result of the two BCA meetings the group of eight attorneys also mailed an advocacy solicitation on behalf of Jack Stevens' candidacy for the U.S. House of Representatives' seat from the 11th District of North Carolina. BCA mailed this

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one page letter to the members of the Buncombe County Bar on June 12, 1991. Attachment I. The mailing came in an envelope with the following pre-printed return address:

Buncombe County Attorneys
for
JACK STEVENS FOR CONGRESS
P.O. Box 2714
Asheville, NC 28802

The heading on the enclosed letter is "BUNCOMBE COUNTY ATTORNEYS / FOR / JACK STEVENS FOR CONGRESS." At the top left of the letter eight names appear under the title "Steering Committee." The text of the letter is divided into five (5) paragraphs. The letter distinctly requests contributions from the recipient and advocates the election of Jack Stevens. The solicitation does not indicate to whom contribution checks should be made payable or sent. Neither does the solicitation contain any identifying information indicating who authorized or financed the letter.

At one point, the June 12th solicitation letter states the following:

> Those of us signing this letter have been asked to head an effort in collecting campaign contributions from members of the Bar for Jack.

Complainant asserts that the phrase "have been asked" indicates that Stevens, or an agent of his, likely organized or contacted BCA to encourage this solicitation effort. Thus, the complaint postulates that Stevens failed to designate BCA as an authorized committee in violation of the Act. As noted above, in the alternative the complaint alleges that BCA has failed to file as an unauthorized committee in violation of 2 U.S.C. § 433(a).

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Mr. Stevens claims that on June 19, 1991, he contacted the FEC "hotline" to discuss the activities of BCA. He asserts that at that time he was told "that so long as members of this group [BCA] were acting for my campaign committee and did not accept checks payable to their group and turned over all contributions to my Committee that they were not a political committee or an authorized committee and need not be designated by me." Attachment III, pg. 2.

In accordance with this advice, the Stevens Response states that all the checks resulting from BCA's efforts were made out and delivered to Stevens' authorized committee. Furthermore, according to the Stevens Response, on July 5, 1991, the Stevens Committee reimbursed $177.57 for all mailing expenses associated with the BCA solicitation letter. See Attachment IV. The BCA Response confirms that mailing expenses associated with the BCA solicitation letter were reimbursed by the Stevens for Congress Committee. The BCA Response also maintains that its members did not intend to form a separate committee, nor solicit contributions to anything other than the Stevens Campaign. The Stevens Committee has stated that it endorsed the efforts of BCA and reimbursed BCA's expenses.[1]

All of the responses set forth a similar accounting of events that gave rise to the solicitation letter mailed to

1. There is no report yet filed for the period after June 30, 1991, by which to confirm this refund. When the Stevens Committee files its upcoming disclosure report it is obligated to report the BCA expenditures as both a receipt and disbursement.

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members of the Buncombe County Bar. Under the circumstances outlined above, BCA's expenditures amounted to only $177.57, and were reimbursed by the candidate's campaign committee. All the resulting contributions were made out and delivered to Stevens' authorized committee. Apparently, no contributions were deposited into a separate BCA account. Thus, BCA does not appear to be an unregistered authorized committee of Jack Stevens or a separate committee required to register and report to the Commission. Accordingly, the Office of the General Counsel recommends that the Commission find no reason to believe that a violation of 2 U.S.C. § 433(a) occurred based on the complaint filed in MUR 3361.

However, the facts discussed above suggest that BCA served as a conduit or intermediary by collecting contributions from members of the local bar which were then forwarded to the authorized Stevens for Congress Committee. As such, the Office of the General Counsel recommends that the Commission find reason to believe that the eight individuals, acting as the steering committee of the Buncombe County Attorneys for Jack Stevens for Congress, violated 2 U.S.C. § 441a(a)(8) by failing to report the original source and the intended recipient of contributions to the Commission.[2] Furthermore, this Office recommends that the Commission find reason to believe that these eight individuals comprising the Buncombe County Attorneys for

2. Given that BCA does not have a separate legal identity for purposes of the Act, the recommendations of the General Counsel encompass these eight individuals, in their capacity as BCA steering committee members.

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Jack Stevens for Congress steering committee also violated 11 C.F.R. § 110.6(b)(2)(iii) for failure to forward earmarked contributions within 10 days after receipt. Finally, given that the Stevens for Congress Committee apparently accepted and reported BCA solicited contributions prior to July 1, 1991, the Stevens authorized committee was obligated to report BCA as a conduit or intermediary. Therefore, the Office of the General Counsel recommends that the Commission find reason to believe that Stevens for Congress and Stephen W. Woody, as treasurer, violated 11 C.F.R. § 110.6(c)(2).[3]

B. Alleged Disclaimer Violation

Section 441d of the Act mandates that all express political advocacy communications, or general public political advertising, must carry certain disclaimers. These disclaimers are required to state as follows:

> (1) if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee, or
>
> (2) if paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication is paid for by such other persons and authorized by such authorized political committee;
>
> (3) if not authorized by a candidate, an authorized political committee of a candidate,

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3. All BCA solicited contributions received by the Stevens Committee after July 1, 1991, should be reflected on the Stevens Committee 1991 Year End Report Schedule A as delineated at 11 C.F.R. 110.6(c)(2).

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> or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

As previously noted, the BCA mailing explicitly requests contributions from the recipients and advocates the election of Jack Stevens. All parties concede that the BCA mailing lacked an appropriate disclaimer. Therefore, this Office recommends that the Commission find reason to believe that the Stevens For Congress Committee violated 2 U.S.C. § 441d(a).

III. RECOMMENDATIONS

1. Find no reason to believe that the Buncombe County Attorneys For Jack Stevens For Congress Committee or the Stevens For Congress Committee and Stephen W. Woody, as treasurer, violated 2 U.S.C. § 433(a).

2. Find reason to believe that the Stevens For Congress Committee and Stephen W. Woody, as treasurer, violated 2 U.S.C. § 441d(a) and 11 C.F.R. 110.6(c)(2).

3. Find reason to believe that Harold K. Bennett, Philip G. Carson, Barbara A. Heck, Ward Hendon, Joseph P. McGuire, Robert E. Riddle, Landon Roberts and Allan R. Tarleton, as the Buncombe County Attorneys For Jack Stevens For Congress Committee, violated 2 U.S.C. § 441a(a)(8) and 11 C.F.R. § 110.6(b)(2)(iii).

4. Approve the attached Factual and Legal Analyses and the appropriate letters.

Lawrence M. Noble
General Counsel

Date 10/18/91

BY: Lois G. Lerner
Associate General Counsel

Attachments
I. BCA Letter.
II. BCA Response.
III. Stevens Response.
IV. Treasurer of Stevens for Congress Response.
V. Tarleton Response.
VI. Factual and Legal Analyses (2).

92040395435

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS /DONNA ROACH DR
COMMISSION SECRETARY

DATE: OCTOBER 23, 1991

SUBJECT: MUR 3361 - FIRST GENERAL COUNSEL'S REPORT DATED OCTOBER 18, 1991.

The above-captioned document was circulated to the Commission on MONDAY, OCTOBER 21, 1991 at 4:00 P.M.

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

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner Josefiak	XXX
Commissioner McDonald	
Commissioner McGarry	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for TUESDAY, OCTOBER 29, 1991.

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

9204089543 6

06C3273

STEVENS
FOR CONGRESS
COMMITTEE
P.O. Box 18473
Asheville, N.C. 28814

FEDERAL ELECTION COMMISSION
91 OCT 28 PM 12:06

October 23, 1991

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 OCT 28 PM 3:11

Mr. Lawrence M. Noble
General Counsel
Federal Elections Commission
Washington, D. C. 20463

Re: MUR 3361

Dear Mr. Noble:

I am writing to inform you as to a change in the Treasurer of the Stevens for Congress Committee. Attached is a copy of an FEC 1 form showing the amendment and the designation of William F. Wolcott, III, attorney of Asheville, as the new treasurer.

Should your office desire to communicate with the treasurer in connection with the above captioned matter, please direct those inquiries to Mr. Wolcott.

Sincerely yours,

John S. Stevens

John S. Stevens

JSS/mmd

cc: Ms. Lois G. Lerner
Associate General Counsel

William F. Wolcott, III

Stephen W. Woody

9204089543 7

Paid for by
Stevens for Congress Committee

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

RECEIVED FEDERAL ELECTION COMMISSION

1. (a) NAME OF COMMITTEE IN FULL ☐ (Check if name is changed)
Stevnes for Congress

(b) Number and Street Address ☐ (Check if address is changed)
P. O. Box 18473

(c) City, State and ZIP Code
Asheville, NC 28814-0473

2. DATE
October 23, 1991

3. FEC IDENTIFICATION NUMBER
C00252304

4. IS THIS STATEMENT AN AMENDMENT?
☒ YES ☐ NO

5. TYPE OF COMMITTEE (Check one)

☒ (a) This committee is a principal campaign committee. (Complete the candidate information below.)

☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
John S. Stevens	Democratic	U.S. House of Rep.	NC 11th

☐ (c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(name of candidate)

☐ (d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)

☐ (e) This committee is a separate segregated fund.

☐ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund or a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
NONE		

Type of Connected Organization
☐ Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. **Custodian of Records:** Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

Full Name	Mailing Address	Title or Position
John S. Stevens	P. O. Box 18473 Asheville, NC 28814-0473	Candidate

8. **Treasurer:** List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address	Title or Position
William F. Wolcott, III	P. O. Box 18473 Asheville, NC 28814-0473	Treasurer

9. **Banks or Other Depositories:** List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
NCNB National Bank of North Carolina	Box 1881 Asheville, NC 28801

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

TYPE OR PRINT NAME OF TREASURER	SIGNATURE OF TREASURER	DATE
William F. Wolcott, III	William F. Wolcott	October 23, 1991

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.
ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

For further information contact:
Federal Election Commission
Toll-free 800-424-9530
Local 202-376-3120

FEC FORM 1
(revised 4/87)

92040389543 8

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3361
Stevens for Congress and William F. Wolcott, III, as treasurer;	)	
Buncombe County Attorneys for Jack Stevens for Congress;	)	
Harold K. Bennett;	)	
Philip G. Carson;	)	
Barbara A. Heck;	)	
Ward Hendon;	)	
Joseph P. McGuire;	)	
Robert E. Riddle;	)	
Landon Roberts;	)	
Allan R. Tarleton.	)	

92040895439

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on October 29, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3361:

1. Find no reason to believe that the Buncombe County Attorneys for Jack Stevens For Congress Committee or the Stevens For Congerss Committee and William F. Wolcott, III, as treasurer, violated 2 U.S.C. § 433(a).

2. Find reason to believe that the Stevens For Congress Committee and William F. Wolcott, III, violated 2 U.S.C. § 441d(a).

(continued)

3. Reject recommendation #3 in the General Counsel's report dated October 18, 1991.

4. Send appropriate Factual and Legal Analyses and letters pursuant to the actions noted above.

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

Attest:

11-1-91
Date

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

92040895440

RECEIVED
F.E.C.
SECRETARIAT
91 NOV 12 PM 4:46

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

November 12, 1991

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

SUBJECT: Recommendation to close the file as to certain respondents in MUR 3361

In a report dated October 18, 1991, this Office recommended, inter alia, that the Commission find reason to believe that the Stevens For Congress Committee and William F. Wolcott, III, as treasurer, violated 11 C.F.R. § 110.6(c)(2). This Office also recommended that the Commission find reason to believe that Harold K. Bennett, Philip G. Carson, Barbara A. Heck, Ward Hendon, Joseph P. McGuire, Robert E. Riddle, Landon Roberts and Allan R. Tarleton, as the Buncombe County Attorneys For Jack Stevens For Congress Committee, violated 2 U.S.C. § 441a(a)(8) and 11 C.F.R. 110.6(b)(2)(ii).

On October 29, 1991, the Commission considered these General Counsel recommendations and rejected them. The certification reflecting the Commission's action in this matter did not close the file, as it pertains to the Buncombe County Attorneys For Jack Stevens For Congress Committee or the various members of that committee's steering committee noted above. This Office, therefore, recommends that the Commission close the file in MUR 3361 as it relates to the following: Harold K. Bennett; Philip G. Carson; Barbara A. Heck; Ward Hendon; Joseph P. McGuire; Robert E. Riddle; Landon Roberts; Allan R. Tarleton; and the Buncombe County Attorneys For Jack Stevens For Congress Committee.

RECOMMENDATION

1. Close the file in MUR 3361 as it pertains to the following: Harold K. Bennett; Philip G. Carson; Barbara A. Heck; Ward Hendon; Joseph P. McGuire; Robert E. Riddle; Landon Roberts; Allan R. Tarleton; and the Buncombe County Attorneys For Jack Stevens For Congress Committee.

Staff Assigned: J. Albert Brown

92040895441

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Harold K. Bennett;	)	
Philip G. Carson;	)	
Barbara A. Heck;	)	
Ward Hendon;	)	MUR 3361
Joseph P. McGuire;	)	
Robert E. Riddle;	)	
Landon Roberts;	)	
Allan R. Tarleton;	)	
The Buncombe County Attorneys For Jack Stevens For Congress Committee.	)	

92040895442

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 15, 1991, the Commission decided by a vote of 5-0 to close the file in MUR 3361 as it pertains to the following:

Harold K. Bennett; Philip G. Carson; Barbara A. Heck; Ward Hendon; Joseph P. McGuire; Robert E. Riddle; Landon Roberts; Allan R. Tarleton; and the Buncombe County Attorneys For Jack Stevens For Congress Committee.

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Thomas did not cast a vote.

Attest:

11-15-91
Date

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

Received in the Secretariat: Tues., Nov. 12, 1991 4:46 p.m.
Circulated to the Commission: Wed., Nov. 13, 1991 11:00 a.m.
Deadline for vote: Fri., Nov. 15, 1991 11:00 a.m.

dr

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Buncombe County Attorneys
for Jack Stevens for Congress
Post Office Box 2714
Asheville, North Carolina 28802

RE: MUR 3361

To whom it may concern:

On July 25, 1991, the Federal Election Commission notified your organization of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by several sources, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to Buncombe County Attorneys for Jack Stevens for Congress.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040895443

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Allan R. Tarleton
c/o Van Winkle, Buck, Wall, Starnes and Davis, P.A.
11 North Market Street
P.O. Box 7376
Asheville, North Carolina 28807

RE: MUR 3361

Dear Mr. Tarleton:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9204039544

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Landon Roberts
c/o Roberts, Stevens & Cogburn, P.A.
BB & T Building
P.O. Box 7647
Asheville, North Carolina 28807

RE: MUR 3361

Dear Mr. Roberts:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9 2 0 4 0 3 9 5 4 4 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Robert E. Riddle
c/o Riddle, Kelly & Cagle, P.A.
35 North Market Street
P.O. Box 7206
Asheville, North Carolina 28807

RE: MUR 3361

Dear Mr. Riddle:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040395446

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Joseph P. McGuire
c/o McGuire, Wood & Bissette, P.A.
Suite 705 First Union National Bank Building
82 Patton Avenue
P.O. Box 3180
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. McGuire:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040395447

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

George Ward Hendon
c/o Adams, Hendon, Carson, Crow & Saenger, P.A.
72 Patton Avenue
P.O. Box 2714
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Hendon:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040395448

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Barbara A. Heck
81 Central Avenue
Asheville, North Carolina 28802

RE: MUR 3361

Dear Ms. Heck:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040395449

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Philip G. Carson
c/o Adams, Hendon, Carson, Crow & Saenger, P.A.
72 Patton Avenue
P.O. Box 2714
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Carson:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040895450

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

Harold K. Bennett
c/o Patla, Straus, Robinson & Moore, P.A.
Suite 300, 29 North Market
P.O. Box 7625
Asheville, North Carolina 28802

RE: MUR 3361

Dear Mr. Bennett:

On July 25, 1991, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On October 29, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, and others, that there is no reason to believe that Buncombe County Attorneys for Jack Stevens for Congress violated any provisions of the Act on the basis of the complaint filed in MUR 3361. Accordingly, the Commission closed its file in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after the file has been closed with respect to all respondents. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

92040395451

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 25, 1991

William F. Wolcott, III
Treasurer
Stevens for Congress
P.O. Box 18473
Asheville, North Carolina 28814-0473

RE: MUR 3361

Dear Mr. Wolcott:

On July 25, 1991, the Federal Election Commission notified Stevens for Congress ("the Committee") and its former treasurer, Stephen W. Woody, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to the Committee at that time.

Upon further review of the allegations contained in the complaint, as well as information supplied by the Committee and others, the Commission, on October 29, 1991, found that there is reason to believe the Committee and you, as treasurer, violated 2 U.S.C. § 441d(a), a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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

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

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

92040395452

pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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

If you have any questions, please contact James Brown, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

John Warren McGarry

John Warren McGarry
Chairman

Enclosures
Designation of Counsel Form
Factual & Legal Analysis

92040395453

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: -Stevens for Congress and Stephen W. Woody, as treasurer — MUR 3361

I. Alleged Disclaimer Violation

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), at 2 U.S.C. § 441d all express political advocacy communications, or general public political advertising, must carry certain disclaimers. These disclaimers are required to state as follows:

> (1) if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee, or
>
> (2) if paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication is paid for by such other persons and authorized by such authorized political committee;
>
> (3) if not authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

As a result of two Buncombe County Attorneys for Jack Stevens ("BCA") meetings a group of eight attorneys mailed an advocacy solicitation on behalf of Jack Stevens' candidacy for the U.S. House of Representatives' seat from the 11th District of North Carolina. BCA mailed this one page letter to the members of the Buncombe County Bar on June 12, 1991. The

92040395454

mailing came in an envelope with the following pre-printed return address:

Buncombe County Attorneys
for
JACK STEVENS FOR CONGRESS
P.O. Box 2714
Asheville, NC 28802

The heading on the enclosed letter is "BUNCOMBE COUNTY ATTORNEYS / FOR / JACK STEVENS FOR CONGRESS." At the top left of the letter eight names appear under the title "Steering Committee." The text of the letter is divided into five (5) paragraphs. The letter distinctly requests contributions from the recipient and advocates the election of Jack Stevens. The solicitation does not indicate to whom contribution checks should be made payable or sent. Neither does the solicitation contain any identifying information indicating who authorized or financed the letter.

The BCA mailing explicitly requests contributions from the recipients and advocates the election of Jack Stevens. All parties concede that the BCA mailing lacked an appropriate disclaimer. Therefore, there is reason to believe that the Stevens For Congress Committee violated 2 U.S.C. § 441d(a).

II. Alleged Registration Violation

On the basis of the advocacy solicitation discussed above, the Complainant also alleged that BCA falls within the Act's definition of a political committee as any committee or group of persons that receives contributions or makes expenditures aggregating in excess of $1,000 during a calendar year. See 2 U.S.C. § 431(4)(A). As such, Complainant argues that BCA has

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failed to register as required under Section 433(a), or should have been designated as an authorized committee of Jack Stevens.

According to the responses received, it appears that Helen A. Powers of Asheville contacted Philip Carson on behalf of Mr. Stevens' campaign to request that he help raise money among Asheville lawyers. As alluded to above, certain members of the eight lawyer steering committee who compose the BCA met on May 13 and May 28, 1991, in response to Mrs. Powers' request. According to his response, Mr. Stevens learned of these meetings on May 28, 1991, when Landon Roberts of Mr. Stevens' own firm solicited members of that firm on behalf of BCA. The result of this firm-wide solicitation effort is apparently reflected by seven contributions totaling $2,750 from members of the firm Roberts Stevens & Cogburn, all of which appear in the Stevens For Congress 1991 Mid-Year Report.

Mr. Stevens claims that on June 19, 1991, he contacted the FEC "hotline" to discuss the activities of BCA. He asserts that at that time he was told "that so long as members of this group [BCA] were acting for my campaign committee and did not accept checks payable to their group and turned over all contributions to my Committee that they were not a political committee or an authorized committee and need not be designated by me."

In accordance with this advice, the Stevens Response states that all the checks resulting from BCA's efforts were made out and delivered to Stevens' authorized committee. Furthermore, according to the Stevens Response, on July 5, 1991, the Stevens Committee reimbursed $177.57 for all mailing expenses associated

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with the BCA solicitation letter. The BCA Response confirms that mailing expenses associated with the BCA solicitation letter were reimbursed by the Stevens for Congress Committee. The BCA Response also maintains that its members did not intend to form a separate committee, nor solicit contributions to anything other than the Stevens Campaign. The Stevens Committee has stated that it endorsed the efforts of BCA and reimbursed BCA's expenses.[1]

Under the scenario described in the various responses BCA and its members appear to have been agents of the authorized committee, and not separate distinct conduits or intermediaries existing on an on-going basis outside of the Jack Stevens For Congress Committee. Thus, BCA does not appear to be an unregistered authorized committee of Jack Stevens or a separate committee required to register and report to the Commission. Accordingly, there is no reason to believe that a violation of 2 U.S.C. § 433(a), or any other section of the Act, occurred based on the complaint filed in MUR 3361.

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1. There is no report yet filed for the period after June 30, 1991, by which to confirm this refund. When the Stevens Committee files its upcoming disclosure report it is obligated to report the BCA expenditures as both a receipt and disbursement.

06C3737

STEVENS
FOR CONGRESS COMMITTEE
P.O. Box 18473
Asheville, N.C. 28814

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
91 DEC 12 AM 11:20

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 DEC 12 AM 3:52

92040395458

December 9, 1991

Mr. James Brown
Federal Elections Commission
Washington, D.C. 20463

Re: MUR 3361

Dear Mr. Brown:

On Friday, December 6, 1991, I spoke with Ms. Lisa Cline regarding the fifteen (15) day time limit within which our Committee could respond to the factual and legal analysis of the Federal Elections Commission. I explained to Ms. Cline that we had not received your November 25, 1991 letter until December 4, 1991. Our concern was with the statement in your November 25 letter which indicated the response should be submitted "within fifteen (15) days of receipt of this letter". According to Ms. Cline, your office normally follows the three (3) day rule regarding receipt of mail. However, she indicated that since we had not received your letter until the 4th of December, we would have until December 19, 1991 to respond.

Your November 25 letter offers the opportunity to pursue pre-probable cause conciliation. We are indeed interested in pursuing the pre-probable cause conciliation. Please accept this statement as the request, in writing, required by your November 25 letter. Upon review of 11 CFR §111.18(d), our desire to enter into negotiations directed at reaching a conciliation agreement will not be binding until signed by both our Committee and the General Counsel. Ms. Cline indicated that your office was interested in settling this matter quickly; we are likewise inclined.

Paid for by
Stevens for Congress Committee

Enclosed please find the STATEMENT OF DESIGNATION OF COUNSEL, authorizing me to act on behalf of the Committee in the negotiation for the conciliation agreement. Please contact me as soon as possible with regard to your decisions pertaining to the conciliation agreement.

Sincerely yours,

Steven W. Sizemore
Campaign Manager

SWS/mmd

Enclosure

cc: Ms. Lisa Cline

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 3361

NAME OF COUNSEL: Steven W. Sizemore

ADDRESS: P.O. Box 18473
Asheville, North Carolina 28814

TELEPHONE: (704) 252-6600

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

12-9-91
Date

William F. Walcott
Signature

RESPONDENT'S NAME: John S. Stevens

ADDRESS: P.O. Box 7647
Asheville, North Carolina 28802

HOME PHONE: (704) 274-4856

BUSINESS PHONE: (704) 252-6600

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RECEIVED
F.E.C.
92 -3 AM 10:52

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Stevens for Congress and William F. Wolcott, III, as treasurer	)	MUR 3361
	)	
	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. **BACKGROUND**

On October 29, 1991, the Federal Election Commission found reason to believe that Stevens for Congress (the "Committee") and its present treasurer, William F. Wolcott, III, ("Respondents") violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by failing to include the appropriate disclaimer on a mailing advocating the election of Jack Stevens and requesting contributions from the recipients. In response to the Commission's finding, respondents requested pre-probable cause conciliation.

II. **DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY**

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III. **RECOMMENDATIONS**

1. Enter into pre-probable cause conciliation with Stevens for Congress and William F. Wolcott, III, as treasurer.

2. Approve the attached conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

1/31/92
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments
Request for Pre-Probable Cause Conciliation
Proposed Conciliation Agreement

Staff Assigned: Veronica M. Gillespie

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: **LAWRENCE M. NOBLE**
GENERAL COUNSEL

FROM: **MARJORIE W. EMMONS**/DONNA ROACH
COMMISSION SECRETARY

DATE: FEBRUARY 4, 1992

SUBJECT: MUR 3361 - GENERAL COUNSEL'S REPORT DATED JANUARY 31, 1992.

The above-captioned document was circulated to the Commission on MONDAY, FEBRUARY 3, 1992 at 11:00 A.M. .

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

Commissioner Aikens	
Commissioner Elliott	XXX
Commissioner McDonald	
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	

This matter will be placed on the meeting agenda for TUESDAY, FEBRUARY 11, 1992 .

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3361
Stevens for Congress and William F.	)	
Wolcott, III, as treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 11, 1992, do hereby certify that the Commission decided by a vote of 6-0 to reject the recommendations contained in the General Counsel's January 31, 1992 report and instead take the following actions in MUR 3361:

1. Direct the Office of General Counsel to send a letter of admonishment to the respondents.

2. Close the file.

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

Attest:

2-13-92
Date

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

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CLOSED

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 21, 1992

Mr. Steven W. Sizemore
Attorney
Stevens for Congress Committee
P.O. Box 18473
Asheville, N.C. 28814

RE: MUR 3361
Stevens for Congress Committee
and William F. Wolcott, III, as
treasurer

Dear Mr. Sizemore:

On October 29, 1991, your clients, Stevens for Congress Committee and William F. Wolcott, III, as treasurer, were notified that the Federal Election Commission found reason to believe that the Committee and William F. Wolcott, III, as treasurer, violated 2 U.S.C. § 441d(a). On December 9, 1991, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on February 11, 1992, to take no further action against Stevens for Congress Committee and William F. Wolcott, III, as treasurer, and closed the file. The file will be made part of the public record within 30 days after this matter has been closed. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The Commission reminds you that failure to include the appropriate disclaimer on a mailing expressly advocating the election of a candidate for federal office and solicitating contributions from the recipients appears to be a violation of 2 U.S.C. § 441d(a). Your clients should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLOSED

March 17, 1992

Harold K. Bennett
c/o Patla, Straus, Robinson & Moore, P.A.
Suite 300, 29 North Market
P.O. Box 7625
Asheville, NC 28802

RE: MUR 3361

Dear Mr. Bennett:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Phillip G. Carson
c/o Adams, Hendon, Carson, Crow &
Saenger, P.A.
72 Patton Avenue
Post Office Box 2714
Asheville, NC 28802

RE: MUR 3361

Dear Mr. Carson:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Barbara A. Heck
81 B Central Avenue
Asheville, NC 28802

RE: MUR 3361

Dear Ms. Heck:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

George Ward Hendon
c/o Adams, Hendon, Carson, Crow &
Saenger, P.A.
72 Patton Avenue
Post Office Box 2714
Asheville, NC 28802

RE: MUR 3361

Dear Mr. Hendon:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Joseph P. McGuire
c/o McGuire, Wood & Bissette, P.A.
Suite 705, First Union National
Bank Building
Post Office Box 3180
Asheville, NC 28802

RE: MUR 3361

Dear Mr. McGuire:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Robert E. Riddle
c/o Riddle, Kelly & Cagle, P.A.
35 North Market Street
Post Office Box 7206
Asheville, NC 28807

RE: MUR 3361

Dear Mr. Riddle:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Landon Roberts
c/o Roberts, Stevens & Cogburn, P.A.
BB & T Building
Post Office Box 7647
Asheville, NC 28802

RE: MUR 3361

Dear Mr. Roberts:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

92040395472

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

Allan R. Tarleton
c/o Van Winkle, Buck, Wall, Starnes
and Davis, P.A.
11 North Market Street
Post Office Box 7376
Asheville, NC 28802

RE: MUR 3361

Dear Mr. Tarleton:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact me at (202) 219-3690.

Sincerely,

Veronica M. Gillespie
Attorney

92040395473

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jack Hawke, Chairman
North Carolina Republican Party
1410 Hilsboro Street
Raleigh, North Carolina 27605

RE: MUR 3361

Dear Mr. Hawke:

This is in reference to the complaint you filed with the Federal Election Commission on July 23, 1991, concerning Stevens For Congress Committee and its treasurer; County Attorneys for Jack Stevens For Congress; Harold K. Bennett; Philip G. Carson; Barbara A. Heck; Ward Hendon; Joseph P. McGuire; Robert E. Riddle; Landon Roberts; and Allan R. Tarleton.

Based on that complaint and the responses received thereto, on October 29, 1991, the Commission found no reason to believe that the Buncombe County Attorneys for Jack Stevens For Congress or the Stevens For Congress Committee and William F. Wolcott, III, as treasurer, violated 2 U.S.C. § 433(a).

On October 29, 1991, the Commission also found reason to believe that Stevens For Congress Committee and William F. Wolcott, III, as treasurer, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter. However, after considering all of the circumstances, the Commission, on February 11, 1992, determined to send a letter of admonishment and take no further action against Stevens For Congress Committee and William F. Wolcott, III, as treasurer, and closed the file in this matter. A statement of reasons for the Commission's October 29, 1991 decision has been enclosed and a statement of reasons for the Commission's February 11, 1992 decision will follow. This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial

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review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact Veronica Gillespie, the attorney assigned to this matter at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Statement of Reasons

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

STATEMENT OF REASONS

In the Matter of	)	
	)	
Stevens for Congress and	)	
William F. Wolcott, III,	)	
as treasurer	)	
Buncombe County Attorneys for Jack	)	
Stevens for Congress	)	
Harold K. Bennett	)	MUR 3361
Philip G. Carson	)	
Barbara A. Heck	)	
Ward Hendon	)	
Joseph P. McGuire	)	
Robert E. Riddle	)	
Landon Roberts	)	
Allan R. Tarleton	)	

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On July 23, 1991, the Chairman of the North Carolina Republican Party filed a complaint against Stevens for Congress and its treasurer, Buncombe County Attorneys for Jack Stevens for Congress ("Attorneys"), and the eight attorneys listed on its letterhead as Steering Committee members.

The complaint alleged Attorneys was either an unregistered unauthorized political committee or an undesignated authorized committee of Jack Stevens in violation of 2 U.S.C. § 433(a) and 11 C.F.R. § 102.1. The complaint based its allegations on a one-page advocacy solicitation letter by Attorneys which lacked a disclaimer and was sent to members of the Buncombe County Bar.

The Office of the General Counsel recommended the Commission find reason to believe Attorneys and its steering committee members violated 2 U.S.C. § 441a(a)(8) and 11 C.F.R. § 110.6(b)(2)(ii) because it appeared contributions were collected by them and then forwarded to the Stevens committee. The General Counsel concluded the individuals active in this group did not fall within any of the exceptions outlined at 11 C.F.R. § 110.6(b)(2)(i)(A) - (E). The General Counsel also recommended the Commission find reason to believe the Stevens for Congress Committee and William F. Wolcott, III, as treasurer, violated 11 C.F.R. § 110.6(c)(2) by not reporting Attorneys or its members as conduits or intermediaries.

On October 29, 1991, we rejected the General Counsel's §441a(a)(8) and 110.6 recommendations. We concluded the Buncombe County Attorneys for Jack Stevens and its principals were agents of the authorized committee, not separate and distinct conduits or intermediaries existing outside the Stevens for Congress Committee. See 11 CFR 110.6(b)(2)(i)(E).

The Buncombe County Attorneys group was organized at the request of Stevens for Congress. Attorneys Response at p. 1. The Stevens Committee clearly stated it endorsed the efforts of this informal group of attorneys. Stevens Response at p. 2. The mailing expenses associated with the solicitation letter were reimbursed by the Stevens for Congress Committee. Id.

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Further, a response signed by all of the attorney group members clearly states they did not intend to form a separate committee or solicit contributions to anything other than the Stevens Campaign. Attorneys Response at p. 1. In fact, all checks resulting from Attorney's solicitation were made payable to and delivered to the Stevens authorized committee. Id.

In our opinion, Attorneys was only a fundraising "project" or subcommittee within the Stevens Committee. Such specialized projects are a common fundraising device among authorized committees, and though informally organized, they are a part of the campaign structure. Neither Attorneys nor the Stevens for Congress Committee was therefore required to report Attorneys or its members as conduits or intermediaries.

Accordingly, there is no reason to believe that Harold K. Bennett, Philip G. Carson, Barbara A. Heck, Ward Hendon, Joseph P. McGuire, Robert E. Riddle, Landon Roberts or Allan R. Tarleton, as the Buncombe County Attorneys for Jack Stevens for Congress Committee, violated 2 U.S.C. § 441a(a)(8) or 11 C.F.R. 110.6(b)(2)(ii). Based on the same facts, we also conclude there is no reason to believe that the Stevens for Congress Committee and William F. Wolcott, III, as treasurer, violated 11 C.F.R. § 110.6(c)(2).

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John Warren McGarry
Chairman

Thomas J. Josefiak
Commissioner

Joan D. Aikens
Vice Chairman

Danny Lee McDonald
Commissioner

Lee Ann Elliott
Commissioner

Scott E. Thomas
Commissioner

December 3, 1991

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3361

DATE FILMED 3 2/92 CAMERA NO. 3

CAMERAMAN Tim H

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