



FEDERAL ELECTION COMMISSION

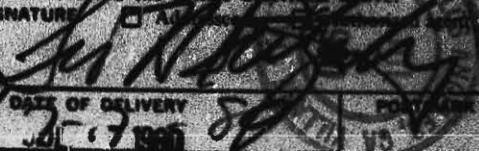
1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1235

Date Filmed 7/24/80 Camera No. --- 2

Cameraman GPC

30040201666

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.		
1. The following service is requested (check one) ☐ Show to whom and date delivered _____ ☐ Show to whom, date, and address of delivery _____ ☒ RESTRICTED DELIVERY Show to whom and date delivered _____ ☒ RESTRICTED DELIVERY Show to whom, date, and address of delivery _____ (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO: Mr. Ray Manzlike 1047 Gayley Ave. Los Angeles, CA 90024		
3. ARTICLE DESCRIPTION: REGISTERED NO. _____ CERTIFIED NO. <u>45544</u> INSURED NO. _____		
4. (Allow State signature of addressee or agent) I have received the article described above. SIGNATURE ☒ Addressee ☐ Agent  DATE OF DELIVERY <u>JUL 17 1966</u> POST OFFICE <u>LOS ANGELES 95</u>		
5. ADDRESS (Complete only if requested) 		
6. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS:

PS Form 3811, Aug. 1978

● **SENDER:** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one):

☐ Show to whom and date delivered. _____

☐ Show to whom, date, and address of delivery. _____

☒ **RESTRICTED DELIVERY**
Show to whom and date delivered. _____

☐ **RESTRICTED DELIVERY**
Show to whom, date, and address of delivery. _____

(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
Mr. Paul Gann
1225 8th St.
Sacramento, CA 95814

3. **ARTICLE DESCRIPTION:**
REGISTERED NO. _____ CERTIFIED NO. 455148 INSURED NO. _____

(Always obtain signature of addressee or agent)

4. I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent
Bruce

5. **DATE OF DELIVERY:**
JUL - 7 1980

6. **ADDRESS** (Complete only if request for return to sender is made)

7. **UNABLE TO DELIVER BECAUSE:**

8. **POSTMARK:**
SACRAMENTO, CALIF. JUL 7 1980
CLERK'S OFFICE

1235 Taylor

30040201558

U.S. MAIL, 11th, Apr. 1970

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on meter or

1. The following service is requested (check one)
☐ Show to whom and date delivered. _____
☐ Show to whom, date, and address of delivery. _____
☐ RESTRICTED DELIVERY
Show to whom and date delivered. _____
☐ RESTRICTED DELIVERY
Show to whom, date, and address of delivery. _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
The Yes On Proposition 9 Comm.
9454 Wilshire Blvd., Suite 201
Beverly Hills, CA 90212

3. ARTICLE DESCRIPTION:
REGISTERED NO. _____ CERTIFIED NO. 945449 INSURED NO. _____
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Mary Ann Rich

DATE OF DELIVERY 7-7-80 POSTMARK _____

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: _____ CLERK'S INITIALS _____

REGISTERED, INSURED AND CERTIFIED MAIL

MUR-1235 Taylor



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 3, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Paul Gann
1225 8th Street
Sacramento, CA 95814

Re: MUR 1235

Dear Mr. Gann:

On May 15, 1980, the Commission notified you of a complaint alleging that you or your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission, on July 2, 1980, determined that on the basis of the information in the complaint and information provided by you, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

30040201669



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Paul Gann
1225 8th Street
Sacramento, CA 95814

Re: MUR 1235

Dear Mr. Gann:

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The Commission, on July 2, 1980, determined that on the basis of the information in the complaint and information provided by you, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

A handwritten signature in cursive script, appearing to read "Charles N. Steele", is written over the typed name and title.

30040201570



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 3, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Yes On Proposition 9 Committee
Howard Jarvis, Chairman
9454 Wilshire Blvd.
Suite 209
Beverly Hills, CA 90212

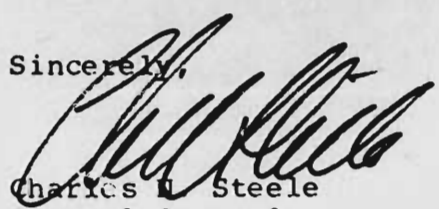
Re: MUR 1235

Dear Mr. Jarvis:

On May 15, 1980, the Commission notified you of a complaint alleging that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission, on July 2, 1980, determined that on the basis of the information in the complaint and information provided by your committee that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,


Charles H. Steele
General Counsel

30040201671



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Yes On Proposition 9 Committee
Howard Jarvis, Chairman
9454 Wilshire Blvd.
Suite 209
Beverly Hills, CA 90212

Re: MUR 1235

Dear Mr. Jarvis:

On May 15, 1980, the Commission notified you of a complaint alleging that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission, on July 2, 1980, determined that on the basis of the information in the complaint and information provided by your committee that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

Robert S. ...

80040201672



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 3, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ray Hanzlik
1047 Gayley Avenue
Los Angeles, CA 90024

Re: MUR 1235

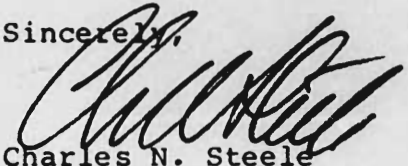
Dear Mr. Hanzlik:

The Federal Election Commission has reviewed the allegations of your complaint dated May 6, 1980 and determined that on the basis of the information provided in your complaint and information provided by the Respondent that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Mr. William aylor, the attorney assigned to this matter at 202-523-5071.

Sincerely,


Charles N. Steele
General Counsel

30041201673



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ray Hanzlik
1047 Gayley Avenue
Los Angeles, CA 90024

Re: MUR 1235

Dear Mr. Hanzlik:

The Federal Election Commission has reviewed the allegations of your complaint dated May 6, 1980 and determined that on the basis of the information provided in your complaint and information provided by the Respondent that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Mr. William aylor, the attorney assigned to this matter at 202-523-5071.

Sincerely,

Charles N. Steele
General Counsel

A handwritten signature, likely of Charles N. Steele, is written in the bottom right corner of the page. The signature is in cursive and appears to read "Charles N. Steele".

30040201674

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
The Yes On Proposition 9) MUR 1235
Committee)
The Friends of Paul Gann)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on July 2, 1980, the Commission decided by a vote of 4-0 to take the following actions regarding MUR 1235:

1. Find NO REASON TO BELIEVE that The Yes On Proposition 9 Committee violated 2 U.S.C. §433(a), 2 U.S.C. §434(c)(1) and 2 U.S.C. §441b(a).
2. Find NO REASON TO BELIEVE that The Friends of Paul Gann violated 2 U.S.C. §434(a) and 2 U.S.C. §441b(a).
3. Close the file.

Voting for this determination were Commissioners Friedersdorf, Harris, McGarry, and Reiche.

Attest:

7/2/80

Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 6-27-80, 5:25
Circulated on 48 hour vote basis: 6-30-80, 11:00

80040201675

June 27, 1980

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MUR 1235

Please have the attached First GC Report distributed to the Commission on a 48 hour tally basis. Thankyou.

30040201676

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION 6-27-80

MUR # 1235
STAFF MEMBER(S) _____

Taylor

COMPLAINANT'S NAME: Ray Hanzlik

RESPONDENT'S NAME: The Yes On Proposition 9 Committee
The Friends of Paul Gann

RELEVANT STATUTE: 2 U.S.C. §431(17), 2 U.S.C. § 433(a),
2 U.S.C. § 434(c)(1), 2 U.S.C. § 441b(a)
11 C.F.R. § 109.(1)(b)(2)

INTERNAL REPORTS CHECKED: Reports of Receipts and Expenditures
of the Friends of Paul Gann

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

Mr. Ray Hanzlik, a candidate for the Republican nomination for the U.S. Senate in California, in a notarized complaint (attachment "A") alleges that the Yes On Proposition 9 Committee (Proposition 9 Committee), a Committee organized to support a state initiative in favor of a state tax reduction, has failed to register as a political committee for Paul Gann, 1/ a candidate for the Republican nomination for the U.S. Senate pursuant to 2 U.S.C. § 433(a), and that it failed to report independent expenditures in excess of \$100. In addition, the complaint states that Mr. Gann received corporate contributions through the Proposition 9 Committee. Mr. Hanzlik contends that the Proposition 9 Committee paid for and sponsored advertisements that it placed on California television and radio stations, (e.g. see attachment "A") which while not expressly advocating Mr. Gann's candidacy for Federal office by such phrases as "vote for" or "cast your ballot for," nonetheless, "constitute" advocacy because of the "repeated mention of the candidate's name in a favorable context." Mr. Hanzlik further alleges that the Proposition 9 Committee financed

1/ Mr. Gann won the Republican nomination for the U.S. Senate in the June 3, 1980 primary.

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these advertisements by the solicitation and acceptance of contributions from corporations and that "Federal law prohibits corporate contributions."

The Proposition 9 Committee and Mr. Paul Gann responded to the complainant's allegations by letters dated May 30th and June 14, 1980, respectively (attachments B & C). It is their contention that the advertisements in question do not expressly advocate Mr. Gann's election, thus do not constitute independent expenditures, and are not "in-kind" contributions by the Proposition 9 Committee to Mr. Gann's campaign.

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 431(4)(A) defines "political committee" as "any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year." Both contribution (2 U.S.C. §431(8)(A)) and expenditure (2 U.S.C. § 431(9)(A)) by definition require that the contribution or expenditure be "made for the purpose of influencing any election for Federal office." Thus, before "a committee, club, association or other group of persons" would be considered a "political committee" within the jurisdiction of the Act, it must be established that they made contributions or expenditures "for the purpose of influencing any elections for Federal office" in excess of \$1,000.

The Proposition 9 Committee is a "committee, club, association, or other group of persons," and it would appear that the Proposition 9 Committee made expenditures for television and radio advertisements well in excess of \$1,000. The core issue then is whether these expenditures were "made ... for the purpose of influencing any election for Federal office."

The Proposition 9 Committee was formed for the purpose of promoting a reduction in the California state income tax through the passage of a state initiative called Proposition 9.^{2/} As part of their campaign to promote a tax reduction the Proposition 9 Committee sponsored radio and television advertisements that put forth its position on Proposition 9 urging the voters of California to vote yes on Proposition 9. (See attachment "A") Paul Gann's name is mentioned only once in both

^{2/} According to the Political Reform Division of the Secretary of State's office, the Proposition 9 Committee is registered as a political committee within the State of California, and it is not registered, according to the Corporations Division, as a California corporation or as a foreign corporation doing business in California. It, thus, is an unincorporated association and as such the expenditures made by the Proposition 9 Committee would not be corporate expenditures within 2 U.S.C. § 441b.

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advertisements.^{3/} Neither advertisement, as even the complainant admits, "expressly advocate" Mr. Gann's candidacy for Federal office by using phrases as 'vote for' or 'cast your ballot for.'"

The Commission has made it quite clear that a in-kind contribution would not necessarily occur in certain specific circumstances where the major purpose of the advertisement was not to influence a Federal election. This is especially true where there is an absence of any communication expressly advocating the election or defeat of a candidate or the solicitation of a campaign contribution. (attachment "D" AO's 1978-15, 1978-4, 1977-54, 1977-42 and MUR #1051).

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The major purpose of these advertisements is not the election of Paul Gann to Federal office but the passage of Proposition 9. Mr. Gann's name is mentioned only once in each advertisement. The voters are not urged to vote for him, in fact, no mention is ever made that there was an election for Federal office. Though the advertisement may have indirectly benefited Mr. Gann's candidacy, it is clear that the major purpose of these advertisements is not to influence a Federal election but to pass Proposition 9. Thus, these advertisements would not be "in-kind" contributions to the Gann campaign turning the Proposition 9 Committee into a "political committee" within 2 U.S.C. § 431(4) and triggering the various registration and reporting requirements of the Act. Nor would The Friends of Paul Gann, Mr. Gann's principal campaign committee, be required to list the receipt of these "contributions." Therefore, the Office of General Counsel recommends that the Commission find no reason to believe that The Proposition 9 Committee violated 2 U.S.C. § 433(a) for failing to file a statement of organization and find no reason to believe that The Friends of Paul Gann failed to report the receipt of contributions from The Proposition 9 Committee, pursuant to 2 U.S.C. § 434(a).

2 U.S.C. § 434(c)(1) holds that "every person (other than a political committee) who makes independent expenditures in an aggregate amount or value in excess of \$250 during a calendar year shall file a statement containing the information required under subsection (b)(3)(A) of this section for all contributions received by such person." "Independent expenditures" is defined by 2 U.S.C. § 431(17) as "an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate" "Expressly advocating" is, in turn, defined by 11 C.F.R. § 109(b)(2) as "any communication containing a message advocating election or defeat including but not limited to the name of the candidate, or expressions such as 'vote for' 'elect' 'support' 'cast your ballot

3/ According to Mr. Gann (attachment "C") he was the co-author of Proposition 13 and that the mentioning of his name in the advertisement "lends credibility only to Proposition 9 [and] not to Paul Gann's primary campaign."

for' and 'Smith for Congress' or 'vote against' 'defeat' or 'reject.'^{4/} The language used in such a communication must be clear and unambiguous language which expressly advocates the election or defeat of a candidate for Federal election.

Mr. Hanzlik's complaint alleges that the Proposition 9 Committee failed to report an independent expenditure in excess of \$100 pursuant to 2 U.S.C. § 434(e)(1) (now 2 U.S.C. § 434(c)(1) of the recently amended Act, and under the recently amended Act the expenditure must exceed \$250). Though the Proposition 9 Committee apparently expended more than \$250 and though Mr. Gann is clearly identified in the advertisements (attachment "A"), these advertisements, even by the complainants' own admission, do not expressly advocate the election of Mr. Gann or the defeat of any of his opponents; in fact, these advertisements fail to even mention that there is an election for Federal office. Thus, there being no "independent expenditure," as defined by 2 U.S.C. § 431(17), there is no requirement that the Proposition 9 Committee file any reports, pursuant to 2 U.S.C. § 434. Therefore, the Office of General Counsel recommends that the Commission find no reason to believe that the Proposition 9 Committee violated 2 U.S.C. § 434(c)(1).

In addition to the allegations discussed above, Mr. Hanzlik alleges that Paul Gann received corporate contributions through the Proposition 9 Committee by the fact that it "solicited corporate contributions" and "in turn assist[ed] Paul Gann's candidacy by the advocacy described." Mr. Hanzlik hypothesizes that since the Proposition 9 Committee received corporate contributions, in accordance with California law, and these contributions were used to prepare and disseminate the advertisements which "advocate" Gann's election by the very fact Gann's name is mentioned, there was an indirect corporate contribution to Gann's campaign. This argument is without substance for there is no evidence that the main purpose of these advertisements was to influence a Federal election nor is there any allegations made by the complainant or any evidence presented that the expenditures made by the Proposition 9 Committee were made in coordination, cooperation, consultation with or the suggestion of Mr. Gann or his principal campaign committee, The Friends of Paul Gann. Therefore, the Office of General Counsel recommends that the Commission find no reason to believe that the Proposition 9 Committee violated 2 U.S.C. § 441b(a) or that the Friends of Paul Gann violated 2 U.S.C. § 441b(a).

^{4/} Also see, Buckley v. Valeo, 424 U.S. at 43 and 78-80, FEC v. Central Long Island Tax Reform Immediately Committee, U.S. Ct. of Appeals, 2nd Cir. #79-3014.

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RECOMMENDATIONS

1. That the Commission find no reason to believe that the Yes on Proposition 9 Committee violated 2 U.S.C. § 433(a), 2 U.S.C. § 434(c)(1) and 2 U.S.C. § 441b(a).
2. That the Commission find no reason to believe that The Friends of Paul Gann violated 2 U.S.C. § 434(a) and 2 U.S.C. § 441b(a).
3. Close the file.

Attachments

1. Complaint - A
2. Response of the Proposition 9 Committee - B
3. Response of Mr. Paul Gann - C
4. AO's and MUR - D
5. Letters (3)

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MAR 1235
12 11

FOR
United States Senate
RAY HANZLIK

May 6, 1980

Office of the General Counsel
Federal Elections Commission
1325 K Street NW
Washington, D.C. 20463

Gentlemen:

I am a candidate for the Republican nomination for the United States Senate from the State of California. I wish to call your attention to facts which in my opinion constitute a violation of the Federal Election Campaigns Act (2 USC Section 431 et seq.)

The campaign for nomination to the United States Senate is being conducted contemporaneously with certain State-wide campaigns for State of California initiatives which would change State laws. Prominent among these State initiatives is Proposition 9, an initiative designed to reduce State income taxes. This Proposition is supported financially by the Yes on Proposition 9 Committee, a project of the non-profit California Tax Reduction Movement. Recent television and radio advertising by the Yes on 9 Committee has made prominent mention of Mr. Paul Gann, who is also a candidate for the Republican nomination for United States Senate, and whose occupation is identified on the Ballot as "tax crusader".

The Yes on Proposition 9 Committee has raised funds extensively from individuals as well as from corporations. It is not registered as a Political Campaign Committee for Paul Gann, nor has it reported independent expenditures in excess of \$100.00 on his behalf, as required under Federal law.

The advertisements in question, which are broadcast statewide on a recurring basis, clearly identify Paul Gann by name. While the ads do not expressly advocate Mr. Gann's candidacy for Federal office by such phrases as "vote for," or "cast your ballot for,"¹ they clearly constitute advocacy.

(Attachment "A")

1047 Gayley Avenue, Suite 202 • Los Angeles, California 90024 • (213) 477-4063

This document is the United States Senate Committee on Finance and General Accounting, U.S. Senate, Washington, D.C. 20540. It is being distributed to the United States Senate Committee.

80040201632

Office of the General Counsel
Federal Elections Commission
May 6, 1980
Page 2

Successful statewide campaigns in California necessarily rely on radio and television advertising to develop name recognition for their candidates. In a state with a population of 24 million people, who can only be effectively reached through radio and television, the repeated mention of a candidate's name in a favorable context is advocacy. Texts of two of the advertisements in question are attached hereto as Exhibits A and B.

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The high cost of radio and television advertising, combined with the Federal limits on contributions, effectively places limits on a campaign media program. In the case of Mr. Gann, not only does he have the benefit of advertising paid for by funds raised by his committee within the Federal limits; he is also the direct beneficiary of advertising paid for by funds raised by an outside committee in violation of Federal reporting requirements or donor restrictions. Furthermore, Federal and state campaign finance records indicate that several donors who have given the maximum contribution allowed by Federal law to the Gann campaign have also given extensively to Yes on Proposition 9 Committee. The thrust of the Federal campaign law is to require full disclosure of, and to place limits on, contributions to every candidate for Federal office. To the extent that Mr. Gann benefits from funds raised outside the requirements of Federal law, he gains an unfair advantage over his opponents.

The entry into a Federal campaign by a Committee which is not observing Federal Election law raises several questions of legality, not to mention ethics.

Federal law prohibits corporate contributions to candidates for Federal office (2 USC Section 441(b)). Yet, corporate contributions are solicited by the Yes on Proposition 9 Committee which in turn is assisting Paul Gann's candidacy by the advocacy described. This violates Federal law. It should be stopped immediately.

Federal law requires that a Committee which expects to raise funds or make expenditures in excess of \$1,000.00 on behalf of a candidate for Federal office

("A")

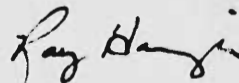
Office of the General Counsel
Federal Elections Commission
May 6, 1980
Page 3

register as a Political Campaign Committee for that candidate (2 USC Section 433). There can be little doubt that the Yes on Proposition 9 Committee has raised and spent well in excess of \$1,000.00 on advertisements which mention Paul Gann favorably, yet they have not registered as required. Such expenditures should be stopped or the required registration be made.

Federal law requires that independent expenditures in excess of \$100.00 on behalf of a candidate for Federal office be reported to the Federal Elections Commission (2 USC Section 434(e)(1)). If the Yes on Proposition 9 Committee's expenditures on behalf of Paul Gann are indeed made independent of his knowledge and consent then it seems clear that the Committee has neglected an important element of its legal obligation to disclose. Such expenditures should be stopped or the required reporting be made.

I call upon the Federal Elections Commission to immediately investigate the activity in question and to order it stopped. Time is of the essence. It is imperative that the campaign for Federal office be fairly conducted, and that those citizens and corporations who do support Proposition 9 but who do not wish to or cannot lawfully contribute to Paul Gann's campaign be protected.

Very truly yours,



Ray Hanzlik

¹Federal Elections Commission Advisory Opinion, AO 1980-9

("A")

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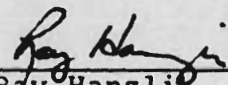
State of California)
) ss.
County of Los Angeles)

Ray Hanzlik, being duly sworn deposes and says:

He is the moving party in the above Complaint
to the Federal Elections Commission.

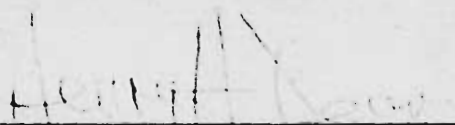
He has read the forgoing letter and knows the
contents thereof.

The same is true of his own knowledge, except
as to those matters which are therein stated on his own
information and belief, and, as to those matters, he
believes it to be true.

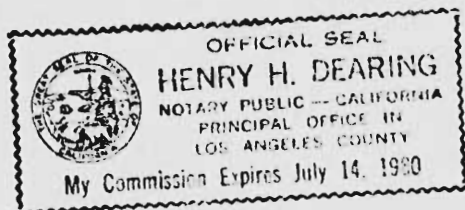


Ray Hanzlik

Subscribed and sworn to before
me on May 6, 1980.



Notary Public for the State of
California, Los Angeles, County



("A")

30040201635

6 second

Proposition 9 was written by Howard Jarvis. It will cut your income taxes in half.

Jerry Brown opposes 9.

Television stations have offered time for Jarvis and Brown to debate. Yet, Jerry Brown refuses.

Why? Why won't Jerry Brown debate Howard Jarvis?

Proposition 9 only prevents State Government from spending more of your money next year than it is spending this year.

Jerry Brown on the other hand wants to spend an extra \$3 billion next year -- the very amount needed to cut your income taxes in half.

Why don't you ask Jerry Brown why he won't debate Howard Jarvis.

Call Brown's office right now. The number is (213) 620-5280.

Remember, Howard Jarvis and Paul Gann are telling you the truth about Proposition 9...

...Jerry Brown is not!

Paid for by YES ON 9 COMMITTEE

("A")

YES ON 9 Radio Out:

HOWARD JARVIS FOR PROPOSITION 9

CALIFORNIA IS IN THE TOP 3RD OF ALL STATES IN TAXES COLLECTED PER PERSON

. AFTER PROPOSITION 9 WE WILL BE AT THE NATIONAL AVERAGE.

MANY PROSPEROUS STATES WILL STILL HAVE LOWER TAXES ; FOR EXAMPLE, TEXAS
AND FLORIDA HAVE NO PERSONAL INCOME TAX, 4% SALES TAX & LOW PROPERTY TAXES

YET THEY HAVE LOWER CRIME RATES, AND FEWER STUDENTS PER CLASSROOM.

THE TRUTH IS THAT PROPOSITION 9 CUTS PERSONAL TAXES IN HALF. EVEN
MORE FOR LOW AND MIDDLE INCOME PEOPLE. THAT'S ABOUT A \$600 TAX CUT FOR
THE AVERAGE FAMILY.

PROPOSITION 9 WILL PERMIT STATE GOVERNMENT TO KEEP STATE SPENDING AT
THIS YEARS LEVEL .

I DON'T BELEIVE STATE GOVERNMENT NEEDS \$3 BILLION MORE OF YOUR MONEY
NEXT YEAR.

DO YOU?

REMEMBER PAUL GANN AND I TOLD THE TRUTH ABOUT PROPOSITION 13

..... JERRY BROWN DID NOT

PAUL GANN AND I ARE TELLING THE TRUTH ABOUT PROPOSITION 9

.... JERRY BROWN IS NOT

VOTE YES ON PROPOSITION 9

Paid for by Yes on 9 Committee

30040201637
("A")

TREVOR A. GRIMM
PETER J. KAPLANIS

RECEIVED
OFFICE OF THE
LAW OFFICER
GENERAL COUNSEL
KAPLANIS AND GRIMM
881 SOUTH OXFORD AVENUE
LOS ANGELES, CALIFORNIA 90024
TELEPHONE (213) 380-0303

RECEIVED
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Saylor

May 30, 1980

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Federal Election Committee
Washington,
D. C. 20463

Re: MUR 1235

CU8344

Gentlemen:

Enclosed is a response from the "Yes on Proposition 9 Committee" to the complaint filed by Ray Hanzlik, "candidate for the Republican nomination for the United States Senate from the State of California," containing both a denial of the allegations in the complaint and a statement of representation by this firm.

Candidate Hanzlik accuses our client variously of (a) collecting corporate contributions for a candidate, (b) raising funds or making expenditures on behalf of a candidate and (c) making independent expenditures on behalf of a candidate, all in violation of the Federal Election Campaigns Act (2 USC Sections 431, et seq.). Regardless of the phraseology, candidate Hazlik's complaints arise from the mention of Paul Gann's name in certain commercials created and used in the campaign to pass Proposition 9 in the June 3, 1980 California election.

The Federal Election Commission has rendered a number of advisory opinions defining "contributions," "expenditures," and the type of activity by a candidate for federal office that would require reporting of, and impose restrictions upon, such contributions and

("B")

Federal Election Committee
May 30, 1980
Page 2

expenditures. We refer specifically to Advisory Opinions 1977-42, 1977-54, 1978-4 and 1978-15. The Commission's determination generally depends upon the answer to these questions:

(1) Does the activity occur in circumstances involving the solicitation, making or acceptance of campaign contributions for a candidate's campaign?

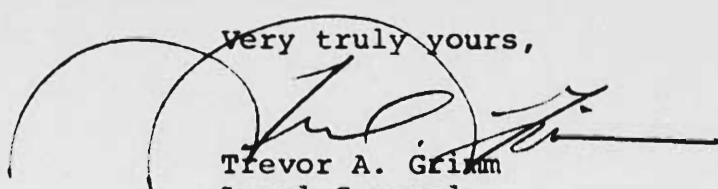
(2) Does the activity involve any communication expressly advocating the nomination or election of a candidate?

We submit that, in the instances cited by candidate Hazlik, the answer to both questions is "no."

Paul Gann is known statewide, if not nationwide, as the co-author of Proposition 13, a major California property tax reduction measure. His name is connected with Proposition 13 in every newspaper or magazine biographical account given of him. The most recent such account appeared in the May 27, 1980 edition of the Los Angeles Times. The mention of Mr. Gann's name in connection with Proposition 9, which he has endorsed, lends credibility only to Proposition 9, not to Paul Gann's primary campaign.

Based upon the facts and the law, we submit that the complaint should be denied in its entirety.

Very truly yours,



Trevor A. Grimm
Legal Counsel

"Yes on Proposition 9 Committee"

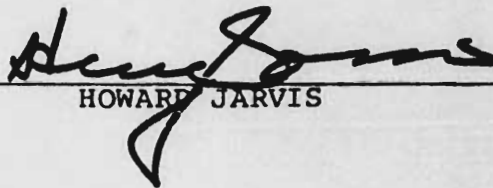
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counsel for the "Yes on Proposition 9 Committee" and authorized to receive all communications regarding this matter.

I am personally aware of these facts and I am competent to testify thereto as a witness.

I declare, under penalty of perjury, that the foregoing is true and correct and that this declaration was executed on May 28, 1980, at Los Angeles, California.



HOWARD JARVIS

80040201631

DOBBS & NIELSEN

Attorneys and Counselors at Law

SUITE 550, 1225 EIGHTH STREET
SACRAMENTO, CA 95814

(916) 446-6752

RECEIVED

GCC #1605

30 JUN 9 PM 12:11

Jaylor

June 4, 1980

William Taylor, Esq.
FEDERAL ELECTION COMMISSION
Office of the General Counsel
1325 K Street, N.W.
Washington, D. C. 20463

508360

09 JUN 9 P 1:48

GENERAL COUNSEL

Re: MUR 1235

Dear Mr. Taylor:

As I indicated in our earlier phone conversation, this office serves as legal counsel to Paul Gann and Friends of Paul Gann Committee, a federal political committee. This letter is a formal response to the letter my clients received from the Federal Election Commission regarding MUR 1235, a complaint filed by Ray Hanzlik on May 12, 1980.

Upon reviewing the complaint, it appears that the complaint is directed towards the "Yes on Proposition 9 Committee" and its use of Mr. Gann's name as one who supports Proposition 9 (an initiative proposal on the California Primary Ballot of June 3, 1980).

By way of background, Paul Gann (along with Howard Jarvis) is the co-author and proponent of the now famous "Jarvis-Gann" amendment known as Proposition 13 which passed overwhelmingly in June of 1978. "Prop 13" made significant cuts on property taxes in California and is regarded as a symbol of what many observers call the "taxpayers' revolt". Mr. Gann also successfully authored a significant tax cutting initiative to limit government spending in November, 1979, which passed with nearly 75% of the vote. Mr. Gann has spoken to many major taxpayers' organizations and other groups throughout the nation regarding taxes and government spending. Mr. Gann permitted his name to be used as a supporter of Proposition 9, a state income tax reduction initiative which was on the June 1980 Primary Ballot here in California.

In reviewing the complaint I note that the complainant acknowledges that there is nothing in the Yes on Prop 9 ads nor nothing done by the proponents of Yes on Prop 9 which advocates Mr. Gann's election for U.S. Senate. In fact, there is nothing which suggests in any of these ads that he is even a candidate

(c)

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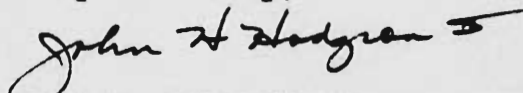
60 JUN 9 PM 12:11

William Taylor, Esq.
Re: MUR 1235
June 4, 1980
Page Two

for U.S. Senate. Since there have been no "independent expenditures" nor has there even been an "in-kind contribution" by the Yes on Prop 9 Committee to Mr. Gann or his committee, there does not appear to be any violations of Federal Election Laws. For your information, Mr. Gann has no official capacity with the Yes on Prop 9 Committee other than permitting his name as a supporter.

Based on the above observations, I would request that this complaint by Mr. Hanzlik be rejected because it fails to state any violations of Federal Election Laws. Should you require any additional information regarding this matter, please do not hesitate to contact me.

Very sincerely,


JOHN H. HODGSON II

JHH:laj

80041201673

March 30, 1978

AO 1978-15

Lance H. Olson, Esq.
Olson & Connelly
926 J Building, Suite 810
Sacramento, California 95814

Dear Mr. Olson:

This refers to your letter of February 27, 1978, requesting an advisory opinion on behalf of Mr. Vic Fazio, a congressional candidate for the 4th Congressional District in California, concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to his participation in a fund-raising campaign for the Sacramento unit of the American Cancer Society.

Your letter explains that before he decided to become a Federal candidate, Mr. Fazio agreed to serve as the Honorary Chairman of the 1978 fundraising drive for the Sacramento unit of the American Cancer Society which is part of the California Division of the American Cancer Society, a non-profit, tax exempt organization incorporated under the laws of California. You explain that in his capacity as Honorary Chairman, Mr. Fazio:

will attend one luncheon, a press conference announcing the "April Crusade", and a wine tasting event. In addition, Mr. Fazio will author a letter which will appear, along with his picture, in a brochure published by the Sacramento Unit. This brochure will be mailed or delivered to approximately 40,000 persons in the Sacramento metropolitan area, including persons who reside within the 4th Congressional District.

the

(D)

Mr. Fazio's letter will endorse the work of the American Cancer Society and encourage persons to take advantage of services provided by the Society and lend financial and volunteer assistance. The brochure will specify community services, list the seven warning signs of cancer, solicit funds and volunteers, and indicate how the Society expends its resources. Mr. Fazio will be identified as a State Assemblyman in his letter. However, no reference will be made to his candidacy for Federal office.

The questions presented by Mr. Fazio are whether the publicity resulting from the described functions and brochure mailing would constitute a contribution under the Act and if so whether Mr. Fazio's involvement in the fundraising drive for the American Cancer Society would be prohibited since the California Division is incorporated.

Although it is possible that Mr. Fazio's involvement in the fundraising activity of the American Cancer Society may indirectly benefit his Federal candidacy, the Commission concludes that in the circumstances you have described, the major purpose of the activity is not the nomination or election of a candidate. See the definitions of "contribution" and "expenditure" in 2 U.S.C. §431(e) and (f). Significantly, Mr. Fazio agreed to participate in the charitable fundraising before he became a Federal candidate, and he presumably will not control or have any role in deciding the distribution to be made of brochures and letters bearing his picture and name. The foregoing conclusion is also based on your representation that no reference will be made in the endorsement letter and brochure to the fact that Mr. Fazio is a candidate for Federal office. Furthermore, the Commission conditions this opinion on an assumption that the other activities of the charity "crusade" (luncheon, press conference, wine tasting event) will not involve (i) the solicitation, making, or acceptance of contributions to Mr. Fazio's campaign for Federal office, and (ii) any communication directed to persons attending any of the described events which expressly advocates Mr. Fazio's nomination or election to Federal office or the defeat of any

- 2 -

other candidate for Federal office. See Advisory Opinions 1978-4 and 1977-54, copies enclosed.

This response constitutes an advisory opinion concerning application of a general rule of law stated in the Act or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. §437f.

Sincerely yours,

Thomas E. Harris
Chairman for the
Federal Election Commission

Enclosures [AO 1978-4 and AO 1977-54]

NBLitchfield:bwl:3/30/78

BL

February 24, 1978

AO 1978-4

Mr. Dwight Patterson
Mrs. Clara B. Emmett
Co-Chairmen
John J. Rhodes Commemorative Committee
Post Office Box "C"
Mesa, Arizona 85201

Dear Mr. Patterson and Mrs. Emmett:

This refers to your letter of January 10, 1978, asking whether the John Rhodes Commemorative Committee ("the Committee") is required to register, report, and otherwise conduct its activities as a "political committee" under the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations.

Your letter explains that the Committee has been organized by a large group of people in Arizona to sponsor a banquet "honoring Congressman John Rhodes on his completion of 25 years as the Congressman from Congressional District One." Tickets will be sold in amounts "just enough to cover the expenses" of the event which you characterize as a "non-profit, non-partisan salute to our Congressman." The dinner is scheduled for March 3 in Mesa, Arizona. Your letter also states that neither Mr. Rhodes nor his campaign committee will "accrue any financial benefit" from the dinner, but you do anticipate that some type of silver memento will be given to Mr. and Mrs. Rhodes as a remembrance of this 25th anniversary of his congressional service.

The Commission concludes that ticket sales for the banquet and expenses incident thereto would not be contributions and expenditures under the Act and thus would not require the Committee to register and report as a "political committee." This conclusion is based on the representations in your letter that the event is designed and held only as a "nonprofit,

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non-partisan salute" to Mr. Rhodes and not for the purpose of influencing his nomination or election to Federal office. The Commission regards the event you describe as a bona fide testimonial event rather than a campaign event so long as (i) no political contributions are solicited, made, or received by any person in conjunction with the event and (ii) the event does not involve any communication addressed to the attendees as a group which expressly advocates Mr. Rhodes' nomination or election to Federal office or the defeat of any other Federal candidate.

This response constitutes an advisory opinion concerning application of a general rule of law stated in the Act or prescribed as a Commission regulation to the specific factual situation set forth in your request. See 2 U.S.C. 5437f.

Sincerely yours,

JS/

Joan D. Aikens
Vice Chairman for the
Federal Election Commission

30040201698



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

March 24, 1978

AO 1977-54

Mr. L. H. Carter, Jr.
Treasurer
Gingrich Campaign Committee
Post Office Box 999
Carrollton, Georgia 30117

Dear Mr. Carter:

This refers to your letter of October 12, 1977, in which you request an advisory opinion on behalf of the Gingrich Campaign Committee concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act") to a statewide bipartisan drive opposing ratification of the Panama Canal Treaty.

Your original request, as supplemented by a letter of January 6 (in reply to a letter from our legal staff dated November 22) explains that Mr. Newt Gingrich, a Republican candidate for the Sixth Congressional District of Georgia, is the Chairman of a statewide petition drive in Georgia to stop ratification of the Panama Canal Treaty. You state that the State Republican Party initiated the drive and that Mr. Gingrich's name is on all mailings, in newsletters, and in news stories and advertisements. You further state that Mr. Gingrich has worked to minimize his petition efforts in his own Congressional District and has deliberately focused on efforts outside the Sixth District. You explain that the petition drive will be funded by public contributions from both individuals and corporations. Funds for the petition drive, according to your letter, would be separated from any campaign funds of Mr. Gingrich, and would under no circumstances be commingled. You ask three-questions:



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1. Is Mr. Gingrich's involvement in this state-wide drive to be considered a part of his campaign effort (for purposes of FEC reporting)?
2. If this is considered a campaign effort, we will assume that contributions to this drive will be allocated in some way to the candidate. How will these be allocated?
3. How will corporate contributions to the drive be allocated to the candidate since these are illegal for normal campaign efforts?

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It is the opinion of the Commission that expenses of the petition drive for activity such as newsletters, mass mailings, newspaper, radio and television advertisements, public appearances which identify Mr. Gingrich by name as chairman of the petition drive (or otherwise involve his personal appearance on behalf of the petition drive) would not be considered as contributions to or expenditures by Mr. Gingrich's campaign. However, the Commission assumes that such activity (i) will not occur in circumstances involving the solicitation, making or acceptance of campaign contributions for Mr. Gingrich's campaign committee, and (ii) will not include any communication expressly advocating his nomination or election to Federal office or the defeat of another candidate for Federal office. The Commission views the described petition drive activity, subject to the stated assumptions, as coming within the exception of 2 U.S.C. §431(f)(4)(F) to the definition of "expenditure."

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. §437f.

Sincerely yours,

Joan D. Aikens,
Vice Chairman for the
Federal Election Commission

May 12, 1978

AO 1977-42

Mr. Ken Hechler
Box 818
Huntington, West Virginia 25712

Dear Mr. Hechler:

This responds to your letter of September 12, 1977, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended, ("the Act") to radio programs in which you participated as host and interviewer.

You state that you hosted two interview programs aired on two different radio stations in West Virginia in one of which live phone calls from the listening audience were accepted. A newspaper clipping, enclosed with your letter, describes one of the call-in programs (one hour long and broadcast weekly) in which representatives of Federal, State, and local government agencies and of private industry discussed housing issues. You explain that the other program, on the air for an hour five days a week, was "an interview and talk show program dealing with a different issue every day." The weekly program was paid for and sponsored by a noncorporate business enterprise while, in the case of the Monday through Friday programs, you were employed and paid by the radio station which broadcast them.

You also state that you are a 1978 candidate for nomination to the House of Representatives from the 4th Congressional District of West Virginia. You filed with the Commission as a Congressional candidate on July 5, 1977, and designated a principal campaign committee. You filed as a candidate with the West Virginia Secretary of State on January 11, 1978. The Commission understands that the programs began in mid-August of 1977 and ended in October, well before the 1978 election year.

You ask whether the funding of your appearances on these interview programs involves the making of a "contribution" to you by the private sponsor of the weekly program and by the radio station which carried the Monday through Friday program. Since the programs have now ended the issue is whether reports filed to date should disclose the costs incurred for the programs as contributions in kind to your campaign and corresponding expenditures.

The definitions of "contribution" and "expenditure" in 2 U.S.C. §431 include gifts of anything of value and any purchase or payment made for the purpose of influencing the nomination or election of any person to Federal office. Any gift or payment constituting a contribution or expenditure is required to be disclosed under the Act. 2 U.S.C. §§432, 434. Contributions are also subject to limitation and, in some cases, are prohibited. See 2 U.S.C. §§441a, 441b, 441c, et seq. Recent advisory opinions of the Commission have concluded that a "contribution" or "expenditure" would not necessarily occur in certain specific circumstances where the major purpose of activities involving appearances of candidates for Federal office was not to influence their nomination or election. These opinions were, however, conditioned on (i) the absence of any communication expressly advocating the nomination or election of the candidate involved or the defeat of any other candidate, and (ii) the avoidance of any solicitation, making, or acceptance of campaign contributions for the candidate in connection with the activity. See Advisory Opinions 1977-54 and 1978-15; see also Advisory Opinion 1978-4, (copies enclosed).

In the circumstances presented by your request it is the Commission's opinion that neither the stations broadcasting your programs, nor the private sponsor of the weekly program, have made a "contribution" or "expenditure" on your behalf, as defined in the Act and Commission regulations. This conclusion is based on an assumption that the programs were not conducted

- 3 -

for the purpose of influencing your nomination and that your appearances on the programs did not involve the activity described above. See 2 U.S.C. §431(f) (4) (F).

The Commission expresses no opinion as to any application of the Communications Act of 1934, as amended, or Federal Communications Commission rulings and regulations to your participation in these programs.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. §437f.

Sincerely yours,

Thomas E. Harris
Chairman for the
Federal Election Commission

Enclosures (AO 1977-54, AO 1978-15 and AO 1978-4)

FEDERAL ELECTION COMMISSION

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO COMMISSION 11-6-79

MUR NO. 79 NOV 1051
DATE COMPLAINT RECEIVED
BY OGC 10/22/79 3:58

STAFF MEMBER(S) Taylor

COMPLAINANT'S NAME: Mr. Don Walsh

RESPONDENT'S NAME: Congressman Les Aspin

4 RELEVANT STATUTE: 2 U.S.C. § 441b; 11 C.F.R. § 114.2; 11 C.F.R. § 100.4

3 INTERNAL REPORTS CHECKED: Reports of receipts and expenditures filed
by the respondent and the complainant. 1/

3 FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

3 In a notarized complaint dated October 16, 1979, it
3 was alleged that Rep. Les Aspin violated 11 C.F.R. § 114.2
3 by accepting an in-kind contribution under 11 C.F.R. 100.4
3 (a)(1) from Scientific American. Scientific American, a
3 commercial magazine, allegedly took out advertisements in
3 several national publications including the Washington Post
3 (a copy of this advertisement is attached). It is the
3 complainant's contention that this advertisement is a
3 "public political endorsement ... and as such an in-kind
3 contribution."

DISCUSSION

The advertisement which the complainant has attached to his complaint is, as the complainant admits, promoting the sale of a commercial magazine. The advertisement lists the educational achievements of Rep. Aspin, the important committee assignments he holds and the positions he holds on

1/ The complainant is Don Walsh, a Republican candidate for the seat currently held by the respondent, Congressman Les Aspin. In compliance with 2 U.S.C. § 437g (a)(3)(A) the reports on file of the complainant's principal campaign committee were examined; no violations were found.

certain issues. It also states that he wrote the lead article for the February 1979 issue of the magazine and quotes the Congressman as to his reasons for writing in Scientific American. Finally, the advertisement states that every issue of the magazine reaches "over two million people who make the future happen" and implicitly states to the reader that he or she should also read Scientific American. Nowhere in the advertisement is the reader urged to vote for or against any candidate for political office. No reference is made in the advertisement that Rep. Aspin is a candidate for federal office nor is there a solicitation for contributions.

The definition of "contribution" in 2 U.S.C. § 431(c) includes "... anything of value made for the purpose of influencing the nomination or election ... of any person to Federal office." The Commission has in advisory opinion 1977-42 found that a contribution "... would not necessarily occur in certain specific circumstances where the major purpose of the activities involving appearances of candidates for federal office was not to influence their nomination or election. [There must also be] an absence of any communication expressly advocating the nomination or election of the candidate involved or the defeat of any other candidate, and the avoidance of any solicitation, making or acceptance of campaign contributions for the candidate in connection with the activity" (also see AO 1978-15, AO 1978-4, and AO 1977-54).

Though the advertisement speaks of Rep. Aspin in glowing terms and the advertisement may indirectly benefit his federal candidacy, the major purpose of the advertisement is not the nomination or election of Rep. Aspin but the promotion of a magazine -- Scientific American. Furthermore, the advertisement does not urge the election of Rep. Aspin to federal office, nor does it solicit contributions to his campaign.

RECOMMENDATION:

1. Find no reason to believe that Congressman Les Aspin violated 2 U.S.C. § 441b or 11 C.F.R. § 114.2.
2. Close the file in this matter.
3. Authorize the sending of the attached letters.

Attachments

1. Complaint with Attachment A.
2. Proposed letter to complainant
3. Proposed letter to Congressman Les Aspin



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Ray Hanzlik
1047 Gayley Avenue
Los Angeles, CA 90024

Re: MUR 1235

Dear Mr. Hanzlik:

The Federal Election Commission has reviewed the allegations of your complaint dated May 6, 1980 and determined that on the basis of the information provided in your complaint and information provided by the Respondent that there is no reason to believe that a violation of the Federal Election Campaign Act of 1971 as amended ("the Act") has been committed.

Accordingly, the Commission has decided to close the file in this matter.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact Mr. William aylor, the attorney assigned to this matter at 202-523-5071.

Sincerely,

Charles N. Steele
General Counsel

80040201706



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Paul Gann
1225 8th Street
Sacramento, CA 95814

Re: MUR 1235

Dear Mr. Gann:

On May 15, 1980, the Commission notified you of a complaint alleging that you or your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission, on June , 1980, determined that on the basis of the information in the complaint and information provided by you, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

80040201707



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Yes On Proposition 9 Committee
Howard Jarvis, Chairman
9454 Wilshire Blvd.
Suite 209
Beverly Hills, CA 90212

Re: MUR 1235

Dear Mr. Jarvis:

On May 15, 1980, the Commission notified you of a complaint alleging that your committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended or Chapters 95 and 96 of Title 26, U.S. Code.

The Commission, on June , 1980, determined that on the basis of the information in the complaint and information provided by your committee that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

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DOBBS & NIELSEN

Attorneys and Counselors at Law

SUITE 550, 1225 EIGHTH STREET
SACRAMENTO, CA 95814

(916) 446-6752

June 4, 1980

William Taylor, Esq.
FEDERAL ELECTION COMMISSION
Office of the General Counsel
1325 K Street, N.W.
Washington, D. C. 20463

508360

00 JUN 9 P 1:48

GENERAL COUNSEL

Re: MUR 1235

Dear Mr. Taylor:

As I indicated in our earlier phone conversation, this office serves as legal counsel to Paul Gann and Friends of Paul Gann Committee, a federal political committee. This letter is a formal response to the letter my clients received from the Federal Election Commission regarding MUR 1235, a complaint filed by Ray Hanzlik on May 12, 1980.

Upon reviewing the complaint, it appears that the complaint is directed towards the "Yes on Proposition 9 Committee" and its use of Mr. Gann's name as one who supports Proposition 9 (an initiative proposal on the California Primary Ballot of June 3, 1980).

By way of background, Paul Gann (along with Howard Jarvis) is the co-author and proponent of the now famous "Jarvis-Gann" amendment known as Proposition 13 which passed overwhelmingly in June of 1978. "Prop 13" made significant cuts on property taxes in California and is regarded as a symbol of what many observers call the "taxpayers' revolt". Mr. Gann also successfully authored a significant tax cutting initiative to limit government spending in November, 1979, which passed with nearly 75% of the vote. Mr. Gann has spoken to many major taxpayers' organizations and other groups throughout the nation regarding taxes and government spending. Mr. Gann permitted his name to be used as a supporter of Proposition 9, a state income tax reduction initiative which was on the June 1980 Primary Ballot here in California.

In reviewing the complaint I note that the complainant acknowledges that there is nothing in the Yes on Prop 9 ads nor nothing done by the proponents of Yes on Prop 9 which advocates Mr. Gann's election for U.S. Senate. In fact, there is nothing which suggests in any of these ads that he is even a candidate

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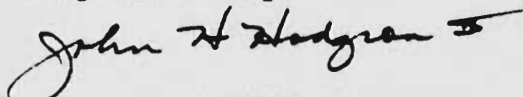
'80 JUN 9 PM 12:11

William Taylor, Esq.
Re: MUR 1235
June 4, 1980
Page Two

for U.S. Senate. Since there have been no "independent expenditures" nor has there even been an "in-kind contribution" by the Yes on Prop 9 Committee to Mr. Gann or his committee, there does not appear to be any violations of Federal Election Laws. For your information, Mr. Gann has no official capacity with the Yes on Prop 9 Committee other than permitting his name as a supporter.

Based on the above observations, I would request that this complaint by Mr. Hanzlik be rejected because it fails to state any violations of Federal Election Laws. Should you require any additional information regarding this matter, please do not hesitate to contact me.

Very sincerely,


JOHN H. HODGSON II

JHH:laj

90040201710

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DOBBS & NIELSEN

Attorneys and Counselors at Law

SUITE 550, 1225 EIGHTH STREET
SACRAMENTO, CA 95814



William Taylor, Esq.
FEDERAL ELECTION COMMISSION
Office of the General Counsel
1325 K Street, N.W.
Washington, D. C. 20463

RECEIVED

80 JUN 9 PM 12:11

TREVOR A. GRIMM
PETER J. KAPLANIS

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
LAW OFFICES
KAPLANIS AND GRIMM
551 SOUTH OXFORD AVENUE
LOS ANGELES, CALIFORNIA 90028
TELEPHONE (213) 380-0303

RECEIVED
GCC #1598
'80 JUN 9 PM 12:21

May 30, 1980

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Federal Election Committee
Washington,
D. C. 20463

Re: MUR 1235

CU8344

Gentlemen:

Enclosed is a response from the "Yes on Proposition 9 Committee" to the complaint filed by Ray Hanzlik, "candidate for the Republican nomination for the United States Senate from the State of California," containing both a denial of the allegations in the complaint and a statement of representation by this firm.

Candidate Hanzlik accuses our client variously of (a) collecting corporate contributions for a candidate, (b) raising funds or making expenditures on behalf of a candidate and (c) making independent expenditures on behalf of a candidate, all in violation of the Federal Election Campaigns Act (2 USC Sections 431, et seq.). Regardless of the phraseology, candidate Hanzlik's complaints arise from the mention of Paul Gann's name in certain commercials created and used in the campaign to pass Proposition 9 in the June 3, 1980 California election.

The Federal Election Commission has rendered a number of advisory opinions defining "contributions," "expenditures," and the type of activity by a candidate for federal office that would require reporting of, and impose restrictions upon, such contributions and

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KAPLANIS AND GRIMM

Federal Election Committee
May 30, 1980
Page 2

expenditures. We refer specifically to Advisory Opinions 1977-42, 1977-54, 1978-4 and 1978-15. The Commission's determination generally depends upon the answer to these questions:

(1) Does the activity occur in circumstances involving the solicitation, making or acceptance of campaign contributions for a candidate's campaign?

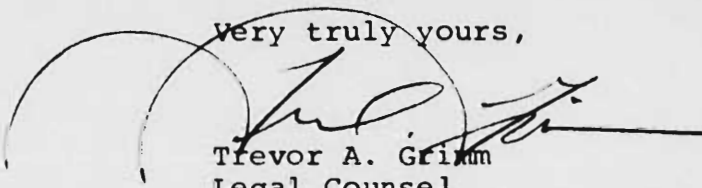
(2) Does the activity involve any communication expressly advocating the nomination or election of a candidate?

We submit that, in the instances cited by candidate Hazlik, the answer to both questions is "no."

Paul Gann is known statewide, if not nationwide, as the co-author of Proposition 13, a major California property tax reduction measure. His name is connected with Proposition 13 in every newspaper or magazine biographical account given of him. The most recent such account appeared in the May 27, 1980 edition of the Los Angeles Times. The mention of Mr. Gann's name in connection with Proposition 9, which he has endorsed, lends credibility only to Proposition 9, not to Paul Gann's primary campaign.

Based upon the facts and the law, we submit that the complaint should be denied in its entirety.

Very truly yours,



Trevor A. Grimm
Legal Counsel

"Yes on Proposition 9 Committee"

TAG:lm
encl

00040201713

In the matter of
"Yes on Proposition 9 Committee"
adv.
Ray Hanzlik

MUR 1235

I, Howard Jarvis, declare that:

I am the chairman of the "Yes on Proposition 9 Committee."

I have read the letter complaint filed by Ray Hanzlik, candidate for the Republican nomination for the United States Senate from the State of California, dated May 6, 1980, concerning the Committee. The allegations are unfounded in fact and absolutely false. The Proposition 9 campaign materials cited by the complaint do not advocate the election of Paul Gann in any way, shape or form. He was a "co-author" of Proposition 13, California's major tax initiative passed in 1978, and a widely known tax reduction advocate. The use of his name in connection with Proposition 9 is strictly for the benefit of the Proposition 9 campaign, and was so intended.

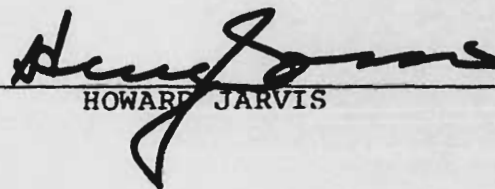
The firm of Kaplanis and Grimm is the legal

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counsel for the "Yes on Proposition 9 Committee" and authorized to receive all communications regarding this matter.

I am personally aware of these facts and I am competent to testify thereto as a witness.

I declare, under penalty of perjury, that the foregoing is true and correct and that this declaration was executed on May 28, 1980, at Los Angeles, California.


HOWARD JARVIS

30040201715

KAPLAN AND GREEN
LAW OFFICES
551 SOUTH OXFORD AVENUE
LOS ANGELES, CALIFORNIA 90020



Federal Election Committee
Washington,
D.C. 20463

CERTIFIED
No. 974380
MAIL

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

RECEIVED

JUN 9 PM 12:21

JOHN HODGSON
1225 EIGHTH ST SUITE 550
SACRAMENTO CA 95814

Mailgram

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BOC#1560

BILL TAYLOR, ESQ
FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

008303

REGARDING: MUR 1235

DEAR MR TAYLOR:

THIS LETTER IS TO ADVISE YOU THAT JOHN HODGSON OF THE LAW FIRM OF DOBBS AND NIELSEN, 1225 EIGHTH STREET, SUITE 550, SACRAMENTO, CA 95814 SERVES AS LEGAL COUNSEL TO THE FRIENDS OF PAUL GANN COMMITTEE. MR HODGSON'S PHONE NUMBER IS 916-446-6752. HE WILL BE CONTACTING YOU DIRECTLY REGARDING MUR 1235.

SINCERELY,
FRIENDS OF PAUL GANN COMMITTEE

13122 EST

MGMCOMP MGM



Mailgram



THIS MAILGRAM WAS TRANSMITTED ELECTRONICALLY BY WESTERN UNION TO A POST OFFICE NEAR YOU FOR DELIVERY

MEMORANDUM

TO: Charles N. Steele
General Counsel

FROM: William Taylor

THROUGH: Thomas Whitehead
Ken Gross

RE: MUR 1235 - Complaint filed by Mr. Ray Hanzlik
unsuccessful candidate for the Republican nomination
for the U.S. Senate in California.

Mr. Hanzlik filed a notarized complaint dated May 6, 1980 (received May 12, 1980) alleging that the Yes On Proposition 9 Committee of California advocated the election of Mr. Paul Gann for the U.S. Senate and that Mr. Gann received corporate contributions through the Yes On Proposition 9 Committee (primary was June 3, 1980).

This complaint was handled in the normal course of Commission business and pursuant to procedures under the Act, the respondents were sent a copy of the complaint and informed of their right to respond to the allegations made by Mr. Hanzlik.

Mr. Hanzlik held a press conference to announce that he filed a complaint with the Commission. Subsequent to the press conference but prior to the California primary his press aide Mr. Fred Karger called Mr. Eiland and demanded to know what was being done about the complaint and why the Commission had not put a stop to the advertisements of the Yes On Proposition 9 Committee. Mr. Eiland informed Mr. Karger of the confidential nature of the matter and of the respondents right to reply. This was apparently unsatisfactory to Mr. Hanzlik who called another press conference and criticized the Commission for its failure to act (according to a L.A. Times Reporter who called Mr. Eiland).

On June 9, 1980, Mr. Karger called Mr. Eiland again and stated that the Commission still had not acted. He then went on to claim that the respondent, The Yes On Proposition 9 Committee had not even received a notice of the complaint. (Not only have both respondents received a notification but both have responded to the complainants allegations). After talking with Mr. Eiland who once again informed him of the confidentiality of the proceedings, Mr. Karger demanded to talk with the General Counsel, Charles Steele. He then called the Office of General Counsel and spoke to Maura White (He was put in touch with Maura by someone who thought she was handling the case). He demanded that she put Mr. Steele on the phone and that he would talk only with Mr. Steele. When informed of Mr. Steele's unavailability, Mr. Karger left his name and phone number.

30040201719



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Paul Gann
1225 8th Street
Suite 5500
Sacramento, California 95814

Re: MUR 1235

Dear Mr. Gann:

This letter is to notify you that on May 12, 1980, the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1235. 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 connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

30040201720

If you have any questions, please contact Bill Taylor, the attorney assigned to this matter at (202)523-5071. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

30710201721

I have received the article described above.	
SIGNATURE	☐ Addressee ☐ Authorized agent
DATE OF DELIVERY 5-20-80	
POSTMARK MAY 20 1980	
C. ADDRESS (Complete only if requested)	
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CLIENT'S INITIALS	
MUR 1235 JAYR	



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ray Hanzlik
1047 Gayley Avenue
Suite 202
Los Angeles, California 90024

Dear Mr. Hanzlik:

This letter is to acknowledge receipt of your complaint, dated May 15, 1980, against the Yes on Proposition 13 which alleges violations of California Campaign laws. A staff member has reviewed your allegations. The respondents to this complaint within 5 days and a response from the Federal Election Commission as to whether the complaint will be initially handled will be made to the respondents' notification. You will be notified when the Commission takes final action on the complaint. If you have or receive any additional information, please forward it to this office. In addition, we have attached a brief summary of the Commission's procedures for handling

Sincerely,

Charles N. Steele
Charles N. Steele
General Counsel

17:2

300403

RETURN RECEIPT REQUESTED

1. ADDRESSEE: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on the envelope.

2. FOLLOWING SERVICE IS REQUESTED (check one):
☐ Show to whom and date delivered.
☐ RESTRICTED DELIVERY: Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY: Show to whom, date, and address of delivery.
(CONSULT POSTMASTER FOR FEES)

3. ARTICLE ADDRESSED TO:
Ray Hanzlik
1047 Gayley Avenue
Suite 202
Los Angeles, CA 90024

4. ARTICLE DESCRIPTION:
REGISTERED NO. 944903
CERTIFIED NO.
INSURED NO.

5. I have received the article described above.
SIGNATURE *J. Heming*
☐ Addressee ☐ Authorized agent

6. DATE OF DELIVERY: 5-20-80

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Yes on Proposition 9 Committee
Howard Jarvis, Chairman
9454 Wilshire Blvd.
Suite 209
Beverly Hills, California 90212

Re: MUR 1235

Dear Mr. Jarvis:

This letter is to notify you that on May 12, 1980, the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1235. 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 your Committee in connection with this matter. Your response 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.

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.

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 sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

80040201723

Letter to: The Yes on Proposition 9
Committee

Page Two

If you have any questions, please contact Bill Taylor, the attorney assigned to this matter at (202) 523-5071. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
Charles N. Steele
General Counsel

Enclosure

1. Complaint
2. Procedures

30741201724

1. NAME (Print or type)		
2. ADDRESS (Print or type)		
3. CITY (Print or type)		
4. STATE (Print or type)		
5. ZIP (Print or type)		
6. PHONE (Print or type)		
7. FAX (Print or type)		
8. E-MAIL (Print or type)		
9. I have received the article described above: ☐ Yes ☐ No		
10. SIGNATURE (Print or type)		
11. DATE (Print or type)		
12. ADDRESS (Complete only if required)		
13. UNABLE TO DELIVER BECAUSE:		
14. OTHER (Print or type)		

MUR 1235 *Hyler*

~~Handwritten~~

Gann

1225 8th St

Suite 5500

Sacramento, CA 95814

Prop 9

c/o Futras

Howard Jarvis, Chmn

9454 Wilshire Blvd

Suite 209

Beverly Hills, CA

90212

30041201

C100-4

323

FOR
United States Senate
RAY HANZLIK

RECEIVED

MAY 12 1235

'80 MAY 12 PM 12:11

May 6, 1980

Office of the General Counsel
Federal Elections Commission
1325 K Street NW
Washington, D.C. 20463

80 MAY 12 P 3:30

RECEIVED
GENERAL COUNSEL

Gentlemen:

I am a candidate for the Republican nomination for the United States Senate from the State of California. I wish to call your attention to facts which in my opinion constitute a violation of the Federal Election Campaigns Act (2 USC Section 431 et seq.)

The campaign for nomination to the United States Senate is being conducted contemporaneously with certain State-wide campaigns for State of California initiatives which would change State laws. Prominent among these State initiatives is Proposition 9, an initiative designed to reduce State income taxes. This Proposition is supported financially by the Yes on Proposition 9 Committee, a project of the non-profit California Tax Reduction Movement. Recent television and radio advertising by the Yes on 9 Committee has made prominent mention of Mr. Paul Gann, who is also a candidate for the Republican nomination for United States Senate, and whose occupation is identified on the Ballot as "tax crusader".

The Yes on Proposition 9 Committee has raised funds extensively from individuals as well as from corporations. It is not registered as a Political Campaign Committee for Paul Gann, nor has it reported independent expenditures in excess of \$100.00 on his behalf, as required under Federal law.

The advertisements in question, which are broadcast statewide on a recurring basis, clearly identify Paul Gann by name. While the ads do not expressly advocate Mr. Gann's candidacy for Federal office by such phrases as "vote for," or "cast your ballot for,"¹ they clearly constitute advocacy.

1047 Gayley Avenue, Suite 202 • Los Angeles, California 90024 • (213) 477-4063

Ray Hanzlik for United States Senate Committee Campaign ID #C00123588 Paid for by Ray Hanzlik for United States Senate Committee.
A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

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Office of the General Counsel
Federal Elections Commission
May 6, 1980
Page 2

Successful statewide campaigns in California necessarily rely on radio and television advertising to develop name recognition for their candidates. In a state with a population of 24 million people, who can only be effectively reached through radio and television, the repeated mention of a candidate's name in a favorable context is advocacy. Texts of two of the advertisements in question are attached hereto as Exhibits A and B.

30040201727
The high cost of radio and television advertising, combined with the Federal limits on contributions, effectively places limits on a campaign media program. In the case of Mr. Gann, not only does he have the benefit of advertising paid for by funds raised by his committee within the Federal limits; he is also the direct beneficiary of advertising paid for by funds raised by an outside committee in violation of Federal reporting requirements or donor restrictions. Furthermore, Federal and state campaign finance records indicate that several donors who have given the maximum contribution allowed by Federal law to the Gann campaign have also given extensively to Yes on Proposition 9 Committee. The thrust of the Federal campaign law is to require full disclosure of, and to place limits on, contributions to every candidate for Federal office. To the extent that Mr. Gann benefits from funds raised outside the requirements of Federal law, he gains an unfair advantage over his opponents.

The entry into a Federal campaign by a Committee which is not observing Federal Election law raises several questions of legality, not to mention ethics.

Federal law prohibits corporate contributions to candidates for Federal office (2 USC Section 441(b)). Yet, corporate contributions are solicited by the Yes on Proposition 9 Committee which in turn is assisting Paul Gann's candidacy by the advocacy described. This violates Federal law. It should be stopped immediately.

Federal law requires that a Committee which expects to raise funds or make expenditures in excess of \$1,000.00 on behalf of a candidate for Federal office

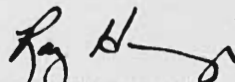
Office of the General Counsel
Federal Elections Commission
May 6, 1980
Page 3

register as a Political Campaign Committee for that candidate (2 USC Section 433). There can be little doubt that the Yes on Proposition 9 Committee has raised and spent well in excess of \$1,000.00 on advertisements which mention Paul Gann favorably, yet they have not registered as required. Such expenditures should be stopped or the required registration be made.

Federal law requires that independent expenditures in excess of \$100.00 on behalf of a candidate for Federal office be reported to the Federal Elections Commission (2 USC Section 434(e)(1)). If the Yes on Proposition 9 Committee's expenditures on behalf of Paul Gann are indeed made independent of his knowledge and consent then it seems clear that the Committee has neglected an important element of its legal obligation to disclose. Such expenditures should be stopped or the required reporting be made.

I call upon the Federal Elections Commission to immediately investigate the activity in question and to order it stopped. Time is of the essence. It is imperative that the campaign for Federal office be fairly conducted, and that those citizens and corporations who do support Proposition 9 but who do not wish to or cannot lawfully contribute to Paul Gann's campaign be protected.

Very truly yours,


Ray Hanzlik

¹Federal Elections Commission Advisory Opinion, AO 1980-9

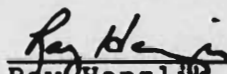
State of California)
)
County of Los Angeles) ss.

Ray Hanzlik, being duly sworn deposes and says:

He is the moving party in the above Complaint
to the Federal Elections Commission.

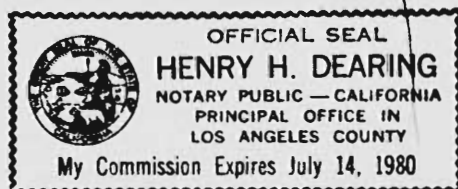
He has read the forgoing letter and knows the
contents thereof.

The same is true of his own knowledge, except
as to those matters which are therein stated on his own
information and belief, and, as to those matters, he
believes it to be true.


Ray Hanzlik

Subscribed and sworn to before
me on May 6, 1980.


Notary Public for the State of
California, Los Angeles, County



80040201722

YES on 9

RADIO SPOT - WHY NO DEBATE

60 second

Proposition 9 was written by Howard Jarvis. It will cut your income taxes in half.

Jerry Brown opposes 9.

Television stations have offered time for Jarvis and Brown to debate. Yet, Jerry Brown refuses.

Why? Why won't Jerry Brown debate Howard Jarvis?

Proposition 9 only prevents State Government from spending more of your money next year than it is spending this year.

Jerry Brown on the other hand wants to spend an extra \$3 billion next year -- the very amount needed to cut your income taxes in half.

Why don't you ask Jerry Brown why he won't debate Howard Jarvis.

Call Brown's office right now. The number is (213) 620-5280.

Remember, Howard Jarvis and Paul Gann are telling you the truth about Proposition 9...

...Jerry Brown is not!

Paid for by YES ON 9 COMMITTEE

YES ON 9 Radio Spot:

HOWARD JARVIS FOR PROPOSITION 9

CALIFORNIA IS IN THE TOP 3RD OF ALL STATES IN TAXES COLLECTED PER PERSON
. AFTER PROPOSITION 9 WE WILL BE AT THE NATIONAL AVERAGE.

MANY PROSPEROUS STATES WILL STILL HAVE LOWER TAXES ; FOR EXAMPLE, TEXAS
AND FLORIDA HAVE NO PERSONAL INCOME TAX, 4% SALES TAX & LOW PROPERTY TAXES
YET THEY HAVE LOWER CRIME RATES, AND FEWER STUDENTS PER CLASSROOM.

THE TRUTH IS THAT PROPOSITION 9 CUTS PERSONAL TAXES IN HALF. EVEN
MORE FOR LOW AND MIDDLE INCOME PEOPLE. THAT'S ABOUT A \$600 TAX CUT FOR
THE AVERAGE FAMILY.

PROPOSITION 9 WILL PERMIT STATE GOVERNMENT TO KEEP STATE SPENDING AT
THIS YEARS LEVEL .

I DON'T BELEIVE STATE GOVERNMENT NEEDS \$3 BILLION MORE OF YOUR MONEY
NEXT YEAR.

DO YOU?

REMEMBER PAUL GANN AND I TOLD THE TRUTH ABOUT PROPOSITION 13

..... JERRY BROWN DID NOT

PAUL GANN AND I ARE TELLING THE TRUTH ABOUT PROPOSITION 9

.... JERRY BROWN IS NOT

VOTE YES ON PROPOSITION 9

Paid for by Yes on 9 Committee

80040201731



FOR
United States Senate
RAY HANZLIK

TO:
Office of the General Counsel
Federal Elections Commission
1325 K Street NW
Washington, D.C. 20463

**RETURN RECEIPT
REQUESTED**

1047 Gayley Avenue, Suite 202, Los Angeles, California 90024

CERTIFIED

P24 8094295

MAIL



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 1235

Date Filmed 7/24/80 Camera No. --- 2

Cameraman GPC

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