



FEDERAL ELECTION COMMISSION
Washington, DC 20463

April 12, 2003

MEMORANDUM

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director

FROM: Allan D. Silberman
Director, ADR Office

SUBJ: Case for ADR Activation

On March 19, 2004 the ADR Office received from OGC a referral from the Comptroller of the Currency to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case, **ADR 160**, is appropriate for ADR and recommend that it be assigned to the ADR Office.

ADR 160/Pre MUR 418: The Office of the Comptroller of the Currency (OCC) uncovered, as part of its supervisory responsibilities, that Sonoma National Bank in Santa Rosa, CA purchased tickets to an award dinner sponsored by the Sonoma County Republican Party. The \$1,600 expenditure was used to purchase eight tickets that were used by bank executive officers and directors to attend a dinner honoring the "Distinguished Citizen of the Year". The Bank contended that it was unaware of the prohibition on banks contributing to election campaigns. The Bank assisted OCC in its investigation. The individuals who attended the dinner have offered to reimburse the Bank. There is no record of contributions or previous federal election activity by Sonoma National Bank in the FEC files.

Attached for the Commission's review is the *ADR Case Analysis Report* on **ADR 160** along with copies of the EPS Rating and ADR Rating Sheets. The *Case Analysis Report* includes an analysis of the case and a description of the issues that the ADR Office (ADRO) anticipates addressing if the case is assigned to ADR. In addition, the Report has been reviewed by OGC, which concurs in the description of the case.

Recommendation: We recommend that **ADR 160/PMUR 418** be assigned to ADR Office for processing.

ADR CASE ANALYSIS REPORT

ADR Case # 160

Respondents: Sonoma National Bank
Santa Rosa, CA.

Pre-MUR: 418

OGC Case Open Date: 2-23-04

Respondents Rep:

Date Forwarded to ADRO: 3-19-04

Committee Type: N/A

Date Reviewed by ADRO: 4-6-04

Committees' Name: N/A

Tier Level: 3

District #/or State: N/A

EPS Rating: -5

Election Cycle: 2002

ADR Rating: 65

Complainant: Comptroller of the Currency

Summary of Matter: The Office of the Comptroller of the Currency (OCC) referred this matter to the Commission. OCC uncovered during the course of its supervisory and regulatory responsibilities that Sonoma National Bank in Santa Rosa, CA paid \$1,600 to the Sonoma County Republican Party (SCRCP) to purchase tickets to an award dinner honoring the "Distinguished Citizen of the Year".

Respondent's Reply: The Bank contended that it was unaware that expenditures by national banks for such events were prohibited. It assisted OCC in its investigation and the eight executive officers and directors who attended the SCRCP dinner with tickets purchased by the Bank have offered to reimburse the Bank.

Alleged Violations: 2 U.S.C. § 441b and 11 C.F.R. § 114.2(a)

Issues: Contributions or expenditures by national banks, 2 U.S.C. § 441b and 11 C.F.R. § 114.2(a)

Related FEC Experience/Guidance: Commission guidance regarding the prohibition against banks contributing to election campaigns is noted in numerous AOs. One AO, 1980-58, speaks of the prohibition governing banks and references a circular from the OCC that reiterated the prohibition against national banks contributing to election campaigns. MUR 5208 also provides useful guidance regarding federal and non-federal contributions from national banks

Recommendation: Assign to ADR X

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