



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

THIS IS THE BEGINNING OF MUR # 3448<sup>E</sup>

DATE FILMED 11-9-93 CAMERA NO. 2

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# EUGENE PLATT

## FOR CONGRESS

1515 Patterson Avenue  
Charleston, SC 29412  
September 20, 1991

John Warren McGarry, Chairman  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

91 SEP 25 PM 4:01  
FEDERAL ELECTION COMMISSION

Dear Chairman McGarry

Enclosed is a story clipped from today's News & Courier, a daily newspaper published here in Charleston. Inasmuch as it is generally acknowledged that I had a key role in bringing the "Ben Hunt Affair" to the public's attention, I read the story with satisfaction and a strong sense of vindication.

For your information, I am enclosing copies of my letters to the Federal Bureau of Investigation and to South Carolina's State Law Enforcement Division, each of which was hand delivered by me personally almost a year ago.

I think that a sound legal argument could be made to the effect that the \$5,000 Mr. Shealy admits receiving as a campaign contribution from Laidlaw Environmental Services, Inc., was, essentially, a contribution to the congressional campaign of Benjamin Hunt, Jr. According to the newspaper story, Mr. Shealy does admit that \$2,414 of the \$5,000 was used to pay Mr. Hunt's filing fee.

Inasmuch as \$5,000 is the threshold for official candidacy under FEC guidelines, it would follow then that Mr. Hunt's candidacy should have been registered with FEC. No one that I have discussed the matter with believes that such registration ever occurred. Accordingly, I am requesting that you investigate this matter and take appropriate action.

Thank you.

Sincerely,

  
Eugene Platt

Copies:

- Point
- Wm. Runyon, Chairman, Charleston County Democratic Party
- Charleston Co. Republican Party (Via: Sen. Glenn McConnell)
- Associated Press
- News & Courier (ATTN: Larry Tarleton)
- Moultrie News/James Island Journal

CHARLESTON, SOUTH CAROLINA 29407

93043504010

# EUGENE PLATT

## FOR CONGRESS

October 2, 1990

Federal Bureau of Investigation  
Attn.: William E. Nettles, Jr.,  
Special Agent-in-Charge  
334 Meeting Street, Room 612  
Charleston, SC 29403

Dear Mr. Nettles:

This is to advise you of certain information that came to me in a conversation with Mr. Benjamin Hunt, Jr., yesterday afternoon, October 1, 1990, in Mr. Hunt's residence located in the McCracken Apartments, St. John's Avenue, North Charleston, S. C. While I am unable to confirm the accuracy of this information, I am prepared to say under oath that Mr. Hunt told me the following:

1. He was induced to file for the 1st Congressional District seat nomination in the Republican Party primary last spring by a person or persons whose identity he says he is afraid to divulge for fear of his personal safety. He indicated that divulging that identity might even result in his (Hunt's) death, saying he would be "a dead nigger."
2. His filing fee was furnished by the unidentified person. Hunt was paid \$400 to file and was promised an additional \$500 later. The second installment has never been paid.
3. Hunt was chosen to file because he did not "have a police record," the implication being that such black men were hard to find.
4. Hunt was instructed to remain silent about the circumstances of his candidacy and to say only that he was running because Mr. Ravenel had not done anything for black people.
5. Hunt eventually realized he had been recruited to run against Mr. Ravenel not to hurt, but to help Mr. Ravenel.

I urged Mr. Hunt to contact the police or the F.B.I. immediately, suggesting that this was the best way to ensure his personal safety and that he was at risk otherwise. I also pointed out to him that "the truth always comes out" and that if he had violated any laws it would be in his best interests to "come clean" now. At the end of the conversation, Mr. Hunt and his older sister, Saundra (?), who had joined the conversation, indicated that they would consider my advice.

Sincerely,

93043504011

# EUGENE PLATT

## FOR CONGRESS

October 10, 1990

Robert M. Stewart, Sr., Chief  
State Law Enforcement Division  
Broad River Road, Box 21398  
Columbia, SC 29221

Dear Mr. Stewart,

Enclosed is a copy of a letter that I hand-delivered to William Nettles, Supervisory Agent in the Charleston office of the Federal Bureau of Investigation, on October 2. I had hoped that the F.B.I. would investigate this matter and report its findings to the public; however, a journalist has told me informally that an F.B.I. agent interviewed Mr. Hunt and has already closed its file on the matter. Accordingly, I earnestly request that the State Law Enforcement Division initiate its own investigation immediately.

As indicated in my letter to the F.B.I., I am prepared to say under oath that the conversation between me and Mr. Hunt described in that letter actually took place. To confirm that assertion, I would also be willing to submit to a lie detector test in a SLED facility or elsewhere.

Just a few days before the primary elections last June, there arrived in my mail a four-page "newspaper" highlighting some of the Republican primary races. I do not have a copy of that newspaper at the moment but recall it featured, among others, the 1st Congresssional District race between Arthur Ravenel and Benjamin Hunt as well as the Lt. Governor's race between Henry McMaster and Sherry Martschink. The information about the latter two candidates was obviously slanted toward the candidacy of Senator Martschink.

While that newspaper did not bear a return address, and while I do not have any tangible evidence to this effect, I nonetheless suspect of Senator Martschink's brother, Rod Shealy, as being responsible for publishing the newspaper. Further, I suspect Mr. Shealy as being the person Mr. Hunt was afraid to identify who paid him to run against Ravenel. It is my intention to try to speak with Mr. Shealy today about the matter.

If my suspicions are true, then surely some State law was violated. Surely, such manipulations of the democratic process are illegal, aren't they?

Sincerely,

CHARLESTON, SOUTH CAROLINA 29407

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# SHEALY

from Page 1-B

state Ethics Commission. Laidlaw operates a hazardous waste dump in Pinewood. In 1990, the landfill became a central issue in the GOP primary when Marteschuk's opponent, Henry McMaster, said he would shut it down.

Shealy reportedly asked Laidlaw for the money, saying his sister would take a more relaxed stand on the dump if she won the election. The money was given by an unnamed Laidlaw representative, and should have been reported as a Marteschuk donation, prosecutors said.

Instead, the money was used to pay Hunt's \$2,414 congressional race filing fee. Laidlaw officials declined to comment.

It is not illegal in South Carolina to pay someone to run for office, but prosecutors say Shealy illegally failed to declare the Laidlaw donation.

But he denied that Hunt's candidacy was racially motivated. Rather, he labeled the nomination as "get out the vote" politics.

Shealy became connected to the Hunt candidacy after Hunt lost the primary and charged he was promised money to take on Ravenel.

Some political observers said Hunt was put in the race to stir up white support for Ravenel. That, in turn, would bring more votes to the polls and help Marteschuk in her campaign against McMaster.

Shealy said Thursday he never promised to pay Hunt for entering the race. Hunt is serving a five-year prison sentence for selling cocaine. Shealy also said he was innocent of charges he tried to cover up the contribution, and said he was told by the state Election Commission that PACs did not have to declare their money.

Friday, September 20, 1991

Obituaries 2-B  
Business 5-B  
Markets 6-B



## Jury indicts Rod Shealy

By SCHUYLER KROPP  
Of The Post-Courier staff

COLUMBIA — Republican political consultant Rod Shealy was indicted here Thursday on charges he failed to report a \$5,000 campaign contribution.

Afterward, Shealy said he would plead innocent.

Shealy, who is well known for his skills in planning successful campaigns, also admitted to reporters that he was behind the plot to get a poor black man to challenge U.S. Rep. Arthur Ravenel Jr. in the 1990 GOP primary.

He charged that the investigation into Hunt's candidacy and his indictment were politically motivated.

"It would appear to me we have a lot of Democrats doing a 'get Rod Shealy' thing," he said.

Shealy was indicted by a Richland County grand jury on charges he allegedly solicited \$5,000 in the name of his sister, state Sen. Sherry Marteschuk, who was running for lieutenant governor.

**'It would appear to me we have a lot of Democrats doing a 'get Rod Shealy' thing.'**

Rod Shealy  
Republican political consultant

The probe was part of a year-long investigation by the FBI, 5th Circuit Solicitor Dick Harpootlian and 9th Circuit Solicitor Charles Condon.

It began when North Charleston resident Benjamin Hunt Jr. said Shealy paid him to challenge Ravenel.

According to the indictment, Shealy allegedly solicited \$5,000 from Laidlaw Environmental Services Inc. in March 1990, but never reported the contribution to the state.

Condon, a Republican, and Harpootlian, a Democrat, declined to comment at a press conference announcing the indictment, citing procedural publicity.

Please see SHEALY, Page 3-B

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 30, 1991

Eugene Platt  
1515 Patterson Avenue  
Charleston, SC 29412

Dear Mr. Platt:

This is to acknowledge receipt on September 25, 1991, of your letter dated September 20, 1991. The Federal Election Campaign Act of 1971, as amended ("the Act") and Commission Regulations require that the contents of a complaint be sworn to and signed in the presence of a notary public and notarized. Your letter did not contain a notarization on your signature and was not properly sworn to

You must swear before a notary that the contents of your complaint are true to the best of your knowledge and the notary must represent as part of the jurat that such swearing occurred. A statement by the notary that the complaint was sworn to and subscribed before him/her will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

Enclosed is a Commission brochure entitled "Filing a Complaint." I hope this material will be helpful to you should you wish to file a legally sufficient complaint with the Commission. If you have any questions concerning this matter, please contact Retha Dixon, Docket Chief, at (202) 219-3410.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:

  
Lois G. Lerner  
Associate General Counsel

Enclosure

cc: Respondent

93043504014



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

September 30, 1991

Roderick Shealy  
924 Camelot  
West Columbia, SC 29169

Dear Mr. Shealy

On September 25, 1991, the Federal Election Commission received a letter alleging that you violated sections of the Federal Election Campaign Act of 1971, as amended. As indicated from the copy of the enclosed letter addressed to the complainant, those allegations do not meet certain specified requirements for the proper filing of a complaint. Thus, no action will be taken on this matter unless the allegations are refiled meeting the requirements for a properly filed complaint. If the matter is refiled, you will be notified at that time.

This matter will remain confidential for 15 days to allow for the correction of the defects. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file will be closed.

If you have any questions, please call Retha Dixon, Docket Chief, at (202) 219-3410.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner *g. lerner*  
Associate General Counsel

Enclosures

- Copy of Improper Complaint
- Copy of letter to the Complainant

93043504015

# EUGENE PLATT

## FOR CONGRESS

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Q6-C 3341

1515 Patterson Avenue  
Charleston, SC 29412  
November 1, 1991

John Warren McGarry, Chairman  
Federal Election Commission  
999 E Street, N.W.,  
Washington, DC 20463

Dear Chairman McGarry:

Previously, on September 20, I wrote requesting that the Federal Election Commission investigate the 1990 candidacy of Benjamin Hunt, Jr., for the U.S. House of Representatives. A September 30 letter from Lois G. Lerner of your staff told me that, inasmuch as my letter was not notarized, FEC could not treat it as a "legally sufficient complaint."

With this letter, which will be notarized, I again request the Commission investigate the Hunt candidacy with particular scrutiny of Mr. Rod Shealy's role in it. I request also the Commission determine if Mr. Shealy's sister, State Senator Sherry Martschink, had a culpable role in the race.

As stated in my previous letter, I think a sound legal argument could be made to the effect that the \$5,000 Mr. Shealy admits receiving as a campaign contribution from Laidlaw Environmental Services, Inc., was, essentially, a contribution to Mr. Hunt's campaign. According to press reports, Mr. Shealy admits that \$2,414 of the \$5,000 was used to pay Mr. Hunt's filing fee. Inasmuch as \$5,000 is the threshold for official candidacy under FEC guidelines, it would appear that Mr. Hunt's candidacy should have been registered with FEC. I do not believe that it was so registered and, therefore, do believe that the possibility of a violation is sufficient to warrant your investigation.

Enclosed are some newsclippings to give you further background on the bizarre nature of Mr. Hunt's candidacy.

Sincerely,



Eugene Platt

PERSONALLY appeared, Eugene Platt, who being first duly sworn deposes that the content of this complaint is true to the best of his knowledge.

  
EUGENE PLATT

SWORN TO AND SUBSCRIBED Before  
Me this 1st day of November, 1991

George W. Hawkins  
Notary Public for S.C.

My Commission CHARLESTON, SOUTH CAROLINA 29407  
Expires: 8-21-99

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL COUNSEL  
91 NOV -5 AM 10:55

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## HUNT

from Page 1-B

pear in court on a two-year-old marijuana possession charge.

The latest arrest occurred about 8 p.m. Thursday, while narcotics agents from the Charleston County Metro Squad were driving through an area known for drug dealing. "He flagged us down and walked up to our car," said an undercover agent. "He asked us what we wanted and sold us two bags of white powder."

Police also found seven additional bags of white powder that tested positive for cocaine. The total amount of drugs confiscated was two and a half grams, police said. The ar-



Hunt

rest took place within a quarter-mile of Ronald E. McNair Elementary School.

In the June primary, Hunt took only 10 percent of the votes in his bid to wrest the nomination from Ravenel. His candidacy was the subject of investigations by the FBI, the State Law Enforcement Division and the 9th Circuit Solicitor's office.

Former state Rep. Robert Kohn, a key figure in Operation Lost Trust, the FBI's cash-for-votes sting involving state legislators, admitted being involved in recruiting Hunt to run against Ravenel.

Hunt was reportedly approached by two men at a North Charleston shopping center and given \$400 for his promise to run in the primary. Another \$500 was to be delivered after the election. The men also reportedly paid his \$2,414 filing fee.

## Hunt charged in drug case

By DAVID W. MacDOUGALL  
Of the Post-Courier staff

A disabled fisherman who was promised \$900 if he ran against U.S. Rep. Arthur Ravenel Jr. in the Republican primary was arrested on drug charges Thursday.

Benjamin Hunt, 27, of St. Johns Street in North Charleston was charged with possession of cocaine for distribution, distribution of cocaine to a police officer and dealing narcotics within the proximity of a school.

He was being held in Charleston County Jail on \$55,000 bond set Friday by Magistrate Jack I. Guedalia.

In October, Hunt was jailed for having failed to ap-

Please see HUNT, Page 4-B

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News + Courier  
12/29/90

# The News and Courier

BARBARA S. WILLIAMS, Editor  
ROBERT J. COX, Assistant Editor

Founded Jan. 10, 1803

MICHAEL J. BONAFIELD, Associate Editor  
CHARLES R. ROWE, Associate Editor

CHARLESTON, S.C. THURSDAY, NOVEMBER 1, 1990, PAGE 10-A

## A 'dirty trick' that backfired

**A**n ill-conceived scheme that involved a put-up candidate in the Republican primary last summer has backfired badly. Even if it turns out not to be illegal, it's already been embarrassing for the party, and it could have further repercussions when all the facts are known.

There were those within the GOP hierarchy who were suspicious from the start when notarized filing papers for the 1st District congressional seat and the \$2,414 filing fee arrived by courier at state headquarters just before deadline. Too bad their concerns didn't prevail.

Since then, former Rep. Robert Kohn has admitted being involved in recruiting Benjamin Hunt Jr., a disabled Wadmalaw fisherman, to run for the seat. Mr. Hunt reportedly was approached by two men in a North Charleston shopping center and promised \$900 if he would be a candidate.

Mr. Kohn has pleaded guilty to charges in connection with the legislative cash-for-votes scandal uncovered by an FBI sting. Under cross-examination recently in a former colleague's trial, Mr. Kohn talked about the election scam. He admitted being contacted "by an individual" who asked him to find a black candidate to challenge Rep. Arthur Ravenel in the June primary. According to Mr. Kohn, Mr. Hunt's candidacy wasn't intended to benefit Rep. Ravenel, but another candidate in another primary.

The reason we're inclined to believe Mr. Kohn is that we suspect some misguided political operative, looking for a way to turn out the vote, remembered the 1968 congres-

sional race. Did someone hope that Rep. Ravenel's partisans would get as nervous as supporters of the late 1st District Rep. L. Mendel Rivers did when a black candidate filed against him in the primary? In that instance, however, the black candidate was serious and even Republicans were urged to vote in the Democratic primary to "save Mendel." In this instance, no one took the opposition to Rep. Ravenel seriously. In fact, Mr. Hunt virtually disappeared after an initial flurry of publicity. We now learn he is serving a 30-day sentence for failing to appear in court on a marijuana charge.

Political consultant Rod Shealy, brother of Charleston Sen. Sherry Martschink who was running for lieutenant governor at the time, has said he knows who put Mr. Hunt up to run, but declined to identify the person. Mr. Shealy, who represented a number of candidates in the primary, conceded in one news account that he may have been a "contributing factor" but insisted he wasn't personally involved. Sen. Martschink says she knew nothing about Mr. Hunt or his candidacy. It's hard to believe that any savvy politician would be involved in such a bungled scheme.

Fortunately, it's hard to keep a secret in politics, which means those who engage in dirty tricks are usually found out. The FBI has investigated the matter, and it's possible the S.C. Law Enforcement Division (SLED) also may get involved. Whether or not charges are filed, we need to know what investigators have been told about who was responsible. At the least, those who would so cynically manipulate the political process need to be identified.

## U.N. probe of tragedy still needed

**T**he commission appointed by Israeli Prime Minister Yitzhak Shamir to report on the incident on the Temple Mount in which 20 Palestinians were shot and killed by border guards had a built-in handicap.

From the start, the impartiality of the government's handpicked panel, headed by the former chief of the Mossad Intelligence

blameless and justifies the use of live ammunition against the Palestinians, it says that an alternative to deadly force must be found immediately.

On the other hand, the commission insufficiently addressed claims that police fired through hospital windows and shot up an ambulance, or that several victims were shot in the back. All were buried before the commis-

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sions, letters to all the residents and

# EUGENE PLATT

## FOR CONGRESS

STATEMENT --- October 13, 1990

On October 1, I had a conversation with Benjamin Hunt, Jr., which is described in a letter I delivered to the Federal Bureau of Investigation the following day. Copies of that letter were given to the news media last week. Subsequently, a journalist told me that the F.B.I. had interviewed Mr. Hunt but the journalist did not feel the F.B.I. was going to pursue the matter any further. Because this matter was too important not to be thoroughly investigated, on October 10, I visited the Columbia headquarters of SLED, the State Law Enforcement Division, and presented in writing a request for an investigation of Mr. Hunt's strange candidacy in the Republican primary last spring. (This information was reported in today's Post-Courier.)

After leaving SLED, I went to the offices of SCPR Associates, located in downtown Columbia, and spoke with one of its principals, Mr. Rod Shealy, brother of State Senator Sherry Martschink. Mr. Shealy admitted being responsible for the political "newspaper" described in my letter to SLED, but he declined to give me a copy and, after initially agreeing just to let me see a copy, refused to do even that. Mr. Shealy at first denied any involvement with Mr. Hunt's candidacy, but, after I pointed out that he had used in his "newspaper" a photograph of Mr. Hunt that had not been seen elsewhere, Mr. Shealy indicated that he was not free to discuss the matter!

In my conversation with Mr. Shealy, he asked if I really wanted to serve in Congress. Of course, I gave him an affirmative answer, whereupon he suggested that I forfeit this race to Mr. Ravenel and try again another year!!! I have no inclination to follow Mr. Shealy's suspect advice because I am confident that the voters of the 1st Congressional District are sick of good ole boy politics, tired of being embarrassed by the incumbent, and ready for a change.

The manipulation of the democratic process represented by Mr. Hunt's candidacy and by Mr. Shealy's newspaper (which, by the way, prominently featured my opponent) is so repugnant to honorable Republicans as well as honorable Democrats that I call on Congressman Ravenel either to renounce such tactics, condemning everyone who was responsible, or to resign from Congress immediately. Even if my opponent, as he alleges, had no involvement in Mr. Hunt's candidacy, he nonetheless benefited from it; therefore, he should do now what he should have done months ago: renounce such manipulations or resign.

4 CARRIAGE LANE  
SUITE 406  
CHARLESTON, SOUTH CAROLINA 29407  
(803) 763-3336

93043504019

# Platt calls on Ravenel to resign amid reports

By SCHUYLER KROPF  
Of the Post-Courier staff

Democratic candidate for Congress Eugene Platt has called on 1st District Rep. Arthur Ravenel Jr. to resign if he does not condemn the tactics that motivated a black fisherman to file against him in the Republican primary.

Ravenel, R-S.C., said he had no intention of resigning.

"There's no response," Ravenel said. "I was not involved. I don't know what he's talking about."

Platt's attack follows reports that Republican primary candidate Benjamin Hunt Jr. may have been paid to run for office to draw in voters for Ravenel and other GOP primary candidates.

Hunt, 27, said earlier he was approached by two men at a North Charleston shopping center who promised him \$900 to run for office as a Republican.

## Election



The men also photographed him and filled out his filing papers, he said, although he would not disclose their identities for fear of retaliation.

"The manipulation of the democratic process represented by Mr. Hunt's candidacy ... is so repugnant to honorable Republicans as well as honorable Democrats that I call on Congressman Ravenel either to renounce such tactics, condemning everyone who is responsible, or resign from office immediately," Platt said Saturday at a Democratic stump in Mount Pleasant.

Please see PLATT, Page 4B

The Post-Courier, October 14, 1990 (p.1-B)

## PLATT

from Page 1-B

"Even if my opponent, as he alleges, had no involvement in Mr. Hunt's candidacy, he nonetheless benefited from it," Platt said. "Therefore, he should do now what he should have done months ago: renounce such manipulations or resign."

Ravenel said Platt was just looking for free press because no one is contributing to his campaign.

"He knows that I didn't put Hunt

in that race," Ravenel said.

The attack continues allegations by Platt that some Republicans were trying to intimidate Democrats.

Platt said he has made a request to federal and state authorities to investigate the matter but that an official go-ahead has not been released.

He has also attacked Columbia Republican political consultant Rod Shealy, brother of state Sen. Sherry Martschink, R-Charleston, for promoting the race in a political news-

paper.

"Mr. Shealy at first denied any involvement with Mr. Hunt's candidacy, but after I pointed out that he had used in his newspaper a photograph of Mr. Hunt that had not been seen elsewhere, Mr. Shealy indicated he was not free to discuss the matter," Platt said.

"In my conversation with Mr. Shealy, he asked if I really wanted to serve in Congress," Platt said. He said Shealy then "suggested that I forfeit this race to Mr. Ravenel and try again another year."

Sources have charged the Hunt candidacy may have been to boost the Republican turnout and influence either the race for lieutenant governor or governor.

Shealy said Saturday he was not connected to Hunt and described Platt as one of "the league of loonies" in the Democratic Party who make allegations without strong evidence.

But Shealy did say he took advantage of the fact Hunt was running by using it in a conservative tabloid.

"These are tricks of the trade."

5 0 4 0 2 0

# FBI probes scheme to make Hunt candidate for Congress

By BRUCE SMITH  
Associated Press writer

**NORTH CHARLESTON** — A black man is purportedly recruited outside a shopping center and offered \$900 to oppose a popular white Republican congressman.

He lives in an apartment without a phone, does little campaigning and is soundly trounced.

Later, he says the \$2,414 filing fee was put up by those who wanted him to run. And, he says, they paid him only \$400 of the offered \$900 for being in the race.

The FBI has looked into the matter and is preparing to file its findings with the U.S. Justice Department and the U.S. attorney.

But sources in both the Republican and Democratic parties say Benjamin Hunt Jr.'s unsuccessful challenge against U.S. Rep. Arthur Ravenel in last June's primary had precious little to do with the 1st District race.

They say Hunt was a stalking horse to boost the Republican turnout as a result of a challenge to the popular Ravenel. It is unclear which race the Hunt candidacy was intended to influence.

However, the Hunt candidacy has been linked to former state Rep. Robert Kohn, who has pleaded guilty and is awaiting sentencing in the FBI probe of Statehouse corruption.

The FBI interviewed Hunt last week about the source of the filing fee, Hunt said Wednesday. He told The Associated Press he never put up the fee, although before the June primary, he told reporters his family and friends had raised the money.

FBI Agent Bill Nettles confirmed the agency has investigated the matter and is preparing its report.

"We are submitting the result to the U.S. attorney's office and the Department of Justice in Washington for review," he said.

Those agencies will determine if there were violations of election laws and if further investigation might be appropriate, Nettles said.

Hunt, making his first bid for political office, campaigned little during the primary. Ravenel, seeking his third term in Washington, easily captured 90 percent of the vote.



AP LaserPhoto

Benjamin Hunt Jr.

Hunt said he was approached at a North Charleston shopping center by two white men who asked if he wanted to run. He said he had never seen the men before and received \$400 on the first visit. He said he did not know how they located him.

"I thought if you want to pay me for something, why not? It's just like a job," he said. The 27-year-old Hunt said he never personally filled out filing papers.

Later, after the papers were filed, Hunt said the men returned and took his picture. That was the last time he had any contact with the men or anybody in the party, he said.

Hunt would not identify the men. He said he was worried about reprisals against his mother and that he would be a "dead nigger" if he did.

Hunt's papers were received at state GOP headquarters minutes before the filing deadline. A courier dropped off notarized forms and a cashier's check, said Mike Burton, the political director for the state Republican Party.

Filing in such a way is unusual, but it is legal, Burton said. Usually can-

didates file locally.

On the night of the primary, The Associated Press tried to reach Hunt through his sister. She said she was unaware he was running for Congress and wondered where he got the money.

Ravenel said when Hunt entered the race, he thought his opponent was backed by shrimpers upset because of a dispute over the use of turtle excluder devices.

Ravenel said he knew nothing about the candidacy until Hunt filed. He added he has never met Hunt.

Ravenel's Democratic opponent, Eugene Platt, has suggested Ravenel himself may have been behind the candidacy. He said Ravenel would have benefited by publicity from a landslide victory on primary night.

Sources said the Hunt candidacy may have been to boost the Republican turnout to influence either the race for governor or lieutenant governor. There were also a number of other local races on the ballot as well in the congressional district.

A four-page campaign flier resembling a newspaper was mailed to Charleston area residents before the primary.

It was headlined "Vote Tuesday, June 12th Republican" and included a purported news story about the Ravenel-Hunt race.

The article suggested Hunt might pull an upset of Ravenel unless there were a large turnout. It quoted an unidentified "Columbia-based political consultant."

The consultant suggested a low turnout "could be exactly what Hunt is planning on. It is conceivable that he would have several thousand supporters quietly waiting in ambush. Unquestionably, Hunt has run a very quiet campaign for some reason.

Rod Shealy, who is a Columbia political consultant, said he put the tabloid together. But he said it was a get-out-the-vote flier like he has published in the past and said he has had nothing to do with Hunt.

93043504021



Eugene Platt

## Platt: Congressman Ravenel should resign

■ The FBI is probing allegations Hunt was recruited. See Page 9A.

By LOLITA HUCKABY  
*Gazette staff writer*

Democratic challenger Eugene Platt called on his Republican opponent, Republican Congressman Arthur Ravenel, to resign because of a possible connection with the questionable candidacy of Ravenel's primary opponent.

Platt, during a press conference in the Beaufort law offices of the Harvey & Battey firm, outlined his con-

cerns that Benjamin Hunt Jr., who ran unsuccessfully against Ravenel in the GOP primary, was "recruited to run against Mr. Ravenel not to hurt but to help" the incumbent.

In recent conversations with Platt, Hunt said his filing fee had been furnished by an unidentified person and he had been paid \$400 to run against the incumbent.

Platt said Hunt also indicated he had been "instructed to remain silent about the circumstances of his candidacy and to say only that he

(See PLATT, Page 2A)

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## Platt

(Continued from Page 1A)

was running because Mr. Ravenel had not done anything for black people."

Platt admitted he had no information that linked Ravenel to Hunt's candidacy "but I find it hard to believe Mr. Ravenel didn't know something about it."

Although he admitted he did not think Ravenel will resign, Platt called for his opponent to resign immediately or "renounce such tactics, condemning everyone who is responsible" for the mysterious candidacy of Hunt.

Ravenel told *The News and Courier* last week he had never met Hunt and has no information about his candidacy.

In another campaign development, the WJWJ-ETV has reversed an earlier decision to cancel a proposed debate between the two congressional candidates, made after Ravenel said he was unable to attend the session.

Station Manager Ron Schoenherr announced Thursday it would make 30 minutes of air time available to Platt even if Ravenel chose not to attend.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 7, 1991

Eugene Platt  
1515 Patterson Avenue  
Charleston, SC 29412

RE: MUR 3448

Dear Mr. Platt

This letter acknowledges receipt on November 5, 1991, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Rod Shealy, Robert Cohn, Benjamin Hunt, Fund for South Carolina's Future and Laidlaw Environmental Services, Inc. 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 3448. 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) 219-3410.

Sincerely,

Lawrence M. Nobie  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Procedures

93043504023



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 7, 1991

Rod Shealy  
924 Camelot Drive  
West Columbia, Sc 29169

RE: MUR 3448

Dear Mr. Shealy

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 3448. 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.

93043504024

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence H. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosures

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

93043504025



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 7, 1991

Benjamin Hunt  
3724 Back Pen Road  
John's Island, SC 29455-9430

RE: MUR 3448

Dear Mr. Hunt

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 3448. 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.

93043504026

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed 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

93043504027



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 7, 1991

Robert Cohn  
4326 Evanston Blvd.  
Charleston, SC 29418

RE: MUR 3448

Dear Mr. Cohn:

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 3448. 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.

93043504028

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely

Lawrence H. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosures

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

93043504029



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 7, 1991

Laidlaw Environmental Services, Inc.  
220 Outlet Point Blvd.  
Columbia, SC 29210

RE: MUR 3448

Dear Gentlemen

The Federal Election Commission received a complaint which alleges that Laidlaw Environmental Services, Inc. ("Corporation") 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 3448. 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 Corporation 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.

93043504030

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely

Lawrence H. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosures

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

93043504031



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

November 7, 1991

Fund for South Carolina's Future  
Rod Shealy, Treasurer  
924 Camelot Drive  
West Columbia, SC 29169

RE: MUR 3448

Dear Mr. Shealy

The Federal Election Commission received a complaint which alleges that the Fund for South Carolina's Future ("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 3448. 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 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.

93043504032

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence H. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosures

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

93043504033

L A I D L A W

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

Henry H. Taylor  
Vice President  
Legal Affairs

3518

91 NOV 25 AM 11:41

November 20, 1991

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

RE: MUR 3448

Gentlemen:

This letter is in response to your letter dated November 7, 1991 to Laidlaw Environmental Services, Inc. regarding the above-referenced matter. Some newspaper accounts erroneously stated that Laidlaw Environmental Services, Inc. made a \$5,000 campaign contribution to the Lieutenant Gubernatorial Campaign of Senator Sherry Martschink and that portions of this contribution were used to pay the congressional filing fee of Mr. Benjamin Hunt, Jr.

As evidenced by the attached affidavit, Laidlaw Environmental Services, Inc. neither made a \$5,000 contribution to the Lieutenant Gubernatorial campaign of Senator Sherry Martschink nor a contribution to any fund which was used to pay the congressional filing fee for Mr. Benjamin Hunt, Jr. Consequently, no action should be taken against Laidlaw Environmental Services, Inc. in the above-referenced matter.

If you should have further questions, please do not hesitate to contact me.

Sincerely,



Henry H. Taylor  
Vice President, Legal Affairs

HHT/pbk

91 NOV 25 PM 3:49  
RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL AFFAIRS

93943504034

STATE OF SOUTH CAROLINA )  
COUNTY OF LEXINGTON )

A F F I D A V I T

PERSONALLY appeared before me, William E. Stilwell, Jr., who being duly sworn, deposes and says that:

1. He is the President and Chief Executive Officer of Laidlaw Environmental Services, Inc.

2. Laidlaw Environmental Services, Inc. is a Delaware Corporation with its corporate headquarters in the County of Lexington, State of South Carolina

3. He has read the complaint against Laidlaw Environmental Services, Inc. lodged with the Federal Election Commission and designated as Case No. MUR3448.

4. To the best of his knowledge and belief, Laidlaw Environmental Services, Inc. neither made a \$5,000.00 contribution to the Lieutenant Gubernatorial Campaign of Senator Sherry Martschink nor a contribution to any fund which was used to pay the congressional filing fee for Mr. Benjamin Hunt, Jr.

  
William E. Stilwell, Jr.

Sworn to before me this  
20<sup>th</sup> day of November, 1991

  
(SEAL)  
Notary Public for the State of South Carolina  
My Commission Expires: 1-6-92

93043504035

06C3527

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

**NAUFUL & ELLIS**

PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELLORS AT LAW  
1901 GADSDEN STREET  
POST OFFICE BOX 2285  
COLUMBIA, SOUTH CAROLINA 29202  
(803) 254-4190  
FACSIMILE (803) 779-4749

91 NOV 26 AM 10:34

ERNEST J. NAUFUL, JR.  
F. EARL ELLIS, JR.  
ERNEST G. LAWHORNE  
WILLIAM H. DAVIDSON II  
LANA H. SIMS, JR.  
DAVID L. MORRISON  
DAVID C. SOJOURNER, JR.\*  
LESLIE A. MOORE  
ANDREW F. LINDEMANN  
WILSON W. McDONALD  
\*CERTIFIED TAXATION SPECIALIST

SPECIAL COUNSEL  
HUGH M. COOPER  
SCOTT ELLIOTT

November 22, 1991

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF THE SPECIAL COUNSEL  
91 NOV 26 PM 3:17

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

Re: Rod Shealy  
MUR 3448

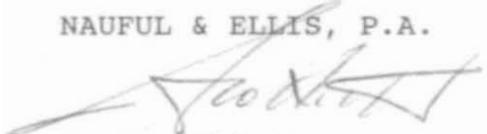
Dear Mr. Noble:

Enclosed is Statement of Designation of Counsel signed  
by my client, Rodney R. Shealy, in the above.

With kindest regards.

Sincerely yours,

NAUFUL & ELLIS, P.A.

  
Scott Elliott

Enclosure  
c: Mr. Rodney R. Shealy  
SE:jp:\Misc\corres\Noble.ltr

93043504036

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3448

NAME OF COUNSEL: SCOTT ELLIOTT

Special Counsel  
Nauful & Ellis, P.A.

ADDRESS:

Post Office Box 2285

Columbia, South Carolina 29202

TELEPHONE:

803) 254-4190

JOHN F. HARDWAY, ESQ.  
Attorney at Law  
1405 Gregg Street  
Columbia, SC 29201

803) 252-1776

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

11/21/91  
Date

  
Signature

RESPONDENT'S NAME: Rodney R. Shealy

ADDRESS: SCPR Associates

Post Office Box 11546

Columbia, South Carolina 29211

HOME PHONE: 803) 796-1322

BUSINESS PHONE: 803) 252-6177

93043504037



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

December 3, 1991

Ms. Sherry Martschink  
723 Angus Ct.  
Mt. Pleasant, SC 29464-3601

RE: MUR 3448

Dear Ms. Martschink:

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 3448. 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.

93043504038

Ms. Sherry Martschink  
Page 2

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed 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

93043504039

86-3673

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAJ. ROOM  
91 DEC -9 AM 11:43

**NAUFUL & ELLIS**  
PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELLORS AT LAW  
1901 GADSDEN STREET  
POST OFFICE BOX 2285  
COLUMBIA, SOUTH CAROLINA 29202  
(803) 254-4190  
FACSIMILE (803) 779-4749

SPECIAL COUNSEL  
HUGH M. COOPER  
SCOTT ELLIOTT

ERNEST J. NAUFUL, JR.  
F. EARL ELLIS, JR.  
ERNEST G. LAWHORNE  
WILLIAM H. DAVIDSON II  
LANA H. SIMS, JR.  
DAVID L. MORRISON  
DAVID C. SOJOURNER, JR.\*  
LESLIE A. MOORE  
ANDREW F. LINDEMANN  
WILSON W. McDONALD  
\*CERTIFIED TAXATION SPECIALIST

December 4, 1991

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF SPECIAL COUNSEL  
91 DEC -9 AM 3:12

VIA FACSIMILE 202) 219-3923  
Helen Kim, Esquire  
Staff Attorney  
Federal Election Commission  
Washington, D.C. 20463

RE: Rod Shealy  
MUR 3448

Dear Ms. Kim:

This is to request a fifteen (15) day extension of time in which to respond to the Complaint in the above. As I mentioned to you, the initial Complaints were served by mail on Mr. Shealy at the wrong address. Mr. Shealy received the Complaints on November 17, 1991. When I called you on or about November 20, 1991, you indicated that, before you could speak to me about the Complaints, you would require a representation form which I have provided to you.

Given the fact that Mr. Shealy received the matter on November 17, 1991, and given the passage of time required for submitting a representation form and given the intervening holiday, I would respectfully request an additional fifteen (15) days in which to respond to the Complaints on Mr. Shealy's behalf. I would require only an amount of time sufficient to frame an appropriate response. The request for an extension is not intended to delay the matter.

I would appreciate your earliest response. If you have questions, please feel free to call me.

93043504040

Helen Kim, Esquire  
December 4, 1991  
Page Two

With kind regards.

Sincerely yours,  
NAUFUL & ELLIS, P.A.

  
Scott Elliott

c: John F. Hardaway, Esquire  
Mr. Rod Shealy

SE:jp:\K\corres\Kim1241.ltr

93043504041



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 6, 1991

Scott Elliott  
Nauful & Ellis  
P.O. Box 2285  
Columbia, South Carolina 29202

RE: MUR 3448  
Rod Shealy, Fund for  
South Carolina's Future and  
Rod Shealy, as treasurer

Dear Mr. Elliott:

This is in response to your letter via facsimile dated December 4, 1991, which we received on December 4, 1991, requesting an extension of 15 days to respond to the complaint in the above referenced matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on December 11, 1991.

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

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: Lois G. Lerner  
Associate General Counsel

93043504042

06C3667

RECEIVED  
FEDERAL ELECTION COMMISSION  
FBI

*Bob Kohn*

91 DEC -9 PM 12: 03

INSURANCE CONSULTANT

(803) 728-8727 DIGITAL BEEPER  
(803) 896-6477 MOBILE  
(803) 787-9388 FAX

4326 EVANSTON BLVD  
CHARLESTON, S.C. 29418  
(803) 552-3203 OFFICE/RESIDENCE

MUR 3448

12/4/91

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
91 DEC -9 AM 3: 11

Dear Mrs. Lerner:

For all information on the enclosed  
please contact Special Agent Tommy  
Davis, FBI, Columbia S.C. office.

Phone 803-254-3011.

Regards,  
*Bob Kohn*

93043504043



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 7, 1991

Robert Cohn  
4326 Evanston Blvd.  
Charleston, SC 29418

RE: MUR 3448

Dear Mr. Cohn:

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 3448. 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.

9304350444

If you have any questions, please contact Helen Kim, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed 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

93043504045

06 C3799

**NAUFUL & ELLIS**

PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELLORS AT LAW  
1901 GADSDEN STREET  
POST OFFICE BOX 2285  
COLUMBIA, SOUTH CAROLINA 29202  
(803) 254-4190  
FACSIMILE (803) 779-4749

RECEIVED  
FEDERAL ELECTION COMMISSION  
91 DEC 16 PM 12:02  
OFFICE OF FEDERAL COUNSEL

SPECIAL COUNSEL  
HUGH M. COOPER  
SCOTT ELLIOTT

ERNEST J. NAUFUL, JR.  
F. EARL ELLIS, JR.  
ERNEST G. LAWHORNE  
WILLIAM H. DAVIDSON II  
LANA H. SIMS, JR.  
DAVID L. MORRISON  
DAVID C. SOJOURNER, JR.  
LESLIE A. MOORE  
ANDREW F. LINDEMANN  
WILSON W. McDONALD  
\*CERTIFIED TAXATION SPECIALIST

December 12, 1991

Helen Kim, Esquire  
Staff Attorney  
Federal Election Commission  
Washington, D.C. 20463

RE: Rod Shealy  
MUR 3448

Dear Ms. Kim:

As you are aware, I represent Mr. Rod Shealy with respect to the above-captioned claim. For the reasons hereinafter set out, we are unable to respond in detail to the Complaint filed against Mr. Shealy.

Mr. Shealy has been indicted by a South Carolina grand jury for a technical violation of the State's Campaign Disclosure Act. Although Mr. Shealy has pled innocent of any wrongdoing, because of the criminal proceedings pending against him we must decline to respond factually to the Complaint. Mr. Shealy is compelled to invoke the Fifth Amendment privilege against self-incrimination at this time.

However, Mr. Shealy is desirous of cooperating with you at such time as the State criminal charges are disposed of. I realize that the Commission has certain time constraints in which it must operate; but if you would wish to delay further consideration of this matter until such time as the State charges are disposed of, Mr. Shealy and I would be in a better position to know in what way we might cooperate with you then.

I appreciate the courtesies you have shown Mr. Shealy and me in this matter. If you have questions, I would be only too happy to answer them.

93043504046

RECEIVED  
FEDERAL ELECTION COMMISSION  
91 DEC 16 PM 4:09  
OFFICE OF FEDERAL COUNSEL

NAUFUL & ELLIS  
PROFESSIONAL ASSOCIATION

Helen Kim, Esquire  
December 12, 1991  
Page Two

With kind regards.

Sincerely yours,

NAUFUL & ELLIS, P.A.



Scott Elliott

c: John Hardaway, Esquire  
Mr. Rod Shealy  
SE:jp:\K\Kim1212.ltr

93043504047



**SHERRY MARTSCHINK**

South Carolina State Senate  
District 44: Charleston, Colleton and Dorchester Counties

**COMMITTEES:**

- Education
- Fish, Game & Forestry
- Medical Affairs
- Transportation
- Joint Committee on Aquaculture
- Advisory Commission on Intergovernmental Relations
- Governor's Council for At-Risk Youth

**MAILING ADDRESS:**

P O Box 142  
Gressette Suite 502  
Columbia, SC 29202

**HOME ADDRESS:**

723 Angus Court  
Mt. Pleasant, SC 29464-3601

**PHONE:**

Senate office:  
734-2843  
Mt. Pleasant:  
884-7227  
Charleston delegation:  
723-6775

Toll-free number for legislative information  
1-800-922-1539

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL COUNSEL  
91 DEC 27 AM 10:59

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

**RE: MUR 3448**

**Dear Ms. Lerner:**

**There is absolutely no truth to the allegation by Eugene Platt that I "may have violated the Federal Election Campaign Act of 1971..."**

**As a candidate for lieutenant governor, I was not a federal candidate. At no time was I involved in the candidacy of any person for a federal office. Eugene Platt has an ax to grind apparently. It is my understanding that the FBI looked into the factors surrounding the candidacy of Ben Hunt; the Solicitor of the Ninth Judicial Circuit conducted an investigation. At no time has there been any inkling of involvement by me. Nor did I have any knowledge of the candidacy of Ben Hunt prior to the time he became a candidate.**

**I will be happy to answer any questions you may have.**

**Sincerely,**

*Sherry Martschink*  
**Sherry Martschink**

RECEIVED  
FEDERAL ELECTION COMMISSION  
PLATT ROOM  
91 DEC 23 PM 1:20

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

MAR 12 9 16 AM '92

MUR 3448

1515 Patterson Avenue  
Charleston, SC 29412  
March 9, 1992

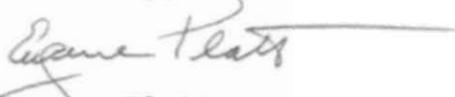
Lawrence M. Noble, General Counsel  
Federal Election Commission  
Washington, DC 20463

Dear Mr. Noble:

This letter acknowledges receipt of your letter of November 7, 1991 (a copy of which is enclosed to help you identify it). Although your letter says I "will be notified as soon as the Federal Election Commission takes final action on [my] complaint," in view of the passage of 4 months and the absence of any notification from you, I am concerned that perhaps such notification was sent and has gone astray. Would you please inform me of the status of MUR 3448. If it is still under investigation, please give me an estimate of a final resolution date

Thank you.

Sincerely,

  
Eugene Platt

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAR 12 9 34 AM '92

93043504049



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

November 7, 1991

Eugene Platt  
1515 Patterson Avenue  
Charleston, SC 29412

RE: MUR 3448

Dear Mr. Platt

This letter acknowledges receipt on November 5, 1991, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Rod Shealy, Robert Cohn, Benjamin Hunt, Fund for South Carolina's Future and Laidlaw Environmental Services, Inc. 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 3448. 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) 219-3410.

Sincerely

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Procedures

93043504050



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 17, 1992

Eugene Platt  
1515 Patterson Avenue  
Charleston, South Carolina 29412

RE: MUR 3448

Dear Mr. Platt:

This is in response to your letter dated March 9, 1992 in which you request information pertaining to the complaint you filed on November 1, 1992, with the Federal Election Commission.

The Federal Election Campaign Act of 1971, as amended, prohibits any person from making public the fact of any notification or investigation by the Commission, prior to closing the file in the matter, unless the party being investigated has agreed in writing that the matter be made public. See 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A). Because there has been no written agreement that the matter be made public, we are not in a position to release any information at this time.

As you were informed by letter dated November 7, 1991, we will notify you as soon as the Commission takes final action on your complaint.

Sincerely,



Helen J. Kim  
Attorney

93043504051

WITNESSES

DIRECT PRESENTMENT  
ARREST WARRANT NO.

ACTION OF GRAND JURY

TRUE BILL

Foreman of Grand Jury

*Raymond M. E. Howell*

VERDICT

DOCKET NO. **91GS405804**

The State of South Carolina,

County of RICHLAND

COURT OF GENERAL SESSIONS

SEPTEMBER TERM 1991

THE STATE

vs.

RODNEY RYAN SHEALY

Indictment for

VIOLATION OF CODE SECTION 8-13-620

93043504052

FORM 32 (12/87)

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

INDICTMENT FOR  
VIOLATION OF CODE SECTION 8-13-620

At a Court of General Sessions, convened on September 19, 1991,  
the Grand Jurors of Richland County present upon their oath:

That RODNEY RYAN SHEALY did in Richland County on or about July 12, 1990, fail to report to the State Ethics Commission a \$5,000.00 campaign contribution to the Lieutenant Governor's Primary Campaign of Sherry Shealy Martschink or Funds for South Carolina's Future; such campaign contribution was solicited by Rodney Ryan Shealy from Laidlaw Environmental Services, Inc. and/or Environmental Services Corp. on March 26, 1990.

Against the peace and dignity of the State, and contrary to the statute in such case made and provided.

*Robert P. Ryan*  
SOLICITOR

93043504053

OGC 4682

1515 Patterson Avenue  
Charleston, SC 29412  
April 8, 1992

Lawrence M. Noble, General Counsel  
Federal Election Commission  
Washington, DC 20463

Dear Mr. Noble:

Enclosed are several clippings from the Post and Courier newspaper that may or may not be relevant to MUR 3448.

I am in receipt of a letter signed by Helen J. Kim of your staff and dated March 17, 1992. While I can certainly appreciate the basic purpose of the confidentially section of the Federal Election Campaign Act of 1971, I am wondering if FEC may be applying it too narrowly. As a layman, I find it difficult to believe it was the intent of Congress to preclude FEC's responding to a reasonable request from a complainant for a progress report on his/her complaint. On the contrary, (and I say this as someone who was involved with Federal law enforcement) I believe it is typical for law enforcement agencies at all levels (Federal, State, and local) to extend such courtesies to complainants. If FEC has issued an advisory opinion on this particular point, please provide me with a copy.

While I would imagine it would be desirable for all FEC complaints to be resolved as soon as possible, I am sure you can see how beneficial it would be for the public good for MUR 3448 to be resolved prior to April 27, the date Mr. Shealy is scheduled to go to trial. Although, according to Ms. Kim's letter, FEC can tell me nothing more than, in effect, it has not yet taken final action on MUR 3448, would you please let me know, in general, what is the average or usual length of time between FEC's receipt of a complaint and its "final action." (If, as a Wage and Hour Investigator with the U.S. Department of Labor, I had kept a case open longer than 60 or 90 days, my supervisor would have been very concerned---in fact, by that point, he would have been on my case! Of course, perhaps FEC has different standards.)

In closing, let me assure you this is not meant to be critical. I imagine that FEC, like most governmental entities, is trying to cope with limited resources. On the other hand, I trust you can appreciate how a number of people who might be affected by MUR 3448 are experiencing a real sense of urgency.

Sincerely,

  
Eugene Platt

93043504054

# WAR

from Page 1-B

cussed it with her campaign manager, Scott Malyerck. Malyerck could not be reached for comment Tuesday.

According to Mitchell, before the primary campaign Shealy asked him to dinner after Martschink criticised Mitchell for an attack he had made against Gov. Carroll A. Campbell Jr.

At that dinner meeting, held at the Columbia Marriott, Mitchell said Shealy asked him to play up the war of words, saying hardball politics would help both their campaigns.

Shealy said it also was at that meeting that he first told Mitchell his theory that Passailaigue was running a racist campaign, charging that Passailaigue was put into the race by Democrats who wanted a white candidate to challenge Campbell.

Pre-primary news accounts showed some Democrats had doubts about Mitchell, who is black, and his electability.

Passailaigue on Tuesday rejected any suggestion he ran a racist campaign.

"There were no barbs against Mitchell," Passailaigue said. "My whole entire campaign was aimed at Gov. Campbell. I don't think you have had a more peaceful campaign in the history of the state."

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**By SCHUYLER KROPF**  
Of The Post and Courier staff

State Sen. Theo Mitchell on Tuesday said Republican political consultant Rod Shealy asked him in 1990 to participate in a media war of words with Sen. Sherry Martschink in the hopes it would boost both their political campaigns.

Mitchell, D-Greenville, who was battling state Sen. Ernie Passailaigue for the Democratic nomination for governor, declined, saying

It would harm the state. "I knew it would generate a racial confrontation," Mitchell said. "I wanted no part of it."

Shealy, who is Martschink's brother, confirmed Tuesday that he made the request, saying he saw no harm in it and that it was aimed at taking media attention away from Passailaigue.

"There was nothing sinister about it," Shealy said. It was one of several tactics designed to block Passailaigue's campaign, he said.

He also said he did not remember if he discussed the request with Martschink, then a Republican candidate for lieutenant governor, but added, "If I broached it to her she dismissed it."

Martschink said Tuesday she did not recall being told of the scheme. "Lord, not that I remember," she said. "I really wasn't that involved with Rod during the campaign."

Shealy also said he may have dis-

Please see WAR, Page 4-B

# Shealy says he sought war of words

LEGAL COUNSEL  
M11:21

93043504055

# Loose Lips

## ALL THINGS CONSIDERED?

The state's premier news gathering agency has been told by its boss not to ask so many questions. Henry Cauthen, president for life of S.C. Educational Broadcasting System, told the news crew at Columbia's WLTR radio that they can no longer file Freedom of

Information requests in their pursuit of the facts. The seven-member news staff creates a 30-minute program that airs daily at 6:30 p.m., after National Public Radio's "All Things Considered." Many South

Carolínians rely on the broadcast for news and commentary.

The ban was prompted by a FOI request filed with the University of South Carolina by reporter Ashley Byrd. Byrd was working on a story about a USC professor's work for the Navy. Information regarding a \$300,000 research grant to freeze cats was the subject of Byrd's request. The day after the request was filed, the entire news team was told they could no longer file FOIs. Later, assistant station manager, Sherry Hutchinson, ordered Byrd to withdraw



the request. Byrd complied, and a sanitized version of her story aired on Sept. 27.

Micheal Graham, a volunteer commentator whose satirical commentary aired twice a month, did a piece on Sept. 24 that described ethics in government as an oxymoron. Graham has since been yanked from the air by station managers who claim he generated "too much heat."

The ban on filing FOI requests means that the news we hear on public radio will be state-approved. A story about a toxic waste dump, for example, will be no more in-depth than a DHEC press release.

If this were the Soviet Union, people would be in the streets clamoring for Cauthen's resignation.

## Going Down The Road Feeling Good

According to our old friend Sen. Sherry Martschink, some of her fellow legislators have a penchant for zooming down the freeway with the comforting notion that they will simply fix any tickets they might accrue. Sherry has shared knowledge of legislative ticket-fixing with the ethics police, but not with the press.

While we're quite sure much greater corruption occurs under the rotunda on a daily basis, we can't help but wonder who Sherry squealed on. We were even more intrigued after overhearing a conversation between two of Martschink's Senate colleagues regarding her behavior. When informed of Sherry's actions by McKinley Washington (D-Charleston), good ol' boy Mike Mullinax (D-Anderson) hit the roof. "She did what? Why in the hell would she do that?"

We can't help but wonder why Mullinax, the subject of various ethics investigations in his three short years in office, would feel so threatened by Sherry's silliness.

## Hard Time For Hot Rod Poetic Justice for Platt

Faithful Loose Lips followers have known for some time of the race-baiting antics of Republican strategist Rod Shealy. So, when Shealy was indicted last month for diverting a payment from GSX/Laidlaw intended for his sister Sherry Martschink, we at Lips gave ourselves a pat on the back.

We had revealed months before Shealy's using the money to pay Ben Hunt, an unemployed black fisherman, to run in the Republican primary against Congressman Arthur Ravenel. The intended effect was that racists flocking to the Republican booth to vote against Hunt would also vote for Martschink in the race for Lt. governor.

Now, the real story behind the Shealy indictment can be told. The entire investigation is a direct result of the persistent prodding of Eugene

Platt—the Charleston poet and iconoclast who waged a guerilla campaign against Ravenel in the general election.

After failing to get the docile Charleston media interested in the bizarre nature of Hunt's candidacy, Platt took matters into his own hands. On Oct. 1 of last year, Platt visited Hunt at his North Charleston apartment armed with some hard questions. Hunt admitted to Platt he was paid to run by powerful Republicans he was afraid to name.

Platt then took this information to FBI agent Bill Nettles and SLED chief Robert Stewart. Platt told them he strongly suspected Rod Shealy was one of the persons Hunt would not name.

While his nonconformist quest for a congressional seat yielded but 35% of the vote, Platt tells us that Hot Rod's indictment leaves him with satisfaction and a strong sense of vindication.

## Tangled Up In Goo

It appears that state and federal authorities knew of the illegal activities at Columbia Organic Chemical Company at least thirty years ago. The story broke in January.

News that were previously lost (now miraculously found) reveal that former U.S. Attorney Vinton Lide issued indictments on Columbia Organic officers Stephen Reichlyn and William Wannamaker on April 30, 1987. The two were charged with illegally shipping hazardous waste from the Cedar Terrace neighborhood to the Kershaw community of Cassatt. Astoundingly, the Cedar Terrace site was never permitted for the waste to begin with.

## Charges of racism fly around local senators

Republican political consultant Rod Shealy finally has explained why he sponsored Benjamin Hunt Jr.'s run for Congress in 1990, but his target audience apparently isn't buying it.

According to Shealy, Republican racism wasn't behind his push to get Hunt into the 1990 GOP primary, Democratic racism was.

At the time he was drafted, Hunt was an out-of-work fisherman. He's recently been serving time in prison on a cocaine charge.

Shealy, in a letter to the Legislative Black Caucus, said he sponsored Hunt to challenge U.S. Rep. Arthur Ravenel Jr. in the primary to counter what he said was Democratic racism on the part of state Sen. Ernie Passailaigue.

Shealy said the fact that Passailaigue, a white senator from Charleston, chose to run against Theo Mitchell, a black state senator from Greenville, in the 1990 Democratic gubernatorial primary, means he is anti-black.

"To counter Passailaigue's racially oriented effort, I orchestrated the candidacy of a black candidate in the Republican primary — acting fully within the bounds of the law and entirely on my own," Shealy said.

"The object was not to encourage racial voting, but to prevent the type of wholesale one-party racist voting which Passailaigue's candidacy encouraged," he said.

But members of the black caucus are less than sold on the Shealy explanation. State Sen. Herb Fielding, D-Charleston, a member of the black caucus, said Shealy's letter was "assinine."

"It belittles my intelligence," Fielding said. "It further points out his own real racism."

Black leaders, and other Democrats say Shealy drafted Hunt with the help of former Republican state Rep. Bob Kohn as part of a racial trick to scare white voters to the polls.

Democrats further allege the white turnout would in turn help the candidacy of Shealy's sister, state Sen. Sherry Martschink, R-Mount Pleasant, who at the time was seeking the GOP nomination for lieutenant governor.

Shealy, who at first said he was not directly involved in the Hunt affair, is awaiting an April 27 trial date after he was indicted on

charges he failed to report a \$5,000 campaign donation he solicited in the name of his sister. Part of that money went to pay Hunt's candidate filing fee.

Fielding also defended Passailaigue against the racism charge, saying he was just the opposite.

Passailaigue and other area senators have said they won't support Martschink's nomination to the state Worker's Compensation Commission, a \$74,000-a-year job. Among other things, they have charged that she is racially insensitive, and they point to her appointment last year to replace a black John's Island magistrate with a white woman.

In his letter to the black lawmakers, Shealy referred to Passailaigue's stance against Martschink's appointment to the Worker's Compensation Commission.

"From my perspective it is Passailaigue, who is leading the fight against Sherry, who might better be questioned about his racial sensitivity," Shealy said.

It was the second time in one week Passailaigue was called a racist. Charleston Republican Chris Merrill, who has used Shealy as a campaign consultant in the past, announced Thursday he will run against Passailaigue, and also called him a racist because he opposed Mitchell.

Although Passailaigue was trounced by Mitchell in the primary, the battle was amicable, with both men saying Republican Gov. Carroll A. Campbell Jr. was their target.

After he lost in the primary, Passailaigue even hosted a reception/fundraiser for Mitchell at his Charleston home.

Shealy's letter to the black leaders also said the Shealy family has a long history of pro-black positions, including his father's condemnation of the Ku Klux Klan in the 1950s, and Shealy's handling of a black candidate for state senate in 1984.

His father is Ryan Shealy, a Republican state senator from Lexington.

Shealy has also scheduled a press conference Monday in Columbia in which he said he would elaborate on the Hunt candidacy.

But Fielding said he and other black leaders don't believe much of what he has to say. "How stupid does he think I'm supposed to be?" Fielding said.

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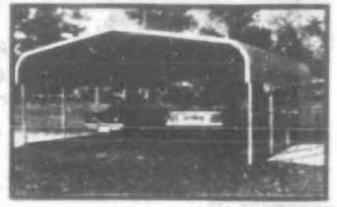
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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1992

Sherry Martschink  
Post Office Box 142  
Gressette Suite 502  
Columbia, South Carolina 29202

RE: MUR 3448  
Sherry Martschink

Dear Ms. Martschink:

On December 3, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On April 14, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Helen J. Kim", with a long horizontal flourish extending to the right.

Helen J. Kim  
Attorney

Enclosure

93043504058



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1992

Henry H. Taylor  
Vice President, Legal Affairs  
Laidlaw Environmental Services, Inc.  
Post Office Box 210799  
Columbia, South Carolina 29221

RE: MUR 3448  
Laidlaw Environmental  
Services, Inc.

Dear Mr. Taylor:

On November 7, 1991, Laidlaw Environmental Services, Inc. was notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time Laidlaw Environmental Services, Inc. was given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On April 14, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Helen J. Kim", with a long horizontal flourish extending to the right.

Helen J. Kim  
Attorney

Enclosure

93043504059



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1992

Robert Kohn  
4326 Evanston Boulevard  
Columbia, South Carolina 29418

RE: MUR 3448  
Robert Kohn

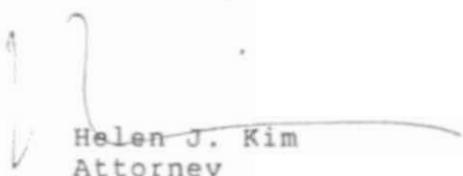
Dear Mr. Kohn:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On April 8, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

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

Sincerely,

  
Helen J. Kim  
Attorney

Enclosure

93043504060



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1992

Benjamin Hunt  
3724 Back Pen Road  
John's Island, South Carolina 29455-9430

RE: MUR 3448  
Benjamin Hunt

Dear Mr. Hunt:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On April 14, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Helen J. Kim", with a long horizontal flourish extending to the right.

Helen J. Kim  
Attorney

Enclosure

93043504061



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 15, 1992

Scott Elliott  
Nauful & Ellis  
Post Office Box 2285  
Columbia, South Carolina 29202

RE: MUR 3448  
Rodney R. Shealy and  
Fund for South Carolina's  
Future and Rodney R.  
Shealy, as treasurer

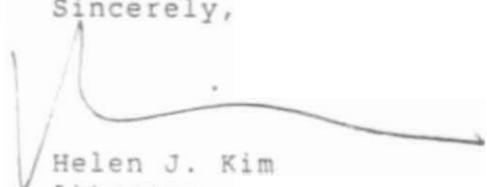
Dear Mr. Elliott:

On November 7, 1991, your clients, Rodney R. Shealy and the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time your clients were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On April 14, 1992, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

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

Sincerely,

  
Helen J. Kim  
Attorney

Enclosure

93043504062



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 17, 1992

Eugene Platt  
1515 Patterson Avenue  
Charleston, South Carolina 29412

RE: MUR 3448

Dear Mr. Platt:

This letter acknowledges receipt on April 14, 1992, of the supplement to the complaint you filed on November 5, 1991, against Benjamin Hunt, Jr., Rodney R. Shealy, and Sherry Martschink. The respondents will be sent copies of the supplement.

I would also like to try to respond to the two other points you raise. First, you question whether the requirement of confidentiality contained in the Federal Election Campaign Act of 1971, as amended ("the Act"), necessarily extends to providing complainants with progress reports on their complaints. The Federal Election Commission interprets the strict confidentiality required for pending enforcement investigations to apply to "any notification sent by the Commission, . . . any investigation conducted by the Commission, . . . [and] any findings made by the Commission." 11 C.F.R. § 111.21(a). Because any member of the public can file administrative complaints with the Commission, the Commission does not distinguish between complainants and other interested private persons when enforcing the Act's confidentiality requirement.

For these reasons, absent waiver by respondent the Commission does not release information about findings made, notifications sent, or investigation undertaken, to a complainant in a matter or to any other members of the public. I feel certain that if roles were reversed, and you were the target of a complaint, you would understand and appreciate the protections offered by the Commission's enforcement of the confidentiality requirement.

Absent specific information about the progress of the matter initiated by your complaint, you also ask about the "average or usual length of time between FEC's receipt of a complaint and its 'final action.'" Statistics compiled by our Office for FY 1990 and FY 1991 indicate that the average disposition of matters from complaint to final action occupied approximately 10 months. This time of course is no more than an

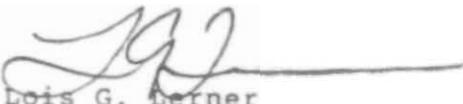
93043504063

Eugene Platt  
Page 2

average based on conclusion of more than 400 cases. I appreciate your recognition of the limited resources which the Commission brings to bear in its nationwide enforcement of the campaign finance laws. Please be assured that this Office is proceeding with the matter initiated by your complaint seriously and with all practicable speed, and that you will be notified as soon as the Commission takes final action on your complaint.

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: Lois G. Derner  
Associate General Counsel

93043504064

RECEIVED  
F.E.C.  
SECRETARIAT

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

92 APR 28 AM 9:50

**SENSITIVE**

FIRST GENERAL COUNSEL'S REPORT

MUR # 3448  
DATE COMPLAINT RECEIVED  
BY OGC: November 5, 1991  
DATE OF NOTIFICATION TO  
RESPONDENTS: November 7, 1991  
December 3, 1991  
STAFF MEMBER: Helen J. Kim

COMPLAINANT:

Eugene Platt

RESPONDENTS:

Benjamin Hunt, Jr.

Rodney R. Shealy

Sherry Martschink

Fund for South Carolina's Future and  
Rodney R. Shealy, as treasurer

Laidlaw Environmental Services, Inc.

Robert Kohn

RELEVANT STATUTES:

2 U.S.C. § 431  
2 U.S.C. § 432  
2 U.S.C. § 441b

INTERNAL REPORTS CHECKED:

Pre-MUR 237  
Public Record

FEDERAL AGENCIES CHECKED:

None

I. GENERATION OF MATTER

This matter arose from a complaint submitted to the Commission on November 5, 1991. The complainant, Eugene Platt, alleges that Benjamin Hunt, Rodney R. Shealy, Robert Kohn, Laidlaw Environmental Services, Inc., Sherry Martschink, the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer,

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violated provisions of the Federal Election Campaign Act of 1971, as amended ("the Act")

The respondents were notified of the complaint by letters dated November 7, 1991 and December 3, 1991. Laidlaw Environmental Services, Inc., submitted its response by letter dated November 20, 1991. Robert Kohn submitted his response by letter dated December 9, 1991. After an extension of time, Rodney R. Shealy and the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, responded to the complaint by letter dated December 12, 1991. Sherry Martschink submitted her response by an undated letter which this Office received on December 27, 1991. To date, Mr. Hunt has not responded.

On April 14, 1992, the complainant submitted a supplement to the original complaint which has been circulated to the Commission.

II. FACTUAL AND LEGAL ANALYSIS

A. BACKGROUND

The subject of the complaint in this matter is related to Pre-MUR 237 which was referred to the Commission by the Federal Bureau of Investigation in Columbia, South Carolina. Pre-MUR 237 involved allegations that supporters of state Senator Sherry Martschink and Congressman Arthur Ravenel hired a black candidate to run against Congressman Ravenel in the 1990 Republican primary for the First Congressional District. The theory was that the presence of a black candidate would boost the white Republican turnout for the primary and thus, result in a landslide victory for Congressman Ravenel. A landslide victory in

93043504066

the primary would benefit both Congressman Ravenel's bid in the general election and state Senator Martschink's bid for Lieutenant Governor.

According to FBI interviews contained in the referral, Rodney R. Shealy and Robert Kohn paid Benjamin Hunt, who is black, \$400 to run in the Republican primary and promised him \$500 more in the future. Mr. Hunt stated in his FBI interview that he was told that his filing fee would be paid for him and that he never did receive the additional \$500 that he was promised.

This Office recommended that the Commission open a Matter Under Review based on the theory that the hiring of Benjamin Hunt to run in the primary and the payment of his filing fee, in coordination with Congressman Ravenel's campaign, resulted in an in-kind contribution to Congressman Ravenel. The Commission, however, failed by a vote of three to three to take such action.<sup>1</sup>

The present matter offers additional facts and alleges different violations. According to press reports attached to the complaint, a South Carolina grand jury indicted Mr. Shealy on charges that he allegedly solicited \$5,000 from Laidlaw Environmental Services, Inc. ("Laidlaw"), in the name of state Senator Sherry Martschink, but failed to report the contribution

---

1. When the Commission closes the file in a Pre-MUR, this Office's usual practice is to make the file public and to notify the individuals involved of the Commission's action. Recently, this Office learned that the file in Pre-MUR 237 had not been made public and that the individuals involved were not notified. Consequently, by letters dated March 19, 1992, this Office notified Rodney R. Shealy, Congressman Arthur Ravenel, and Ravenel for Congress and Helen A. Butler, as treasurer, that the Commission closed the file in Pre-MUR 237 and that the file would be made public within thirty days.

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to the state Ethics Commission. Kropf, "Jury Indicts Rod Shealy," Charleston News and Courier, Sept. 20, 1991, at Attachment 3, p. 1. Mr. Shealy admitted that he paid Mr. Hunt's filing fee through his political action committee, the Fund for South Carolina's Future. Id.

This Office obtained a copy of the grand jury indictment which states that the \$5,000 contribution was solicited for Sherry Martschinks's state campaign or the Fund for South Carolina's Future. See Attachment 2. The indictment also stated that the \$5,000 was solicited by Mr. Shealy from Laidlaw "and/or Environmental Services Corp." Id.

The complaint claims that the payment of Mr. Hunt's \$2,414 filing fee with the \$5,000 solicited by Mr. Shealy triggered the \$5,000 threshold for candidacy. Thus, Benjamin Hunt was obligated to designate a principal campaign committee within fifteen days of becoming a candidate. The complaint also requests that the Commission investigate the involvement of Ms. Martschink in Mr. Hunt's candidacy. Furthermore, the complaint alleges that Laidlaw made a prohibited corporate contribution by giving Mr. Shealy the \$5,000 that was reportedly used in part to pay the filing fee.

**B. THE LAW**

The Act defines a "candidate" as an individual who seeks nomination for election, or election, to federal office. 2 U.S.C. § 431(2). An individual becomes a candidate when she has received contributions or made expenditures in excess of \$5,000, or gives her consent to another person to receive contributions or

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make expenditures on her behalf. 2 U.S.C. § 431(2) and 11 C.F.R. § 100.3(a). Persons who meet this threshold must designate a principal campaign committee within fifteen days by filing with the appropriate office, either a statement of candidacy or a letter containing the same information.<sup>2</sup> 2 U.S.C. § 432(e)(1); 11 C.F.R. §§ 101.1(a) and 102.12. The principal campaign committee and other authorized committees must file a statement of organization within ten days after being designated by the candidate. 2 U.S.C. § 433(a); 11 C.F.R. § 102.1(a).

All other political committees must file a statement of organization within ten days of becoming a political committee. 2 U.S.C. § 433(a). A political committee is any committee or other group of persons which receives contributions or makes expenditures aggregating in excess of \$1,000 during a calendar year. 2 U.S.C. § 431(4)(A). An expenditure is any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made to influence any election for federal office. 2 U.S.C. § 431(9)(A)(i). Such committees are subject to the Act's reporting requirements. 2 U.S.C. § 434(a).

Corporations are prohibited from making a contribution or expenditure in connection with any election at which a representative in congress is to be voted for, or in connection with any primary election held to select candidates for the foregoing office. 2 U.S.C. § 441b(a). The Act prohibits any

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2. The letter must list the individual's name and address, party affiliation and office sought, the District and State in which federal office is sought, and the name and address of his principal campaign committee.

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candidate, political committee, or any other person from knowingly accepting or receiving a corporate contribution. Id.

C. DISCUSSION

To date, Mr. Hunt has not yet responded to the complaint. According to news accounts, he is currently serving a five year prison sentence for selling cocaine. See "Jury Indicts Shealy" at Attachment 3, p. 1. Based on the evidence at hand, however, it does not appear that Mr. Hunt attained candidate status. Although Mr. Hunt may have consented to have at least \$2,814 (the \$2,414 filing fee plus the \$400 that he was paid to run) spent on his behalf, the amount involved falls short of the \$5,000 threshold for candidacy. It could be argued that the \$5,000 that Mr. Shealy received was on behalf of Mr. Hunt's campaign, but based on the news accounts submitted with the complaint and the grand jury indictment, the money was not solicited for the congressional race.<sup>3</sup> Furthermore, there is no evidence indicating that Mr. Hunt consented to Mr. Shealy raising funds on his behalf. Therefore, this Office recommends that the Commission find no reason to believe Benjamin Hunt, Jr. violated 2 U.S.C. § 432(e)(1).

It also appears that Laidlaw did not make a corporate contribution in connection with a federal election. In its response to the complaint, the President and Chief Executive Officer of Laidlaw, William E. Stilwell, Jr., stated in an

3. As noted above, according to the Charleston News and Courier article and the grand jury indictment, the money was solicited for Sherry Martschink's campaign. The grand jury indictment also states that the money may have been solicited for the Fund for South Carolina's future.

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affidavit that Laidlaw did not contribute money to anyone, much less Benjamin Hunt or Rodney R. Shealy. The grand jury indictment, however, names Laidlaw and/or Environmental Services Corp. as the source of the funds.<sup>4</sup> Although it is unclear which entity was the source of funds, according to the indictment and news account discussed at pages 3-4, supra, the \$5,000 was not given to Mr. Shealy to influence the congressional race. Therefore, this Office recommends that the Commission find no reason to believe that Laidlaw Environmental Services, Inc. violated 2 U.S.C. § 441b(a)

In her response, which was not made under oath, state Senator Sherry Martschink responded that she had no involvement in Mr. Hunt's candidacy and pointed to the FBI investigation into Mr. Hunt's candidacy that did not find any involvement by Ms. Martschink. According to his FBI interview attached to the referral in Pre-MUR 237, however, Robert Kohn stated that the scheme to hire a black candidate to run in the primary was orchestrated by both Mr. Shealy and Ms. Martschink. Although the payments may have benefited Ms. Martschink's state campaign, in Pre-MUR 237 the Commission failed to agree that such payments could be a contribution to the campaign that received the benefit. Furthermore, Ms. Martschink was never a candidate for federal office and thus, the provisions of the Act concerning the receipt

4. In a telephone conversation with staff, Henry Taylor, Vice President for Legal Affairs, stated with no elaboration that the newspaper accounts mistakenly attributed the \$5,000 contribution to Laidlaw and that another entity gave Mr. Shealy the \$5,000 in question.

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of contributions would not apply to her. Therefore, this Office recommends that the Commission find no reason to believe that Sherry Martschink violated any provision of the Act relating to the allegations in the complaint

Robert Kohn's response directed this Office to contact Special Agent Tommy Davis, Federal Bureau of Investigation in Columbia, South Carolina for inquiries into this matter and provided no other information. Although Robert Kohn may have been instrumental in the scheme to hire Benjamin Hunt to run in the primary against Congressman Ravenel, there is no evidence to suggest that he made any contribution to Hunt's campaign to trigger the \$5,000 threshold. Furthermore, there is no evidence of any other involvement in the violations alleged in the complaint. Thus, this Office recommends that the Commission find no reason to believe that Robert Kohn violated any provision of the Act relating to the allegations in the complaint.

In his response, Mr. Shealy invoked his Fifth Amendment privilege against self-incrimination until the outcome of the state criminal indictment against him for failing to disclose the \$5,000 contribution to the State Ethics Commission.<sup>5</sup> Press reports submitted with the complaint state that Mr. Shealy admitted to paying Mr. Hunt's \$2,414 filing fee through his political action committee, the Fund for South Carolina's Future

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5. This Office learned from Mr. Shealy's counsel that the trial had been postponed and may not take place until May.

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("Committee").<sup>6</sup> See "Jury Indicts Shealy" at Attachment 3, p. 1. In spending over \$1,000 to influence a federal election, the Committee attained political committee status and thus, was obligated to register and report with the Commission in accordance with the Act. Although Mr. Shealy is under indictment for failing to disclose the \$5,000 contribution, the state criminal proceedings do not address the federal registration and reporting issues. Therefore, this Office recommends that the Commission find reason to believe the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a).

6. It appears from the news accounts submitted with the original complaint that the \$5,000 contribution was deposited in the Committee's account. See "Jury Indicts Rod Shealy" at Attachment 3, p. 1. According to a news article submitted with the supplement to the complaint, Mr. Shealy stated that an additional \$1,900 of the \$5,000 contribution was used for some of Mr. Hunt's limited campaign expenses. "Shealy denies sister was involved in ploy," The Post and Courier, at Attachment 3, p. 2. This raises the inference that the additional \$1,900 was spent by the Committee in connection with the congressional election.

The article did not provide any details as to the nature of the campaign expenses that the additional amount allegedly covered. Materials submitted with the original complaint refer to a four-page newspaper flier that discussed the upcoming Republican primary. The flier was allegedly circulated by Mr. Shealy, and it is possible that the \$1,900 may have been used to finance it. The complaint, however, did not include a copy of the flier, and this Office was not able to obtain a copy for review. Thus, this Office can only speculate as to possible violations related to the flier and to what expenses were paid for by the additional \$1,900.

In any event, the inclusion of the additional \$1,900 does not affect the threshold for candidacy issue discussed above. The \$1,900 added to \$2,814 (\$2,414 for Mr. Hunt's filing fee and \$400 cash payment) still falls short of the \$5,000 needed to trigger candidacy.

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The complaint also alleges that Rodney R. Shealy violated provisions of the Act. The issue of Mr. Shealy's personal liability involves the theory argued in Pre-MUR 237 that the payments to Mr. Hunt's campaign were made to benefit Congressman Ravenel. The Commission, however, failed to agree that such payments may have been an in-kind contribution to Congressman Ravenel. Thus, this Office does not recommend findings against Mr. Shealy aside from those violations as treasurer of the Committee

III. RECOMMENDATIONS

1. Find no reason to believe Benjamin Hunt, Jr. violated 2 U.S.C. § 432(e)(1), and close the file as to this respondent.
2. Find no reason to believe Laidlaw Environmental Services violated 2 U.S.C. § 441b(a), and close the file as to this respondent.
3. Find no reason to believe Sherry Martschink violated any provision of the Act relating to the allegations in MUR 3448, and close the file as to this respondent.
4. Find no reason to believe Robert Kohn violated any provision of the Act relating to the allegations in MUR 3448, and close the file as to this respondent.
5. Find reason to believe the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a).
6. Approve the attached Factual and Legal Analysis and appropriate letters.

Lawrence M. Noble  
General Counsel

Date

4/29/92

BY:

  
Lois G. Lerner  
Associate General Counsel

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Attachments

1. Responses to Complaint
2. State Grand Jury Indictment
3. News Articles
4. Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / BONNIE J. ROSS *[Signature]*  
COMMISSION SECRETARY

DATE: MAY 1, 1992

SUBJECT: MUR 3448 - FIRST GENERAL COUNSEL'S REPORT  
DATED APRIL 29, 1992.

The above-captioned document was circulated to the Commission on Tuesday, April 28, 1992 at 4:00 p.m..

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

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u>XXX</u>
Commissioner McDonald	<u>          </u>
Commissioner McGarry	<u>XXX</u>
Commissioner Potter	<u>          </u>
Commissioner Thomas	<u>XXX</u>

This matter will be placed on the meeting agenda for Tuesday, May 5, 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 3448  
Benjamin Hunt, Jr.; )  
Rodney R. Shealy; )  
Sherry Martschink; )  
Fund for South Carolina's Future )  
and Rodney R. Shealy, as treasurer; )  
Laidlaw Environmental Services, Inc.; )  
Robert Kohn )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 5, 1992, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 3448:

1. Take no action at this time with respect to recommendations 1, 2, 3, and 4 in the General Counsel's report dated April 29, 1992.
2. Find reason to believe the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a).

(continued)

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3. Approve the Factual and Legal Analysis and appropriate letters as recommended in the General Counsel's report dated April 29, 1992.

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

Attest:

5-6-92  
Date

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

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 12, 1992

Scott Elliott  
Nauful & Ellis  
Post Office Box 2285  
Columbia, South Carolina 29202

RE: MUR 3448  
Fund for South Carolina's  
Future and Rodney Shealy,  
as treasurer

Dear Mr. Elliott:

On November 7, 1991 the Federal Election Commission notified your clients, the Fund for South Carolina's Future and Rodney Shealy, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint, the Commission, on May 5, 1992, found that there is reason to believe the Fund for South Carolina's Future ("FSCF") and Rodney Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a), provisions 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 FSCF and Rodney Shealy, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with the answers to the enclosed questions within 30 days of receipt of this letter. Where appropriate, statements should be submitted under oath.

Please be advised that at this time, the Commission is seeking your clients' voluntary cooperation. If you do not intend to fully respond to the questions and document requests, please notify the Commission at the earliest date.

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

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent

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

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

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

Sincerely,

*Joan D. Aikens*

Joan D. Aikens  
Chairman

Enclosures  
Questions  
Factual & Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 3448  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: Rodney Shealy and  
Fund for South Carolina's Future  
c/o Scott Elliott  
Nauful & Ellis  
Post Office Box 2285  
Columbia, South Carolina 29202

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 30 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from March 1, 1990 to July 1, 1990.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3448

Questions to Rodney Shealy and  
Fund for South Carolina's Future ("FSCF")

1. Provide a copy of the \$5,000 check you received from Laidlaw Environmental/Environmental Services Corp
2. Identify and produce all documents relating to the deposit of the check referred to in Question 1 along with relevant check register entries
3. Identify and produce all documents, including copies of checks, check register entries, deposit slips, records of withdrawals, and invoices, relating to all disbursements and/or deposits made in connection with the 1990 Republican Primary in South Carolina
4. Produce all FSCF bank statements for the applicable period.
5. Provide a copy of the four-page campaign flier distributed in connection with the 1990 Republican Primary in South Carolina in June 1990.
6. Identify and produce all documents, including checks, deposit slips, invoices, and check register entries, relating to all payments and receipts in connection with the flier referred to in Question 4.
7. Identify all persons by title and/or position, who were officers, employees, or agents of the FSCF during the applicable period.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Fund for South Carolina's Future and Rodney R. Shealy,  
as treasurer MUR: 3448

I. GENERATION OF MATTER

This matter arose from a complaint submitted to the Commission on November 5, 1991. The complainant, Eugene Platt alleges that certain activities in connection with the 1990 Republican primary for the First Congressional District in South Carolina, were conducted by Rodney R. Shealy in violation of provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

II. FACTUAL AND LEGAL ANALYSIS

The Act requires all political committees to file a statement of organization within ten days of becoming a political committee. 2 U.S.C. § 433(a). Such committees are also subject to the Act's reporting requirements contained in Section 434(a). A political committee is any committee or other group of persons which receives contributions or makes expenditures aggregating in excess of \$1,000 during a calendar year. 2 U.S.C. § 431(4)(A). An expenditure is any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made to influence any election for federal office. 2 U.S.C. § 431(9)(A)(i).

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Benjamin Hunt, Jr. was a candidate in the 1990 Republican primary for the First Congressional District in South Carolina. The complaint claims that Mr. Shealy paid Mr. Hunt's \$2,414 filing fee with the \$5,000 that Mr. Shealy received from Laidlaw Environmental Services, Inc

After an extension of time, counsel for Mr. Shealy responded by letter dated December 12, 1991. In it, counsel stated that Mr. Shealy had invoked his Fifth Amendment privilege against self-incrimination until the outcome of the state criminal proceeding against him. According to press reports attached to the complaint, however, Mr. Shealy admitted that he paid Mr. Hunt's filing fee through his political action committee, the Fund for South Carolina's Future ("Committee").<sup>1</sup> In spending over \$1,000 to pay Mr. Hunt's filing fee in connection with the congressional race, the Committee may have attained political committee status and thus, may have been subject to the reporting

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1. It appears from the news accounts submitted with the original complaint that the \$5,000 contribution was deposited in the Committee's account. According to a news article submitted with the supplement to the complaint, Mr. Shealy stated that an additional \$1,900 of the \$5,000 contribution was used for some of Mr. Hunt's limited campaign expenses. This raises the inference that the additional \$1,900 was spent by the Committee in connection with the congressional election.

The article did not provide any details as to the nature of the campaign expenses that the additional amount allegedly covered. Materials submitted with the original complaint refer to a four-page newspaper flier that discussed the upcoming Republican primary. The flier was allegedly circulated by Mr. Shealy, and it is possible that the \$1,900 may have been used to finance it. The complaint, however, did not include a copy of the flier, and thus, the evidence is unclear as to what expenses were paid for by the additional \$1,900.

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and registration requirements of the Act. Therefore, there is reason to believe the Fund for South Carolina's Future and Rodney R. Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a)

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RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

**NAUFUL & ELLIS, P.A.**  
ATTORNEYS AND COUNSELLORS AT LAW

92 JUN 26 PM 3:45

ERNEST J. NAUFUL, JR.	DAVID C. SOJOURNER, JR.*
F. EARL ELLIS, JR.	LESLIE MOORE BELK
ERNEST G. LAWHORNE	ANDREW F. LINDEMANN**
WILLIAM H. DAVIDSON, II	WILSON W. McDONALD
LANA H. SIMS, JR.	JOHN T. LAY, JR.
DAVID L. MORRISON	WM. BERT BRANNON

1330 LADY STREET  
FOURTH FLOOR  
POST OFFICE BOX 2285  
COLUMBIA, SOUTH CAROLINA 29202  
(803) 254-4190  
FACSIMILE (803) 779-4749

SPECIAL COUNSEL  
HUGH M. COOPER  
SCOTT ELLIOTT

\*CERTIFIED TAXATION SPECIALIST  
\*\*ALSO ADMITTED IN NORTH CAROLINA

June 15, 1992

Ms. Joan D. Aikens, Chairman  
General Counsel  
Federal Election Commission, Room 659  
999 E. Street, N. W.  
Washington, D C 20463

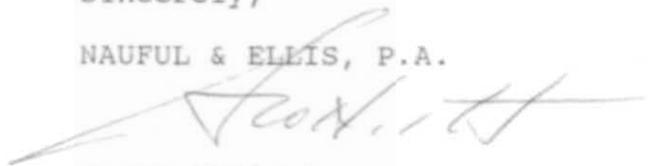
Re: Fund for South Carolina's Future and Rodney  
Ryan Sheally

Dear Ms. Aikens:

Enclosed please find the answers to questions submitted by  
your office dated May 12, 1992, on the above matter, along with  
supporting copies of documents.

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

Sincerely,  
NAUFUL & ELLIS, P.A.



Scott Elliott  
Special Counsel

SE/bml

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BEFORE THE FEDERAL ELECTION COMMITTEE

In the Matter of Fund for )  
South Carolina's Future and ) MUR 3448  
Rodney Ryan Shealy )

Rodney Ryan Sheally and Fund for South Carolina's Future would respond to the following written Interrogatories and Request for Production of Documents to be answered separately here within:

1. Provide a copy of the \$5,000 check you received from Laidlaw Environmental/Environmental Services Corporation.

(1) See Copy attached.

2. Identify and produce all documents relating to the deposit of the check referred to in Question 1 along with relevant check register entries.

- (2) a. Signature card dated 3-30-90  
b. Deposit slip dated 3-30-90.  
c. Check register entries are unavailable to the undersigned because if they exist they are in the possession of Curtis M. Loftis, Jr. who had the sole signatory power of the Fund bank account.

3. Identify and produce all documents, including copies of checks, check register entries, deposit slips, records of withdrawals, and invoices, relating to all disbursements and /or deposits made in connection with the 1990 Republican Primary in South Carolina.

- (3) a. Check number 71 payable to First Citizens  
b. Check number 72 payable to Rod Sheally or cash.  
c. Check number 73 payable to cash.  
d. Check number 74 payable to cash  
e. Deposit slip dated 3-30-90  
f. See First Citizens Bank check 1097006 dated 4-30-90, payable to SCRP in the amount of \$2,414.00  
g. These are all records available to undersigned. Bank receipts were never in possession of the undersigned. In fact, the only record available to undersigned were provided by Solicitor. Additional records may be in possession of Curtis M. Loftis, Jr.

4. Produce all Fund for South Carolina's Future bank statements for the applicable period.

(4) See Copies attached

5. Identify a copy of the four-page campaign flier distributed in

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connection with the 1990 Republican Primary in South Carolina in June 1990.

(5) The only copy remaining to undersigned was admitted into evidence at trial the of State vs. Rodney Ryan Sheally.

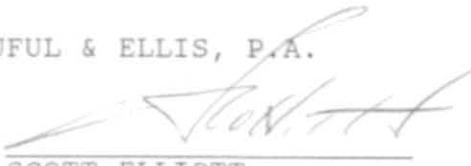
6. Identify and produce all documents, including checks deposit slips, invoices, and check register entries, relating to all payments and receipts, and check register entries, in connection with the flier referred to in Question 4.

- (6) a. See Carolina Printing invoice dated 8-31-90 in the amount of \$1,080.88.
- b. See South Carolina Election Committee invoice 8875 in the amount of \$322.00 for tapes of voter addresses.
- c. See Digitron invoice number 6007 for printing of voter mailing labels.
- d. See check number 73 payable to cash.
- e. See check number 74 payable to cash.
- f. See First Citizens Bank check number 1076013 payable to Rodney Ryan Sheally dated 6-5-90 in the amount of \$1,900.00

7. Identify all persons by title and /or position, who were officers, employees, or agents of the Fund for South Carolina's Future during the applicable period.

- (7) Curtis M. Loftis, Jr. enjoyed no title with respect to Fund South Carolina Future but was the sole signatory to account. Mr. Loftis can be reached at his residence at: Rt 4, Box 522, Leesville, S. C. 29070 or his place of business: Home Pest Control, 131 State Street, West Columbia, S. C. 29171 - Phone no. (803) 794-8078.

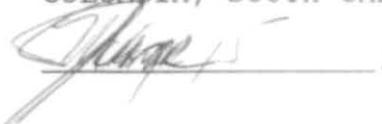
NAUFUL & ELLIS, P.A.

By: 

SCOTT ELLIOTT  
1330 Lady Street, 4th Floor  
Post Office Box 2285  
Columbia, South Carolina 29202

ATTORNEY FOR THE DEFENDANT

COLUMBIA, SOUTH CAROLINA

, 1992

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VERIFICATION OF ANSWERS TO INTERROGATORIES  
REGARDING FUND FOR SOUTH CAROLINA'S FUTURE AND RODNEY RYAN SHEALLY

I, the undersigned, have read the foregoing responses to written Interrogatories and Request for Production of Documents dated this 15th day of June, 1992 and as to the factual allegations, summaries, and conclusions set forth therein, I believe them to be true upon present information and belief.

6/15, 1992

  
\_\_\_\_\_  
RODNEY RYAN SHEALLY

SWORN to before me this  
15<sup>th</sup> day of June, 1992.

Wilson W McDonald (Seal)  
Notary Public for South Carolina

My Commission Expires: 12/11/00

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For Dep. Only  
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1ST CITIZENS  
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1181170

089078119

NON-SLIP TOPPER 3504092

67 128-532

ENVIRONMENTAL SERVICES CORPORATION  
1443 PLYMOUTH BLVD  
COLUMBIA, SC 29204-1817

PAYROLL CHECK

438

DATE: 5/24/89 TO

PAY AMOUNT: Five hundred and 00/100 Dollars CHECK AMOUNT: \$500.00

ENVIRONMENTAL SERVICES CORPORATION

1000438 \* 0099207830 0710102404 ⑆000050000⑆

79690000007

7075561050107

9 3 0 4 3 5 4 0 9 3

Bb-act

BUSINESS ACCOUNT SIGNATURE CARD

CHECKING  
 SAVINGS

0801 0800258972 01

248 23 0462

Title of Account Fund For South Carolinas Future

Initial Deposit \$ 5000.00

FIRST CITIZENS BANK AND TRUST COMPANY OF SOUTH CAROLINA

Type of Funds check

This undersigned is authorized by either a separate resolution, certificate or agreement, hereby certify that they have read and agree that all transactions shall be subject to the provisions of this Agreement and that any signatures of post office that the Corporation ID number shown on this form is the correct Corporation identification number for the account.

dated this 30 day of MARCH 1990

Authorized Signature *[Signature]*

Authorized Signature

Authorized Signature

Authorized Signature

Completed by Lisa Huffstetler

DOCUMENTATION OBTAINED:  
 CREDITMAN TO SOCIETY  
 FORTHE (GROUP ACQUISITION)  
 CLUB (BUSINESS)  
 OTHER

1001 If subject to backup withholding state through clause (D) ABOVE.







156 105339

Check # 1076013  
Delivered in Lieu of this Check

NON-GLARE GRIPPER 043504097

119

0073

PROCESSED - 156 105339

6/5 1990

PAY TO THE ORDER OF Cash \$ 100.00

One hundred and 00/100 DOLLARS

First Citizens Bank  
Columbia, SC

FOR Justin M. Jefferson

⑆00009⑆0000⑆ ⑆00009⑆0000⑆ ⑆00009⑆0000⑆ ⑆00009⑆0000⑆

170 10 1327



*Red 2/4/2005*  
*2005 2/6/53 2.8*  
1ST CITIZENS  
BANK  
COLUMBIA, SC

170101327

*Found in SC's future*

-----PROCESSED-----PROCESSED-----170101327 0074

PAY TO THE ORDER OF Cash 6/9 90 87-504/530

*Five hundred, eighty six and 00/100* \$ 186 <sup>12</sup>/<sub>100</sub>

First Citizens Bank  
Columbia, SC

FOR *to close account* *Arthur W. Smith*

⑈000074⑈ ⑈05390604⑈ ⑈08002 58972⑈ ⑈0000018600⑈







**FIRST-CITIZENS BANK**

and Trust Company of South Carolina  
Member F.D.I.C.

DON'T FORGET  
IRA DEPOSITS  
ARE DUE BY APRIL 15.

08 FUND FOR SOUTH CAROLINA'S FUTURE  
1072 SUNSET BLVD  
WEST COLUMBIA SC 29169

BRANCH COLUMBIA	DDY TELEPHONE NO 771-8700
CUSTOMER NO 80025897200	PAGE NO 1
0-00-00 TO 3-30-90	
STATEMENT PERIOD	

PREVIOUS BALANCE	NUMBER/TOTAL CREDITS	NUMBER/TOTAL DEBITS	FEES	NEW BALANCE
01 CHECKING 0.00	1	5,000.00		
01 CHECKING			.00	5,000.00
DATE DESCRIPTION	TRACE NO	AMOUNT	DAILY BALANCE	
3-30 DEPOSIT	078118	5,000.00	3-30	5,000.00

93043504101

SUMMARY OF CHECKING FEES

NOTICE BY FIRST CITIZENS BANK

NUMBER OF CHECKS	MONTHLY SERVICE FEE	MONTHLY MAINTENANCE FEE	PAYMENTS AND DEBITS	FINANCE CHARGE	MINIMUM PAYMENT	AVAILABLE CREDIT
			ANNUAL PERCENTAGE RATE		AMOUNT	DUE DATE

THE MINIMUM PAYMENT WILL BE DEDUCTED FROM YOUR CHECKING ACCOUNT ON THE DATE OF BUSINESS OTHERWISE PAID



**FIRST-CITIZENS BANK**

and Trust Company of South Carolina  
Member F.D.I.C.

ASK US ABOUT  
CREDITLINE  
RESERVE.

08 FUND FOR SOUTH CAROLINA'S FUTURE  
1072 SUNSET BLVD  
WEST COLUMBIA SC 29169

BRANCH COLUMBIA	DDP TELEPHONE NO 771-8700
CUSTOMER NO 80025897200	PAGE NO 1
STATEMENT PERIOD 3-30-90 TO 4-30-90	

PREVIOUS BALANCE	NUMBER/TOTAL CREDITS	NUMBER/TOTAL DEBITS	FEES	NEW BALANCE
01 CHECKING 5,000.00	.00	1		
01 CHECKING		2,414.00	.00	2,586.00
DATE 4-30	CHECK NO. 71	CHECKS TRACE NO. 092743	AMOUNT 2,414.00	DAILY BALANCE 4-30 2,586.00

930435504102

SUMMARY OF CHECKING RESERVE

NUMBER OF PAGES	NUMBER OF PAGES	ANNUAL PERCENTAGE RATE	MINIMUM PAYMENT AMOUNT	DUE DATE	AVAILABLE CREDIT

NOTICE SEE REVERSE SIDE FOR IMPORTANT INFORMATION

THE MINIMUM PAYMENT MAY BE DEDUCTED FROM YOUR CHECKING ACCOUNT ON THE DATE DUE UNLESS OTHERWISE PAID

SECRET



**FIRST-CITIZENS BANK**

and Trust Company of South Carolina  
Member F.D.I.C.

ASK US ABOUT  
CREDITLINE  
RESERVE.

08 FUND FOR SOUTH CAROLINA'S FUTURE  
1072 SUNSET BLVD  
WEST COLUMBIA SC 29169

BRANCH COLUMBIA	DDY TELEPHONE NO 771-8700
CUSTOMER NO 80025897200	PAGE NO 1
STATEMENT PERIOD 4-30-90 TO 5-31-90	

PREVIOUS BALANCE	NUMBER/TOTAL CREDITS	NUMBER/TOTAL DEBITS	FEES	NEW BALANCE
01 CHECKING 2,586.00	.00	1	500.00	.00
01 CHECKING				2,086.00
DATE 5-01	CHECK NO. 72	CHECKS TRACE NO 088276	AMOUNT 500.00	DAILY BALANCE 5-01 2,086.00

SUMMARY OF CHECKLINE RESERVE

NOTICE WE RESERVE THE RIGHT TO WITHDRAW ANY AMOUNT

NUMBER OF CHECKS	AMOUNT RESERVED	MINIMUM BALANCE	PAYMENTS AND DEBITS	FINANCE CHARGE	AVAILABLE BALANCE
MINIMUM PAYMENT					

THE MINIMUM PAYMENT WILL BE DEDUCTED FROM YOUR CHECKING ACCOUNT ON THE DATE OF NEXT PAYMENT UNLESS OTHERWISE PAID.



FIRST-CITIZENS BANK

Member FDIC

ASK US ABOUT CREDITLINE RESERVE.

08 FUND FOR SOUTH CAROLINA'S FUTURE  
1072 SUNSET BLVD  
WEST COLUMBIA SC 29169

BRANCH COLUMBIA	DEPT. TELEPHONE NO. 771-8700
CUSTOMER NO. 80025897200	PAGE NO. 1
STATEMENT PERIOD 5-31-90 TO 6-29-90	

PREVIOUS BALANCE	NUMBER/TOTAL CREDITS	NUMBER/TOTAL DEBITS	FEES	NEW BALANCE
01 CHECKING 2,086.00	.00	2	2,086.00	.00
01 CHECKING				0.00

DATE	CHECK NO.	TRACS NO.	CHECKS	AMOUNT	DAILY BALANCE
6-05	73	105339		900.00	186.00
6-19	74	101327		186.00	0.00

NOTICE

FINANCE CHARGE

ANNUAL PERCENTAGE RATE

MINIMUM PAYMENT

C-LINE #62028  
 NON-GLARE TONER # 043504104

CAROLINA PRINTING  
CENTER  
P O BOX 2898  
CAYCE-WEST COL SC 29171

TEL. NO. 803-796-1118

ROD SHEALY  
P O BOX 11546  
COLUMBIA SC 29211

CUSTOMER  
NUMBER  
643500

ROD

DATE  
8/31/90

STATEMENT

803-252-6177

DATE	DESCRIPTION	AMOUNT
6/ /90	TO INSURE PROPER HANDLING OF YOUR ACCOUNT A. MAKE CHECK PAYABLE TO CAROLINA PRINTING B. DO NOT INCLUDE PAYMENTS FOR TRANSACTIONS NOT ON THIS STATEMENT. BALANCE FORWARD	1,080.88 1,080.88
TOTAL AMOUNT NOW DUE		1,080.88
Your payment would be appreciated. Thank you, Management		

93043504105

9 3 0 4 3 5 0 4 1 0 6

State of South Carolina  
Election Commission

8275

RECEIVED FROM:

SCPR/Rod Shealy

COLUMBIA, S.C.

6-05 1989

203 Caffatt Street

West Columbia, S.C. 29168

DEPOSITED  
JUN 08 1990 H 53

		Tape of white Voters for Var. Prec. Co. 03, 15, 17, 20	1988	1989	1990
		SLR # 7051 CR. # 6002			

POST OFFICE BOX 5836

9 3 0 4 5 9 0 7 1 0 7

COLUMBIA, S. C. 29205

INVOICE NUMBER

06007

REMIT TO →

CUSTOMER REFERENCE AND DATE

DATE June 11, 1990

TO

CUSTOMER NUMBER

SCPR Associates  
 P. O. Box 11546, Capital Station  
 Columbia, S. C. 29211

1035

TYPE OF REVENUE (M-G-J-E)  33

STATE CODE  34 35

APPLICATION CODE  65 66

ESTIMATE NUMBER  67 68 69 70

CUSTOMER PROCESSING PERIOD  73 74 75

FINAL BILLING (X-YES)  78

SALES REPRESENTATIVE(S)

TERMS NET CASH 30 DAYS

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT	LINE CODE	REVENUE ANALYSIS
7422	Berkley County Self adhesive labels 6/05	.025	185.55		
40639	Not Berkley Cty self adhesive labels 6/06	.025	1017.22		
7422	Berkley County self adhesive labels 6/06	.025	185.55		
			<u>1388.32</u>		



170 10 1327



Handwritten notes and bank information:  
\$765.92  
5/22/90  
2 PRS  
1ST CITIZENS BANK  
COLUMBIA, SC

Form with handwritten and printed text:  
Fund for S.C.'s future  
-----PROCESSED-----PROCESSED-----170101327  
0074  
87-004/538  
PAY TO THE ORDER OF Cash 4/9 19 90  
The hundred, eighty six and 00/100  
\$ 186.00  
DOLLARS  
First Citizens Bank  
Columbia, SC  
FOR to close account  
01001  
0700  
00000100000  
00000100000



September 7, 1992  
1515 Patterson Avenue, Charleston, South Carolina 29412

Lawrence M. Noble, General Counsel  
Federal Election Commission  
Washington, DC 20463

RE: MUR 3448

SEP 11 12 22 PM '92

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

Dear Mr. Noble:

Enclosed is a clipping about the subject of the above referenced MUR. It appeared in the September 1 editions of Charleston's Post and Courier. As you can see, Mr. Shealy appears to be unrepentant.

Thank you for your letter of April 17, 1992, which states: "Statistics compiled by our Office for FY 1990 and FY 1991 indicate that the average disposition of matters from complaint to final action occupied approximately 10 months." Inasmuch as earlier you had acknowledged receipt of my complaint as of November 5, 1991, which is slightly more than ten months ago, I am allowing myself some optimism that your final action may come soon.

SEP 11 PM 3:26

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF COUNSEL

Also enclosed is a clipping from the September 2 Post and Courier concerning the Federal Election Commission's request for a significant increase in its budget. If as a citizen I may be permitted to voice an opinion, it is that the \$5,000 threshold for coverage by FEC regulations is unrealistically low. As a former candidate concerned with following both the letter and spirit of the election laws, I felt harassed by your detailed requirements. In fact, I was needlessly embarrassed when the first treasurer of my campaign failed to file a report on time and it received prominent coverage in the media. Had the threshold been \$20,000, I would have been spared that embarrassment; a \$20,000 threshold would also, it seems, allow FEC to direct its own limited resources against those who purposefully try to break the law rather than those who may be guilty of minor, inadvertent infractions. In any case, whatever budget FEC ends up with, that money would go a lot further with a higher threshold for candidacy coverage.

Sincerely,



Eugene Platt

P.S. Incidentally, losing the election in 1990 may have been a blessing in disguise for me. The loss gave me time to write a book. A photocopy of its cover is enclosed.

93043504111



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

september 15, 1992

Jim Buckley  
Carolina Printing  
Center  
P.O. Box 2898  
Cayce, South Carolina 29171

RE: MUR 3448

Dear Mr. Buckley:

The Federal Election Commission is the agency in charge of administering and enforcing the Federal Election Campaign Act of 1971, as amended. In furtherance of its investigation into the above captioned matter, the Commission requests a copy of the four page flier, headlined "Vote Republican," that was the subject of the enclosed invoice.

Because this request is part of an investigation conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

Sincerely,

Helen J. Kim  
Attorney

Enclosure  
Invoice

93043504112

CENTER  
P O BOX 2  
CAYCE-WEST SC 29171

ROD SHEALY  
P O BOX 11546  
COLUMBIA SC 29211

CUSTOMER  
NUMBER  
643500

ROD

DATE  
8/31/90

STATEMENT

803-252-6177

DATE	DESCRIPTION	AMOUNT
6/ /90	TO INSURE PROPER HANDLING OF YOUR ACCOUNT A. MAKE CHECK PAYABLE TO CAROLINA PRINTING B. DO NOT INCLUDE PAYMENTS FOR TRANSACTIONS NOT ON THIS STATEMENT.	
	BALANCE FORWARD	
	TOTAL AMOUNT NOW DUE	1,080.88 1,080.88

Your payment would be appreciated.

Thank you,  
Management

93043504113



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 22, 1992

Scott Elliott, Esquire  
Nauful & Ellis, P.A.  
1330 Lady Street  
Fourth Floor  
Columbia, South Carolina 29202

RE: MUR 3448  
Fund for South Carolina's  
Future and Rodney Shealy,  
as treasurer

Dear Mr. Elliott:

This Office received the responses to the Commission's interrogatories that you submitted on behalf of your clients on June 26, 1992. Enclosed are additional questions in response to the answers you submitted. Answers to these additional questions should be submitted to this Office within 30 days of receipt of this letter.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Helen J. Kim".

Helen J. Kim  
Attorney

Enclosure  
Questions

93043504114

BEFORE THE FEDERAL ELECTION COMMISSION

MUR 3448

Questions to Rodney Shealy and  
Fund for South Carolina's Future

1. State whether the invoices listed below have been paid and state the source of funds used for payment. Identify and produce all documents, including checks, check register entries, and receipts, regarding payments:

- a. Carolina Printing invoice dated 8-31-90 in the amount of \$1,080.88;
- b. Digitron invoice number 6007 in the amount of \$1,388.32 for printing mailing labels; and
- c. South Carolina Election Commission invoice #8875 in the amount of \$322.00 for tapes of voter addresses.

2. State whether Rodney Shealy, Strategic Consulting & Public Relations Associates, and/or Fund for South Carolina's Future produced campaign materials for Benjamin Hunt regarding the 1990 Republican Primary for the First Congressional District. Identify and produce copies of such materials and all documents, including checks, check register entries, receipts, and invoices, relating to the production and distribution of such materials.

3. State the amount paid for postage for the mailing of the four page flier headlined "Vote Tuesday, June 12th, Republican." Also, state the source of funds used for payment and identify and produce all documents, including checks, check register entries, receipts, and invoices, relating to the payment for postage. Furthermore, state the number of fliers produced and the number mailed.

4. Identify and produce all documents relating to Strategic Consulting & Public Relations Associates's checking account, including all checks, check register entries, and deposit slips for the period April 30, 1990 to September 1, 1990.

93043504115

0607227

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIN COPY ROOM

OCT 30 10 25 AM '92

# NOTICE TO CORRESPONDENTS

## Address Change

Please adjust your records to reflect this address change. Thank you.

*Address correspondence, invoices etc. to*

Scott Elliott, Attorney at Law  
Post Office Box 1960  
Columbia, South Carolina 29202

Please omit the street address from mail.

*Address shipments and courier deliveries to*

Scott Elliott, Attorney at Law  
Middleburg Office Park  
1712 St. Julian Place  
Columbia, South Carolina 29204-2410

Please omit the post office drawer from shipments to the street address.

Telephone: 803/771-0555

Telecopier: 803/254-1528

93043504116

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
92 OCT 30 PM 3:17

Your Account/File/Customer Number: RE: Mun 3448; Fund for South Carolina's  
Date: \_\_\_\_\_ Initial: \_\_\_\_\_ future and Rodney Shealy as  
treasurer

OGC 7807

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIN COPY ROOM

Dec 7 10:42 AM '92

**SCOTT ELLIOTT**

ATTORNEY AT LAW  
POST OFFICE BOX 1960  
COLUMBIA, SOUTH CAROLINA 29202-1960  
TELEPHONE (803) 771-0555

December 3, 1992

1712 ST. JULIAN PLACE  
MIDDLEBURG OFFICE PARK  
COLUMBIA, SOUTH CAROLINA 29204-2410

TELECOPIER (803) 254-1528  
TELEX 805318 AVOCAT CLB  
CABLE: AVOCAT

Via Telecopier - Fax No. 202-219-3923

Helen J. Kim, Attorney-at-Law  
Federal Election Commission  
Washington, D.C. 20463

92 DEC -7 P11 4: 20

Re: MUR 3448  
Fund for South Carolina's Future and  
Rodney Shealy, as treasurer

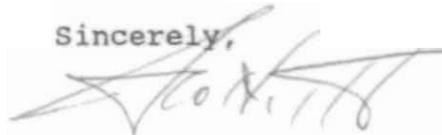
Dear Ms. Kim:

My clients above wish to request to conciliate this matter at this time.

Further, this is to request an extension of time in which to respond to the Commission's Interrogatories received by me on October 27, 1992. As we discussed, I believe the transcript of the State Court Criminal Prosecution against Mr. Shealy will answer all questions contained in your Interrogatories as fully as can be answered. Thus, I would suggest that you might review the transcript prior to compelling my client to gather the materials to answer your Interrogatories. I am attempting to get the telephone number of the court reporter for you.

Please let me know what if anything further you require of me. I appreciate the courtesies you have shown me in this matter.

Sincerely,



SCOTT ELLIOTT

SAE/jbj:M:6059LHJK

cc: Mr. Rodney Shealy

93043504117



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 7, 1992

Scott Elliott  
Post Office Box 1960  
Columbia, South Carolina 29202-1960

RE: MUR 3448  
Fund for South Carolina's  
Future and Rodney Shealy,  
as treasurer

Dear Mr. Elliott:

This is in response to your letter via facsimile dated December 3, 1992, which we received on that same date, requesting to conciliate this matter and an extension of time to respond to the interrogatories sent by this Office on October 22, 1992. You also suggested that this Office review the transcript of the state court trial before requiring your client to answer the interrogatories.

As I stated in our phone conversation on December 4, 1992, the Commission is also interested in resolving this matter as quickly as possible. I also stated, however, that this Office requires further information before we can proceed with the matter. Thus, if you believe that Mr. Shealy's trial testimony will answer all outstanding questions, please submit a copy of Mr. Shealy's testimony to this Office for review immediately. With your permission, this Office will postpone presenting your request for conciliation to the Commission until all outstanding questions are answered. If, however, the trial testimony fails to provide the necessary information, this Office will submit additional questions.

If you have any questions, please contact me at (202) 219-3690. If I am unavailable, you may contact my supervisor, Jonathan Bernstein.

Sincerely,

A handwritten signature in black ink, appearing to be "Helen J. Kim", is written over a horizontal line.

Helen J. Kim  
Attorney

93043504118



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

January 15, 1993

Elise D. Chandler  
Post Office Box 57  
Columbia, South Carolina 29202

RE: MUR 3448

Dear Ms. Chandler:

The Office of General Counsel of the Federal Election Commission requests a copy of the entire transcript for the trial in State of South Carolina v. Rodney Shealy. The court dates were May 11-13, 1992.

Please send the transcript to me at the following address as soon as possible:

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

Also, please notify me of any costs which the Commission must pay for this service.

Because this request is a part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person to whom the investigation is being made. You are advised that no such consent has been given in this case.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Helen J. Kim", with a long horizontal flourish extending to the right.

Helen J. Kim  
Attorney

93043504119



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3448<sup>E</sup>

DATE FILMED 11-9-93 CAMERA NO. 2

CAMERAMAN JM 14

93043504120



FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20463

Microfilm  
 Public Records  
 Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3448.

12/10/93

93043542605

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIN COPY ROOM

734 Gilmore Court  
James Island, SC 29412  
September 9, 1993

SEP 13 3 43 PM '93

Lawrence M. Noble, General Counsel  
Federal Election Commission  
Washington, DC 20463

RE: MUR 3448

Dear Mr. Noble:

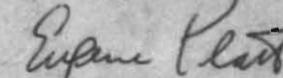
Although a specific reply was not requested, I hope you received my letter to you dated September 7, 1992. That letter was in response to your letter, signed by Lois G. Lerner, Associate General Counsel, dated April 17, 1992.

It has been almost 17 months since I last heard from you. I moved (from 1515 Patterson Avenue, Charleston, SC 29412) to the address shown above last December, but any correspondence from you would have been forwarded. As you know, my complaint was filed on or about November 5, 1991. You say in your letter of April 17, 1992, "that the average disposition of matters from complaint to final action occupied approximately 10 months." It appears that MUR 3448, having already been under review for 22 months, will take considerably longer than the average to complete.

On the other hand, perhaps final action has been taken but notification of such was not sent to me. Please advise me on this.

Enclosed is another news clipping, which you may wish to add to your MUR 3448 file.

Sincerely,



Eugene Platt

P.S. Unrelated to the above, there is enclosed with my compliments a brochure with several poems you or someone you know might enjoy.

RECEIVED  
FEDERAL ELECTION COMMISSION  
93 SEP 13 PM 3:46

93043542606

# CockWheat' character draws ire of some students

Special Press

COLUMBIA — Much to the dismay of some University of South Carolina students, political consultant Rod Shealy has revived the "CockWheat" character in a newsletter distributed at the school's football games. Complaints were first lodged last Shealy's satirical Game Fever newsletter last year af-

ter it published a satirical picture combining the physical appearance of Cocker, USC's official mascot, and a young black in the "Out Gang" film series. Again, USC student leaders are charging that "CockWheat" is racially derogatory and are looking for ways to stop the publication. "I've never been one to decide what I'm going to do based on what

other people think," said Shealy. Calling the character "U.S.C.'s Token Black Mascot," CockWheat was featured in the newspaper distributed before the USC-Georgia football game. Shealy was convicted in May of failing to report a \$5,000 campaign contribution for his sister, former state Sen. Sherry Martechini. Shealy used the money to pay Ben Black, a black man with

no political experience — to run for Congress in the June 1966 primary in hopes of boosting white turnout. Shealy called the conviction, which he is appealing, a "political parking ticket" that has boosted his campaign consulting business. Some campus leaders don't like his publishing venture, and leaders of black student organizations are discussing how to shut it down. "I was hoping that he wouldn't

start it back up this year, but unfortunately he has," said Patrick Wright, president of the campus chapter of the National Association for the Advancement of Colored People. Shealy said the newspaper, that was first published in 1965, "is all in good humor." He said the newsletter is not a money-making venture and that he could publish up to 5,000 copies without any advertising.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Eugene Platt  
734 Gilmore Court  
James Island, SC 29412

RE: MUR 3448

Dear Mr. Platt:

This letter acknowledges receipt on September 13, 1993, of the supplement to the complaint you filed on November 5, 1991, against Rod Shealy, Robert Cohn, Benjamin Hunt, Fund for South Carolina's Future and Laidlaw Environmental Services, Inc. The respondents will be sent copies of the supplement. You will be notified as soon as the Federal Election Commission takes final action on your complaint.

Sincerely,

*Karen White*

Karen White  
Paralegal

93043542608



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Sherry Martschink  
723 Angus Ct.  
Mt. Pleasant, SC 29464-3601

RE: MUR 3448

Dear Ms. Martschink:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 13, 1993, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

*Karen White*

Karen White  
Paralegal

Enclosure

93043542609



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Scott Elliott, Esquire  
Nauful & Ellis, P.A.  
1901 Gadsden Street  
P.O. Box 2285  
Columbia, SC 29202

RE: MUR 3448  
Rod Shealy, Fund for South  
Carolina's Future and Rod  
Shealy, as treasurer

Dear Mr. Elliott:

On November 7, 1991, your clients were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time your clients were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 13, 1993, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

*Karen White*

Karen White  
Paralegal

Enclosure

93043542610



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Benjamin Hunt  
3724 Back Pen Road  
John's Island, SC 29455-9430

RE: MUR 3448

Dear Mr. Hunt:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 13, 1993, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

*Karen White*

Karen White  
Paralegal

Enclosure

93043542611



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Robert Cohn  
4326 Evanston Boulevard  
Charleston, SC 29418

RE: MUR 3448

Dear Mr. Cohn:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 13, 1993, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

*Karen White*

Karen White  
Paralegal

Enclosure

93043542612



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEPTEMBER 17, 1993

Henry H. Taylor, Vice President  
Laidlaw Environmental Services, Inc.  
220 Outlet Point Boulevard  
Columbia, SC 29210

RE: MUR 3448

Dear Mr. Taylor:

On November 7, 1991, you were notified that the Federal Election Commission received a complaint from Eugene Platt alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time you were given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification.

On September 13, 1993, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

*Karen White*

Karen White  
Paralegal

Enclosure

93043542613

**THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS  
FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE**

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.
2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.
3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.
4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.
5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

Robert Kohn  
4326 Evanston Blvd.  
Columbia, South Carolina 29418

RE: MUR 3448

Dear Mr. Kohn:

On November 7, 1991, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

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

Sincerely,

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file: \_\_\_\_\_

DEC 09 1993

93043542615

MUR 3448

Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

93043542616



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

Sherry Martschink  
P.O. Box 142  
Gressette Suite 502  
Columbia, South Carolina 29202

RE: MUR 3448

Dear Ms. Martschink:

On December 3, 1991, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

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

Sincerely,

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file:

DEC 09 1993

93043542617

MUR 3448

Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

93043542618



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

Henry Taylor  
Vice President, Legal Affairs  
Laidlaw Environmental Services, Inc.  
P.O. Box 210799  
Columbia, South Carolina 29221

RE: MUR 3448

Dear Mr. Taylor:

On November 7, 1991, the Federal Election Commission notified Laidlaw Environmental Services, Inc. of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Laidlaw Environmental Services, Inc. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

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

Sincerely,

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file:

DEC 09 1993

93043542619

MUR 3448

Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

93043542620



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

Scott Elliott  
P.O. Box 1960  
Columbia, South Carolina 29202

RE: MUR 3448  
Fund for South Carolina's Future and Rodney Shealy,  
as treasurer

Dear Mr. Elliott:

On May 12, 1992, you were notified that the Federal Election Commission had found reason to believe your clients violated 2 U.S.C. §§ 433(a) and 434(a). On June 26, 1992, your clients submitted a response to the Commission's reason to believe findings.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Fund for South Carolina's Future and Rodney Shealy, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when they are received.

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

Sincerely,

*Deborah L. Rice*

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file:

DEC 09 1993

93043542621

NUR 3448  
Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

93043542622



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

Benjamin Hunt, Jr.  
3724 Back Pen Road  
John's Island, South Carolina 29455-9430

RE: MUR 3448

Dear Mr. Hunt:

On November 7, 1991, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

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

Sincerely,

*Deborah L. Rice*

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file:

DEC 09 1993

93043542623

MUR 3448

Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

93043542624



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 1993

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Eugene Platt  
1515 Patterson Avenue  
Charleston, South Carolina 29412

RE: MUR 3448

Dear Mr. Platt:

On November 5, 1991, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). On May 5, 1992, the Commission found reason to believe that the Fund for South Carolina's Future and Rodney Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a), provisions of the Act.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Fund for South Carolina's Future and Rodney Shealy, as treasurer. See attached narrative. The Commission also determined to take no action against Benjamin Hunt, Jr., Robert Kohn, Sherry Martschink, and Environmental Services, Inc. Accordingly, the Commission closed the file in this matter. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

*Deborah L. Rice*

Deborah L. Rice  
Staff Member

Attachment  
Narrative

Date the Commission voted to close the file:

DEC 09 1993

93043542625

NUR 3448  
Rod Shealy, et. al.

This matter was generated by a complaint filed by Eugene Platt and involves the 1990 Republican primary for the First Congressional District of South Carolina. The complaint alleged that Rod Shealy hired Benjamin Hunt to run in the primary against Authur Ravenel and, through the Fund for South Carolina's Future, paid Mr. Hunt's filing fee and other campaign expenses with funds Mr. Shealy solicited for a state election. The Commission found reason to believe that the Fund for South Carolina's Future and Rod Shealy, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a) for failing to register and report with the Commission as a political committee.

This matter involves no significant issues relative to the other issues pending before the Commission and a limited amount of money. Furthermore, Mr. Shealy has been criminally prosecuted on the state level for the non-disclosure of the state contribution.

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