



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20461

THIS IS THE END OF MUR # 1414

Date Filmed 8/16/83 Camera No. --- 3

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FEDERAL ELECTION COMMISSION

144

- All routing cards
- 12 Day Report, Comment Sheets
- Pre-Brief Report, Comment Sheets
- Original Memo to Commission recommending pre-probable cause conciliation dated January 24, 1983 and all attachments
- Original certification from Commission meeting of February 1, 1983
- Documents relating to conciliation
- Original General Counsel's Report dated July 15, 1983
- Commissioner objection memos - Bank account numbers

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

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

Signed

Marybeth Tarrant

Date

8/3/83

83040414553

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR 1414

Committee to Aid Connecticut
William F. Buckley, Jr.
Raymond Learsy
Priscilla Buckley
National Review
Robert Marston

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 20, 1983, the Commission decided by a vote of 4-0 to take the following actions in MUR 1414:

1. Find no probable cause to believe that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A).
2. Approve the proposed conciliation agreement as submitted with the General Counsel's Report signed July 15, 1983.
3. Close the file.
4. Send the letters as attached to the July 15, 1983 General Counsel's Report.

Commissioners Aikens, Elliott, Harris and McGarry voted affirmatively in this matter; Commissioners McDonald and Reiche did not cast a vote.

Attest:

7-20-83
Date

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

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

7-15-83, 3:55
7-18-83, 11:00

83040414554



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1983

Robert K. Burgess, Esquire
Latham & Watkins, Medlund,
Hunter & Lynch
Sears Tower Suite 6900
Chicago, Illinois 60606

Re: MUR 1414
Committee to Aid Connecticut,
et al.

Dear Mr. Burgess:

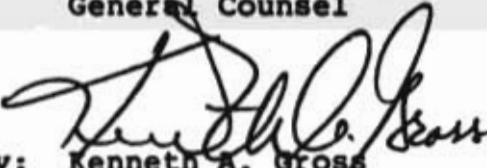
On July 20, 1983, the Commission accepted the conciliation agreement signed by you, on behalf of your clients, in settlement of violations of 2 U.S.C. §§ 441a and 441b, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed. Please note that a check for the civil penalty, made payable to the U.S. Treasurer, is due within 30 days pursuant to paragraph VI of the agreement.

The file in this matter will become a part of the public record within 30 days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation agreement

cc: Steven M. Umin, Esquire

83040414553



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert K. Burgess, Esquire
Latham & Watkins, Hedlund,
Hunter & Lynch
Sears Tower Suite 6900
Chicago, Illinois 60606

Re: MUR 1414
Committee to Aid Connecticut,
et al.

Dear Mr. Burgess:

On July , 1983, the Commission accepted the conciliation agreement signed by you, on behalf of your clients, in settlement of violations of 2 U.S.C. §§ 441a and 441b, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed. Please note that a check for the civil penalty, made payable to the U.S. Treasurer, is due within 30 days pursuant to paragraph VI of the agreement.

The file in this matter will become a part of the public record within 30 days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation agreement

cc: Steven M. Umin, Esquire

MT
7/20/83

83040414356

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Committee to Aid Connecticut, et al.

)
)
) MUR 1414

CONCILIATION AGREEMENT

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This matter was initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Reason to believe has been found that Respondents William F. Buckley, Jr., Priscilla Buckley and Raymond Learsy each violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee to Aid Connecticut (Connecticut Committee); that Respondent Connecticut Committee violated 2 U.S.C. §§ 441a(f) and 441b by accepting excessive and corporate contributions; and that Respondent National Review violated 2 U.S.C. § 441b by making in-kind contributions totalling \$19,882 to the Connecticut Committee which the Connecticut Committee fully refunded to the National Review.

NOW THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation, prior to and without any finding of probable cause to believe by the Commission, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents, and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate to the Commission that no further action be taken in this matter.

III. Respondents enter voluntarily into this Agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. William F. Buckley, Jr., in mid-October 1980, decided to make independent expenditures in connection with the November, 1980 general election in support of his brother's (James Buckley) senatorial campaign and Congressman Stewart McKinney's reelection campaign. He sought and obtained the advice of counsel as to the propriety of those expenditures and the procedures required by law.
2. On October 31, 1980, at William F. Buckley, Jr.'s direction and on the advice of legal counsel, this independent expenditure effort registered with the Commission as a political committee, entitled the Committee to Aid Connecticut.
3. William F. Buckley, Jr. solicited contributions from several people for this purpose including Priscilla Buckley and Raymond Learsy.
4. On October 17, 1980, at William F. Buckley, Jr.'s direction, Amesh Viseltear Gumbinner, Inc., a media buying firm, was given a cashier's check for \$17,058 in payment for ads on behalf of James Buckley. This

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cashier's check was paid for by a check made out to cash and written on an account of the National Review, an incorporated entity, of which William F. Buckley, Jr. is sole owner.

5. On October 28, 1980, at William F. Buckley, Jr.'s direction, Amesh Viseltear Gumbinner, Inc. was given a cashier's check for \$2,824 in payment for ads on behalf of Stewart McKinney. This cashier's check was paid for by a check made out to cash and written on an account of the National Review.

6. These payments by National Review, totalling \$19,882, were advances to William F. Buckley, Jr. to be repaid by the Connecticut Committee upon its receipt of contributions from individual contributors.

7. On November 3, 1980, Raymond Learsy contributed \$5,000 to the Connecticut Committee.

8. On December 1, 1980, Priscilla Buckley contributed \$5,000 to the Connecticut Committee.

9. On December 1, 1980, William F. Buckley, Jr. contributed \$5,000 to the Connecticut Committee.

10. On December 3, 1980, the Committee refunded \$1,318 to Priscilla Buckley.

11. On December 3, 1980, the Connecticut Committee repaid the National Review \$19,882.

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12. At William F. Buckley, Jr.'s direction, Priscilla Buckley and Raymond Learsy made the aforementioned contributions with the knowledge that a substantial portion would be expended on behalf of James Buckley.

13. James Buckley was involved in three elections in 1980: convention, primary and general.

14. Raymond Learsy contributed \$1,000 to Citizens for Buckley, Inc., James Buckley's principal campaign committee, for the convention on January 4, 1980, and \$1,000 for the general election on October 3, 1980.

15. Priscilla Buckley contributed \$1,000 to Citizens for Buckley, Inc. for the convention on December 20, 1979, and \$1,000 for the general election on October 30, 1980.

16. On March 20, 1980, William F. Buckley, Jr. contributed \$1,000 to Citizens for Buckley, Inc. for the convention.

17. On September 20, 1980, William F. Buckley, Jr. loaned Citizens for Buckley, Inc. \$2,000, \$1,000 for the primary election and \$1,000 for the general election.

18. Citizens for Buckley, Inc. repaid William F. Buckley, Jr. \$2,000 on September 24, 1980.

19. Citizens for Buckley, Inc. had debts well exceeding \$3,000 from both the primary and general elections at the time the individual Respondents

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contributed to the Connecticut Committee.

WHEREFORE, the Commission has determined:

- V. 1) National Review, a corporation, made advances totalling \$19,882 to the Connecticut Committee in violation of 2 U.S.C. § 441b.
- 2) In that the individual Respondents' contributions of \$5,000 to the Connecticut Committee were subject to 11 C.F.R. § 110.1(h), these contributions were in violation of 2 U.S.C. § 441a(a)(1)(A) by the following excessive amounts: Raymond Learsy (\$4,000), Priscilla Buckley (\$4,000) and William F. Buckley, Jr. (\$3,000).
- 3) The Connecticut Committee accepted excessive contributions totalling \$11,000 from Raymond Learsy, Priscilla Buckley and William F. Buckley, Jr. in violation of 2 U.S.C. § 441a(f) and contributions from the National Review, an incorporated entity, totalling \$19,882 in violation of 2 U.S.C. § 441b.

VI. In order to conclude this matter without formal proceedings, a civil penalty in the amount of \$2,500 will be paid, pursuant to 2 U.S.C. § 437g(a)(5)(A).

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VII. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

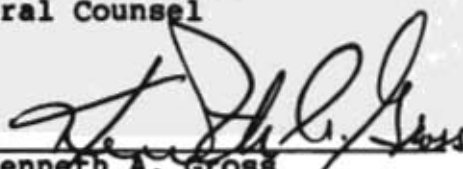
VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

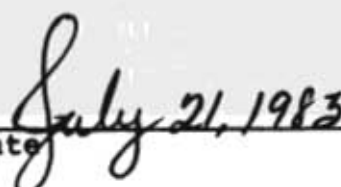
IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements in this agreement and to so notify the Commission.

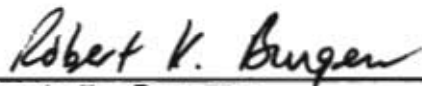
FOR THE COMMISSION:

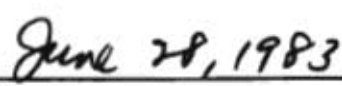
Charles N. Steele
General Counsel

By: 
Kenneth A. Gross
Associate General Counsel


Date July 21, 1983

FOR THE RESPONDENTS:


Robert K. Burgess
Attorney for Respondents


Date June 28, 1983

03040414562



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1983

Steven M. Umin, Esquire
Williams and Connolly
Hill Building
839 Seventeenth Street, N.W.
Washington, D.C. 20006

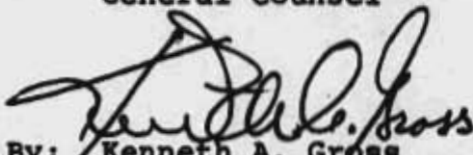
Re: MUR 1414
Committee to Aid Connecticut,
et al.

Dear Mr. Umin:

Enclosed you will find a copy of the letter and a fully executed copy of the final conciliation agreement that was sent to Mr. Burgess. The file in this matter is now closed. If you have any questions, please call Marybeth Tarrant at 523-4057.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosures
Letter
Conciliation Agreement

83040414563



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Steven M. Umin, Esquire
Williams and Connolly
Hill Building
839 Seventeenth Street, N.W.
Washington, D.C. 20006

Re: MUR 1414
Committee to Aid Connecticut,
et al.

Dear Mr. Umin:

Enclosed you will find a copy of the letter and a fully executed copy of the final conciliation agreement that was sent to Mr. Burgess. The file in this matter is now closed. If you have any questions, please call Marybeth Tarrant at 523-4057.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosures
Letter
Conciliation Agreement

AT
7/2/83

83040414364



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1983

Cyril E. O'Neil, Jr., Esquire
Richards, O'Neil & Allegaert
660 Madison Avenue
New York, New York 10021

Re: MUR 1414
Robert Marston

Dear Mr. O'Neil:

This is to advise you that after an investigation was conducted, the Commission concluded on July 20, 1983, that there is no probable cause to believe that your client, Robert Marston, violated the Act. Accordingly, the file in this matter, numbered MUR 1414, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days.

If you have any questions, contact Marybeth Tarrant at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

83040414563



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Cyril E. O'Neil, Jr., Esquire
Richards, O'Neil & Allegaert
660 Madison Avenue
New York, New York 10021

Re: MUR 1414
Robert Marston

Dear Mr. O'Neil:

This is to advise you that after an investigation was conducted, the Commission concluded on July , 1983, that there is no probable cause to believe that your client, Robert Marston, violated the Act. Accordingly, the file in this matter, numbered MUR 1414, has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days.

If you have any questions, contact Marybeth Tarrant at
(202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

83040414366

MT
7/20/83

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Committee to Aid Connecticut)
William F. Buckley, Jr.)
Raymond Learsy)
Priscilla Buckley)
National Review)
Robert Marston)

MUR 1414

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 20, 1983, the Commission decided by a vote of 4-0 to take the following actions in MUR 1414:

1. Find no probable cause to believe that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A).
2. Approve the proposed conciliation agreement as submitted with the General Counsel's Report signed July 15, 1983.
3. Close the file.
4. Send the letters as attached to the July 15, 1983 General Counsel's Report.

Commissioners Aikens, Elliott, Harris and McGarry voted affirmatively in this matter; Commissioners McDonald and Reiche did not cast a vote.

Attest:

7-20-83
Date

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

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

7-15-83, 3:55
7-18-83, 11:00

83040414567



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Dak*
DATE: July 15, 1983
SUBJECT: MUR 1414 - GC Rpt

The attached is submitted as an Agenda document
for the Commission Meeting of _____

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote ☒
Sensitive ☒
Non-Sensitive ☐

24 Hour No Objection ☐
Sensitive ☐
Non-Sensitive ☐

Information ☐
Sensitive ☐
Non-Sensitive ☐

Other ☐

DISTRIBUTION

Compliance ☒
Audit Matters ☐

Litigation ☐
Closed MUR Letters ☐

Status Sheets ☐
Advisory Opinions ☐

Other (see distribution
below) ☐

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BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

83 JUL 15 P 3: 55

In the Matter of
Committee to Aid Connecticut
William F. Buckley, Jr.
Raymond Learsy
Priscilla Buckley
National Review
Robert Marston

MUR 1414

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 16, 1982, the Commission found reason to believe that William F. Buckley, Jr., Raymond Learsy, Priscilla Buckley and Robert Marston had violated 2 U.S.C. § 441a(a)(1)(A) by making excessive contributions to the Committee to Aid Connecticut ("Committee"). In addition, the Commission found reason to believe that the National Review had violated 2 U.S.C. § 441b by making in-kind contributions to the Committee and that the Committee had violated 2 U.S.C. §§ 441a(f) and 441b by accepting excessive and corporate contributions.

On November 22, 1982, the General Counsel's Briefs were sent to the respondents. Except for Robert Marston, the briefs stated that the Office of General Counsel was prepared to recommend that the Commission find probable cause to believe that violations had occurred. In the case of Mr. Marston, this office was prepared to recommend a finding of no probable cause to believe. See General Counsel's Brief of November 22, 1982.

While no response was received from Robert Marston's counsel, counsel for the other respondents requested pre-probable

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cause conciliation.

II. ANALYSIS

A. Robert Marston

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

On November 13, 1980, Robert Marston contributed \$5,000 to the Committee. According to Mr. Marston, he was told that the money would help defray the advertising costs on behalf of the

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candidacies of James Buckley, Stewart McKinney and possibly other Republican candidates. In addition, he stated that he was not advised as to what proportion of his contribution would be devoted to any particular candidate.

It appears that Mr. Marston was not aware that a substantial portion of his \$5,000 contribution to the Committee would be used to support James Buckley's campaign. Without evidence that he knew this, by application of section 110.1(h), his contribution to the Committee was not limited to \$1,000. Therefore, the General Counsel recommends that the Commission find no probable cause to believe that Mr. Marston violated 2 U.S.C. § 441a(a)(1)(A).

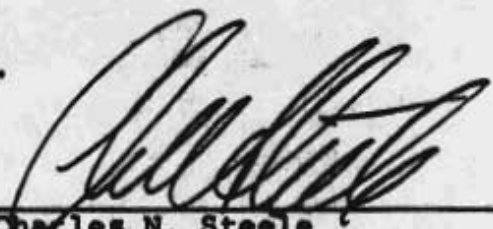
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III. RECOMMENDATIONS

1. Find no probable cause to believe that Robert Marston violated 2 U.S.C. § 441a(a) (1) (A).
2. Approve the attached proposed conciliation agreement.
3. Close the file.
4. Send the attached letters.

15 July 1983
Date



Charles N. Steele
General Counsel

Attachments

- 1.
- 2.
- 3.

(-21)

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
William F. Buckley, Jr.)
National Review) MUR 1414
Raymond Learsy)
Priscilla Buckley)
Committee to Aid Connecticut)

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission Executive Session on February 1, 1983, do hereby certify that the Commission took the following actions in MUR 1414:

1.

2. Decided by a vote of 5-1 to act as follows:

- a) Enter into pre-probable cause conciliation with William F. Buckley, Jr., Priscilla Buckley, Raymond Learsy, National Review, and Committee to Aid Connecticut.
- b) Approve the conciliation agreements attached to the General Counsel's report dated January 24, 1983,

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- c. Approve the letter attached to the General Counsel's report dated January 24, 1983.

Commissioners Elliott, Harris, McDonald, McGarry, and Reiche voted affirmatively for the decision; Commissioner Aikens dissented.

Attest:

Feb. 4, 1983

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

83 JAN 24 P 4: 07

SENSITIVE

January 24, 1983

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel *KAG*

SUBJECT: MUR 1414 - Conciliation Agreements

On March 16, 1982, the Commission found reason to believe that William F. Buckley, Jr., Priscilla Buckley and Raymond Learsy violated 2 U.S.C. § 441a(a)(1)(A). In addition, the Commission found reason to believe that the National Review had violated 2 U.S.C. § 441b and that the Committee to Aid Connecticut had violated 2 U.S.C. §§ 441a(f) and 441b. On December 22, 1982, counsel for these respondents requested to enter into negotiations directed towards reaching a conciliation agreement prior to a finding of probable cause to believe. This office feels there is no further need for investigation in this matter as sufficient facts have been established through the records already on file. The General Counsel recommends the Commission grant counsel's request.

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Recommendations

1. Enter into pre-probable cause conciliation with William F. Buckley, Jr., Priscilla Buckley, Raymond Learsy, National Review and Committee to Aid Connecticut.
2. Approve the attached conciliation agreements.
3. Approve the attached letter.

Attachments

- 1.
- 2.
- 3.

83040414577

LATHAM & WATKINS, HEDLUND, HUNTER & LYNCH

Attachment 3

ATTORNEYS AT LAW
SEARS TOWER SUITE 6000
CHICAGO, ILLINOIS 60606
TELEPHONE (312) 570-7700
TELESCOPIER (312) 555-5707

FAX LATHAM 1988-1989
DALLAS LATHAM 1988-1989

San Diego Office
1010 "A" STREET, SUITE 2000
SAN DIEGO, CALIFORNIA 92101-3407
TELEPHONE (619) 592-5000
TELESCOPIER (619) 592-5004

WASHINGTON, D.C. OFFICE
1332 NEW HAMPSHIRE AVE., N.W., SUITE 1500
WASHINGTON, D.C. 20004-4004
TELEPHONE (202) 692-4400
TELESCOPIER (202) 692-4415
FAX FID 692-5075

December 20, 1982

LOS ANGELES OFFICE
655 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071-3400
TELEPHONE (213) 452-1000
CABLE ADDRESS LATHWAT
TWX 510 251-2752
TELESCOPIER (213) 692-2000

NEWPORT BEACH OFFICE
650 NEWPORT CENTER DRIVE, SUITE 1400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 782-8100
TELESCOPIER (714) 782-8001

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1414
William F. Buckley, Jr.

Gentlemen:

On behalf of the respondents in the above matter, we hereby request that the Commission enter into discussions with a view to conciliation of this matter without the necessity of further "probable cause" or other proceedings. We are available to engage in such conciliation discussions as early as possible at your convenience and that of the Commission's staff.

Very truly yours,

Robert K. Burgess

Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

RKB:cm

83040414578

203 150
6004 9176
RECEIVED AT THE FEC

LATHAM & WATKINS, HEDLUND, HUNTER & LYNCH

DEC 22 1982
4:10 PM

ATTORNEYS AT LAW
BEARS TOWER SUITE 6600
CHICAGO, ILLINOIS 60606
TELEPHONE (312) 578-7700
TELECOPIER (312) 563-8787

PAUL R. WATKINS 1955-1973
DANA LATHAM 1955-1976

SAN DIEGO OFFICE
701 "B" STREET, SUITE 2100
SAN DIEGO, CALIFORNIA 92101-2107
TELEPHONE (619) 556-1234
TELECOPIER (619) 556-3000

WASHINGTON, D.C. OFFICE
1235 NEW HAMPSHIRE AVE., N.W. SUITE 1200
WASHINGTON, D.C. 20038-1204
TELEPHONE (202) 688-4500
TELECOPIER (202) 688-6418
TWX 710 528-9375

LOS ANGELES OFFICE

555 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071-2466
TELEPHONE (213) 485-1854
CABLE ADDRESS LATHWAT
TWX 910 381-2733
TELECOPIER (213) 560-2098

NEWPORT BEACH OFFICE

660 NEWPORT CENTER DRIVE, SUITE 1400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 752-9100
TELECOPIER (714) 752-8881

December 20, 1982

Ms. Marybeth Tarrant
Federal Election Commission
Washington, D.C. 20463

Re: MUR 1414
William F. Buckley, Jr.

Dear Ms. Tarrant:

Following up the meeting attended by yourself and Messrs. Steele, Thomas and Umin in connection with the above matter, I am enclosing two separate letters dealing, respectively, with Mr. Umin's designation as co-counsel for the respondents in this matter and with our request for conciliation discussions.

It is my understanding that, in light of the holiday season, it is unlikely that the Commission will rule on the request for conciliation discussions until January, after the date on which our brief in response to the General Counsel's briefs is otherwise due. However, we understand that, unless we are advised to the contrary, the Commission will not proceed to a decision on probable cause pending a ruling on our request and that, if our request is denied, we will be given an opportunity to submit a brief. If our understanding is incorrect, please advise me promptly.

Thank you.

Very truly yours,

Robert K. Burgess

Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

RKB:cm

cc: Steven M. Umin, Esq.

03040414579

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TELECOPIER (714) 752-8881

December 20, 1982

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1414
William F. Buckley, Jr.

Gentlemen:

Please be advised that Mr. Steven Umin of Williams & Connolly, Washington, D.C. will hereafter serve as co-counsel with me on behalf of the respondents in the above matter.

Very truly yours,

Robert K. Burgess

Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

RKB:cm

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TELECOPIER (714) 782-8881

December 20, 1982

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1414
William F. Buckley, Jr.

Gentlemen:

On behalf of the respondents in the above matter, we hereby request that the Commission enter into discussions with a view to conciliation of this matter without the necessity of further "probable cause" or other proceedings. We are available to engage in such conciliation discussions as early as possible at your convenience and that of the Commission's staff.

Very truly yours,

Robert K. Burgess

Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

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LATHAM & WATKINS, HEDLUND, HUNTER & LYNCH
ATTORNEYS AT LAW
SEARS TOWER SUITE 6900
CHICAGO, ILLINOIS 60606

Ms. Marybeth Tarrant
Federal Election Commission
Washington, D.C. 20463



RECEIVED AT THE FEC





FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 15, 1982

Robert K. Burgess
Latham & Watkins, Hedlund,
Hunter & Lynch
Sears Tower Suite 6900
Chicago, Illinois 60606

Re: MUR 1414
Committee to Aid Connecticut,
National Review, William F.
Buckley, Jr., Priscilla Buckley,
Raymond Learsy

Dear Mr. Burgess:

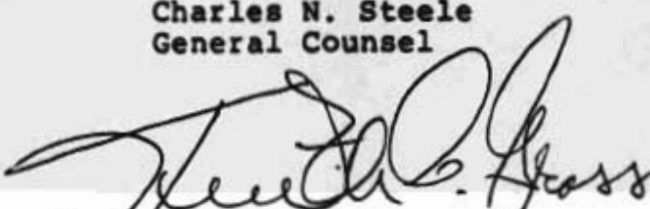
This is in reference to your letter dated December 6, 1982, requesting an extension of twenty days to reply to the briefs of the General Counsel in this matter.

The General Counsel has granted the requested extension. In light of the meeting held on December 13, 1982 between Mr. Steven Umin, co-counsel in this matter, and this office, please note that should an additional extension be desired, another request will have to be made at the appropriate time.

If you have any questions, please contact Marybeth Tarrant at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

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TELEPHONE (714) 752-8100
TELECOPIER (714) 752-8881

December 6, 1982

Federal Election Commission
Washington, D.C. 20463

Attention: Mr. Charles N. Steele
General Counsel

Re: MUR 1414

Gentlemen:

On behalf of the respondents in the above-referenced matter, we hereby request an extension of time to file a brief stating our position on the issues and replying to the briefs of the General Counsel to December 29, 1982.

Mr. Steele's letter, and the accompanying briefs, were received by my office on November 24, 1982. Accordingly, the requested extension is for a total of 20 days beyond the current due date of our brief of December 9, 1982.

Thank you very much for your consideration of this matter.

Very truly yours,

Robert K. Burgess
Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

RKB:cm

DEC 9 P3:21

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LATHAM & WATKINS, HEDLUND, HUNTER & LYNCH
ATTORNEYS AT LAW
SEARS TOWER SUITE 6900
CHICAGO, ILLINOIS 60606



Federal Election Commission
Washington, D.C. 20463



RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

82 NOV 22 A10: 00

November 22, 1982

SENSITIVE

MEMORANDUM TO: The Commission
FROM: Charles N. Steel
General Counsel
SUBJECT: MUR 1414

Attached for the Commission's review are briefs stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. Copies of these briefs and letters notifying the respondents of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe were mailed on November 22, 1982. Following receipt of the Respondents' replies to this notice, this Office will make a further report to the Commission.

Attachments

1. Briefs (6)
2. Letters (2)

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BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

In the Matter of)
William F. Buckley, Jr.)

MUR 1414 82 NOV 22 AID: 00

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 16, 1982, the Commission found reason to believe that William F. Buckley, Jr. violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee to Aid Connecticut (the Committee). This finding was based on information which indicated that Mr. Buckley contributed \$5,000 to the Committee knowing that a substantial portion of his contribution would be used to help defray the costs of advertising on behalf of James Buckley, 1980 Republican candidate for the U.S. Senate from Connecticut.

A letter informing Mr. Buckley of the Commission's finding, along with a set of questions, was sent to him on March 17, 1982. On April 16, 1982, this office received a response from Mr. Buckley through his counsel, Robert K. Burgess. Additional interrogatories were then issued. On August 23, 1982, this office received answers to the final set of questions posed to William F. Buckley, Jr. Based on the responses of Mr. Burgess and Mr. Buckley, we have adduced the following set of facts.

In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James'

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senatorial campaign. 1/ It also appears that around the same time, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut. Under advice of counsel, Mr. Buckley registered this expenditure effort with the Commission on October 31, 1980, as the Committee to Aid Connecticut. However, as Mr. Buckley was going to be out of town during late October and November, 1980, he asked Mrs. Alexandra Holmyard to take care of the administrative aspects of the Committee.

Mr. Buckley arranged to have advertisements on behalf of his brother (a reprint of a George Will column supporting James Buckley) and Congressman McKinney taken out in numerous Connecticut newspapers on November 3, 1980. The ads mentioned the sponsorship of the Committee. The arrangements were made through Amesh Viseltear Gumbinner, Inc., an advertising agency. As the agency required payment up front, William Buckley had the National Review, of which he is sole owner, advance the money through the issuance of two cashier's checks written on October 17 and October 28, 1980, respectively. The ads on behalf of James Buckley cost \$17,058 and the ads on behalf of Mr. McKinney

1/ James Buckley lost in the 1980 general election receiving 43% of the vote. He was involved in three elections—convention, primary and general. On March 20, 1980, William Buckley contributed \$1,000 to his brother's principal campaign committee, Citizens for Buckley, Inc. (Buckley Committee), for the convention. On September 20, 1980, he loaned the Buckley Committee \$2,000 - \$1,000 for the primary and \$1,000 for the general. The Buckley Committee repaid William Buckley \$2,000 on September 24, 1980.

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cost \$2,824. As of October 28, 1980, the Committee had not received any contributions and, according to Mr. Buckley, money may not yet have been solicited. At some point, though, an account was set up for the Committee at the Putman Trust Co. in Greenwich, Connecticut.

According to William Buckley, no one connected with the Committee had any communications with James Buckley or Stewart McKinney and/or any agents of their respective committees regarding these ads. In his affidavit dated April 14, 1982, Mr. Buckley stated. "[T]he project was entirely my own creation."

Subsequent to the purchase of the ads, on December 1, 1980, William F. Buckley, Jr. contributed \$5,000 to the Committee. It was this contribution, along with 3 other \$5,000 contributions from other individuals, that allowed the Committee to repay National Review \$19,882 on December 3, 1982. 2/

II. Legal Analysis

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to

2/ It should be noted that the Committee did receive two \$100 contributions and one \$1,000 contribution in addition to those mentioned.

11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

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One of Mr. Burgess' arguments in response to the reason to believe finding was that while he may have advised Mr. Buckley that he (Buckley) should report to the Commission as a "political committee", this advice was conservative in nature and he (Burgess) does not believe a "committee" within the meaning of the Act was ever created. He further stated that he believed Mr. Buckley could have reported his activities as independent expenditures by persons other than political committees under section 434(c) of the Act. Mr. Burgess stressed the informality of this undertaking and the fact that William Buckley was, in essence, "the committee." He characterized the enterprise as a pooling of individual resources to support the candidates in question. Additionally, Mr. Burgess attempted to depict the committee aspect of this endeavor as merely the chosen reporting option.

Pursuant to 2 U.S.C. § 431(4) (A), the term "political committee" means 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. In AO 1980-126 (Independent Voters for a Republican Victory), the Commission held that one individual's actions could bring about "political committee" status where that person solicited contributions from others, deposited those contributions in an account maintained in the name of a distinct political organization, and exercised control over the disposition of those funds. While the solicitations were on a much larger scale in that situation, the analysis used there would seem to apply here as well.

As stated in AO 1980-126, the failure of others to join in the organizational decision making, which is a frequent characteristic of political committees, did not remove the activities involved from "political committee" status. All persons who were solicited for funds and responded with contributions were associated with an entity. This was so even though they divested themselves of control over the funds they contributed.

A joint purchase by several individuals (each retaining control over the use of their funds by paying their respective shares of the purchase price directly to the vendor from

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personal funds and each participating in the planning of the purchase) might not be viewed to cause "political committee" status. However, this is not the case here. Each of the individuals gave a check to the Committee, not the vendor involved. Moreover, it was William Buckley who planned this whole effort and it was only after the ads had been paid for by National Review that the individual contributors gave to the Committee. Thus, they had no role in deciding how their money was used as it effectively had already been spent.

In footnote 2 of Mr. Burgess' reason to believe response, this point essentially is conceded, for it is stated that "there is no issue regarding compliance with the ... third condition of § 110.1(h) ..." (that the contributor not 'retain control' over the funds). Therefore, in the General Counsel's view, the Committee did qualify as a political committee under the Act which places it within the scope of 11 C.F.R. § 110.1(h).

Mr. Burgess has made several arguments against applying 11 C.F.R. § 110.1(h) to this situation. His main argument is that the regulation should not be read to apply to contributions to a committee which is making expenditures independent of a candidate, i.e. that the use of the phrase "expended on behalf of" in 11 C.F.R. § 110.1(h)(2) does not apply to expenditures made by a committee without any coordination with the candidate supported. Thus, while counsel would permit § 110.1(h) to limit

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contributions to Committee to Aid Connecticut if its expenditures on behalf of Jim Buckley were coordinated with his campaign, counsel would not permit such limitation on contributions to the Committee if its expenditures were carried out independently. In the latter situation, counsel argues, it is sufficient to apply the \$5,000 limit of 2 U.S.C. § 441a(a)(1)(C) on contributions to a political committee which is not a candidate's committee or a national party committee.

The Commission's adoption of § 110.1(h) was premised upon certain legislative history of the 1976 Amendments to the Act. Congress clearly was aware of the distinction between independent expenditures and non-independent expenditures, yet it declined to place a limiting construction on its use of the phrase "expenditures solely on behalf of" when it stated:

The conferees also agree that the same limitations on contributions that apply to a candidate shall apply to a committee making expenditures solely on behalf of such candidate.

H.R. Conf. Rep. No. 94-1057, 94th Cong., 2d Sess. at 58 (1976). The obvious implication is that contributions to a committee making either independent or non-independent expenditures were subject to this rule. Entirely separate reference was made in the same Conference Report to provisions covering contributions to a committee authorized by the candidate (present 2 U.S.C. § 441a(a)(1)(A), (2)(A)). Id. at 53, 58 (adopting the Senate bill under which "contributions made to a candidate's authorized

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political committees, are considered to be contributions to that candidate rather than contributions to that committee"). Having thus dealt elsewhere with contributions to a committee which would be making expenditures in coordination with the candidate, the reference to a committee making "expenditures solely on behalf of" the candidate portends something other than a committee making coordinated expenditures.

With this legislative history as background, the Commission is well-justified in applying the \$1,000 limit to contributions by individuals who contributed to Committee to Aid Connecticut with the knowledge that a substantial portion would be expended on behalf of the Buckley general election campaign. The Commission followed this analysis in Re: Advisory Opinion Request 1976-20 involving contributions to Delaware Volunteers for Reagan, a committee which was expending money independently on behalf of then Governor Reagan's primary campaign. There it was concluded:

In summary, it would be permissible under the Act for a person to do either of the following things, but only one: (1) contribute \$1,000 per election directly to a Federal candidate or the candidate's authorized committees, (2) contribute \$1,000 per election to an unauthorized single candidate committee that makes independent expenditures on behalf of the candidate.

The facts of that advisory opinion are not materially distinguishable from the present circumstances.

Mr. Burgess also argues that it is unfair and unreasonable for the Commission to attempt to apply what he characterizes as an ambiguous and vague regulation. It is our feeling that the

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regulation is neither ambiguous nor vague. If the regulation were meant to exempt independent expenditure committees from its meaning, such an exception could have been included in its wording. However, this was not done. Counsel's apparent advice to his client that § 110.1(h) would not be enforced in this situation was based on a misreading of the law. It is our judgment that this regulation is not contrary to the Act and is based on congressional intent. The regulation's applicability was made clear in Re: AOR 1976-20 issued August 17, 1976.

As pointed out in the First General Counsel's Report, Mr. Buckley's contribution history to the Citizens for Buckley, Inc. is as follows:

3/20/80	\$1,000 (convention)
9/20/80	\$2,000 (loan for primary and general)
9/24/80	received loan payment \$2,000

It was also pointed out in that report that Citizens for Buckley, Inc. had substantial debts from each election.

As Mr. Buckley's \$2,000 loan was repaid on 9/24/80, he could have contributed another \$2,000 to the Citizens for Buckley, Inc., \$1,000 for the primary debt and \$1,000 for the general. See 11 C.F.R. §§ 100.7(a)(1)(i)(B), 110.1(a)(2)(i). Due to that fact, the Commission found reason to believe that William Buckley's \$5,000 contribution to the Committee was only excessive

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by \$3,000. This was giving Mr. Buckley the benefit of the doubt concerning application of § 110.1(h) in situations where the potential for contributions to more than one election exists. The Commission could legitimately take a more restrictive approach which would construe all contributions to the Committee to Aid Connecticut as general election contributions because its activities were restricted to the general election only. Under the latter view, Mr. Buckley's option were as follows:

- 1) contribute \$2,000 to the Citizens for Buckley, Inc. (\$1,000 for the primary debt and \$1,000 for the general);
- 2) contribute \$1,000 to the Committee; or
- 3) contribute \$1,000 to the Citizens for Buckley, Inc. for the primary debt and \$1,000 to the Committee.

In sum, it is the opinion of the General Counsel that the Committee was a political committee and that 11 C.F.R. § 110.1(h) does apply to independent expenditure committees. It is clear from the facts that William Buckley knew that a substantial portion of his \$5,000 contribution to the Committee would be expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find probable cause to believe that William Buckley violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee.

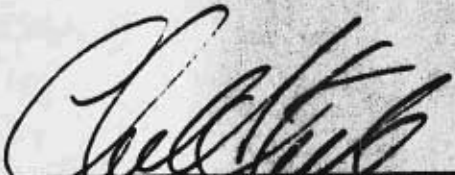
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III. General Counsel's Recommendation

Find probable cause to believe that William F. Buckley, Jr.
violated 2 U.S.C. § 441a(a)(1)(A).

19 November 1962
Date



Charles N. Steele
General Counsel

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In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James'

senatorial campaign. 1/ It also appears that around the same time, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut. Under advice of counsel, Mr. Buckley registered this expenditure effort with the Commission on October 31, 1980, as the Committee to Aid Connecticut. However, as Mr. Buckley was going to be out of town during late October and November, 1980, he asked Mrs. Alexandra Holmyard to take care of the administrative aspects of the Committee.

Mr. Buckley arranged to have advertisements on behalf of his brother (a reprint of a George Will column supporting James Buckley) and Congressman McKinney taken out in numerous Connecticut newspapers on November 3, 1980. The ads mentioned the sponsorship of the Committee. The arrangements were made through Amesh Viseltear Gumbinner, Inc., an advertising agency. As the agency required payment up front, William Buckley had the National Review, of which he is sole owner, advance the money through the issuance of two cashier's checks written on October 17 and October 28, 1980, respectively. The ads on behalf of James Buckley cost \$17,058 and the ads on behalf of Mr. McKinney

1/ James Buckley lost in the 1980 general election receiving 43% of the vote. He was involved in three elections -convention, primary and general. On January 4, 1980, Raymond Learsy contributed \$1,000 to Jim Buckley's principal campaign committee, Citizens for Buckley, Inc. (Buckley Committee) for the convention. On October 3, 1980, he contributed \$1,000 to the Buckley Committee for the general election.

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cost \$2,824. As of October 28, 1980, the Committee had not received any contributions and, according to Mr. Buckley, money may not yet have been solicited. At some point, though, an account was set up for the Committee at the Putman Trust Co. in Greenwich, Connecticut.

According to William Buckley, no one connected with the Committee had any communications with James Buckley or Stewart McKinney and/or any agents of their respective committees regarding these ads. In his affidavit dated April 14, 1982, Mr. Buckley stated, "[T]he project was entirely my own creation."

It was sometime in October, 1980 when William Buckley approached Raymond Learsy, his brother-in-law, about contributing to this effort. According to Mr. Learsy, he was told his contribution would be used to help buy space in Connecticut newspapers to reprint a George Will column about Jim Buckley, in support of his campaign for the U.S. Senate. When asked if he mentioned supporting Stewart McKinney to Mr. Learsy, William Buckley stated that he could not remember.

Subsequent to the purchase of the ads, on November 3, 1980, 2/ Raymond Learsy contributed \$5,000 to the Committee. It was this contribution, along with 3 other \$5,000 contributions from other individuals, that allowed the Committee to repay National Review \$19,882 on December 3, 1982. 3/

2/ It should be noted that this is the reported receipt date by the Committee. Mr. Learsy sent in a copy of his check which was dated October 22, 1980.

3/ It should be noted that the Committee did receive two \$100 contributions and one \$1,000 contribution in addition to those mentioned.

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II. Legal Analysis

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

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(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

One of Mr. Burgess' arguments in response to the reason to believe finding was that while he may have advised Mr. Buckley that he (Buckley) should report to the Commission as a "political committee", this advice was conservative in nature and he (Burgess) does not believe a "committee" within the meaning of the Act was ever created. He further stated that he believed Mr. Buckley could have reported his activities as independent expenditures by persons other than political committees under section 434(c) of the Act. Mr. Burgess stressed the informality of this undertaking and the fact that William Buckley was, in essence, "the committee." He characterized the enterprise as a

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pooling of individual resources to support the candidates in question. Additionally, Mr. Burgess attempted to depict the committee aspect of this endeavor as merely the chosen reporting option.

Pursuant to 2 U.S.C. § 431(4) (A), the term "political committee" means 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. In AO 1980-126 (Independent Voters for a Republican Victory), the Commission held that one individual's actions could bring about "political committee" status where that person solicited contributions from others, deposited those contributions in an account maintained in the name of a distinct political organization, and exercised control over the disposition of those funds. While the solicitations were on a much larger scale in that situation, the analysis used there would seem to apply here as well.

As stated in AO 1980-126, the failure of others to join in the organizational decision making, which is a frequent characteristic of political committees, did not remove the activities involved from "political committee" status. All persons who were solicited for funds and responded with contributions were associated with an entity. This was so even though they divested themselves of control over the funds they contributed.

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A joint purchase by several individuals (each retaining control over the use of their funds by paying their respective shares of the purchase price directly to the vendor from personal funds and each participating in the planning of the purchase) might not be viewed to cause "political committee" status. However, this is not the case here. Each of the individuals gave a check to the Committee, not the vendor involved. Moreover, it was William Buckley who planned this whole effort and it was only after the ads had been paid for by National Review that the individual contributors gave to the Committee. Thus, they had no role in deciding how their money was used as it effectively had already been spent.

In footnote 2 of Mr. Burgess' reason to believe response, this point essentially is conceded, for it is stated that "there is no issue regarding compliance with the ... third condition of § 110.1(h) ..." (that the contributor not 'retain control' over the funds). Therefore, in the General Counsel's view, the Committee did qualify as a political committee under the Act which places it within the scope of 11 C.F.R. § 110.1(h).

Mr. Burgess has made several arguments against applying 11 C.F.R. § 110.1(h) to this situation. His main argument is that the regulation should not be read to apply to contributions to a committee which is making expenditures independent of a candidate, i.e. that the use of the phrase "expended on behalf of" in 11 C.F.R. § 110.1(h)(2) does not apply to expenditures made by a committee without any coordination with the candidate supported. Thus, while counsel would permit § 110.1(h) to limit

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contributions to Committee to Aid Connecticut if its expenditures on behalf of Jim Buckley were coordinated with his campaign, counsel would not permit such limitation on contributions to the Committee if its expenditures were carried out independently. In the latter situation, counsel argues, it is sufficient to apply the \$5,000 limit of 2 U.S.C. § 441a(a)(1)(C) on contributions to a political committee which is not a candidate's committee or a national party committee.

The Commission's adoption of § 110.1(h) was premised upon certain legislative history of the 1976 Amendments to the Act. Congress clearly was aware of the distinction between independent expenditures and non-independent expenditures, yet it declined to place a limiting construction on its use of the phrase "expenditures solely on behalf of" when it stated:

The conferees also agree that the same limitations on contributions that apply to a candidate shall apply to a committee making expenditures solely on behalf of such candidate.

H.R. Conf. Rep. No. 94-1057, 94th Cong., 2d Sess. at 58 (1976).

The obvious implication is that contributions to a committee making either independent or non-independent expenditures were subject to this rule. Entirely separate reference was made in the same Conference Report to provisions covering contributions to a committee authorized by the candidate (present 2 U.S.C. § 441a(a)(1)(A), (2)(A)). Id. at 53, 58 (adopting the Senate bill under which "contributions made to a candidate's authorized

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political committees, are considered to be contributions to that candidate rather than contributions to that committee"). Having thus dealt elsewhere with contributions to a committee which would be making expenditures in coordination with the candidate, the reference to a committee making "expenditures solely on behalf of" the candidate portends something other than a committee making coordinated expenditures.

With this legislative history as background, the Commission is well-justified in applying the \$1,000 limit to contributions by individuals who contributed to Committee to Aid Connecticut with the knowledge that a substantial portion would be expended on behalf of the Buckley general election campaign. The Commission followed this analysis in Re: Advisory Opinion Request 1976-20 involving contributions to Delaware Volunteers for Reagan, a committee which was expending money independently on behalf of then Governor Reagan's primary campaign. There it was concluded:

In summary, it would be permissible under the Act for a person to do either of the following things, but only one: (1) contribute \$1,000 per election directly to a Federal candidate or the candidate's authorized committees, (2) contribute \$1,000 per election to an unauthorized single candidate committee that makes independent expenditures on behalf of the candidate.

The facts of that advisory opinion are not materially distinguishable from the present circumstances.

Mr. Burgess also argues that it is unfair and unreasonable for the Commission to attempt to apply what he characterizes as an ambiguous and vague regulation. It is our feeling that the

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regulation is neither ambiguous nor vague. If the regulation were meant to exempt independent expenditure committees from its meaning, such an exception could have been included in its wording. However, this was not done. Counsel's apparent advice to his client that § 110.1(h) would not be enforced in this situation was based on a misreading of the law. It is our judgment that this regulation is not contrary to the Act and is based on congressional intent. The regulation's applicability was made clear in Re: AOR 1976-20 issued August 17, 1976.

As pointed out in the First General Counsel's Report, Mr. Learsy's contribution history to the Citizens for Buckley, Inc. is as follows:

1/04/80	\$1,000 (convention)
10/03/80	\$1,000 (general)

It was also pointed out in that report that Citizens for Buckley, Inc. had substantial debts from each election. Therefore, Mr. Learsy could still have contributed \$1,000 for the primary election even after that election was held. See 11 C.F.R. § 110.1(a)(2)(i).

Due to that fact, the Commission found reason to believe that Raymond Learsy's \$5,000 contribution to the Committee was only excessive by \$4,000. This was giving Mr. Learsy the benefit of the doubt concerning application of § 110.1(h) in situations where the potential for contributions to more than one election exists. The Commission could legitimately take a more

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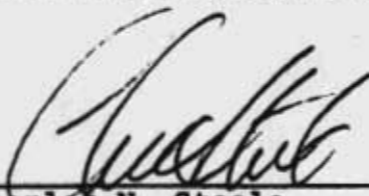
restrictive approach which would construe all contributions to the Committee to Aid Connecticut as general election contributions because its activities were restricted to the general election only. Under the latter view, Mr. Learsy would not have had the option of contributing to the Committee as he had already contributed \$1,000 to the Buckley Committee for the general election.

In sum, it is the opinion of the General Counsel that the Committee was a political committee and that 11 C.F.R. § 110.1(h) does apply to independent expenditure committees. It is clear from the facts that Raymond Learsy knew that a substantial portion of his \$5,000 contribution to the Committee would be expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find probable cause to believe that Raymond Learsy violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee.

III. General Counsel's Recommendation

Find probable cause to believe that Raymond Learsy violated 2 U.S.C. § 441a(a)(1)(A).

19 December 1982
Date



Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Priscilla Buckley) MUR 1414

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 16, 1982, the Commission found reason to believe that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee to Aid Connecticut (the Committee). This finding was based on information which indicated that Ms. Buckley contributed \$5,000 to the Committee knowing that a substantial portion of her contribution would be used to help defray the costs of advertising on behalf of James Buckley, 1980 Republican candidate for the U.S. Senate from Connecticut.

A letter informing Ms. Buckley of the Commission's finding, along with a set of questions, was sent to her on March 17, 1982. On April 16, 1982, this office received a response from Robert K. Burgess, counsel to Ms. Buckley. Subsequently, additional interrogatories were issued in this matter. On August 23, 1982, this office received answers to the final set of questions posed to William F. Buckley, Jr. Based on the responses of Mr. Burgess, William Buckley and Priscilla Buckley, we have adduced the following set of facts.

In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James'

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senatorial campaign. 1/ It also appears that around the same time, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut. Under advice of counsel, Mr. Buckley registered this expenditure effort with the Commission on October 31, 1980, as the Committee to Aid Connecticut. However, as Mr. Buckley was going to be out of town during late October and November, 1980, he asked Mrs. Alexandra Holmyard to take care of the administrative aspects of the Committee.

Mr. Buckley arranged to have advertisements on behalf of his brother (a reprint of a George Will column supporting James Buckley) and Congressman McKinney taken out in numerous Connecticut newspapers on November 3, 1980. The ads mentioned the sponsorship of the Committee. The arrangements were made through Amesh Viseltear Gumbinner, Inc., an advertising agency. As the agency required payment up front, William Buckley had the National Review, of which he is sole owner, advance the money through the issuance of two cashier's checks written on October 17 and October 28, 1980, respectively. The ads on behalf of James Buckley cost \$17,058 and the ads on behalf of Mr. McKinney cost \$2,824. As of October 28, 1980, the Committee had not received any contributions and, according to Mr. Buckley, money may not yet have been solicited. At some point, though, an

1/ James Buckley lost in the 1980 general election receiving 43% of the vote. He was involved in three elections -convention, primary and general. On December 20, 1979, Priscilla Buckley contributed \$1,000 to her brother's principal campaign committee, Citizens for Buckley, Inc. (Buckley Committee) for the convention. On October 3, 1980, she contributed \$1,000 to the Buckley Committee for the general election.

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account was set up for the Committee at the Putman Trust Co. in Greenwich, Connecticut.

According to William Buckley, no one connected with the Committee had any communications with James Buckley or Stewart McKinney and/or any agents of their respective committees regarding these ads. In his affidavit dated April 14, 1982, Mr. Buckley stated, "[T]he project was entirely my own creation."

It was sometime in October, 1980 when William Buckley approached his sister, Priscilla, about contributing to this effort. According to Ms. Buckley, she was told her contribution would be used to help buy space in Connecticut newspapers to reprint a George Will column about her brother, Jim, in support of his campaign for the U.S. Senate. When asked if he mentioned supporting Stewart McKinney to his sister, William Buckley stated that he could not remember.

Subsequent to the purchase of the ads, on December 1, 1980, Priscilla Buckley contributed \$5,000 to the Committee. It was this contribution, along with 3 other \$5,000 contributions from other individuals, that allowed the Committee to repay National Review \$19,882 on December 3, 1982. 2/ On December 3, 1982, the Committee made a contribution refund of \$1,318 to Ms. Buckley.

II. Legal Analysis

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized

2/ It should be noted that the Committee did receive two \$100 contributions and one \$1,000 contribution in addition to those mentioned.

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political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

One of Mr. Burgess' arguments in response to the reason to believe finding was that while he may have advised Mr. Buckley that he (Buckley) should report to the Commission as a "political committee", this advice was conservative in nature and he (Burgess) does not believe a "committee" within the meaning of the Act was ever created. He further stated that he believed Mr. Buckley could have reported his activities as independent expenditures by persons other than political committees under section 434(c) of the Act. Mr. Burgess stressed the informality of this undertaking and the fact that William Buckley was, in essence, "the committee." He characterized the enterprise as a pooling of individual resources to support the candidates in question. Additionally, Mr. Burgess attempted to depict the committee aspect of this endeavor as merely the chosen reporting option.

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Pursuant to 2 U.S.C. § 431(4)(A), the term "political committee" means 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. In AO 1980-126 (Independent Voters for a Republican Victory), the Commission held that one individual's actions could bring about "political committee" status where that person solicited contributions from others, deposited those contributions in an account maintained in the name of a distinct political organization, and exercised control over the disposition of those funds. While the solicitations were on a much larger scale in that situation, the analysis used there would seem to apply here as well.

As stated in AO 1980-126, the failure of others to join in the organizational decision making, which is a frequent characteristic of political committees, did not remove the activities involved from "political committee" status. All persons who were solicited for funds and responded with contributions were associated with an entity. This was so even though they divested themselves of control over the funds they contributed.

A joint purchase by several individuals (each retaining control over the use of their funds by paying their respective shares of the purchase price directly to the vendor from

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personal funds and each participating in the planning of the purchase) might not be viewed to cause "political committee" status. However, this is not the case here. Each of the individuals gave a check to the Committee, not the vendor involved. Moreover, it was William Buckley who planned this whole effort and it was only after the ads had been paid for by National Review that the individual contributors gave to the Committee. Thus, they had no role in deciding how their money was used as it effectively had already been spent.

In footnote 2 of Mr. Burgess' reason to believe response, this point essentially is conceded, for it is stated that "there is no issue regarding compliance with the ... third condition of § 110.1(h) ..." (that the contributor not 'retain control' over the funds). Therefore, in the General Counsel's view, the Committee did qualify as a political committee under the Act which places it within the scope of 11 C.F.R. § 110.1(h).

Mr. Burgess has made several arguments against applying 11 C.F.R. § 110.1(h) to this situation. His main argument is that the regulation should not be read to apply to contributions to a committee which is making expenditures independent of a candidate, i.e. that the use of the phrase "expended on behalf of" in 11 C.F.R. § 110.1(h)(2) does not apply to expenditures made by a committee without any coordination with the candidate supported. Thus, while counsel would permit § 110.1(h) to limit

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contributions to Committee to Aid Connecticut if its expenditures on behalf of Jim Buckley were coordinated with his campaign, counsel would not permit such limitation on contributions to the Committee if its expenditures were carried out independently. In the latter situation, counsel argues, it is sufficient to apply the \$5,000 limit of 2 U.S.C. § 441a(a)(1)(C) on contributions to a political committee which is not a candidate's committee or a national party committee.

The Commission's adoption of § 110.1(h) was premised upon certain legislative history of the 1976 Amendments to the Act. Congress clearly was aware of the distinction between independent expenditures and non-independent expenditures, yet it declined to place a limiting construction on its use of the phrase "expenditures solely on behalf of" when it stated:

The conferees also agree that the same limitations on contributions that apply to a candidate shall apply to a committee making expenditures solely on behalf of such candidate.

H.R. Conf. Rep. No. 94-1057, 94th Cong., 2d Sess. at 58 (1976). The obvious implication is that contributions to a committee making either independent or non-independent expenditures were subject to this rule. Entirely separate reference was made in the same Conference Report to provisions covering contributions to a committee authorized by the candidate (present 2 U.S.C. § 441a(a)(1)(A), (2)(A)). Id. at 53, 58 (adopting the Senate bill under which "contributions made to a candidate's authorized

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political committees, are considered to be contributions to that candidate rather than contributions to that committee"). Having thus dealt elsewhere with contributions to a committee which would be making expenditures in coordination with the candidate, the reference to a committee making "expenditures solely on behalf of" the candidate portends something other than a committee making coordinated expenditures.

With this legislative history as background, the Commission is well-justified in applying the \$1,000 limit to contributions by individuals who contributed to Committee to Aid Connecticut with the knowledge that a substantial portion would be expended on behalf of the Buckley general election campaign. The Commission followed this analysis in Re: Advisory Opinion Request 1976-20 involving contributions to Delaware Volunteers for Reagan, a committee which was expending money independently on behalf of then Governor Reagan's primary campaign. There it was concluded:

In summary, it would be permissible under the Act for a person to do either of the following things, but only one: (1) contribute \$1,000 per election directly to a Federal candidate or the candidate's authorized committees, (2) contribute \$1,000 per election to an unauthorized single candidate committee that makes independent expenditures on behalf of the candidate.

The facts of that advisory opinion are not materially distinguishable from the present circumstances.

Mr. Burgess also argues that it is unfair and unreasonable for the Commission to attempt to apply what he characterizes as an ambiguous and vague regulation. It is our feeling that the

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regulation is neither ambiguous nor vague. If the regulation were meant to exempt independent expenditure committees from its meaning, such an exception could have been included in its wording. However, this was not done. Counsel's apparent advice to his client that § 110.1(h) would not be enforced in this situation was based on a misreading of the law. It is our judgment that this regulation is not contrary to the Act and is based on congressional intent. The regulation's applicability was made clear in Re: AOR 1976-20 issued August 17, 1976.

As pointed out in the First General Counsel's Report, Priscilla Buckley's contribution history to the Citizens for Buckley, Inc. is as follows:

12/20/79	\$1,000 (convention)
10/30/80	\$1,000 (general)

It was also pointed out in that report that Citizens for Buckley, Inc. had substantial debts from each election. Therefore, Ms. Buckley could still have contributed \$1,000 for the primary election even after that election was held. See 11 C.F.R. § 110.1(a)(2)(i).

Due to that fact and the fact that she did receive a contribution refund of \$1,318 from the Committee, the Commission found reason to believe that Priscilla Buckley's \$5,000 contribution to the Committee was only excessive by \$2,682. This was giving Ms. Buckley the benefit of the doubt concerning application of § 110.1(h) in situations where the potential for

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contributions to more than one election exists. The Commission could legitimately take a more restrictive approach which would construe all contributions to the Committee to Aid Connecticut as general election contributions because its activities were restricted to the general election only. Under the latter view, Ms. Buckley would not have had the option of contributing to the Committee as she had already contributed \$1,000 to the Buckley Committee for the general election.

In sum, it is the opinion of the General Counsel that the Committee was a political committee and that 11 C.F.R. § 110.1(h) does apply to independent expenditure committees. It is clear from the facts that Priscilla Buckley knew that a substantial portion of her \$5,000 contribution to the Committee would be expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find probable cause to believe that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee.

III. General Counsel's Recommendation

Find probable cause to believe that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A).

19 December 1982
Date


Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
National Review

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) MUR 1414

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 16, 1982, the Commission found reason to believe that the National Review violated 2 U.S.C. § 441b by making contributions to the Committee to Aid Connecticut (the Committee) totalling \$19,882. A letter informing the National Review of the Commission's finding was sent on March 17, 1982.

On April 16, 1982, this office received a response from counsel for the National Review, Robert K. Burgess. On August 23, 1982, this office received answers to the final set of questions posed to William F. Buckley, Jr. Based on Mr. Buckley's answers, we can adduce the following set of facts.

In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James' campaign for the U.S. Senate from Connecticut. In addition, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut.

It was Mr. Buckley's idea to run ads in several Connecticut newspapers right before the November general election. Under advice from counsel, Mr. Buckley registered this expenditure

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effort with the Commission on October 31, 1980 as the Committee to Aid Connecticut. While Mr. Buckley hoped to get some contributions from friends and relatives for this project, such contributions had not been received by the Committee when Mr. Buckley made the initial arrangements for the ads.

The ads were arranged through an advertising agency, Amesh Viseltear Gumbinner, Inc. In order to commit the space, the agency required payment - \$17,058 for the Buckley ads - on October 17, 1980. Accordingly, Mr. Buckley paid the agency with a cashier's check purchased from a local bank with a check written, at his direction, on an account of the National Review, an incorporated entity of which he is sole owner. On October 28, 1980, another cashier's check was purchased using National Review funds in the amount of \$2,824 to cover the McKinney ads. On December 3, 1980, the Committee repaid the National Review \$19,882. No interest was charged or paid on this amount.

According to Mr. Buckley, the National Review made a loan of \$19,882 to him, which he, in turn, advanced to pay for the ads. His reasons for using checks drawn on the National Review's account were: 1) this was the most expeditious way to make prompt cash payment to the agency and 2) he (Mr. Buckley) did not usually keep substantial amounts of cash readily available in his personal accounts.

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The checks were drawn on the National Review's regular account at the Manufacturers Hanover Trust Company. The account was normally used to pay bills. No loan agreement was drawn up between Mr. Buckley and the National Review. However, National Review's accountant was informed of the advance and told it would be repaid promptly.

According to Mr. Buckley, funds were regularly drawn from this account to provide him with cash advances for various routine personal expenses (e.g., travel). Such amounts advanced or loaned to him were either repaid by personal check or deducted from business expenses for which he would otherwise have been reimbursed. No deductions were ever made from his salary for such purposes.

II. Legal Analysis

A corporation is prohibited from making a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a). The phrase "contribution or expenditure" includes any direct or indirect payment, loan, advance, or gift of money, services, or anything of value to any candidate, campaign committee, or other person in connection with a federal election. 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

Counsel argues that there is no violation of 2 U.S.C. § 441b for three reasons. First, this was not a loan to the Committee

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from the National Review as stated in the General Counsel's Factual and Legal Analysis but rather an advance of funds to Mr. Buckley, who, in turn, advanced the payment for the ads. Second, while Mr. Buckley may have borrowed the money "for purposes of influencing" a federal election, the magazine's only intent was to advance funds to its sole owner and editor. Third, 11 C.F.R. § 114.10 allows a corporation to extend credit to a person in connection with a federal election provided the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. According to counsel, the National Review's advance to Mr. Buckley was entirely consistent with its previous practice regarding advances made to him.

The arguments put forth by counsel for the National Review are without merit. As president and sole owner of the National Review, Mr. Buckley's actions and knowledge may be imputed to the corporation. W.R. Grace & Co., Inc. v. Weston U.S. Industries, Inc., 608 F.2d 1214, 1218 (9th Cir. 1979). Because he was fully aware of what the corporate funds would be used for when he caused the issuance of National Review checks payable to Amesh Viseltear Gumbinner, Inc., the transactions plainly were "in connection with" a federal election. Counsel's suggestion that the National

Review's payments were actually advances to Mr. Buckley is belied by the fact that the checks were made payable to "cash" and were repaid by the Committee, not Mr. Buckley. Moreover, the fact that Mr. Buckley gave an assurance that the funds would be repaid does not remove the transactions from the prohibition of § 441b(a), for the statute reaches any direct or indirect corporate loan or advance made in connection with a federal election.

In regard to 11 C.F.R. § 114.10, this regulation was intended to allow corporations acting in a vendor capacity to extend credit to a purchaser of goods and services without that extension of credit becoming a contribution. Such credit should be in the ordinary course of the corporation's business. The situation here involves not a transaction which was in the National Review's ordinary course of business (publication of a magazine), but rather an advance unrelated to that business. Being the sole owner of the corporation, Mr. Buckley has the ability to avail himself of the corporate funds. While it may be common practice for Mr. Buckley to advance himself funds, the situation is not analogous to that of a corporation extending credit to a customer. The National Review was not acting as a vendor in this transaction nor was it extending credit to Mr. Buckley for goods and/or services he had received. The only provision in the statute for loans for political use pertains to

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banks or other specified lending institutions. 2 U.S.C. § 431(8)(B)(vii).

To assist candidates and political committees, the Commission, on August 28, 1978, issued a notice to all candidates and committees regarding corporate contributions. See also the September, 1978 issue of the Record. The notice read in part:

The Commission distinguishes among three types of corporate accounts used by employees: 1) repayable drawing accounts, 2) non-repayable drawing accounts and, 3) expense accounts. Contributions made from drawing accounts that the employee is responsible to repay will be considered corporate contributions for the outstanding period of the draw, however, contributions made from non-repayable drawing accounts established to permit personal draws against salary, profits or commissions will be considered personal contributions. Contributions written against standard expense accounts are prohibited as corporate contributions.

Pursuant to Mr. Buckley's statements, the \$19,882 was not from a non-repayable drawing account. Therefore, this exception would not apply to this situation.

In light of the facts of this matter, the General Counsel recommends that the Commission find probable cause to believe that the National Review violated 2 U.S.C. § 441b.

III. General Counsel's Recommendation

Find probable cause to believe that the National Review violated 2 U.S.C. § 441b.

19 November 1982
Date


Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Committee to Aid Connecticut) MUR 1414

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 16, 1982, the Commission found reason to believe that the Committee to Aid Connecticut (the Committee) violated 2 U.S.C. § 441a(f) by accepting excessive contributions and 2 U.S.C. § 441b by accepting corporate contributions. The section 441a finding was based on information which indicated that William F. Buckley, Jr., Priscilla Buckley, Raymond Learsy and Robert Marston each contributed to the Committee knowing that a substantial portion of his or her contribution would be used to help defray the costs of advertising on behalf of James Buckley, 1980 Republican candidate for the U.S. Senate from Connecticut. The section 441b finding was based on information indicating the Committee accepted contributions totalling \$19,882 from the National Review, an incorporated entity.

A letter informing the Committee of the Commission's findings, along with a set of questions, was sent to the Committee's treasurer on March 17, 1982. On April 16, 1982, this office received a response from the Committee through its counsel, Robert K. Burgess. Subsequently, additional interrogatories were issued in this matter. On August 23, 1982, this office received answers to the final set of questions posed

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to William F. Buckley, Jr. Based on the responses to our interrogatories, we have adduced the following set of facts.

In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James' senatorial campaign. 1/ It also appears that around the same time, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut. Under advice of counsel, Mr. Buckley registered this expenditure effort with the Commission on October 31, 1980, as the Committee to Aid Connecticut. However, as Mr. Buckley was going to be out of town during late October and November, 1980, he asked Mrs. Alexandra Holmyard to take care of the administrative aspects of the Committee.

Mr. Buckley arranged to have advertisements on behalf of his brother (a reprint of a George Will column supporting James Buckley) and Congressman McKinney taken out in numerous Connecticut newspapers on November 3, 1980. The ads mentioned the sponsorship of the Committee. The arrangements were made through Amesh Viseltear Gumbinner, Inc., an advertising agency.

While Mr. Buckley hoped to get some contributions from friends and relatives for this project, such contributions had not been received by the Committee when Mr. Buckley made the initial arrangements for the ads. At some point, though, an account was set up for the Committee at the Putman Trust Co.

1/ James Buckley lost in the 1980 general election receiving 43% of the vote. He was involved in three elections -convention, primary and general.

in Greenwich, Connecticut.

In order to commit the space, the agency required payment - \$17,058 for the Buckley ads - on October 17, 1980. Accordingly, William Buckley paid the agency with a cashier's check purchased from a local bank with a check written, at his direction, on an account of the National Review, an incorporated entity of which he is sole owner. On October 28, 1980, another cashier's check was purchased using National Review funds in the amount of \$2,824 to cover the McKinney ads.

According to Mr. Buckley, the National Review made a loan of \$19,882 to him, which he, in turn, advanced to pay for the ads. His reasons for using checks drawn on the National Review's account were: 1) this was the most expeditious way to make prompt cash payment to the agency and 2) he (Mr. Buckley) did not usually keep substantial amounts of cash readily available in his personal accounts.

The checks were drawn on the National Review's regular account at the Manufacturers Hanover Trust Company. The account was normally used to pay bills. No loan agreement was drawn up between Mr. Buckley and the National Review. However, National Review's accountant was informed of the advance and told it would be repaid promptly.

According to Mr. Buckley, funds were regularly drawn from this account to provide him with cash advances for various routine personal expenses (e.g., travel). Such amounts advanced

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or loaned to him were either repaid by personal check or deducted from business expenses for which he would otherwise have been reimbursed. No deductions were ever made from his salary for such purposes.

According to William Buckley, no one connected with the Committee had any communications with James Buckley or Stewart McKinney and/or any agents of their respective committees regarding these ads. In his affidavit dated April 14, 1982, Mr. Buckley stated, "[T]he project was entirely my own creation."

Subsequent to the purchase of the ads, between November 3 and December 1, 1982, the Committee received a \$5,000 contribution from each of the following: William F. Buckley, Jr., Priscilla Buckley, Raymond Learsy and Robert Marston. It was these contributions that allowed the Committee to repay National Review \$19,882 on December 3, 1982. 2/ On that same date, the Committee also made a contribution refund of \$1,318 to Priscilla Buckley.

In answer to a question regarding purpose of contribution, both Priscilla Buckley and Raymond Learsy stated that they knew their contribution was going to support James Buckley's campaign. Neither mentioned supporting McKinney. However, Mr. Marston stated that he was told his contribution would be supporting

2/ It should be noted that the Committee did receive two \$100 contributions and one \$1,000 contribution in addition to those mentioned.

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Buckley, McKinney and possibly other Republican candidates. He further added that he was not advised as to what proportion of his contribution would be devoted to any particular candidate.

II. Legal Analysis

A. Excessive Contributions

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Under section 441a(f), a political committee is prohibited from knowingly accepting any contribution in violation of the provisions of section 441a. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

One of Mr. Burgess' arguments in response to the reason to believe finding was that while he may have advised Mr. Buckley that he (Buckley) should report to the Commission as a "political committee", this advice was conservative in nature and he

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(Burgess) does not believe a "committee" within the meaning of the Act was ever created. He further stated that he believed Mr. Buckley could have reported his activities as independent expenditures by persons other than political committees under section 434(c) of the Act. Mr. Burgess stressed the informality of this undertaking and the fact that William Buckley was, in essence, "the committee." He characterized the enterprise as a pooling of individual resources to support the candidates in question. Additionally, Mr. Burgess attempted to depict the committee aspect of this endeavor as merely the chosen reporting option.

Pursuant to 2 U.S.C. § 431(4)(A), the term "political committee" means 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. In AO 1980-126 (Independent Voters for a Republican Victory), the Commission held that one individual's actions could bring about "political committee" status where that person solicited contributions from others, deposited those contributions in an account maintained in the name of a distinct political organization, and exercised control over the disposition of those funds. While the solicitations were on a much larger scale in that situation, the analysis used there would seem to apply here as well.

As stated in AO 1980-126, the failure of others to join in the organizational decision making, which is a frequent characteristic of political committees, did not remove the

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activities involved from "political committee" status. All persons who were solicited for funds and responded with contributions were associated with an entity. This was so even though they divested themselves of control over the funds they contributed.

A joint purchase by several individuals (each retaining control over the use of their funds by paying their respective shares of the purchase price directly to the vendor from personal funds and each participating in the planning of the purchase) might not be viewed to cause "political committee" status. However, this is not the case here. Each of the individuals gave a check to the Committee, not the vendor involved. Moreover, it was William Buckley who planned this whole effort and it was only after the ads had been paid for by National Review that the individual contributors gave to the Committee. Thus, they had no role in deciding how their money was used as it effectively had already been spent.

In footnote 2 of Mr. Burgess' reason to believe response, this point essentially is conceded, for it is stated that "there is no issue regarding compliance with the ... third condition of § 110.1(h) ..." (that the contributor not 'retain control' over the funds). Therefore, in the General Counsel's view, the Committee did qualify as a political committee under the Act which places it within the scope of 11 C.F.R. § 110.1(h).

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Mr. Burgess has made several arguments against applying 11 C.F.R. § 110.1(h) to this situation. His main argument is that the regulation should not be read to apply to contributions to a committee which is making expenditures independent of a candidate, i.e. that the use of the phrase "expended on behalf of" in 11 C.F.R. § 110.1(h)(2) does not apply to expenditures made by a committee without any coordination with the candidate supported. Thus, while counsel would permit § 110.1(h) to limit contributions to Committee to Aid Connecticut if its expenditures on behalf of Jim Buckley were coordinated with his campaign, counsel would not permit such limitation on contributions to the Committee if its expenditures were carried out independently. In the latter situation, counsel argues, it is sufficient to apply the \$5,000 limit of 2 U.S.C. § 441a(a)(1)(C) on contributions to a political committee which is not a candidate's committee or a national party committee.

The Commission's adoption of § 110.1(h) was premised upon certain legislative history of the 1976 Amendments to the Act. Congress clearly was aware of the distinction between independent expenditures and non-independent expenditures, yet it declined to place a limiting construction on its use of the phrase "expenditures solely on behalf of" when it stated:

The conferees also agree that the same limitations on contributions that apply to a candidate shall apply to a committee making expenditures solely on behalf of such candidate.

H.R. Conf. Rep. No. 94-1057, 94th Cong., 2d Sess. at 58 (1976).

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The obvious implication is that contributions to a committee making either independent or non-independent expenditures were subject to this rule. Entirely separate reference was made in the same Conference Report to provisions covering contributions to a committee authorized by the candidate (present 2 U.S.C. § 441a(a)(1)(A), (2)(A)). Id. at 53, 58 (adopting the Senate bill under which "contributions made to a candidate's authorized political committees, are considered to be contributions to that candidate rather than contributions to that committee"). Having thus dealt elsewhere with contributions to a committee which would be making expenditures in coordination with the candidate, the reference to a committee making "expenditures solely on behalf of" the candidate portends something other than a committee making coordinated expenditures.

With this legislative history as background, the Commission is well-justified in applying the \$1,000 limit to contributions by individuals who contributed to Committee to Aid Connecticut with the knowledge that a substantial portion would be expended on behalf of the Buckley general election campaign. The Commission followed this analysis in Re: Advisory Opinion Request 1976-20 involving contributions to Delaware Volunteers for Reagan, a committee which was expending money independently on behalf of then Governor Reagan's primary campaign. There it was concluded:

In summary, it would be permissible under the Act for a person to do either of the following things, but only one: (1) contribute \$1,000 per election directly to a Federal candidate or the candidate's authorized committees, (2) contribute \$1,000 per election to an unauthorized single candidate committee that makes independent expenditures on behalf of the candidate.

The facts of that advisory opinion are not materially distinguishable from the present circumstances.

Mr. Burgess also argues that it is unfair and unreasonable for the Commission to attempt to apply what he characterizes as an ambiguous and vague regulation. It is our feeling that the regulation is neither ambiguous nor vague. If the regulation were meant to exempt independent expenditure committees from its meaning, such an exception could have been included in its wording. However, this was not done. Counsel's apparent advice to his client that § 110.1(h) would not be enforced in this situation was based on a misreading of the law. It is our judgment that this regulation is not contrary to the Act and is based on congressional intent. The regulation's applicability was made clear in Re: AOR 1976-20 issued August 17, 1976.

As pointed out in the First General Counsel's Report, a review of the reports filed by the Citizens for Buckley, Inc.

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(James Buckley's principal campaign committee) shows the following contributions from the individual contributors in question:

Marston	0		
Learsy	1/04/80	\$1,000	convention
	8/25/80	\$1,000	general
Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000 (loan)	primary, general
	9/24/80	received loan payment	\$2,000
Buckley, Priscilla	12/20/79	\$1,000	convention
	10/03/80	\$1,000	general

It was also pointed out in that report that Citizens for Buckley, Inc. had substantial debts from each election. Accordingly, the contributors could each have contributed \$3,000 to James Buckley's campaign. See 11 C.F.R. § 110.1(a)(2)(i). Due to that fact, the Commission found reason to believe that the individual contributors made excessive contributions as follows:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

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This was giving the individual respondents the benefit of the doubt concerning application of § 110.1(h) in situations where the potential for contributions to more than one election exists. The Commission could legitimately take a more restrictive approach which would construe all contributions to the Committee to Aid Connecticut as general election contributions because its activities were restricted to the general election only.

In sum, it is the opinion of the General Counsel that the Committee was a political committee and that 11 C.F.R. § 110.1(h) does apply to independent expenditure committees. It is clear from the facts that William Buckley, Priscilla Buckley and Raymond Learsy all knew that a substantial portion of their \$5,000 contribution to the Committee would be expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find probable cause to believe that the Committee violated 2 U.S.C. § 441a(f) by accepting excessive contributions from the three aforementioned individuals.

B. Corporate Contribution

A corporation is prohibited from making a contribution or expenditure in connection with any federal election. 2 U.S.C. § 441b(a). Pursuant to that same section, a political committee is prohibited from knowingly accepting a corporate contribution. The phrase "contribution or expenditure" includes any direct or indirect payment, loan, advance, or gift of money, services, or

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anything of value to any candidate, campaign committee, or other person in connection with a federal election. 2 U.S.C.

§ 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

Counsel argues that there is no violation of 2 U.S.C. § 441b for three reasons. First, this was not a loan to the Committee from the National Review as stated in the General Counsel's Factual and Legal Analysis but rather an advance of funds to Mr. Buckley, who, in turn, advanced the payment for the ads. Second, while Mr. Buckley may have borrowed the money "for purposes of influencing" a federal election, the magazine's only intent was to advance funds to its sole owner and editor. Third, 11 C.F.R. § 114.10 allows a corporation to extend credit to a person in connection with a federal election provided the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation. According to counsel, the National Review's advance to Mr. Buckley was entirely consistent with its previous practice regarding advances made to him.

The arguments put forth by counsel for the National Review are without merit. As president and sole owner of the National Review, Mr. Buckley's actions and knowledge may be imputed to the corporation. W.R. Grace & Co., Inc. v. Weston U.S. Industries, Inc., 608 F.2d 1214, 1218 (9th Cir. 1979). Because he was fully aware of what the corporate funds would be used for when he

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caused the issuance of National Review checks payable to Anesh Viseltear Gumbinner, Inc., the transactions plainly were "in connection with" a federal election. Counsel's suggestion that the National Review's payments were actually advances to Mr. Buckley is belied by the fact that the checks were made payable to "cash" and were repaid by the Committee, not Mr. Buckley. Moreover, the fact that Mr. Buckley gave an assurance that the funds would be repaid does not remove the transactions from the prohibition of § 441b(a), for the statute reaches any direct or indirect corporate loan or advance made in connection with a federal election.

In regard to 11 C.F.R. § 114.10, this regulation was intended to allow corporations acting in a vendor capacity to extend credit to a purchaser for goods and services without that extension of credit becoming a contribution. Such credit should be in the ordinary course of the corporation's business. The situation here involves not a transaction which was in the National Review's ordinary course of business (publication of a magazine), but rather an advance unrelated to that business. Being the sole owner of the corporation, Mr. Buckley has the ability to avail himself of the corporate funds. While it may be common practice for Mr. Buckley to advance himself funds, the situation is not analogous to that of a corporation extending credit to a customer. The National Review was not acting as a vendor in this transaction nor was it extending credit to Mr.

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Buckley for goods and/or services he had received. The only provision in the statute for loans for political use pertains to banks or other specified lending institutions. 2 U.S.C. § 431(8)(B)(vii).

To assist candidates and political committees, the Commission, on August 28, 1978, issued a notice to all candidates and committees regarding corporate contributions. See also the September, 1978 issue of the Record. The notice read in part:

The Commission distinguishes among three types of corporate accounts used by employees: 1) repayable drawing accounts, 2) non-repayable drawing accounts and, 3) expense accounts. Contributions made from drawing accounts that the employee is responsible to repay will be considered corporate contributions for the outstanding period of the draw, however, contributions made from non-repayable drawing accounts established to permit personal draws against salary, profits or commissions will be considered personal contributions. Contributions written against standard expense accounts are prohibited as corporate contributions.

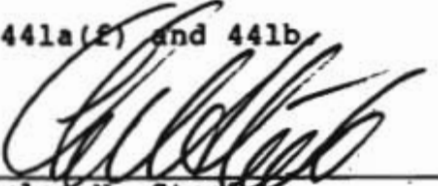
Pursuant to Mr. Buckley's statements, the \$19,882 was not from a non-repayable drawing account. Therefore, this exception would not apply to this situation.

In light of the facts of this matter, the General Counsel recommends that the Commission find probable cause to believe that the Committee violated 2 U.S.C. § 441b.

III. General Counsel's Recommendation

Find probable cause to believe that the Committee to Aid Connecticut violated 2 U.S.C. §§ 441a(2) and 441b.

19 December 1982
Date


Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Robert Marston

)
)
)

MUR 1414

GENERAL COUNSEL'S BRIEF

I. Statement of the Case

On March 16, 1982, the Commission found reason to believe that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the Committee to Aid Connecticut (the Committee). This finding was based on information which indicated that Mr. Marston contributed to the Committee knowing that a substantial portion of his contribution would be used to help defray the costs of advertising on behalf of James Buckley, 1980 Republican candidate for the U.S. Senate from Connecticut.

A letter informing Mr. Marston of the Commission's finding, along with a set of questions, was sent to him on March 17, 1982. On April 2, 1982, this office received Mr. Marston's reply through his counsel, Cyril E. O'Neil, Jr. On August 23, 1982, this office received answers to the final set of questions posed to William F. Buckley, Jr. Based on the responses of Messrs. Buckley and Marston, we can adduce the following set of facts.

In mid-October 1980, William F. Buckley, Jr. decided to make independent expenditures in support of his brother James' senatorial campaign. */

*/ James Buckley lost in the 1980 general election receiving 43% of the vote.

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It also appears that around the same time, he decided to support Congressman Stewart McKinney's reelection campaign to the U.S. House of Representatives from the 4th district of Connecticut. Subsequently, Mr. Buckley spoke to several relatives and friends about contributing to this independent expenditure effort. Under advice of counsel, Mr. Buckley registered this expenditure effort with the Commission as the Committee to Aid Connecticut. As Mr. Buckley was going to be out of town during late October and November, 1980, he asked Mrs. Alexandra Holmyard to act as treasurer of the Committee.

Mr. Buckley arranged to have advertisements on behalf of his brother and Congressman McKinney taken out in numerous Connecticut newspapers on November 3, 1980. The arrangements were made through Amesh Viseltear Gumbinner, Inc., an advertising agency. As the agency required payment up front, William Buckley had the National Review, of which he is sole owner, advance the money through the issuance of two cashier's checks written on October 17 and October 28, 1980, respectively. The ads on behalf of James Buckley cost \$17,058 and the ads on behalf of Mr. McKinney cost \$2,824. At this point in time, the Committee had not received any contributions, and, according to Mr. Buckley, none may have been solicited.

Subsequent to the purchase of the ads, on November 13, 1980, Robert Marston contributed \$5,000 to the Committee. It was

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this contribution, along with 3 other \$5,000 contributions from other individuals that allowed the Committee to repay the National Review \$19,882 on December 3, 1982.

According to Mr. Marston, it was Dan W. Lufkin who solicited him for the contribution. Mr. Lufkin, according to Mr. Buckley, declined to contribute to the Committee due to his own counsel's advice that his independence might be questioned due to his closeness to the Connecticut Republican Party. According to Mr. Marston, Mr. Lufkin told him that the money would help defray the advertising costs on behalf of the candidacies of James Buckley, Stewart McKinney and possibly other Republican candidates. In addition, he stated that he was not advised as to what proportion of his contribution would be devoted to any particular candidate.

Although Mr. Marston was not sure, he believed his contribution check was sent to a Mrs. McKenzie. According to Mr. Buckley, he originally asked Mrs. McKenzie, who was the former state chairman of the Connecticut Republican Party, to handle the administrative aspects of the expenditure effort. Apparently, Mrs. McKenzie first accepted but due to advice from counsel, she later declined. Subsequently, Mr. Buckley asked Mrs. Holmyard to act as treasurer.

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II. Legal Analysis

Pursuant to 2 U.S.C. § 441a(a) (1) (A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

As it appears now, Mr. Marston was not aware that a substantial portion of his \$5,000 contribution to the Committee would be used to support James Buckley's campaign. Without evidence that he knew this, the restriction of § 110.1(h) does not attach. Therefore, the General Counsel recommends that the Commission find no probable cause to believe that Mr. Marston violated 2 U.S.C. § 441a(a) (1) (A).

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III. General Counsel's Recommendation

Find no probable cause to believe that Robert Marston
violated 2 U.S.C. § 441a(a)(1)(A).

19 November 1962
Date


Charles H. Speake
General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 22, 1982

Robert K. Burgess
Latham & Watkins, Hedlund,
Hunter & Lynch
Sears Tower Suite 6900
Chicago, Illinois 60606

Re: MUR 1414
Committee to Aid Connecticut,
National Review, William F.
Buckley, Jr., Priscilla Buckley,
Raymond Learsy

Dear Mr. Burgess:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on March 16, 1982, found reason to believe that your clients had violated 2 U.S.C. §§ 441a and 441b and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

Submitted for your review are briefs stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the briefs of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel, if possible.) The General Counsel's briefs and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request to the Commission for an extension of time in which to file a brief. The Commission will not grant any extensions beyond 20 days.

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Letter to Robert K. Burgess
Page 2

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety, days to settle this matter through a conciliation agreement.

Should you have any questions, please contact Marybeth Tarrant at (202) 523-4529.

Sincerely,



Charles N. Steele
General Counsel

Enclosures
Briefs

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 22, 1982

Cyril E. O'Neil, Jr.
Richards, O'Neil & Allegaert
660 Madison Avenue
New York, New York 10021

Re: MUR 1414
Robert Marston

Dear Mr. O'Neil:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission, on March 16, 1982, found reason to believe that your client had violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Act and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find no probable cause to believe that a violation has occurred. The Commission may or may not approve the General Counsel's Recommendation.

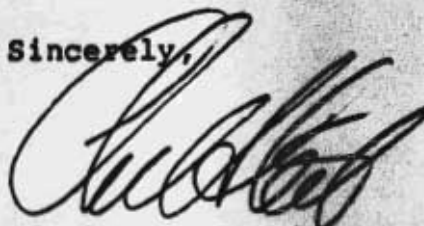
Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of General Counsel, if possible. The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of no probable cause to believe a violation has occurred.

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Letter to Cyril E. O'Neil, Jr.
Page 2

Should you have any questions, please contact Marybeth
Tarrant at (202) 523-4529.

Sincerely,



Charles N. Steele
General Counsel

Enclosure
Brief

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CCT 8304
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NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 782-9100
TELECOPIER (714) 782-8881

August 18, 1982

Federal Election Commission
Washington, D.C. 20463

Attention: Kenneth A. Gross, Esq.
Associate General Counsel

Re: MUR 1414
William F. Buckley, Jr.

Gentlemen:

Enclosed are William F. Buckley, Jr.'s responses to
your latest set of questions.

Over the last several months, we have fully cooperated
with your investigation, including by the submission of responses
to your numerous questionnaires to Mr. Buckley and the other con-
tributors. Mr. Buckley has been required to spend substantial
amounts of time, despite his heavy schedule, and substantial sums
in legal fees, in this matter. It is increasingly apparent that
the Commission's staff is fly-specking his activities in the hope
of finding some ground on which to assert a technical violation
of law.

We submit that the election laws must be fairly interpreted
and applied consistent with the Constitution and proper statutory
construction, and not to penalize good faith, legitimate political
activity. Yet one must wonder where the staff's inquiries are
designed to lead, since it is indisputable that Mr. Buckley acted
in the most conservative fashion in reliance on the advice of
counsel, and has already explained in full the circumstances of
his making independent expenditures.

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GENERAL COUNSEL

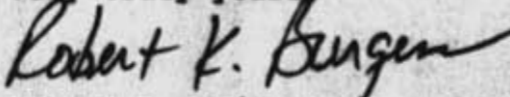
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Federal Election Commission
August 18, 1982
Page 2

On behalf of Mr. Buckley, I would like to think that the staff would adhere to its obligation to not merely enforce the law, but most importantly to enforce it fairly.

Plainly, no purpose of the Commission is reasonably served by prolonging a matter that discloses no clear violation of the election laws. Equally plain is the grossly unfair burden on Mr. Buckley in requiring his continued expenditure of time and money.

Very truly yours,



Robert K. Burgess
of LATHAM & WATKINS, HEDLUND,
HUNTER & LYNCH

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Enclosures

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Responses to
Questions to William F. Buckley, Jr.
(Third Set)

Question 1

On what day(s) and in what newspaper(s) did the ad(s) in support of James Buckley appear? Please furnish a copy of the ad(s) in question. If a copy cannot be furnished, please provide a complete description of the ad(s).

Answer: The advertisement consisted of a reproduction of a column supporting James L. Buckley's candidacy written by George Will during the summer of 1980 and syndicated in over 300 newspapers. I have not located a copy of the ad. The ad was placed in the following newspapers on the days indicated:

Greenwich Time	11/3/80	
Bridgeport Post Telegram	11/3/80	
Norwalk Hour	11/3/80	
Stamford Advocate	11/3/80	
U.S.S.P.I. New Haven Group	10/27/80	(Week of)
The Bridgeport Group	10/27/80	(Week of)
Ansonia Sentinel	11/3/80	
New Haven Register Journal	11/3/80	
Courier		
Winstead Evening Citizen	11/3/80	
Danbury News Times	11/3/80	
New London Day	11/3/80	
Hartford Courant	11/3/80	
Naugatuck News	11/3/80	
Norwich Bulletin	11/3/80	
Willimantic Chronicle	11/3/80	
Bristol Press	11/3/80	
Manchester Herald	11/3/80	
Meridan-Wallingford Record	11/3/80	
Journal		
Manchester Journal Inquirer	11/3/80	
Middletown Press	11/3/80	
New Britain Herald	11/3/80	
Torrington Register	11/3/80	
Waterbury Republican American	11/3/80	

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Question 2

Please answer question #1 in regard to the ad(s) on behalf of Stewart McKinney.

Answer: The ad for McKinney said something on the order of: "Vote for McKinney." It ran as follows.

Bridgeport Post Telegram	11/3/80
Greenwich Times	11/3/80
Norwalk Hour	11/3/80
Stamford Advocate	11/3/80

Question 3

Did the above-mentioned ads contain any reference as to who paid for them? If so, please explain.

Answer: The ads mentioned the sponsorship of the Committee to Aid Connecticut, which I understood was required in accordance with the advice of legal counsel (Mr. Burgess) previously described in submissions to the Commission.

Question 4

When did you decide to support Stewart McKinney's candidacy by running ads?

Answer: I decided to support Stewart McKinney's candidacy some time in mid-October 1982.

Question 5

Why did you pay Amesh Viseltar Gumbinner, Inc. for the ad(s) on behalf of Stewart McKinney at a later date than when you paid for the ad(s) on behalf of your brother, James?

Answer: I don't know. Perhaps the bills, if any, came in separately.

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Question 6

Did you advise your sister, Priscilla, that the Committee to Aid Connecticut (the Committee) would also be supporting Stewart McKinney?

Answer: I don't remember. That would depend on whether the matter came up in conversation.

Question 7

Please answer #6 with respect to Raymond Learsy and Robert Marston.

Answer: Same as 6.

Question 8

Was your sister advised that the money spent on McKinney would be a relatively small amount in comparison to what would be spent on behalf of your brother?

Answer: Again, I don't remember what, if anything, I mentioned concerning Stewart McKinney.

Question 9

Please answer #8 with respect to Messrs. Learsy and Marston.

Answer: Same as 8.

Question 10

What was Mrs. Holmyard's role concerning the Committee?

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Answer: As stated in prior submissions to the Commission, because I was going to be out of town during late October and November 1980, I asked Mrs. Holmyard to assume administrative direction of the effort.

Question 11

Did the Committee set up a separate account?

If so,

Who set it up?
What was the name of the bank?
What was the account number?

Answer: I reached Mrs. Holmyard, who is on vacation, by telephone. She advises me that an account was set up at the Putnam Trust Co. in Greenwich.

Question 12

Were there any other Committee officers besides Mrs. Holmyard? If so,

Who?
What was their function?

Answer: I don't recall any.

Question 13

Did the Committee have any meetings? If so, please describe, including dates and subject matter.

Answer: No. As stated in prior submissions, there was no formal "committee." This was merely an expenditure effort which I initiated and for which I requested contributions from the other individuals.

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Question 14

Did you and/or any person connected with the Committee have any communications with your brother and/or any agent of his committee, Citizens for Buckley, Inc., concerning the ads? If so, please describe, including dates and subject matter.

Answer: No.

Question 15

Did you have any communications with Stewart McKinney and/or any agent of his committee concerning the ads. If so, please describe, including dates and subject matter.

Answer: No.

Question 16

Who is Dan Lufkin? What relationship, if any, did he have with respect to the Committee to Aid Connecticut? What relationship, if any, did he have with respect to the campaign of James Buckley?

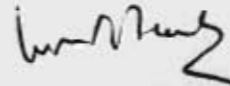
Answer: Mr. Lufkin is a prominent citizen, co-founder of Donaldson, Lufkin Jeanrette, and an acquaintance from Yale days. I asked him by telephone to make a contribution. He declined to do so based upon, I am informed, his own counsel's advice that it might be maintained that he was not independent because of his closeness to the Connecticut Republican Party. I am not aware of what his specific connection was. I do not know what relationship, if any, Mr. Lufkin may have had to the campaign of James Buckley.

63040414655

Question 17

Who is Mrs. McKenzie? What relationship, if any, did she have with respect to the Committee to Aid Connecticut? What relationship, if any, did she have with respect to the campaign of James Buckley?

Answer: Mrs. McKenzie is a Republican activist in Connecticut, formerly, I understand, state chairman of the Connecticut Republican Party. I do not know what specific role, if any, she played in James Buckley's campaign or in Republican politics. I originally asked her to handle the administrative aspects of the expenditure effort, which she thought she could do, but subsequently decided (I believe based upon communication with my counsel, Mr. Burgess) she could not do; accordingly, I turned to Mrs. Holmyard.



William F. Buckley, Jr.

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LATHAM & WATKINS, HEDLUND, HUNTER & LYNCH

ATTORNEYS AT LAW

SEARS TOWER SUITE 6900

CHICAGO, ILLINOIS 60606



Federal Election Commission
Washington, D.C. 20463

Attention: Kenneth A. Gross, Esq.
Associate General Counsel

SENSITIVE

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION
July 27, 1982

In the Matter of)
)
Committee to Aid Connecticut)
William F. Buckley, Jr.)
Priscilla Buckley)
Raymond Learsy)
Robert Marston)
National Review)

MUR 1414

COMPREHENSIVE INVESTIGATIVE REPORT # 1

On March 16, 1982, the Commission found reason to believe (RTB) that the National Review and the Committee to Aid Connecticut (the Committee) violated 2 U.S.C. § 441b in connection with the corporation's payment of certain Committee expenditures. In addition, the Commission found RTB that Robert Marston, Raymond Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) by contributing more than \$1,000 per election to James Buckley vis-a-vis the Committee (see 11 C.F.R. § 110.1(h)) and that the Committee violated section 441a(f). Letters, with questions, went out to all of the respondents on March 17, 1982.

On March 31, 1982, this office received a letter from Edward Sonnenschein who stated that he and Robert Burgess of the firm of Latham, Watkins and Hills would be representing the Buckleys in this matter and requested an extension until April 16, 1982, in order to respond to the RTB findings. This request was granted by the Office of General Counsel.

On April 2, 1982, we received notice from Mr. Sonnenschein that his firm would also be representing the National Review. In addition, this office received a response from Mr. Marston through his counsel, Cyril E. O'Neil, Jr. On April 9, 1982, this office received a letter from Mr. Learsy who stated that Robert K. Burgess would be representing him also in this matter.

On April 16, 1982, this office received a 26 page response from Mr. Burgess on behalf of the respondents he represents. Attached to Mr. Burgess' response was his own affidavit and an affidavit from Mr. Buckley. It was explained that the affidavits were in response to the Commission's questions, but that should the Commission feel that these affidavits did not fully answer the questions, he would be happy to have the respondents reply individually.

After analyzing Mr. Burgess' response, this office felt that the respondents should answer the questions. In addition, it was felt that further questions needed to be asked of Mr. Buckley. A letter requesting answers to further questions went out on May 11, 1982. On May 26, 1982, Mr. Sonnenschein requested an extension until June 15, 1982, in order to respond to the questions. This request was granted and on June 15, 1982, we received the respondents' answers.

After reviewing the respondents' answers, we felt there was still a need for more questions to be asked of Mr. Buckley

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regarding the group's "political committee" status, the nature of the activity on behalf of Stewart McKinney and the validity of the respondents' assertion that the expenditures were independent. Therefore, a letter enclosing additional questions for Mr. Buckley was recently sent to Mr. Burgess.

July 28, 1972
Date

Charles N. Steele
General Counsel

By:

Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

83040414661



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 27, 1982

Robert K. Burgess
Latham, Watkins & Hills
Sears Tower Suite 7820
Chicago, Illinois 60606

Re: MUR 1414
William F. Buckley, Jr.

Dear Mr. Burgess:

This is in reference to the above-captioned matter in which the Commission has determined that additional information is necessary. Accordingly, we request that Mr. Buckley answer the attached questions.

Please respond within twenty days of receipt of this letter. If you have any questions, please direct them to Marybeth Tarrant at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

83040414662

Questions to William F. Buckley, Jr.
MUR 1414

1. On what day(s) and in what newspaper(s) did the ad(s) in support of James Buckley appear? Please furnish a copy of the ad(s) in question. If a copy cannot be furnished, please provide a complete description of the ad(s).
2. Please answer question #1 in regard to the ad(s) on behalf of Stewart McKinney.
3. Did the above-mentioned ads contain any reference as to who paid for them? If so, please explain.
4. When did you decide to support Stewart McKinney's candidacy by running ads?
5. Why did you pay Amesh Viseltear Gumbinner, Inc. for the ad(s) on behalf of Stewart McKinney at a later date than when you paid for the ad(s) on behalf of your brother, James?
6. Did you advise your sister, Priscilla, that the Committee to Aid Connecticut (the Committee) would also be supporting Stewart McKinney?
7. Please answer #6 with respect to Raymond Leary and Robert Marston.
8. Was your sister advised that the money spent on McKinney would be a relatively small amount in comparison to what would be spent on behalf of your brother?
9. Please answer #8 with respect to Messrs. Leary and Marston.
10. What was Mrs. Holmyard's role concerning the Committee?
11. Did the Committee set up a separate account?
If so,
 Who set it up?
 What was the name of the bank?
 What was the account number?
12. Were there any other Committee officers besides Mrs. Holmyard? If so,
 Who?
 What was their function?
13. Did the Committee have any meetings? If so, please describe, including dates and subject matter.

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14. Did you and/or any person connected with the Committee have any communications with your brother and/or any agent of his committee, Citizens for Buckley, Inc., concerning the ads? If so, please describe, including dates and subject matter.

15. Did you have any communications with Stewart McKinney and/or any agent of his committee concerning the ads. If so, please describe, including dates and subject matter.

16. Who is Dan Lufkin? What relationship, if any, did he have with respect to the Committee to Aid Connecticut? What relationship, if any, did he have with respect to the campaign of James Buckley?

17. Who is Mrs. McKenzie? What relationship, if any, did she have with respect to the Committee to Aid Connecticut? What relationship, if any, did she have with respect to the campaign of James Buckley?

83040414664

GCC#7953

LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW
1335 NEW HAMPSHIRE AVENUE, N.W.

SUITE 1200

WASHINGTON, D. C. 20036
TELEPHONE (202) 828-4400
TELECOPIER (202) 828-4415
TWX 710 828-9375

PAUL R. WATKINS (1899-1972)
GANA LATHAM (1895-1974)

LOS ANGELES OFFICE

855 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 488-1234
CABLE ADDRESS LATHWAT
TWX 910 881-3733
TELECOPIER (213) 880-2088

CHICAGO OFFICE

SEARS TOWER SUITE 7020
CHICAGO, ILLINOIS 60608
TELEPHONE (312) 876-7700
TELECOPIER (312) 883-9767

NEWPORT BEACH OFFICE

850 NEWPORT CENTER DRIVE, SUITE 400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 782-8100
TELECOPIER (714) 782-8881

SAN DIEGO OFFICE

701 "B" STREET, SUITE 2100
SAN DIEGO, CALIFORNIA 92101
TELEPHONE (619) 536-1234
TELECOPIER (619) 536-3684

June 15, 1982

BY MESSENGER

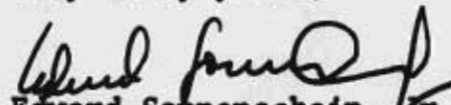
Federal Election Commission
1325 K Street, NW
Washington, DC 20463
Attn: Ms. Marybeth Tarrant

Re: MUR 1414

Gentlemen:

Pursuant to your letter of May 11, 1982 to Robert K. Burgess, enclosed please find affidavits of William F. Buckley, Jr., Priscilla Buckley and Raymond Learsy in response to the specific questions asked of them by the Commission. These affidavits are being submitted at this time in accordance with the extension of time granted on May 28, 1982.

Very truly yours,


Edward Sonnenschein, Jr.
of LATHAM, WATKINS & HILLS

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32 JUN 15 P 1:50

RECEIVED
GENERAL COUNSEL

AFFIDAVIT OF WILLIAM F. BUCKLEY, JR.

William F. Buckley, Jr., having been first duly sworn, deposes and says as follows:

I submit this affidavit to the Federal Election Commission in connection with MUR 1414. This affidavit supplements my affidavit of April 14, 1982 and is in response to the questions asked of me by the Commission's letter dated May 11, 1982 to my attorney, Robert K. Burgess. These questions and my answers thereto are as follows:

In regard to the \$19,882 used to pay Amesh Viseltear Gumbinner, Inc. for ads on behalf of James L. Buckley and Stewart McKinney, please answer the following questions:

1. Why did you choose to use money from the National Review as opposed to using your own personal funds?

Answer: My use of checks drawn on the National Review's account was the most expeditious way for me to make the prompt cash payment to Gumbinner needed in order to commit the space for the Buckley and McKinney ads. Moreover, I generally do not keep substantial amounts of cash readily available in my personal bank accounts.

2. From which account of the National Review did you withdraw the money? While we note receipt of copies of the checks involved, please submit any other documentation of these transactions.

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Answer: The checks I used to purchase the cashier's checks used to pay for the ads were drawn on the National Review's regular account at Manufacturers Hanover Trust Company, 510 Third Avenue, New York, New York. There was no documentation of these transactions other than the checks.

3. What was this account normally used for?

Answer: The account was normally used to pay the National Review's bills.

4. Was any type of loan agreement drawn up between you and the National Review? If so, please submit a copy of such an agreement.

Answer: No loan agreement was drawn up between me and the National Review. However, the National Review's accountant was informed of the advance and told it would be repaid promptly.

5. Was it normal practice for you to withdraw money from this account for personal purposes? If so, please describe other such similar situations.

Answer: Funds are regularly drawn from this account to provide me with cash advances for various routine personal expenses (e.g., travel), and these advances are accounted for as personal expenditures and repaid periodically. The National Review's accountant was told that the advances used for the ads would be specifically repaid promptly.

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6. Was there any arrangement between the National Review and you so that if you were to borrow money from the National Review for personal reasons, such an amount would be deducted from your salary? If so,

- a) Please describe the exact arrangement.
- b) Was that the arrangement in this particular situation?
- c) If so, why did you describe these transactions as "loans" in your affidavit?

Answer: Amounts loaned or advanced to me by the National Review have been either repaid by personal check or deducted from business expenses for which I would otherwise have been reimbursed. No deductions have been made from my salary for such purposes.

7. Was the money loaned by the National Review repaid? If so,

- a) When was the repayment made?
- b) How much was repaid?
- c) Was any interest paid on these "loans"? If so, how much?

If in your possession, please submit a copy (copies) of the check(s) used to make the repayment(s).

Answer: The money advanced to me by the National Review was repaid by a check of the Committee to Aid Connecticut dated December 2, 1980 in the amount of \$19,882 (copy attached). No interest was charged or paid on this amount.

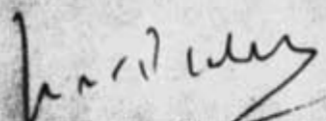
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Page Four

8. Were the contributions from Priscilla Buckley, Raymond Learsy, Robert Marston and you to the Committee to Aid Connecticut used to repay the National Review?

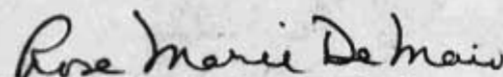
Answer: The check used to repay the advance was drawn on the account of the Committee to Aid Connecticut, and as such was drawn on funds provided by the contributors to the Committee, including in part the persons listed in this question.

The foregoing is true and correct of my own personal knowledge.



William F. Buckley, Jr.

Subscribed and sworn to
before me this 1st day
of June, 1982.



Notary Public
ROSE MARIE De MAIO
Notary Public, State of New York
No. 30-1259050 - Nassau County
Term Expires March 30, 1991

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83040414670

TEL. 238

NO. 1

Dec 2 1980

PAY TO THE ORDER OF National Review Inc \$19,882.00

United National eight hundred eighty two and 00/100 DOLLARS

 PUTNAM TRUST COMPANY
THE BANK OF GREENWICH
GREENWICH CONNECTICUT

Committee to End Comm. Alexandra T. Howard

83040414671

0111-0042-1
OFFICE
BOSTON

16
DEC

122

DE 10 15
OBT
HARTFORD CT.
PAY ANY BANK

ACCOUNTS GUARANTEED
DIRECT BANK SERVICE
ATTORNEY GENERAL 51-57

PAY ANY BANK
WINDSOR LOCKS
FEE OF

169-325-5

NATIONAL TRUST CO.
SPECIAL ACCOUNT

TO THE ORDER OF

THE CONNECTICUT TRUST AND SAVINGS CO.

51-57

0111-0042-1

0001

120215741

AFFIDAVIT OF PRISCILLA L. BUCKLEY

Priscilla L. Buckley, having been first duly sworn, deposes and says as follows:

I submit this affidavit to the Federal Election Commission in connection with MUR 1414, in response to the questions asked of me by the Commission's letter to me dated March 17, 1982. These questions and my answers thereto are as follows:

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions:

1. Who solicited you for this contribution?

Answer: In October, 1980, my brother, William F. Buckley, Jr., was seeking financial assistance for the independent advertisements he planned to run in support of my brother Jim. I agreed to contribute to Bill's efforts.

2. What was that person's relationship to the Committee?

Answer: At the time I was solicited I was not aware of the existence of any committee, but rather understood that I was being asked to pool my funds with those of Bill and others in order to run the independent ads. It was only when I actually provided funds that I was told to make out my check to the Committee to Aid Connecticut because Bill had chosen that form for proceeding with his efforts.

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3. What was your relationship to the Committee?

Answer: My only involvement with the independent ads in question was as a contributor to Bill's efforts.

4. How much money were you solicited for?

Answer: I was asked for \$5,000, which I understood would be treated as a loan and repaid in whole or in part if additional funds in excess of those required to run the ads were obtained.

5. If not \$5,000, why did you decide to give that amount?

Answer: Please see my answer to Question 4.

6. If you were not solicited for this contribution, what prompted you to make this particular contribution?

Answer: Please see my answer to Question 4.

7. When did you make this contribution?

Answer: I cannot recall exactly when I made the contribution and presently do not have a copy of my check. Please see my answer to Question 9.

8. Who was the money given to?

Answer: My check was made out to the Committee. I cannot recall to whom it was physically given.

9. By what means did you make this contribution (e.g., check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.

Answer: The contribution was made by check. I expect to obtain a copy within about a week and will submit it to the Commission at that time.

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10. For what purpose were you told your contribution would be used?

Answer: I was told my contribution would be used to help buy space in Connecticut newspapers to reprint a column by George Will about my brother Jim in support of his campaign for the U.S. Senate.

11. By whom were you told?

Answer: Please see my answer to Question 1.

12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of your brother, James L. Buckley, and his campaign for U.S. Senate?

Answer: Please see my answer to Question 10.

13. If not, what was your understanding regarding the Committee's use of your contribution?

Answer: Please see my answer to Question 10.

14. Were you aware that most of your contribution would be used to repay the National Review?

Answer: I was not aware that the National Review was involved in any manner.

15. Did you receive a contribution refund from the Committee? If so, how much? If so, why was this refund made? If not, why did that Committee report such a refund?

Answer: I received a check from the Committee in the amount of \$1,318. This refund was made pursuant to my understanding that funds I advanced would be repaid to the extent sufficient funds were obtained from other contributors.

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Page Four

The foregoing is true and correct of my own personal knowledge.

Priscilla L. Buckley
Priscilla L. Buckley

Subscribed and sworn to
before me this 10 day
of June, 1982.

Rose Marie De Maio
Notary Public

ROSE MARIE De MAIO
Notary Public, State of New York
No. 30-1250950 - Nassau County
Term Expires March 31, 1983

March 30, 1983

83040414675

AFFIDAVIT OF RAYMOND J. LEARSEY

Raymond J. Learsy, having been first duly sworn,
deposes and says as follows:

I submit this affidavit to the Federal Election Commission in connection with MUR 1414, in response to the questions asked of me by the Commission's letter to me dated March 17, 1982. These questions and my answers thereto are as follows:

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions:

1. Who solicited you for this contribution?

Answer: In October, 1980, William F. Buckley, Jr. mentioned to me the idea of running independent advertisements in support of his brother Jim Buckley and asked me if I would be interested in supporting this effort.

2. What was that person's relationship to the Committee?

Answer: At the time I was solicited I believed I was being asked to assist Bill Buckley and others in their efforts to run the ads, and was not aware of the existence of any committee. At the time I actually provided funds, I was told to make my check out to the Committee as this was the form Bill had decided to use for the purpose of paying for the ads.

3. What was your relationship to the Committee?

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Answer: Please see my answer to Question 2.

4. How much money were you solicited for?

Answer: I was asked for a \$5,000 contribution.

5. If not \$5,000, why did you decide to give that amount?

Answer: Please see my answer to Question 4.

6. If you were not solicited for this contribution, what prompted you to make this particular contribution?

Answer: Please see my answer to Question 4.

7. When did you make this contribution?

Answer: I made the contribution in late October or early November.

8. Who was the money given to?

Answer: My check was made out to the Committee. I cannot recall to whom it was physically given.

9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.

Answer: The contribution was made by a check, a copy of which is attached.

10. For what purpose were you told your contribution would be used?

Answer: I was told my money would be used to help buy space in Connecticut newspapers to reprint a column by George Will about Jim Buckley.

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Page Three

11. By whom were you told?

Answer: I was told of this purpose by William F. Buckley, Jr.

12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senate?

Answer: I knew that the column was favorable to Senator Buckley.

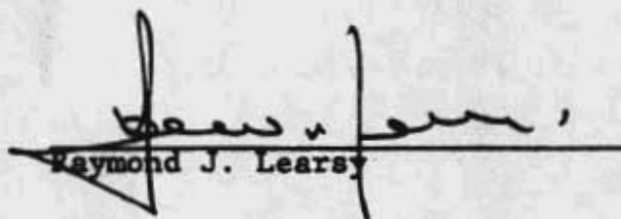
13. If not, what was your understanding regarding the Committee's use of your contribution?

Answer: Please see my answer to Question 10.

14. Were you aware that most of your contribution would be used to repay the National Review?

I was not aware of any involvement on the part of the National Review.

The foregoing is true and correct of my own personal knowledge.


Raymond J. Learsy

Subscribed and sworn to
before me this 10th day
of June, 1982.


Notary Public

- HORTENSE REUCKER -
Notary Public, State of New York
No. 24-443164
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1983

83040414678

RAYMOND J. LEARBY

1690

PAY TO THE ORDER OF

Oct 22 1980
The Bank of New York *5,000.00*

FIVE THOUSAND

DOLLARS

THE BANK OF NEW YORK

660 FIFTH AVENUE, NEW YORK, N.Y. 10022

More

[Signature]

*The deposit they
committed to
and connected*

Alexandra

CREDIT ACCOUNT NO. 1-1

OF PAYEE

EDMUNDSON & CO.

PRUDENTIAL TRUST CO.

ONE EIGHTH CT.

81-147

0861

PAY ANY BANK
THE BANK OF NEW YORK
1-1 NEW YORK, N.Y. 1-1

83040419680
FROM • • Edward Sonnenschein, Jr., Esq.

LAW OFFICES
LATHAM, WATKINS & HILLS

SUITE 1200

1333 NEW HAMPSHIRE AVE., N.W.

WASHINGTON, D.C. 20036

TO • •

BY MESSENGER

Federal Election Commission
1325 K Street, NW
Washington, DC 20463
Attn: Ms. Marybeth Tarrant



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 28, 1982

Edward Sonnenschein, Jr.
Latham, Watkins & Hills
1333 New Hampshire Avenue, N.W.
Suite 1200
Washington, D.C. 20036

Re: MUR 1414
William F. Buckley, Jr.
Priscilla Buckley
Raymond Learsy

Dear Mr. Sonnenschein:

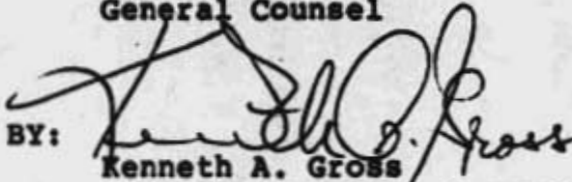
This is in reference to your letter dated May 26, 1982 requesting an extension until June 15, 1982 to respond to the Commission's questions attached to our letters dated March 17 and May 11, 1982, respectively, and which were directed to the above-named respondents.

The General Counsel has granted your extension and, therefore, this office will expect your response on or before June 15, 1982. If you have any questions, please contact Marybeth Tarrant at 523-4529.

Sincerely,

Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel

83040414681

cc# 7831

LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW
1333 NEW HAMPSHIRE AVENUE, N. W.

SUITE 1200

WASHINGTON, D. C. 20038
TELEPHONE (202) 828-4400
TELECOPIER (202) 828-4415
TWX 710 822-9375

PAUL R. WATKINS (1936-1973)
DANA LATHAM (1938-1974)

LOS ANGELES OFFICE

888 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 488-1234
CABLE ADDRESS LATHWAT
TWX 910 321-3723
TELECOPIER (213) 890-2088

CHICAGO OFFICE

BEARS TOWER SUITE 7220
CHICAGO, ILLINOIS 60608
TELEPHONE (312) 876-7700
TELECOPIER (312) 883-0787

NEWPORT BEACH OFFICE

880 NEWPORT CENTER DRIVE, SUITE 400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 752-8100
TELECOPIER (714) 259-8581

SAN DIEGO OFFICE

701 "B" STREET, SUITE 2100
SAN DIEGO, CALIFORNIA 92101
TELEPHONE (714) 236-1234
TELECOPIER (714) 236-2624

May 26, 1982

BY MESSENGER

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street, NW
Washington, DC 20463

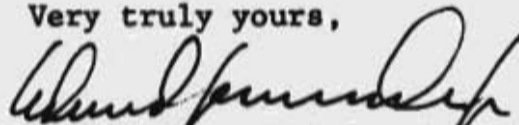
Re: MUR 1414

Dear Ms. Tarrant:

In accordance with our conversation of today, we hereby request that the date on which our clients William F. Buckley, Jr., Priscilla Buckley and Raymond Learsy are required to respond to the Commission's letter to Robert K. Burgess of May 11, 1982 be extended to June 15, 1982. As I indicated to you, this extension is necessitated in part because of Mr. Buckley's absence from the country during this period.

I would greatly appreciate your notifying me by phone as soon as a response to this request is finalized. Thanks very much for your help.

Very truly yours,


Edward Sonnenschein, Jr.
of LATHAM, WATKINS & HILLS

83040414682

2 MAY 26 P 1:30

GENERAL COUNCIL

63040414683

LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW

1333 NEW HAMPSHIRE AVENUE, N. W.

SUITE 1200

WASHINGTON, D. C. 20036-1594

BY MESSENGER

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street, NW
Washington, DC 20463



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 11, 1982

Robert K. Burgess, Esquire
Latham, Watkins and Hills
1333 New Hampshire Avenue, N.W.
Washington, D.C. 20036

RE: MUR 1414

Dear Mr. Burgess:

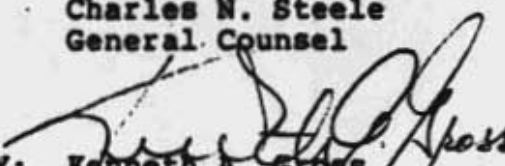
On March 17, 1982, your clients, the Committee to Aid Connecticut, National Review, William F. Buckley, Jr., Priscilla Buckley and Raymond J. Learsy were notified that the Commission had found reason to believe that they had violated certain provisions of the Federal Election Campaign Act of 1971, as amended. An investigation of this matter is being conducted and it has been determined that additional information from you is necessary.

While we acknowledge your response dated April 15, 1982, we request that Priscilla Buckley and Raymond Learsy answer the questions which were enclosed with the Commission's letter of March 17, 1982. In addition, we request that Mr. Buckley answer the enclosed questions.

Please respond within twenty days of receipt of this letter. If you have any questions, please direct them to Marybeth Tarrant, the staff member handling this matter, at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

BY: 
Kenneth A. Gross
Associate General Counsel

Enclosure

83040414684

QUESTIONS TO WILLIAM F. BUCKLEY, JR.

MUR 1414

In regard to the \$19,882 used to pay Amesh Viseltar Gumbinner, Inc. for ads on behalf of James L. Buckley and Stewart McKinney, please answer the following questions:

1. Why did you choose to use money from the National Review as opposed to using your own personal funds?
2. From which account of the National Review did you withdraw the money? While we note receipt of copies of the checks involved, please submit any other documentation of these transactions.
3. What was this account normally used for?
4. Was any type of loan agreement drawn up between you and the National Review? If so, please submit a copy of such an agreement.
5. Was it normal practice for you to withdraw money from this account for personal purposes? If so, please describe other such similar situations.
6. Was there any arrangement between the National Review and you so that if you were to borrow money from the National Review for personal reasons, such an amount would be deducted from your salary? If so,
 - a) Please describe the exact arrangement.
 - b) Was that the arrangement in this particular situation?
 - c) If so, why did you describe these transactions as "loans" in your affidavit?
7. Was the money loaned by the National Review repaid? If so,
 - a) When was the repayment made?
 - b) How much was repaid?
 - c) Who made the repayment?
 - d) Was any interest paid on these "loans"? If so, how much?

If in your possession, please submit a copy (copies) of the check(s) used to make the repayment(s).

8. Were the contributions from Priscilla Buckley, Raymond Learsy, Robert Marston and you to the Committee to Aid Connecticut used to repay the National Review?

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April 15, 1982

Federal Election Commission
Washington, D.C. 20463

Attention: Ms. Marybeth Tarrant

Re: MUR 1414

Gentlemen:

This submission is made on behalf of the respondents in the above-referenced matter pursuant to the Statements of Designation of Counsel enclosed herewith. The Commission has made numerous allegations of violations by the respondents of the Federal Election Campaign Act of 1971, as amended (the "Act"), in connection with certain independent expenditures made by respondents in the 1980 general election. By this submission, we will demonstrate that these allegations are neither factually nor legally supportable and that, accordingly, it would be inappropriate for the Commission to take any further action against the respondents.

I

INTRODUCTION

We appreciate that the Commission's "reason to believe" determination under §437g(a)(2) of the Act has been made based

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April 15, 1982

Federal Election Commission
Washington, D.C. 20463

Attention: Ms. Marybeth Tarrant

Re: MUR 1414

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I

INTRODUCTION

We appreciate that the Commission's "reason to believe" determination under §437g(a)(2) of the Act has been made based

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upon the limited facts available from public reports concerning the circumstances surrounding the establishment and operation of the "Committee to Aid Connecticut" (the "Committee"). Thus, we are confident that the Commission, upon reviewing the additional information and analysis provided herein, will readily conclude that it cannot find probable cause to believe that any of the respondents violated the Act as charged.

On behalf of our clients, we are particularly disturbed by the proposed application to these respondents of §110.1(h) of the regulations. In suggesting the application of this regulation to respondents' independent expenditures, the regulation has been interpreted in a manner not fairly disclosed in or supported by its language, or by any other provision of the Act or regulations. While we vigorously oppose this interpretation--which would force persons to choose between their constitutionally protected rights both to contribute to a candidate and to make independent expenditures in support of such candidate--we, nevertheless, respectfully submit that the establishment of such an interpretation, if desired by the Commission, be left to formal rule-making proceedings. It would be unfair to respondents--who proceeded in good faith in reliance upon the advice of counsel--for the

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Commission to attempt to establish new law dealing with independent expenditures in this enforcement proceeding.

II

STATEMENT OF FACTS

At the core of the Commission's allegations--as reflected in the formal nature of the questions propounded to each of the respondents--is the Commission's apparent assumption that the "Committee" was a formally-created organization which had its own staff and which went about soliciting contributions from persons who might be interested in supporting its activities. It was not. Rather, the "Committee" was nothing more than a formal designation--a reporting mechanism, at best--by which William F. Buckley, Jr., with the financial assistance of five other individuals, purchased advertisements advocating the election of James L. Buckley to the U.S. Senate and Stewart McKinney to the U.S. House of Representatives.

The attached affidavit of William F. Buckley, Jr. sets forth in detail the facts relevant to the making of the independent expenditures in support of these two candidates. Mr. Buckley, whose idea it was to make these expenditures, arranged for the placement of the ads with an advertising agency, paid for the ads, and solicited and received contributions from

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five other persons to help defray their cost. On the advice of legal counsel, who was legitimately concerned about the proper method under the Act by which to account for and report these activities--whether as unlimited individual independent expenditures or restricted contributions to a political committee making independent expenditures--Mr. Buckley complied with the more stringent fund-raising requirements related to political committees and reported his activities accordingly. The precise form of reporting should not be allowed to obscure the fact that these six individuals--independent of both James L. Buckley and Stewart McKinney--at most did nothing more than pool their individual resources to support these candidates for election to federal office, as is clearly permitted to groups of individuals no less than individuals themselves under Buckley v. Valeo, 424 U.S. 1 (1976).

Before he received any other funds (and, in fact, uncertain as to whether, and in what amounts, any such funds would be provided), William F. Buckley, Jr. used his own funds to pay for these advertisements because of the need to commit space in the days immediately prior to the election. In doing so, he acknowledges that he obtained the funds from the National Review, an incorporated entity. However, the facts clearly

demonstrate that Mr. Buckley is the sole owner of the National Review, that the National Review's advance of funds ran to Mr. Buckley and not the "Committee" and that the National Review's purpose in advancing the funds was not to influence any federal election.

Based upon the foregoing facts, as supported by the affidavits of William F. Buckley, Jr. and Robert K. Burgess, attached hereto,^{1/} as well as the following discussion, we submit that the respondents have not violated the Act.

III

DISCUSSION AND ANALYSIS

The Commission has alleged the following violations of the Act:

1. That the individual respondents, William F. Buckley, Jr., Priscilla Buckley and Raymond J. Learsy violated §441a(a)(1)(A) of the Act, by making contributions in excess of \$1,000 to James L. Buckley in the 1980 general election;
2. That the National Review, a corporation, violated §441b(a) of the Act by making a contribution to the "Committee to Aid Connecticut;" and

^{1/} These affidavits are submitted in response to the Commission's questions of all respondents, and we believe they fully and adequately answer such questions. If the Commission nevertheless desires formal responses from each of the respondents, we would be happy to provide them.

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3. That the "Committee to Aid Connecticut" violated §§441a(f) and 441b(a) of the Act by accepting the foregoing contributions.

We will discuss each of these allegations in turn.

A. The Individual Respondents Did Not Make Contributions in Excess of \$1,000 to James L. Buckley's General Election Campaign.

The Commission's finding of reason to believe that William F. Buckley, Jr., Priscilla Buckley and Raymond J. Learsy violated §441a(a) (1) (A) of the Act by making contributions in excess of \$1,000 each to the general election campaign of James L. Buckley is premised entirely on §110.1(h) of the Commission's regulations. That section provides:

"(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as--

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

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(3) The contributor does not retain control over the funds."

In essence, the Commission's position apparently is that each of these persons, who contributed \$5,000 to the independent expenditures effort in support of James L. Buckley, made excessive contributions to James L. Buckley, on the ground that §110.1(h) applies to limit to \$1,000 their aggregate contributions to a candidate and to a committee which makes independent expenditures in support of that same candidate. We submit that such a position is without merit.

1. Independent Expenditure Committees Are Not Covered By §110.1(h).

The General Counsel's Factual and Legal Analysis applies §110.1(h) to the individual respondents on the ground that they did not comply with the second of its three conditions^{2/-} that "the contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of" the candidate supported. In this regard, the Commission does not assert that the Committee "contributed to" James L. Buckley under this section. Rather, the Commission

^{2/} We note that there is no issue regarding compliance with the first and third conditions of §110.1(h)--that the committee not be a "single candidate" committee and that the contributor not "retain control" over the funds.

contends that the independent expenditures were made "on behalf of" James L. Buckley and that, accordingly, the individual respondents are deemed to have made contributions to him.

The flaw in this back-door attempt to convert independent expenditures activities into contributions to a candidate is that it involves an analytical leap which is not supported by §110.1(h) and which directly contradicts other relevant provisions of the Act and regulations. In essence, this interpretation of the "on behalf of" language of §110.1(h) would unilaterally amend the Act in a manner which directly invades the respondents' constitutionally protected right to make independent expenditures. We submit that, if that is the interpretation desired by the Commission, it should so provide in an explicit rule, properly adopted in accordance with Commission procedures.

(a) Independent Expenditures in Support of
a Candidate Are Not Made "On Behalf Of"
the Candidate.

While the individual respondents were aware that much of their funds would be used to finance advertisements in support of James L. Buckley, these independent expenditures were not made "on behalf of" that candidate, as that term is used in the Act and the regulations. The only definition of

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"expenditures on behalf of" a candidate is contained in §441a(b)(2)(B) (expenditure limitations for Presidential candidates), which provides that,

"(B) an expenditure is made on behalf of a candidate, including a vice presidential candidate, if it is made by--

- (i) an authorized committee or any other agent of the candidate for purposes of making an expenditure; or
- (ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure." (emphasis added)

Independent expenditures, which are not made by any of such persons or upon their authorization or request, are not within the scope of this definition of "on behalf of." Furthermore, in the only other relevant provision of the Act, §441a(a)(8) defines contributions made "on behalf of" a candidate to include "contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate." See also 11 C.F.R. §110.6(a). Thus, the only available guidance under the Act and regulations mandates the conclusion that the term "on behalf of" connotes a direct or indirect relationship with a candidate not consistent with independent expenditures.

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Given the use of the phrase "on behalf of" in other sections of the Act and regulations (including §110.1(h)), fairness--much less good statutory construction--dictates that any different interpretation of the language when used in these other sections be explicitly adopted and explained by the Commission, especially where, as here, there are sensitive constitutional implications in the area of independent expenditures.^{3/}

(b) Under the Act, the Individual Respondents' Contributions to the Committee Are Not Treated as Contributions to James L. Buckley.

By its very terms, §110.1(h) does not support the General Counsel's conclusion that the individual respondents made "contributions" to James L. Buckley's campaign, even assuming arguendo that the independent expenditures of the Committee were made "on behalf of" Mr. Buckley. It nowhere states that even if a political committee's independent expenditures are treated as expenditures "on behalf of" the supported candidate, the committee or its contributors have made a "contribution" to such candidate. Thus, the General Counsel must find support for this result from other provisions of the Act and regulations in order to convert the individual respondents' contributions to the

^{3/} The regulation at 11 C.F.R. §110.1(d) also refutes the General Counsel's analysis. That section provides that the \$20,000 and \$5,000 limitations on contributions to political committees set forth in §§110.1(b) and (c) apply to independent expenditures committees, without any mention of §110.1(h).

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Committee into contributions to Mr. Buckley. No such support can be found in either the Act or the regulations.

The Act, pursuant to the 1976 amendments thereto, sets out explicitly the circumstances under which contributions to political committees and expenditures by individuals or committees will be deemed to be contributions to candidates. As stated in the legislative history, the 1976 amendments contain specific "rules for determining when a contribution made to a political committee is considered to be a contribution to a candidate, and when certain expenditures shall be considered to be contributions to a candidate, and subject to the limitations of the Act." Joint Explanatory Statement of the Committee of Conference, H.R. No. 94-1057, at 54 ("Conference Report"). None of these rules relate in any way to contributions to or expenditures by an independent expenditures committee.

§§441a(a)(7)(A) and 441a(a)(8) establish the only instances in which contributions to a political committee may be recharacterized as contributions to a candidate. These are when contributions are made to a political committee authorized by a candidate to accept contributions on his behalf, and when contributions are earmarked or otherwise directed through an intermediary or conduit to

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a candidate. See also 11 C.F.R. §§110.1(a) and 110.6.

None of the contributions made by the individual respondents to the Committee satisfy these conditions.

Similarly, §441a(a) (7) (B) expressly provides that only non-independent expenditures shall be treated as contributions to the supported candidate, when it says that:

"(B) (i) expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate."

The Act and the regulations, including §110.1(h), contain no other provision by which contributions to or expenditures by any person or entity other than the candidate or his authorized committee are deemed to be contributions to the candidate. Indeed, the very grounds on which contributions to "other" political committees would be treated as contributions to the candidate were considered by Congress and, in addition to the adoption of the foregoing provisions, the result was the \$5,000 limitation on contributions to "other political committees." This \$5,000 limitation was intended to

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"restrict the opportunity to circumvent the \$1,000 and \$5,000 limits on contributions to a candidate. . . and. . . [t]o minimize the adverse impact on the statutory scheme caused by political committees that appear to be separate entities pursuing their own ends, but are actually means for advancing a candidate's campaign." Conference Report, at 57-58.

Moreover, a Policy Statement issued by the Commission at the time §110.1(h) was proposed confirmed the view that the limitations on contributions to committees making independent expenditures were derived solely from the \$5,000 limitation. After describing §110.1(h), the Statement goes on to say:

"However, it is the view of the Commission that contributions made to a political committee including those committees making independent expenditures on behalf of a clearly identified candidate are limited to \$5,000 per calendar year to each political committee, (see 2 U.S.C. §441a(a)(1)(C) and §110.1(d) of the proposed regulations,). . . ."

In short, although (i) the individual respondents' contributions to the Committee cannot be deemed contributions to James L. Buckley under §§441a(a)(7)(A) and 441a(a)(8); and although (ii) the Committee's independent expenditures are not deemed to be contributions to James L. Buckley under §441a(a)(7)(B), it is nevertheless asserted that the individual respondents' contributions to the Committee somehow

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constituted contributions to James L. Buckley under §110.1(h). But §110.1(h) does not so state, regardless of the meaning of the phrase "on behalf of," and no other provision of the Act or regulations supports such result except as to non-independent expenditures committees.

It is important to note that no loophole in the Act's contribution limitations is created by rejecting the General Counsel's strained reading of §110.1(h). If a committee's expenditures are not independent, they constitute contributions to the candidate under §441a(a)(7)(B), and the committee's contributors are deemed to have made contributions to the candidate under §441a(a)(8). In this light, §110.1(h) can be viewed as a salutary supplement to these sections to achieve these objectives. However, if the committee's expenditures are independent, there is no justification for a back-door repeal of the Act's \$5,000 contribution limitation to "other political committees" under §441a(a)(1)(C), and there is no discernible "loophole" to be closed by applying §110.1(h) to create any further restriction.

In light of the foregoing, the best available interpretation of §110.1(h) was and is that it does not apply to contributions to committees making independent expenditures. This interpretation is the most consistent with the language

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of the Act and regulations, the legislative history of the 1976 amendments, and the constitutional protections for independent expenditures which were affirmed by the Supreme Court in Buckley v. Valeo, supra, and by the three-judge court in Common Cause v. Schmitt, 512 F.Supp. 489 (1980), affirmed by an equally divided court, ___ U.S. ___ (1981).

2. \$110.1(h) is Ambiguous on its Face and as Interpreted By the Commission; It is Therefore Inappropriate to Apply it to the Individual Respondents.

Wholly apart from the inapplicability of \$110.1(h) to independent expenditures committees and contributions thereto, we respectfully submit that it would be unfair and wholly unreasonable for the Commission to attempt to apply it in a manner which, as proposed here, is neither clear from, nor supported by, its language.

As written, \$110.1(h) states that "[a] person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election," as long as the three stated conditions are satisfied. The clear implication of this language is that a person may not make

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any contribution, regardless of amount, to both a candidate or his authorized committee and to any other committee which supports such candidate. While we naturally do not endorse this result or believe that it is in any way supported by the Act--and apparently neither does the Commission--it does follow the literal language of the provision and leaves any other reading subject to great uncertainty. At the same time, any application of the provision to independent expenditures committees would be constitutionally suspect under Buckley v. Valeo by forcing persons to choose between making constitutionally protected contributions to candidates and constitutionally protected contributions to committees that support such candidates.

Thus, we applaud any effort on the part of the Commission to fairly interpret §110.1(h) so as to render it a meaningful and understandable provision. However, it is apparent from the charges against the individual respondents that no such laudable objective has been--or perhaps, can be--achieved. Without any basis in the language of §110.1(h) itself, and without any other statutory or regulatory support, the General Counsel seeks to interpret and apply §110.1(h) to the individual respondents as follows:

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First, as a rule of aggregation, rather than a rule of absolute prohibition. Thus, it is asserted not that a contribution to a candidate precludes a contribution to a political committee supporting such candidate (or vice versa), but rather, that contributions to the two will be aggregated to determine whether the contribution limitations are exceeded;

Second, as a rule of aggregation which limits total contributions to the amount applicable to candidates themselves (\$1,000), rather than to the amount applicable to "other political committees" (\$5,000), notwithstanding the lack of any connection between the candidates and such committees;

Third, as a rule which overrides in its entirety the \$5,000 contribution limitation to "other political committees," even where no contribution has been made to the candidate or his authorized committee;

Fourth, as a rule which overrides §110.1(a)(2)(ii) of the regulations, which distinguishes between, and imposes separate contribution limitations with respect to, primary elections and general elections; and

Fifth, as a rule which overrides §100.7(a)(1)(i)(B) of the regulations, which provides that a "loan, to the extent it is repaid, is no longer a contribution."

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Each of the foregoing interpretations of §110.1(h) is inexplicable from the language of the rule and is contradicted by other provisions of the Act and regulations, but is nevertheless evident from the General Counsel's reports with respect to the individual respondents. Thus:

(1) With respect to all three respondents William F. Buckley, Jr., Priscilla Buckley and Raymond J. Learsy, the General Counsel applies an aggregation test in asserting that §110.1(h) has been violated;

(2) With respect to each of the individual respondents, the General Counsel asserts that the contribution limitation, in the aggregate, is \$1,000 per election;

(3) With respect to Robert Marston, the General Counsel asserts that he violated §110.1(h) by contributing \$5,000 to the Committee, despite the fact that he made no contribution whatsoever to James L. Buckley or his authorized committee;^{4/}

(4) With respect to each of the individual respondents, the General Counsel aggregates their contributions to the Committee in the general election with contributions made to James L. Buckley in connection with elections other than the general election, notwithstanding §110.1(h)'s reference to the "same election" and the distinctions between a primary

^{4/} We are not aware of any "reason to believe" finding by the Commission with respect to Mr. Marston. We do note, however, that the General Counsel recommended that he be found to have violated §110.1(h).

election, caucus, convention and general election; and

(5) With respect to William F. Buckley, Jr., the General Counsel asserts that he violated §110.1(h) by his \$5,000 contribution, even though at the time he made such contribution, his loan to James L. Buckley's general election campaign had been repaid.

The General Counsel's proposed interpretations of §110.1(h) plainly demonstrate the difficulties of attempting to apply that provision to any situation, much less to constitutionally protected independent expenditures activities. The intrinsic problems with attempting to apply a vague and ambiguous regulation are only compounded by efforts to apply it in a manner which is (1) not fairly disclosed by the Regulation itself; (2) flatly contradictory of other provisions of the Act and regulations; and (3) so clearly an attempted back-door invasion of constitutionally protected rights. We submit that the Commission has an obligation to these respondents and to the public at large to either issue clear and direct regulations and interpretations if it subscribes to the General Counsel's analysis of §110.1(h), or to refrain from commencing any enforcement proceeding based upon that provision.

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It is worth emphasizing here that the strained attempt to apply §110.1(h) to these individual respondents could not be more clearly proven than by the General Counsel's recommendation that Robert Marston and William F. Buckley, Jr. violated its terms. Mr. Marston never, in the first instance, made a contribution to James L. Buckley "in the same election," and William F. Buckley, Jr.'s loan to James L. Buckley was made on September 20, 1980 and repaid on September 24, 1980 (and, therefore, "no longer a contribution" after that date, 11 C.F.R. §100.7(a)(1)(i)(B)), long before he contributed to the Committee. Application of §110.1(h) to these individuals, and the aggregation of Mr. Buckley's contribution relating to the nominating convention with his independent expenditures in the general election, would be inappropriate under any interpretation of §110.1(h)'s "same election" predicate.

In sum, only by distorting the language of §110.1(h) beyond its ostensible, albeit inartful, purpose (to prohibit end-runs around the \$1,000 limitation on contributions to candidates), can the General Counsel apply it to these individual respondents. Aided by a disregard of §§431(17), 441a(a)(1)(C) and 441a(a)(7) and (8) of the Act, as well as §§110.7(a)(1)(i)(B), 110.1(a)(2) and 110.1(d) of the regulations, the General Counsel

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has caused these respondents to be charged with violations of the federal election laws that are neither fairly disclosed in nor fairly supported by such laws.

3. \$110.1(h) is Inapplicable to the Independent Expenditures of Individuals.

By its terms, \$110.1(h) applies only to contributions to political committees. It imposes no restriction on the ability of individuals to contribute directly to a candidate and his authorized committee (subject, of course, to a \$1,000 maximum) and to make unlimited independent expenditures in support of the same candidate in the same election. In substance, that is what the individual respondents did here.

The independent expenditures at issue here were the brainchild of William F. Buckley. From start to finish, the project was his own, and he took full responsibility for arranging for and paying for the advertisements. At the same time, he solicited his relatives and a few friends for expressions of interest in contributing to this effort. As he states in his affidavit, he personally borrowed money from the National Review in order to advance the cost of the ads, and he considered the repayment of these funds to be

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his own personal obligation. He also advanced payment long before he received any funds from the other individuals. Had he failed to collect any funds from other persons, he would have paid for the entire cost of these ads himself.

Under these circumstances, Mr. Buckley would have been well within his rights to make these independent expenditures and to report them as individual expenditures under §434(c) of the Act and §109.2 of the regulations. Of course, any contributions by others to this effort would have been reported by Mr. Buckley under these provisions as well, and would not have been subject to any dollar limitations, including any limitations arising out of §110.1(h).

Out of an abundance of caution, Mr. Buckley's counsel advised him to proceed in what seemed to be a careful, measured way--to limit the financial participation of other persons to \$5,000 each and to report his activities as a "political committee." Yet it is now apparent, based upon the facts as outlined by Mr. Buckley, that there was no formal (or even informal) organization or other group formed by Mr. Buckley that solicited contributions from others. Rather, Mr. Buckley initiated and pursued the project, and sought and obtained contributions from a small number of

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persons--all relatives (such as Priscilla Buckley, his sister, and Raymond Learsy, his brother-in-law) and friends.

Given the nature of Mr. Buckley's enterprise, as well as the Act's expansive definition of political committee (including, for example, any "other group of persons," §431(4)), it seems highly inappropriate to punish Mr. Buckley and his supporters for his good faith efforts to comply with the election laws by, in fact, adhering to the more stringent rules applicable to political committees, and reporting as such. The critical essence of the instant inquiry should be the substance, not the form, of Mr. Buckley's activities.

We submit that the information required by §109.2 of the regulations was provided in the reports made by the Committee. Nevertheless, Mr. Buckley would be pleased to submit at this time the appropriate reports to the Commission under that section. We believe that the Commission should view his activities in that light.

B. The National Review Did Not Make an Unlawful Corporate Contribution under §441b(a).

The Commission has asserted that the National Review violated §441b(a) of the Act by making an illegal corporate contribution "totalling 19,882 on October 29, 1981 to the

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Committee to Aid Connecticut." The Commission contends that the National Review made a loan to the Committee in the stated amount when it advanced the funds necessary to pay for the advertisements run in support of James L. Buckley's and Stewart McKinney's elections. As the General Counsel's report correctly states, under §431(8)(A)(i) of the Act, a contribution includes "any...loan...made by any person for the purpose of influencing any election for Federal office."

We respectfully submit that the Commission's allegations are in error, for three reasons. First, the National Review did not loan money to, and therefore did not make a contribution to, the Committee. The National Review's checks, attached to the affidavit of William F. Buckley, were dated October 17 and 28, respectively, and were each payable to Manufacturers Hanover Trust Company, which in turn provided cashier's checks payable to Amesh Viseltear Gumbinner, Inc., the agency that arranged for the placement of the advertisements. These checks, which were not payable to the "Committee," were obtained at Mr. Buckley's direction from the National Review, of which he is the sole owner, as an accommodation to him to meet the immediate need for the funds. It is, and was,

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Mr. Buckley's position that the magazine advanced the funds to him, and that he, in turn, advanced the payment for the ads in connection with his independent expenditure activities. Indeed, as noted previously, the use of a "committee" format in connection with this project was only later adopted, upon the recommendation of counsel.

Second, while Mr. Buckley may have borrowed the money from the National Review to use "for purposes of influencing" a federal election, the National Review had no such intent. Its purpose was to advance funds to its sole owner and editor, without regard to purpose, in the same manner as it had previously done in other contexts.

Finally, §114.10 of the regulations expressly permits a corporation to "extend credit to a candidate, political committee, or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors which are of similar risk and size of obligation." The National Review's advance to Mr. Buckley was entirely consistent with its previous practice with respect to advances made to him.

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C. The "Committee" Did Not Violate §§441a(f) and 441b(a).

Based upon the foregoing discussion, the individual respondents did not make unlawful contributions under §441a(a) (1) (A) of the Act, and the National Review did not make an unlawful corporate contribution under §441b(a) of the Act. Accordingly, the Committee did not violate, and cannot be found to have violated, §§441a(f) and 441b(a) of the Act.

IV

CONCLUSION

By reason of the foregoing--including the inapplicability of §110.1(h) to independent expenditures activities, the undisputed good faith of William F. Buckley, Jr. and the other respondents in attempting to fully comply with the election laws, the substantive nature of their activities (regardless of the precise form in which they were reported), and fundamental fairness, we respectfully submit that the Commission has no basis on which to conclude that there is probable cause to believe that any of the respondents violated the Act, and should take no further action against the respondents.

Very truly yours,

Robert K. Burgess

Robert K. Burgess
of LATHAM, WATKINS & HILLS

63040414713

AFFIDAVIT OF WILLIAM F. BUCKLEY, JR.

William F. Buckley, Jr., having been first duly sworn,
deposes and says as follows:

1. I submit this affidavit to the Federal Election Commission in connection with MUR 1414, in which I am named as a respondent along with Priscilla Buckley, my sister; Raymond J. Learsy, my brother-in-law; the National Review, a magazine of which I am the sole owner and editor; and the Committee to Aid Connecticut, of which I was the founder and driving force. It is apparent from the Commission's allegations and the formal nature of the questions which it has propounded to me and the other respondents, that the Commission is not aware of either the limited scope of our activities or the circumstances in which we came to make independent expenditures in support of the candidacies of James L. Buckley for the U.S. Senate and Stewart McKinney for the U.S. House of Representatives.

2. The idea of running independent advertisements in support of my brother's campaign for the U.S. Senate was my own, arrived at in mid-October, 1980. While I probably had conversations during this pre-election time period with other persons who supported Jim's election and who also desired to express their support in some manner, the project was entirely my own creation.

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GENERAL COUNSEL

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3. Consequently, during the final weeks of October, I undertook to arrange advertising space, and I spoke to a few relatives and friends about their interest in contributing to the effort. I never viewed the project as involving more than \$15-20,000 (including the cost of advertisements in support of Stewart McKinney for the U.S. House of Representatives), or more than 5-6 people, including my sister and myself. For that matter, I believed that, regardless of my receipt of other contributions, there was no limit on the amount of my own personal expenditures for the ads.

4. Despite what seemed to me to be a rather non-controversial project involving a very small group of persons, I sought and obtained legal advice from Robert K. Burgess of Latham, Watkins & Hills in Washington, D.C., as to whether I could engage in this project and, if so, what procedures I had to follow to comply with the federal election laws. Mr. Burgess advised me as to the requirements relating to independent expenditures, as well as the disclosure and reporting aspects of the law. Mr. Burgess cautioned me to be certain that each participant satisfied the standards of "independence" under the Federal Election Campaign Act of 1971, as amended, and the regulations thereunder. He stated his belief, which I understood to be based on my primary role in the project and the small number of people involved, that there were no dollar limitations on the amount of my proposed

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independent expenditures or on the amount that I could collect from any participant (which was what I believed and was the basis on which I commenced the project). He indicated that there did not appear to be a "committee" involved under the circumstances and that, accordingly, it would be proper for me to collect funds from supporters of my effort and to report the expenditures on an individual basis. However, he also expressed the view that, in light of certain ambiguities in the statute and regulations, as well as pending litigation, a more conservative approach to the legal requirements would be to limit each person's contribution to the effort to a maximum of \$5,000 and to file and report to the Commission as a "committee." Mr. Burgess provided me with copies of the required FEC forms, I named my enterprise the "Committee to Aid Connecticut," and the relevant forms were thereafter filed with the Commission.

5. Among the reports which Mr. Burgess advised me would have to be filed with the Commission was a Statement of Organization and a "24 Hour Report," which I understood had to be filed within 24 hours after each independent expenditure was made. It was my intention to run the advertisements a day or two before the election. However, I was going to be (and in fact was) out of town for several weeks beginning October 25, 1980 and would not be available to personally assure that all

the required reports would be filed with the Commission. Accordingly, Mrs. Alexandra Holmyard, a good friend of long standing, agreed, at my request, to serve as treasurer of the "committee" for legal compliance purposes.

6. I decided to use a reprint of a George Will editorial as the focal point of the advertisements in support of Jim's campaign, and I made arrangements for space for November 3, 1980, in several Connecticut newspapers, through Amesh Viseltear Gumbinner, Inc., an advertising agency. In order to commit the space, Gumbinner required payment--\$17,058 for the Buckley ads--on October 17, 1980, but I had not yet received contributions from any other persons (in fact, I may not have solicited any money at that point, although I had probably spoken to Priscilla Buckley and Ray Learsy about it and received informal commitments to help). Accordingly, I paid for the ads myself, with two cashier's checks purchased from a local bank with checks written, at my direction, on an account of the National Review. Copies of these checks, dated October 17, 1980 and October 28, 1980, are attached hereto. As far as I was concerned, the National Review (of which I am sole owner) made a loan to me, which I, in turn, advanced to pay for the ads. The National Review did not make a contribution or loan to the "committee" (which at that point did

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not exist for formal or reporting purposes) and did not advance any funds whatsoever for the purpose (as far as the National Review was concerned) of influencing any election for federal office. Had I understood that to be a possible interpretation of the procedure I chose to pay for the ads, I would have written my own personal checks for the ads. However, as sole owner of the National Review, it is not unusual for me to make minor personal expenditures in this manner when time is of the essence. I believed that I had a personal obligation to repay this advance regardless of any other contributions I might receive to help pay for the ads.

7. It is apparent from the allegations against me and the other respondents that the Commission has emphasized the "committee" aspects of my enterprise to run independent advertisements for my brother and Stewart McKinney. However, the practical fact is that I personally determined to run advertisements for these two candidates, and I sought and received contributions from my sister and the other participants to help defray the necessary costs. It was because Mr. Burgess was concerned that the Commission might assert that we were a

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"committee," depending on how the enterprise ultimately took shape, that we filed as such purely as a precautionary measure. It is ironic to me that, by complying with the more stringent requirements of the election laws relating to "political committees," we are now charged with violating such laws even though what we did was well within our rights to do as individuals making independent expenditures.

8. Essentially, I am synonymous with the "Committee to Aid Connecticut." It was my idea to make independent expenditures in support of James Buckley's and Stewart McKinney's campaigns, and it was my idea to seek contributions from a small group of persons who might be interested in supporting their elections. As the person primarily responsible for this enterprise, I sought legal counsel to assure that I--and, particularly, my friends who might participate--were acting in full compliance with all legal requirements. I, and they, had no intention of violating the election laws, and we do not believe that we did so. If, by any technical reading of the law, we violated it, I trust that the Commission will recognize the good faith nature of our activities, our reliance on the advice of counsel, and the ambiguities in the law that created any such violation.

9. The foregoing is true and correct of my own
personal knowledge.

William F. Buckley, Jr.
/

Subscribed and sworn to
before me this 14th day
of April, 1982.

Rose Marie De Maio
Notary Public

ROSE MARIE De MAIO
Notary Public, State of New York
No. 30-125995D - Nassau County
Term Expires March 30, 1983

ROSE MARIE De MAIO
Notary Public, State of New York
No. 30-125995D - Nassau County
Term Expires March 30, 1981

NATIONAL REVIEW, INC.
180 EAST 56TH STREET, NEW YORK, N. Y. 10016

131
1-30
210

MANUFACTURERS HANOVER TRUST COMPANY
510 THIRD AVENUE
NEW YORK, N. Y.

№ 41207

17058 and 0001

PAY

TO THE
DRINK BY

Cash. Mon. & H. Co.

62674

10/17/20

DOI: 10.1002/for

17058.-

Rev. J. May...

William A. Rutherford

NATIONAL REVIEW, INC.
150 EAST 35TH STREET, NEW YORK, N. Y. 10016

131
1-30
210

MANUFACTURERS HANOVER TRUST COMPANY
517 THIRD AVENUE
NEW YORK, N. Y.

No 41301

2824 and 000

PAY

TO THE
ORIGIN OF

Crash 17.1.7. c.

10478

10/28/80

NO. 1 CHICKEN

2524.

William A. Rusher

AFFIDAVIT OF ROBERT K. BURGESS

Robert K. Burgess, having been first duly sworn,
deposes and says as follows:

1. I am a partner in the law firm of Latham & Watkins. I was resident in the firm's Washington, D.C. office, known as Latham, Watkins & Hills, in 1980.

2. In October, 1980, I spoke by telephone several times with William F. Buckley, Jr., who sought my advice with respect to his desire to make independent expenditures in connection with the general federal elections to be held in November. Mr. Buckley was especially concerned that his actions be in full compliance with the federal election laws and that he not do anything which would violate those laws or constitute a violation of law by any of the persons who might participate in his project.

3. I counseled Mr. Buckley about the requirements of the Federal Election Campaign Act of 1971, as amended, and the regulations thereunder, as to independent expenditures. I told him that, based upon the Supreme Court's decisions in Buckley v. Valeo and Republican National Committee, as well as the three-judge court's decision in Common Cause v. Schmitt, there was no limit on the amount of the independent expenditures he could make. I also told him that, given his own principal role in the effort and the small number of anticipated contri-

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butors (5-6 total), there was no limit on the amount of money he could receive from any one contributor because I did not believe his activities would invoke the rules applicable to political committees. However, I was cognizant of the definition of "political committee" in the Act (§431(4), including any "other group of persons"), and I thought there was sufficient uncertainty at the time about how the enterprise would ultimately take shape or appear in hindsight, as to militate in favor of a conservative approach to his activities. Accordingly, I advised Mr. Buckley to limit all contributions to a maximum of \$5,000 per person, and to file and report with the Commission as a "committee." Based upon my recent review of the various reports filed with the Commission, Mr. Buckley complied fully with my advice. I also believe that no "committee" was ever created within the meaning of §431(4) of the Act, and that Mr. Buckley could have reported his activities as independent expenditures by persons other than political committees under §434(c) of the Act.

4. The foregoing is true and correct of my own personal knowledge.

Robert K. Burgess

Robert K. Burgess

Subscribed and sworn to
before me this 15th day
of April, 1982.

Charles J. Meacham
Notary Public

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Robert K. Burgess, Latham, Watkins & Hills

ADDRESS: 1333 New Hampshire Ave., N.W., Washington, D.C. 20036

TELEPHONE: (202) 828-4400 (312) 876-7700 (in Chicago)

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.

April 15, 1982

Date

Signature W. Buckley

NAME: William F. Buckley, Jr.

ADDRESS: 150 E. 35th Street
New York, New York 10016

HOME PHONE:

BUSINESS PHONE: (212) 679-7330

83040414724

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Robert K. Burgess, Esq., Latham, Watkins & Hills

ADDRESS: 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036

TELEPHONE: (202) 828-4400 (312) 876-7700 (in Chicago)

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.

April 15, 1982
Date

Alexandra T. Holmyard
Signature

Committee to Aid Connecticut

NAME: Alexandra T. Holmyard

ADDRESS: Mead's Point, Greenwich, Connecticut 06830

HOME PHONE:

BUSINESS PHONE:

83040414725

STATEMENT OF DESIGNATION OF COUNSEL

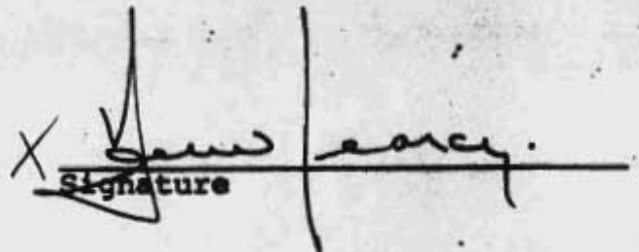
NAME OF COUNSEL: Robert Burgess, Esq., Latham, Watkins and Hills

ADDRESS: 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036

TELEPHONE: (202) 828-4400 (312) 876-7700 (in Chicago)

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.

April 15, 1982
Date

X 
Signature

NAME: Raymond J. Learsy
ADDRESS: 665 Fifth Avenue
New York, New York 10022
HOME PHONE:
BUSINESS PHONE:

83040414726

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Robert K. Burgess, Esq., Latham, Watkins & Hills
ADDRESS: 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036
TELEPHONE: (202) 828-4400 (312) 876-7700 (in Chicago)

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.

April 15, 1982
Date

Priscilla J. Buckley
Signature

NAME: Priscilla Buckley
ADDRESS: 150 E. 35th Street
New York, New York 10016
HOME PHONE:
BUSINESS PHONE: (212) 679-7330

83040414727

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Robert K. Burgess, Esq., Latham, Watkins & Hills

ADDRESS: 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036

TELEPHONE: (202) 828-4400 (312) 876-7700 (in Chicago)

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.

April 15, 1982

Date

Wm F. Buckley Jr.

National Review Inc.

Signature

NAME: National Review, Inc.
William F. Buckley, Jr.
ADDRESS: 150 E. 35th Street
New York, New York 10016
HOME PHONE:
BUSINESS PHONE: (212) 679-7330

83040414728

83040414739

FROM * *

LAW OFFICES
LATHAM, WATKINS & HILLS

SUITE 1200

1333 NEW HAMPSHIRE AVE., N.W.

WASHINGTON, D.C. 20036

TO * *

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

VIA MESSENGER

RAYMOND J. LEARBY
666 FIFTH AVENUE
NEW YORK, NEW YORK 10022

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CCH# 7521

5 April 1982

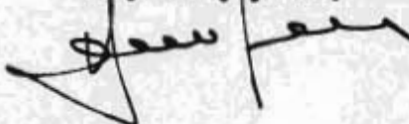
Your ref: MUR 1414

Dear Mr. Gross,

Thank you for your letter of April 1

I now understand that Mr. Roger Burgess, Esq.,
of Lathan, Watkin and Hills will be responding on the
referenced matter on behalf of Mr. William F. Buckley, Jr.,
Ms. Priscilla Buckley as well as the undersigned.

Very truly yours,



Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463

By Registered Mail

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Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463

By Registered Mail

REGISTERED

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

April 1, 1982

Edward Sonnenschien, Jr.
Latham, Watkins & Hills
1333 New Hampshire Avenue, N.W.
Suite 1200
Washington, D.C. 20036

Re: MUR 1414
William F. Buckley, Jr.
Priscilla Buckley

Dear Mr. Sonnenschien:

This is in reference to your letter dated March 31, 1982 requesting an extension until April 16, 1982 to respond to the Commission's questions in connection with its notice that it has reason to believe that your clients have violated the Act.

The General Counsel has granted your extension and, therefore, this office will expect your response on or before April 16, 1982. If you have any questions, please contact Marybeth Tarrant at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

BY:

A handwritten signature in cursive script, appearing to read "Kenneth A. Gross", is written over the typed name.

Kenneth A. Gross
Associate General Counsel

83040414732



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 1, 1982

Raymond J. Learsy
665 Fifth Avenue
New York, New York 10022

Re: MUR 1414

Dear Mr. Learsy:

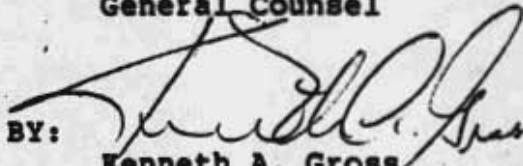
This is in reference to your letter dated March 26, 1982 requesting an extension of 30 days to respond to the Commission's questions in connection with its notice that it has reason to believe that you have violated the Act.

The General Counsel has granted your extension and, therefore, this office will expect your response on or before April 30, 1982. If you have any questions, please contact Marybeth Tarrant at (202) 523-4529.

Sincerely,

Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel

83040414733

6cc# 7476

LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW

PAUL R. WATKINS (1888-1973)
DANA LATHAM (1888-1974)

1322 NEW HAMPSHIRE AVENUE, N.W.
SUITE 1200

WASHINGTON, D. C. 20036
TELEPHONE (202) 828-4400
TELECOPIER (202) 828-4418
TWX 710 822-8378

NEWPORT BEACH OFFICE
880 NEWPORT CENTER DRIVE, SUITE 1400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 788-2100
TELECOPIER (714) 788-8881

SAN DIEGO OFFICE
828 BROADWAY, SUITE 2500
SAN DIEGO, CALIFORNIA 92101
TELEPHONE (714) 238-4414
TELECOPIER (714) 238-3884

LOS ANGELES OFFICE
888 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 485-1236
CABLE ADDRESS LATHWAT
TWX 810 281-3733
TELECOPIER (213) 880-2088

April 2, 1982

VIA MESSENGER

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

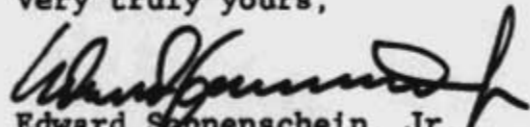
Re: MUR 1414

Dear Ms. Tarrant:

In reference to the extension of time to respond to the above-referenced MUR granted to us by letter of April 1, 1982, this will confirm my understanding based on our telephone conversation of yesterday that the extension of time applies to responses by The National Review as well as William F. Buckley, Jr. and Priscilla Buckley. We are representing all three respondents in this matter.

Please notify me as soon as possible if your understanding differs from the foregoing.

Very truly yours,


Edward Sonnenschein, Jr.
of LATHAM, WATKINS & HILLS

cc: Robert K. Burgess

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LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW

1333 NEW HAMPSHIRE AVENUE, N. W.

SUITE 1200

WASHINGTON, D. C. 20036-1594

SENT BY AIR MAIL

2 APR 2 P6:16

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

VIA MESSENGER

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RICHARD O'NEIL & ASSOCIATES

STEWART H. RICHMOND

WILLIAM J. ALLEGRETTI

JOHN D. ANGELL

JOHN D. BLUM

MICHAEL E. BRADY

GEORGE H. P. BURKE

HUGH J. FREUND

ANDREW L. HERR

EDWARD E. HUGHES

GERARD E. JONES

GRAHAM LEONARD

WILLIAM A. NEWMAN

CYRIL F. O'NEIL, JR.

JOHN VANCE ARNOLD

BRIAN S. BEGLIN

ARM S. FIFERSON

CHARLES S. HUGHES, JR.

OWEN S. S. HUGHES

A. DAVID SANDERS

BARBARA QUINN SEYMOUR

THOMAS I. SHERIDAN, III

CAROL S. WARREN

JUDITH H. WELK

600 MADISON AVENUE
NEW YORK, N.Y. 10021

212/755-8080

CABLE: "NICHONEL"

TELEX: 140538

H. KENNETH HALLER
JOHN C. HUGHES
OF COUNSEL

March 31, 1982

2 APR 2 PM: 07

GENERAL COUNSEL

Federal Election Commission
Washington, D.C. 20463

Re: MUR 1414/Robert Marston

Gentlemen:

In response to your letter of March 17, 1982 to Mr. Robert Marston, we enclose herewith a Statement of Designation of the undersigned as counsel and Mr. Marston's response to the list of questions enclosed with that letter.

As indicated in Mr. Marston's answers, he was advised that the Committee to which his contribution was made was an independent committee supporting the election efforts of more than one candidate and, indeed, the General Counsel's Factual and Legal Analysis enclosed with your letter indicates that the Committee did in fact make expenditures in support of more than one candidate.

Under the circumstances, then, it would be Mr. Marston's hope that the Commission would find further consideration of this matter to be unwarranted.

Very truly yours,

Cyril F. O'Neil, Jr.
Cyril F. O'Neil, Jr.

Enclosures

cc: Mr. Robert Marston

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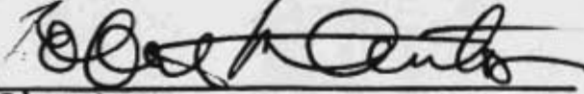
STATEMENT OF DESIGNATION OF COUNSEL

82 APR 2 PM 12:01

NAME OF COUNSEL: Cyril F. O'Neil, Jr.
ADDRESS: 660 Madison Avenue, New York, NY 10021
TELEPHONE: 212-759-2020

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.

March 30, 1982
Date


Signature
Robert Marston

NAME: Robert Marston
ADDRESS: 10 Deer Park Court
Greenwich, Connecticut 06830
HOME PHONE: 203-661-1353
BUSINESS PHONE: 212-371-2200

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QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?
15. Did you make any contributions to the Citizens for Buckley, Inc.? If so, when? and how much?

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Answers to Questions to Robert Harston
by Federal Election Commission - MUR 1414

1. Dan W. Lufkin.
2. I do not know, but I understood that he was also being solicited for a contribution.
3. None other than as a potential contributor.
4. \$5,000
5. --
6. --
7. November 13, 1980
8. My recollection is not clear, but I believe my check was sent to a Mrs. McKenzie.
9. Check - copy attached.
10. To help defray advertising costs on behalf of the candidacies of James Buckley and Stewart McKinney and possibly other Republican candidates.
11. Mr. Lufkin
12. I was not advised what proportion of my contribution might be devoted to advertising on behalf of any particular Republican candidate.
13. See answer to 12.
14. No.
15. No.

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ROBERT MARSTON :

**PAY TO THE
ORDER OF**

Committee for Aid to Connecticut

5.012 ⁵²

Time Monitored. $\frac{0.0}{1.00}$

DOLLARS



BANKERS TRUST COMPANY
415 MADISON AVENUE
NEW YORK, N. Y.

10

NEW YORK
CUNTA ROUTE

Rockwell

83040414740

For support only
Committee for A&S
to Council
Dr Holmgren,
N. H. H. H.

CAT FORD CREDIT
 60 FIVE
 CRYSTAL TAILOR
 FORD'S MUST CO.
 CRYSTAL TAILOR
 60-107

6304041074
RICHARDS O'NEIL ALLEGAERT
660 MADISON AVENUE, NEW YORK, N. Y. 10021

Federal Election Commission
Washington, D.C. 20463



GCC#7453

LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW

**1532 NEW HAMPSHIRE AVENUE, N.W.
SUITE 1200**

**WASHINGTON, D. C. 20038
TELEPHONE (202) 838-4400
TELECOPIER (202) 838-4415
TWX 710 822-9375**

**PAUL R. WATKINS (1939-1973)
DANA LATHAM (1938-1974)**

LOS ANGELES OFFICE

**555 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 485-1234
CABLE ADDRESS LATHWAT
TWX 910 381-3733
TELECOPIER (213) 880-2088**

NEWPORT BEACH OFFICE

**850 NEWPORT CENTER DRIVE, SUITE 400
NEWPORT BEACH, CALIFORNIA 92660
TELEPHONE (714) 782-9100
TELECOPIER (714) 782-8891**

SAN DIEGO OFFICE

**555 BROADWAY, SUITE 2500
SAN DIEGO, CALIFORNIA 92101
TELEPHONE (714) 538-4444
TELECOPIER (714) 538-3824**

March 31, 1982

VIA MESSENGER

**Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463**

Re: MUR 1414

Dear Ms. Tarrant:

As I indicated to you by telephone yesterday, the above-referenced MUR pertaining to William F. Buckley, Jr. and Priscilla Buckley has been referred to our law firm. It is my understanding from our conversation that all responses to matters raised by the documents sent to the Buckleys by the Federal Election Commission (including specific factual questions contained therein) are subject to the fifteen day time period prescribed by the Commission's preliminary procedures enclosed with the documents. Because we have only recently received these materials, we hereby request an extension of this time period so that responses to the MUR may be submitted through April 16, 1982.

We would greatly appreciate a written confirmation of this extension at your earliest possible convenience. Any questions regarding this matter should be directed to the undersigned or to Robert K. Burgess of our Chicago office (312-876-7700).

Very truly yours,


**Edward Sonnenschein, Jr.
of LATHAM, WATKINS & HILLS**

cc: Robert K. Burgess

83040414742

2 MAR 31 A10:33

ORIGINAL FILED

6300413743 LATHAM, WATKINS & HILLS

ATTORNEYS AT LAW

1333 NEW HAMPSHIRE AVENUE, N. W.

SUITE 1200

WASHINGTON, D. C. 20036-1594

Ms. Marybeth Tarrant
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

VIA MESSENGER

NATIONAL REVIEW • 150 East 25th Street, New York, New York 10010

RECEIVED
OFFICE OF THE
COMMISSIONER

Tel. 679-7330

GCC# 7467

WILLIAM A. RUSHER
Publisher

82 APR 1 12:55

12 APR 1 15:04

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

March 29, 1982

Mr. Frank P. Reiche, Chairman
Federal Election Commission
Washington, D.C. 20463

Dear Mr. Reiche:

This is in response to your letter of March 17th, addressed to me as "President" of National Review.

I should first advise you that I am not the President but the Vice President of National Review, Inc., the corporation that owns National Review magazine.

The attorney who is representing the National Review officials to whom your letter was addressed is Mr. Robert Burgess, Latham, Watkins & Hill, Suite 1200, 1333 New Hampshire, N.W., Washington, D.C. 20036. I believe your office has already been informed to this effect, and that arrangements are under way to submit their several answers to your questions as promptly as possible. Mr. Burgess will also be representing me.

Sincerely yours,

William A. Rusher

William A. Rusher

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STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Robert Burgess, Esq.

ADDRESS: Latham, Watkins & Hill, 1333 New Hampshire, N.W., Wash., D.C. 20036

TELEPHONE:

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.

March 29, 1982
Date

William A. Risher
Signature

NAME: William A. Risher

ADDRESS: 30 East 37th Street, New York City 10016

HOME PHONE: (212) 689-7321

BUSINESS PHONE: (212) 679-7330

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8
7
NATIONAL
REVIEW

150 East 35th Street
New York, N. Y. 10016

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0
1
1
1



Mr. Frank P. Reiche, Chairman
Federal Election Commission
Washington, D.C. 20463

82 MAR 1 A 8:48

RECEIVED

RAYMOND J. LEARBY
605 FIFTH AVENUE
NEW YORK, NEW YORK 10022

26 March 1982

62-9451

32 MAR 30 P 1:21

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

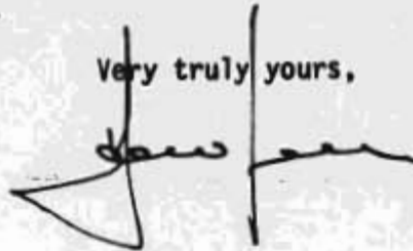
Your ref: MUR 1414

Dear Mr. Reiche,

I have for acknowledgement your letter of
March 17, 1982.

As I explained to your Ms. Marybeth Tarrant
today, I have been overseas returning only this week
and, therefore, would appreciate an extension of the
reply time. In addition, my attorney who normally
handles my personal affairs has been in the hospital.
If you would give me at least an additional thirty days,
it would be appreciated.

Very truly yours,



Mr. Frank P. Reiche
Chairman for the
Federal Election Commission
Washington, D.C. 20463

82 MAR 30 A 9:36

RECEIVED
OFFICE OF THE
COMMISSIONER
AND SECRETARY

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Mr. Frank P. Reiche
Chairman for the
Federal Election Commission
Washington, D.C. 20463

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REC'D - 100



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

William Rusher, President
National Review
150 E. 35th Street
New York, N.Y. 10016

Re: MUR 1414

Dear Mr. Rusher:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that the National Review violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by making a contribution totalling \$19,882 on October 29, 1981 to the Committee to Aid Connecticut. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the National Review. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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

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Letter to William Rusher
Page 2

of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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QUESTIONS

1. What was the role of National Review in the payment of \$19,882 for newspaper ads on behalf of James L. Buckley for U.S. Senator and Stewart McKinney for U.S. House of Representatives?
2. Who contacted the National Review about payment for these ads?
3. Who at the National Review was contacted about these ads?
4. What was the role of Amesh Viseltear Gumbinner, Inc. regarding these ads?
5. Did anyone from the National Review contact James L. Buckley and/or his campaign committee regarding these ads?
If so, please name the person(s) involved and the nature of the contact(s).
6. If the National Review did initially pay for the ads, please answer the following questions:
 - a) Who made the decision to pay for these ads?
 - b) Why was such a decision made?
 - c) What was the understanding between the National Review and the Committee to Aid Connecticut regarding payment for these ads?
 - d) How did the National Review expect to get paid back?
 - e) How did the National Review pay for these ads (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
 - f) Was the National Review reimbursed for the cost of the ads? If so, by whom? when? and how much? Please furnish a copy of any documentation of such reimbursement.
7. If the National Review did not pay for these ads, please explain why the magazine's name appears in the Committee to Aid Connecticut's reports?
8. During 1980, did the National Review pay for the expenses of any other federal or state candidate or committee subject to being reimbursed later?

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William Rusher
Questions, Pg. 2

If so, please give the details, including the name of the candidate or committee involved, the dates of the payments and reimbursements, and the amounts involved.

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT National Review

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

The National Review made a contribution totalling \$19,882 to the Committee to Aid Connecticut (the Committee) in violation of 2 U.S.C. § 441b.

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. ^{1/}

^{1/} These were the only two candidates supported by this committee. In addition, these independent expenditures appear to have been the Committee's only activity.

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On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by the Reports Analysis Division on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Pursuant to 2 U.S.C. § 431(8)(A)(i), the term contribution includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James L. Buckley.

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office. Pursuant to 2 U.S.C. § 431(11), the term person includes a corporation. Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any federal election. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the Office of General Counsel recommends that the Commission find reason to believe that the National Review violated 2 U.S.C. § 441b.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

Mrs. Harold R. Holmyard, Treasurer
Committee to Aid Connecticut
Head's Point
Greenwich, Connecticut 06830

Re: MUR 1414
Committee to Aid Connecticut

Dear Mrs. Holmyard:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that your committee violated 2 U.S.C. §§ 441a(f) and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), by accepting excessive contributions from four individuals and a corporate contribution. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against your committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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

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Letter to Mrs. Harold Holmyard

Page 2

of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202/523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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Mrs. Harold Holmyard
MUR 1414

QUESTIONS

With regard to ads totalling \$19,882 which were in support of James L. Buckley for U.S. Senator and Stewart McKinney for U.S. House of Representatives, please answer the following questions.

1. How many ads were there?
2. In what newspapers or other media did they appear?
3. On what date(s)?
4. Please provide a copy of each ad. If this is not possible, please provide the details of each ad.
5. Which Committee officials, agents, or volunteers were involved in planning, preparing, and purchasing these ads?
6. What was the role of Amesh Viseltear Gumbinner, Inc. regarding these ads?
7. What was the role of National Review regarding these ads?
8. Who initially paid for these ads?
9. Who contacted the National Review concerning payment for these ads?
10. Who was contacted at National Review concerning these ads?
11. If your committee, the Committee to Aid Connecticut, initially paid for the ads, how were they paid for (e.g. check, money order)? Please furnish a copy of any documentation of this transaction.
12. If the National Review paid for the ads, how was it reimbursed (e.g. check, money order) and by whom? Please furnish a copy of any documentation of this transaction.
13. How did your committee raise the money to cover the cost of the ads?
14. If this money was raised by individual contributions, what were these contributors told the money was going for?

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15. Which Committee officials, agents, or volunteers were involved in soliciting contributions?

16. When were these contributors solicited?

17. Were these contributors advised that most of their contributions were going to reimburse the National Review for ads on behalf of James L. Buckley?

18. Did your committee or any official, agent, or volunteer of your committee have contact with James L. Buckley and/or his campaign committee regarding these ads? If so, please state the name(s) of the person(s) involved and the nature of these contacts.

19. Did any of the following individuals act as officials, agents, or volunteers for the Committee to Aid Connecticut?

Robert Marston
Raymond Learsy
William F. Buckley, Jr.
Priscilla Buckley

If so, please describe their relationship with and activities for the Committee.

20. Did any of the individuals listed in question 19 act as officials, agents, or volunteers of Citizens for Buckley, Inc.?

If so, please describe their relationship with and activities for the Committee.

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Committee to Aid Connecticut

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

83040414760
The Committee to Aid Connecticut (the Committee) was referred for receipt of a corporate contribution from the National Review, in violation of 2 U.S.C. § 441b. In addition, the possibility exists that four contributors contributed \$5,000 each to the Committee with the knowledge that a substantial portion would be expended on behalf of James L. Buckley for U.S. Senate, in violation of 2 U.S.C. § 441a(a)(1)(A). The Committee's acceptance of these contributions violated 2 U.S.C. § 441a(f).

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441b

The Committee registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized

independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RAFI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

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have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any federal election. In addition, it is unlawful for any political committee knowingly to accept or receive any contribution prohibited by this section. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the General Counsel recommends that the Commission find reason to believe that the Committee and the National Review violated 2 U.S.C. § 441b(a).

2 U.S.C. § 441a

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. The four following contributions were made to the Committee subsequent to the

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purchase of the ads and prior to the payment to National

Review: 4/

Robert Marston 11/13/80 \$5,000

Raymond J. Learsy 11/03/80 \$5,000

William F. Buckley, Jr. 12/01/80 \$5,000

Priscilla Buckley 12/01/80 \$5,000

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individuals:

Marston 0

Learsy 1/04/80 \$1,000 convention

8/25/80 \$1,000 general

Buckley, Wm. F. 3/20/80 \$1,000 convention

9/20/80 \$2,000 (loan) primary,
general

9/24/80 received loan payment \$2,000

Buckley, Priscilla 12/20/79 \$1,000 convention

10/03/80 \$1,000 general

4/ The only other contributions received during this period were a \$1,000 contribution from one individual and two \$100 contributions from two individuals.

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As Senator Buckley was involved in three elections 5/ in 1980 (nominating convention, primary and general) all of these individuals could have contributed \$3,000 to Mr. Buckley's campaign. 6/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Under section 441a(f), a political committee is prohibited from knowingly accepting any contribution in violation of the provisions of section 441a. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also to a political committee which has supported, or

5/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

6/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

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anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

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The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the four \$5,000 contributions mentioned previously were received by the Committee after National Review paid Amesh Viseltear Gumbinner, Inc. and before the Committee reimbursed National Review. Further, two of the contributors in question, William F. and Priscilla Buckley, are connected with the National Review. Thus, it is apparent that these four contributors made these contributions, and the Committee accepted these contributions, with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find reason to believe that Robert Marston, Raymond J. Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

Further, the General Counsel recommends that the Commission find reason to believe that the Committee violated 2 U.S.C. § 441a(f) by accepting these excessive contributions.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

Priscilla Buckley
c/o National Review
150 E. 35th Street
New York, New York 10016

Re: MUR 1414

Dear Ms. Buckley:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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Letter to Priscilla Buckley
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions

General Counsel's Factual and Legal Analysis

Procedures

Designation of Counsel Statement

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QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of your brother, James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

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15. Did you receive a contribution refund from the Committee?

If so, how much?

If so, why was this refund made?

If not, why did that Committee report such a refund?

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Priscilla Buckley

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that Priscilla Buckley violated
2 U.S.C. § 441a(a)(1)(A) by contributing \$5,682 to the
campaign of James L. Buckley for U.S. Senate, \$2,682 in
excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee)
registered with the Commission on October 31, 1980, as a
political committee which would support more than one
federal candidate, though not as a separate segregated fund
or a party committee. On that same day, the Committee filed
a Schedule E which itemized independent expenditures
totalling \$19,882, on October 29 and November 3, 1980, to
Amesh Viseltair Gumbinner, Inc. for newspaper ads. One
expenditure of \$17,058 was in support of James L. Buckley
for U.S. Senator and the second expenditure of \$2,824 was
in support of Stewart McKinney for U.S. House of
Representatives. 1/

1/ These were the only two candidates supported by this
committee. In addition, these independent expenditures
appear to have been the Committee's only activity.

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On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a biweekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On December 1, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

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Priscilla Buckley contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Buckley, Priscilla	12/20/79	\$1,000	convention
	10/03/80	\$1,000	general

As Senator Buckley was involved in three elections 4/ in 1980 (nominating convention, primary and general) the

4/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

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respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

83040414774

reimbursed National Review. Further, the contributor in question, Priscilla Buckley, is connected with the National Review. Thus, it is apparent that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of her funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

83040414775



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

William F. Buckley, Jr.
c/o National Review
150 E. 35th Street
New York, New York 10016

Re: MUR 1414

Dear Mr. Buckley:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 an election to James L. Buckley in 1980. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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Letter to William F. Buckley, Jr.
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

83040414777

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of your brother, James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

83040414778

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT William F. Buckley, Jr.

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

It appears that William F. Buckley, Jr. violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$6,000 to the campaign of James L. Buckley for U.S. Senator, \$3,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by this committee. In addition, these independent expenditures appear to have been the Committee's only activity.

83040414779

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On December 1, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

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William F. Buckley, Jr. contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review:

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000 (loan)	primary, general
	9/24/80	received loan repayment	\$2,000

As Senator Buckley was involved in three elections ^{4/} in 1908 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's

^{4/} On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

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campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee reimbursed National Review. Further, the contributor in

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

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question, William F. Buckley, Jr., is connected with the National Review. Thus, it is apparent that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$ 19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that William F. Buckley, Jr. violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

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<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Comm.</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

Raymond J. Learsy
665 Fifth Avenue
New York, N.Y. 10022

Re: MUR 1414

Dear Mr. Learsy:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

83040414784

Letter to Raymond J. Learsy
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions

General Counsel's Factual and Legal Analysis

Procedures

Designation of Counsel Statement

83040414785

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions..

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

83040414786

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Raymond J. Learsy

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

It appears that Raymond J. Learsy violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$7,000 to the campaign of James L. Buckley for U.S. Senate, \$4,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

83040414787

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received.

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

83040414788

On November 3, 1980, Raymond J. Learsy contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Learsy	1/4/80	\$1,000	convention
	8/25/80	\$1,000	general

As Senator Buckley was involved in three elections 4/

4/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

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in 1980 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

- (1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;
- (2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and
- (3) The contributor does not retain control over the funds.

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckleyd Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

83040414790

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee reimbursed National Review. Thus, it appears that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Raymond J. Learsy violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

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<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 17, 1982

Robert Marston
10 Deer Park Court
Greenwich, Connecticut 06830

Re: MUR 1414

Dear Mr. Marston:

On March 16, 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

83040414792

Letter to Robert Marston
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

83040414793

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?
15. Did you make any contributions to the Citizens for Buckley, Inc.? If so, when? and how much?

83040414794

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Robert Marston

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the campaign of James L. Buckley for U.S. Senator, \$2,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltar Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

83040414795

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a biweekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltar Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On November 13, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

83040414796

Robert Marston contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) does not disclose any contributions from Mr. Marston.

As Senator Buckley was involved in three elections 4/

4/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

83040414797

in 1980 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

83040414798

- (2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and
(3) The contributor does not retain control over the funds.

83040414799
The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee reimbursed National Review. Thus, it appears that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 17, 1982

MEMORANDUM TO: The File - MUR 1414
FROM: Marybeth Tarrant *MT*
SUBJECT: Substitution of pages.

Per the Commission meeting of March 16, 1982, the attached pages (pages 3 and 4) reflect the changes made by the Commission to the First General Counsel's Report.

83040414800

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any federal election. In addition it is unlawful for any political committee knowingly to accept or receive any contribution prohibited by this section. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the General Counsel recommends that the Commission find reason to believe that the Committee and the National Review violated 2 U.S.C. § 441b(a).

4/ cont'd.

distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate. However, there is no evidence that this exemption would apply here because it does not appear the expenditure involved a news story, commentary or editorial; nor do we have any indication that this "ad" appeared in the National Review.

2 U.S.C. § 441a

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. The four following contributions were made to the Committee subsequent to the purchase of the ads and prior to the payment to National Review: 5/

Robert Marston	11/13/80	\$5,000
Raymond J. Learsy	11/03/80	\$5,000
William F. Buckley, Jr.	12/01/80	\$5,000
Priscilla Buckley	12/01/80	\$5,000

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individuals:

Marston 0

Learsy	1/04/80	\$1,000	convention
	8/25/80	\$1,000	general

Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000 (loan)	primary, general
	9/24/80	received loan repayment	\$2,000

5/ The only other contributions received during this period were a \$1,000 contribution from one individual and two \$100 contributions from two individuals.

83040414802

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Committee to Aid Connecticut,)
et al.)

MUR 1414

CERTIFICATION

I, Marjorie W. Emons, Recording Secretary for the Federal Election Commission Executive Session on March 16, 1982, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1414:

1. Find reason to believe that the National Review violated 2 U.S.C. §441b.
2. Find reason to believe that the Committee to Aid Connecticut violated 2 U.S.C. §441b.
3. Find reason to believe that Robert Marston, Raymond J. Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. §441a(a)(1)(a).
4. Find reason to believe that the Committee to Aid Connecticut violated 2 U.S.C. §441a(f).
5. Approve the letter and questions attached to the General Counsel's March 5, 1982 report as amended in the meeting.

Commissioners Elliott, McDonald, McGarry, Harris, and Reiche voted affirmatively for the decision; Commissioner Aikens dissented.

Attest:

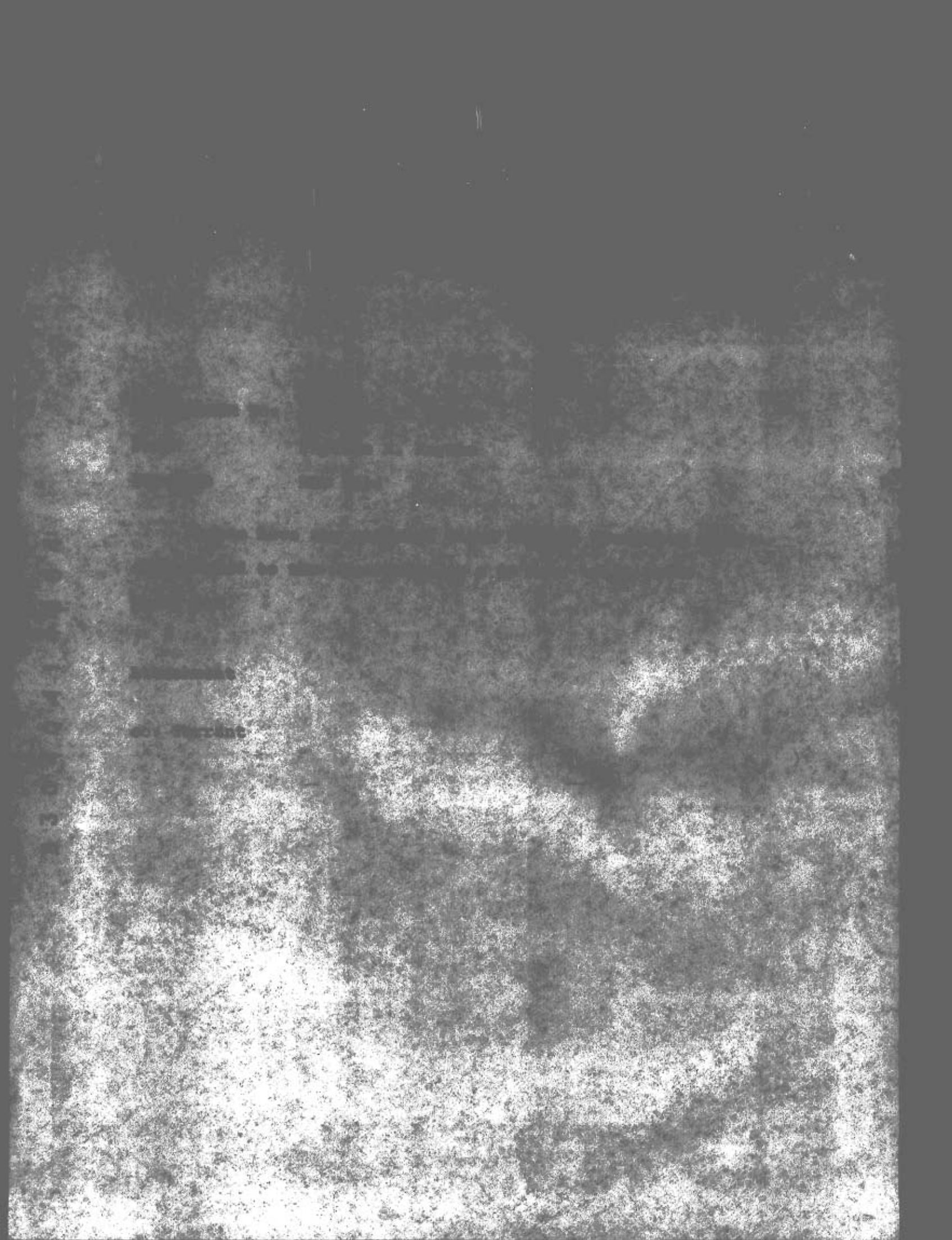
3/16/82

Date

Marjorie W. Emons

Marjorie W. Emons
Secretary for the Commission

83040414803



SENSITIVE

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 3-5-82

MUR 1414

STAFF MEMBER(S)

Tarrant, Thomas

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
82 MAR 5 5:18

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENT'S NAME: Committee to Aid Connecticut, National Review, William F. Buckley, Jr., Priscilla Buckley, Raymond J. Learsy and Robert Marston

RELEVANT STATUTE: 2 U.S.C. §§ 441a(a)(1)(A), 441a(f), 441b
11 C.F.R. § 110.1(h)

INTERNAL REPORTS CHECKED: Citizens for Buckley, Inc.
Committee to Aid Connecticut

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

On November 25, 1981, the Reports Analysis Division (RAD) referred the Committee to Aid Connecticut (the Committee) to the Office of General Counsel. On December 15, 1981, the Commission voted to open a MUR in this matter.

SUMMARY OF ALLEGATIONS

The Committee was referred for receipt of a corporation contribution from the National Review, in violation of 2 U.S.C. § 441b. In addition, the possibility exists that four contributors contributed \$5,000 each to the Committee with the knowledge that a substantial portion would be expended on behalf of James L. Buckley for U.S. Senate, in violation of 2 U.S.C. § 441a.

83040414805

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441b

The Committee registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Visel tear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

On December 3, 1980, the Committee filed its only report, a Termination Report 2/ which disclosed a single payment of \$19,882 to National Review, 3/ a biweekly periodical. 4/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

1/ These were the only candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

4/ Pursuant to 2 U.S.C. § 431(9)(B)(i) the term "expenditure" does not include any news story, commentary, or editorial (cont'd. next page)

83040414806

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any election to any political office. In addition it is unlawful for any political committee knowingly to accept or receive any contribution prohibited by this section. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the General Counsel recommends that the Commission find reason to believe that the Committee and the National Review violated 2 U.S.C. § 441b(a).

4/ cont'd.
distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate. However, there is no evidence that this exemption would apply here because it does not appear the expenditure involved a news story, commentary or editorial; nor do we have any indication that this "ad" appeared in the National Review.

83040414807

2 U.S.C. § 441a

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. The four following contributions were made subsequent to the purchase of the ads and prior to the payment to National Review: 5/

Robert Marston	11/13/80	\$5,000
Raymond J. Learsy	11/03/80	\$5,000
William F. Buckley, Jr.	12/01/80	\$5,000
Priscilla Buckley	12/01/80	\$5,000

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individuals:

Marston	0		
Learsy	1/04/80	\$1,000	convention
	8/25/80	\$1,000	general
Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000	(loan) primary, general
	9/24/80		received loan repayment \$2,000

5/ The only other contributions received during this period were a \$1,000 contribution from one individual and two \$100 contributions from two individuals.

Buckley, Priscilla 12/20/79 \$1,000 convention
10/03/80 \$1,000 general

As Senator Buckley was involved in three elections 6/ in 1980 (nominating convention, primary and general) all of these individuals could have contributed \$3,000 to Mr. Buckley's campaign. 7/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Under section 441a(f), a political committee is prohibited from knowingly accepting any contribution in violation of the provisions of section 441a.

6/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

7/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

83040414809

Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

83040414810
The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the four \$5,000 contributions mentioned previously were received by the Committee after National Review paid Amesh Viseltear Gumbinner, Inc. and before the Committee reimbursed National Review. Further, two of the contributors in question, William F. and Priscilla Buckley, are connected with the National Review. Thus, it is apparent that these four contributors made these contributions, and the Committee accepted these contributions, with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) had already been expended on behalf of James Buckley. This suggests that the contributors gave with the knowledge that the bulk of their funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Robert Marston, Raymond J. Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

Further, the General Counsel recommends that the Commission find reason to believe that the Committee violated 2 U.S.C. § 441a(f) by accepting these excessive contributions.^{8/}

RECOMMENDATIONS

1. Find reason to believe that the National Review violated 2 U.S.C. § 441b.
2. Find reason to believe that the Committee to Aid Connecticut violated 2 U.S.C. § 441b.
3. Find reason to believe that Robert Marston, Raymond J. Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A).

^{8/} The referral from RAD suggests the possibility that the expenditures of Committee to Aid Connecticut may have been made in coordination with Senator Buckley's campaign and may have therefore been excessive contributions in-kind. However, the only apparent connection between the Committee to Aid Connecticut and Senator Buckley's campaign is the fact that two of the contributors to the Committee to Aid Connecticut are siblings of Senator Buckley. Neither Amesh Viseltar Gumbinner, Inc. nor National Review appear to be a common vendor. Thus, at this time there is not a sufficient predicate for recommending a reason to believe finding on this issue.

4. Find reason to believe that the Committee to Aid Connecticut violated 2 U.S.C. § 441a(f).
5. Approve the attached letters and questions.

March 5, 1982
Date

Charles N. Steele
General Counsel

BY: Kenneth A. Gross - by BT
Kenneth A. Gross
Associate General Counsel

Attachments

1. Referral from RAD (13 pages)
2. Proposed letters with questions and General Counsel's Factual and Legal Analysis (6) (51 pages)

83040414812



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MUR 1414

25 November 1981

MEMORANDUM

TO : CHARLES N. STEELE
GENERAL COUNSEL

THROUGH : B. ALLEN CLUTTER *B for BAC*
STAFF DIRECTOR

FROM : JOHN D. GIBSON *JD*
ASSISTANT STAFF DIRECTOR, RAD

SUBJECT : REFERRAL OF COMMITTEE TO AID CONNECTICUT

Please find the attached referral of the Committee to Aid Connecticut. According to the non-compliance standards contained in the Review and Referral Procedures, there is evidence that an expenditure by the committee may not have been independent (Chart #19). If this expenditure is considered to be an in-kind contribution, then the committee has made an excessive contribution to a candidate for Federal office (Chart #3). In addition, as a result of the committee's response to a Request for Additional Information and phone conversations, there is evidence of a possible corporate contribution (Chart #4).

The committee also appears to have received excessive contributions from individuals, who donated funds with the knowledge that a substantial portion would be expended on behalf of two candidates for Federal office (Chart #3).

All of these matters require additional examination by your office. If you have any questions, please contact Mark Kleinman at 357-0026.

Att. 1, p. 1

83040414813

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 25 November 1981

ANALYST: Mark Kleinman

I. COMMITTEE: Committee to Aid Connecticut - C00138198
Mrs. Harold Holmyard, Treasurer
Meads Point
Greenwich, Connecticut 06830

II. RELEVANT STATUTES: 2 U.S.C. 441b(a); 434(b) (6) (B) (iii) &
11 CFR 109.1(c); 2 U.S.C. 441a(a) (1) (A);
2 U.S.C. 441a(f) & 11 CFR 110.1(h)

III. BACKGROUND:

A. Receipt of Corporate Contribution - 2 U.S.C. 441b(a)

The Committee to Aid Connecticut ("the Committee") filed a 24 hour report showing payments which totalled \$19,882 in October and November of 1980 to Amesh Viseltear Gumbinner, Inc. (Attachment #2). The 24 hour report, which was sent certified on October 31, 1981, disclosed \$17,058 in independent expenditures in support of James L. Buckley for U.S. Senate, and \$2,824 in independent expenditures in support of Stewart McKinney for U.S. House of Representatives. However, the Committee's 1980 Termination Report, which covered this period, disclosed a single payment of \$19,882 on December 3, 1980 to National Review (Attachment #3). A Request for Additional Information was sent on June 17, 1981 asking the Committee to clarify this discrepancy (Attachment #4).

In a phone conversation on July 8, 1981, the treasurer's husband stated that the National Review had paid Amesh Viseltear Gumbinner, Inc., a media buying firm, initially since the firm expected an advanced payment. When the Committee received sufficient funds, it reimbursed the National Review (Attachment #5).

The Committee failed to respond to the Request for

REPORTS ANALYSIS REFERRAL TO OFFICE OF GENERAL COUNSEL
COMMITTEE TO AID CONNECTICUT
PAGE TWO

Additional Information and therefore a Second Notice was sent on July 10, 1981 (Attachment #6).

In a phone conversation on July 22, 1981, the treasurer's husband inquired about the notices from the Reports Analysis Division. It was explained that the Request for Additional Information was seeking to determine the payee of the \$19,882 expenditure (Attachment #7). On August 3, 1981, the Committee responded by disclosing the National Review as the payee (Attachment #8). However, the response failed to explain the discrepancy between the 24 hour report and the 1980 Termination Report.

B. Independent Expenditure Reporting Problems - 2 U.S.C. 434(b)(6)(B)(iii) and 11 CFR 109.1(c)

In response to the Request for Additional Information of June 17, 1981, which was sent on the Termination Report, the Committee's amended report provided an independent expenditure schedule (Schedule E), which disclosed that \$17,058 had been paid to the National Review in support of James L. Buckley for U.S. Senator (Attachment #8).

The Committee's itemized receipt schedule (Schedule A) for the Termination Report disclosed contributions from William F. Buckley, Jr., the candidate's brother and Publisher of National Review, and Priscilla Buckley, Editor of National Review (Attachment #9). The receipt of these contributions and the involvement of the National Review raise questions as to independence of the expenditures made on behalf of James Buckley.

C. Excessive Contributions to a Candidate for Federal Office by a Non-Qualified Multi-Candidate Committee 2 U.S.C. 441a(a)(1)(A)

If the activity referred to in Part III-B does not satisfy the definition of an independent expenditure, then it appears that an excessive in-kind contribution was made by the Committee in support of James Buckley for the general election.

REPORTS ANALYSIS REFERRAL TO OFFICE OF GENERAL COUNSEL
COMMITTEE TO AID CONNECTICUT
PAGE THREE

D. Receipt of Excessive Contributions by a Political
Committee - 2 U.S.C. 441a(f) and 11 CFR 110.1(h)

The information presented indicates that the payments on behalf of James L. Buckley and Stewart McKinney were apparently made by the National Review and subsequently reimbursed by the Committee after receipt of contributions. The possibility therefore exists that four contributors donated a total of \$20,000 to the Committee with the knowledge that a substantial portion would be expended on behalf of the above-mentioned candidates for the general election (Attachment #9).

IV. OTHER PENDING ACTIONS INITIATED BY RAD:

There are no outstanding Requests for Additional Information or matters which need to be referred at this time.

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5

83040414817

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (79-80)

DATE 9 OCT 81
PAGE 1

NON-PARTY RELATED

DOCUMENT	RECEIPTS	EXPENDITURES	TYPE OF FILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
COMMITTEE TO AID CONNECTICUT CONNECTED ORGANIZATION: NONE					
1980 STATEMENT OF ORGANIZATION 24 HOUR CONTRIBUTION NOTICE TERMINATION REPORT - AMENDMENT REQUEST FOR ADDITIONAL INFORMATION REQUEST FOR ADDITIONAL INFORMATION 2ND	21,200	21,200	31 OCT 80 31 OCT 80 23 OCT 80 - 31 DEC 80 23 OCT 80 - 31 DEC 80 23 OCT 80 - 31 DEC 80 23 OCT 80 - 31 DEC 80	1 3 5 2 1 2	80FEC/108/2391 80FEC/108/2391 80FEC/108/2391 80FEC/108/2391 80FEC/108/2391 80FEC/108/2391
TOTAL TERMINATED	21,200	21,200		14	TOTAL PAGES

COMMITTEE TO AID CONNECTICUT
CONNECTED ORGANIZATION: NONE

1980 STATEMENT OF ORGANIZATION
24 HOUR CONTRIBUTION NOTICE
TERMINATION REPORT
- AMENDMENT
REQUEST FOR ADDITIONAL INFORMATION
REQUEST FOR ADDITIONAL INFORMATION 2ND

TOTAL
TERMINATED

ALL REPORTS HAVE RECEIVED BASIC REVIEW.

ENDING CASH-ON-HAND (12-3-80) = \$0

DEBTS = 0

SCHEDULE E

ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

Page 1 of 1 Pages

I.D. No. 24 How Report
C00138 148 MK

Name of Committee (in Full)		I.D. No. 24 How Report		
Committee to aid Connecticut		C00138 148 MK		
Full Name, Mailing Address & ZIP Code of Each Payee	Purpose of Expenditure	Date (month, day, year)	Amount	Name of Federal Candidate supported or opposed by the expenditure & office sought
Amesh Viseltear Gumbinner Inc. 711 3rd Avenue New York, N.Y. 10017	Newspaper	Oct. 29, 1980 \$14 Nov. 3, 1980	\$17,058.00	James L. Buckley U.S. Senator ☒ Support ☐ Oppose
Amesh Viseltear Gumbinner Inc. 711 3rd Ave. New York, N.Y. 10017	Newspaper	10/29/80 11/3/80	\$ 2,824	Stewart McKinney US HOUSE OF REPRESENTATIVE ☒ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
(a) SUBTOTAL of Itemized Independent Expenditures			\$ 19,882	
(b) SUBTOTAL of Unitemized Independent Expenditures			\$	
(c) TOTAL Independent Expenditures			\$ 19,882	

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature: Amesh Viseltear Gumbinner Date: Oct 30 1980

Subscribed and sworn to before me this 30th day of

Oct. 1980

My Commission expires:
GENEVIEVE DIEKNEIT
NOTARY PUBLIC
STATE OF CONNECTICUT
No. 35476

NOTARY PUBLIC

COMM. EXPIRES AT JUL 1, 1984

Att. 1, p. 6

SCHEDULE B

ITEMIZED DISBURSEMENTS

 Page of for
 LINE NUMBER
 (Use separate schedule(s) for each
 category of the Detailed
 Summary Page)

7

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

COMMITTEE TO RID CONNECTICUT

Terminated by MK

INDEPENDENT EXPENDITURE

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
NATIONAL REVIEW, INC. 150 E. 55 TH ST N.Y. N.Y. 10016	FOR ADVERTISING FOR JAMES BUCKLEY AND STEWART HISKINLEY Disbursement for: ☐ Primary ☒ General ☐ Other (specify):	12/5/80	19,882
B. Full Name, Mailing Address and ZIP Code PRISCILLA BUCKLEY 60 BUTTON PLACE NY NY 10022 22R.	Purpose of Disbursement REFUND OF CONTRIBUTION Disbursement for: ☐ Primary ☒ General ☐ Other (specify):	12/4/80	1318
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			21,200
TOTAL This Period (last page this line number only)			21,200 19,882

AH. 1.1.7

83040414819



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 17, 1981

Harold Holmyard, Treasurer
Committee to Aid Connecticut
C/O Mrs. H. R. Holmyard, Meads Point
Greenwich, CT 06830

Identification No: C00138198

Reference: Termination Report (10/23/80 to 12/3/80)

Dear Mr. Holmyard:

This letter is prompted by the Commission's preliminary review of your Termination Report. The review raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act. An itemization of these areas follows:

- Please provide a Schedule E to support the entry on Line 22 of the Detailed Summary Page. (Note: This activity should not be disclosed on Schedule B.)

In addition, the 24 Hour Report filed by your committee indicated that the independent expenditures were paid to Anesh Viseltar Gunbinner, however, this report shows that payments were to National Review. Please clarify this discrepancy.

An amendment to your original report correcting the above problems should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll free number, (800) 424-9530. My local number is (202) 357-0026.

Sincerely,

Mark Kleinman

Mark Kleinman
Reports Analyst
Reports Analysis Division

Att. 1, p. 8

MEMORANDUM THE FILES: TELECON

COMMITTEE NAME: COMMITTEE TO AID CONNECTICUT

COMMITTEE CONTACT: HAROLD HOLMYARD, treas. husband

DATE: 7/8/81

ANALYST: P. Brown

SUBJECT: RFAI

Mr. Holmyard called requesting clarification of the RFAI sent by Mark Kleinman. I explained that the first paragraph would require the reporting of the information disclosed on Schedule B to be disclosed on Schedule E, or in other words, the committee had reported the information on the incorrect schedule. The second paragraph of the request asked the committee whom they paid, since two different vendors had been disclosed (1 on a 24 hour independent expenditure report, and another on the committee termination report).

Mr. Holmyard did not have a copy of his filings, or a Schedule E, so he requested that I send him both the filings and a Schedule E. He stated that Amesh Visel tear Gumbinner were a media buy firm, since they hadn't known how to go about buying space themselves, and the firm had handled the media buy. He went on to say that the National Review had acted as their agent (he said he didn't think that agent was the right word) and had paid Amesh et al since the firm had wanted the money ahead of time. When the contributions were received from the individuals, the Committee paid the National Review.

I told him to fill out the Schedule E and provide the explanation in writing. I sent the forms this afternoon.

83040414821



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

July 10, 1981

R23

Harold Holmyard, Treasurer
Committee to Aid Connecticut
C/O Mrs H. R. Holmyard, Meads Point
Greenwich, CT 06830

Identification No: C00138198

Reference: Termination Report. (10/23/80-12/3/80)

TCR

Dear Mr. Holmyard:

This letter is to inform you that as of this date, the Commission has not received your response to our request for additional information, dated June 17, 1981. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Mark Kleinman on our toll-free number (800)424-9530 or our local number (202)357-0026.

Sincerely,

John D. Gibson

John D. Gibson
Acting Assist. Staff Director
Reports Analysis Division

Enclosure

83040414822

CB
7-15

Att. 1, p. 10

TELECON TO THE FILE: COMMITTEE TO AID CONNECTICUT

FROM : MARK KLEINMAN

DATE : 7-22-81

RE: Independent Expenditures

I spoke with Mr. Holmyard at (212) 750-0811. He stated that he would check with his wife, who is the Treasurer.

He asked me what was needed. I informed him that while we had a Schedule B for the entry to National Review, that it was labelled "Independent Expenditure". Therefore, we needed a Schedule E.

I further informed him of the discrepancy between the 24 Hour Notice which showed Amesh Viseltear Gumbinner as the payee while the Schedule B showed National Review. He stated that he would check with his wife. I advised him that we needed the payee --- the person or organization to whom the payment was made to. (Note: although the caller was not sure, he thought that the National Review as their agent may have paid for this and that the payment was to National Review as a reimbursement.)

He will respond and his wife accordingly.

Mr. Holmyard, Treasurer's husband
(212) 750-0811

83040414823

SCHEDULE B

ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

Page 3 of 3 Pages

Name of Committee (in Full)		ID. No. <u>TERMINAL</u>		
Committee to aid Connecticut		COL 138 198 NY		
Full Name, Mailing Address & Zip Code of Each Payee	Portion of Expenditure	Date (month, day, year)	Amount	Name of Federal Law Suit supported or opposed by the expenditure & office sought
National Review Inc. 150 East 35th Street New York, NY 10016	Newspaper	Oct. 29, 1980 14 Nov. 3, 1980	\$17,058.00	James L. Buckley U.S. Senator ☒ Support ☐ Oppose
National Review Inc. 150 East 35th Street New York, NY 10016	Newspaper	10/29/80 11/3/80	\$2,824	Stewart McKinney U.S. HOUSE OF REPRESENTATIVES ☒ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
(a) SUBTOTAL of Itemized Independent Expenditures			\$	
(b) SUBTOTAL of Unitemized Independent Expenditures			\$	19,882
(c) TOTAL Independent Expenditures			\$	19,882

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Walter A. Hollibaugh Oct 30 1980
Signature Date

Subscribed and sworn to before me this 30th day of Oct, 1980

My Commission expires
GENEVIEVE DICKHEIT
NOTARY PUBLIC
STATE OF CONNECTICUT
No. 35476
COMM. EXPIRES AUG 1, 1984

NOTARY PUBLIC

ATTEST
A.H. 1, p. 13

NEJ- 1'm
11-5- 11/7

SCHEDULE A

ITEMIZED RECEIPTS

 Page 13 of 13
 LINE NUMBER
 (Use separate schedule for each category of the Detailed Summary Page)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

Committee To Aid Connecticut

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Robert MARSTON Deer Park Court Greenwich, Conn	Self employed	NOV 13 1980	5,000.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Raymond J. Healey 665 Fifth Ave New York, N.Y. 10022	Agricultural and Industrial Co. President	NOV 3 1980	5,000.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Olivera T. Holmyard Meadow Point	—	NOV 13 1980	100.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
William F. Buckley Jr. 73 East 73rd St New York, N.Y. 10021	National Review Publisher	DEC 1 1980	5,000.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Priscilla Buckley 60 Sutton Place N.Y. N.Y. 10022	National Review Editor	DEC 1 1980	5,000.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Benjamin Gilbert Greenaway Island Stamford, Conn 06902	retired	NOV 3 1980	100.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Roland J. Nemeyer	Cheshire Management President	NOV 1 1980	1,000.00
Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
SUBTOTAL of Receipts This Page (optional)			21,200
TOTAL This Period (last page this line number only)			

Att. 1, p. 13



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

William Rusher, President
National Review
150 E. 35th Street
New York, N.Y. 10016

Re: MUR 1414

Dear Mr. Rusher:

On , 1982, the Federal Election Commission determined that there is reason to believe that the National Review violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by making a contribution totalling \$19,882 on October 29, 1981 to the Committee to Aid Connecticut. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the National Review. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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

83040414826

Letter to William Rusher
Page 2

of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

83040414827

Att. 2, p 2

QUESTIONS

1. What was the role of National Review in the payment of \$19,882 for newspaper ads on behalf of James L. Buckley for U.S. Senator and Stewart McKinney for U.S. House of Representatives?

2. Who contacted the National Review about payment for these ads?

3. Who at the National Review was contacted about these ads?

4. What was the role of Amesh Viseltear Gumbinner, Inc. regarding these ads?

5. Did anyone from the National Review contact James L. Buckley and/or his campaign committee regarding these ads?

If so, please name the person(s) involved and the nature of the contact(s).

6. If the National Review did initially pay for the ads, please answer the following questions:

- a) Who made the decision to pay for these ads?
- b) Why was such a decision made?
- c) What was the understanding between the National Review and the Committee to Aid Connecticut regarding payment for these ads?
- d) How did the National Review expect to get paid back?
- e) How did the National Review pay for these ads (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
- f) Was the National Review reimbursed for the cost of the ads? If so, by whom? when? and how much? Please furnish a copy of any documentation of such reimbursement.

7. If the National Review did not pay for these ads, please explain why the magazine's name appears in the Committee to Aid Connecticut's reports?

8. During 1980, did the National Review pay for the expenses of any other federal or state candidate or committee subject to being reimbursed later?

83040414828

William Rusher
Questions, Pg. 2

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If so, please give the details, including the name of the candidate or committee involved, the dates of the payments and reimbursements, and the amounts involved.

83040414829

18

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202)523-4529
Scott Thomas (202)523-4166

RESPONDENT National Review

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

The National Review made a contribution totalling \$19,882 to the Committee to Aid Connecticut (the Committee) in violation of 2 U.S.C. § 441b.

FACTUAL BASIS AND LEGAL ANALYSIS

3040414830
The Committee registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by this committee. In addition, these independent expenditures appear to have been the Committee's only activity.

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by the Reports Analysis Division on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Pursuant to 2 U.S.C. § 431(8)(A)(i), the term contribution includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James L. Buckley.

office. Pursuant to 2 U.S.C. § 431(11), the term person includes a corporation. Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any election to any political office. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the Office of General Counsel recommends that the Commission find reason to believe that the National Review violated 2 U.S.C. § 441b.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Mrs. Harold R. Holmyard, Treasurer
Committee to Aid Connecticut
Mead's Point
Greenwich, Connecticut 06830

Re: MUR 1414
Committee to Aid Connecticut

Dear Mrs. Holmyard:

On , 1982, the Federal Election Commission determined that there is reason to believe that your committee violated 2 U.S.C. §§ 441a(f) and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"), by accepting excessive contributions from four individuals and a corporate contribution. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against your committee, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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

Letter to Mrs. Harold Holmyard

Page 2

of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202/523-4529.

Sincerely,

Enclosures

- Questions
- General Counsel's Factual and Legal Analysis
- Procedures
- Designation of Counsel Statement

83040414834

Att. 2, p. 9

Mrs. Harold Holmyard
MUR 1414

29

QUESTIONS

With regard to ads totalling \$19,882 which were in support of James L. Buckley for U.S. Senator and Stewart McKinney for U.S. House of Representatives, please answer the following questions.

1. How many ads were there?
2. In what newspapers or other media did they appear?
3. On what date(s)?
4. Please provide a copy of each ad. If this is not possible, please provide the details of each ad.
5. Which Committee officials, agents, or volunteers were involved in planning, preparing, and purchasing these ads?
6. What was the role of Amesh Viseltear Gumbinner, Inc. regarding these ads?
7. What was the role of National Review regarding these ads?
8. Who initially paid for these ads?
9. Who contacted the National Review concerning payment for these ads?
10. Who was contacted at National Review concerning these ads?
11. If your committee, the Committee to Aid Connecticut, initially paid for the ads, how were they paid for (e.g. check, money order)? Please furnish a copy of any documentation of this transaction.
12. If the National Review paid for the ads, how was it reimbursed (e.g. check, money order) and by whom? Please furnish a copy of any documentation of this transaction.
13. How did your committee raise the money to cover the cost of the ads?
14. If this money was raised by individual contributions, what were these contributors told the money was going for?

83040414835

15. Which Committee officials, agents, or volunteers were involved in soliciting contributions?

16. When were these contributors solicited?

17. Were these contributors advised that most of their contributions were going to reimburse the National Review for ads on behalf of James L. Buckley?

18. Did your committee or any official, agent, or volunteer of your committee have contact with James L. Buckley and/or his campaign committee regarding these ads? If so, please state the name(s) of the person(s) involved and the nature of these contacts.

19. Did any of the following individuals act as officials, agents, or volunteers for the Committee to Aid Connecticut?

Robert Marston
Raymond Learsy
William F. Buckley, Jr.
Priscilla Buckley

If so, please describe their relationship with and activities for the Committee.

20. Did any of the individuals listed in question 19 act as officials, agents, or volunteers of Citizens for Buckley, Inc.?

If so, please describe their relationship with and activities for the Committee.

83040414836

(25)

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Committee to Aid Connecticut

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

83040414837
The Committee to Aid Connecticut (the Committee) was referred for receipt of a corporate contribution from the National Review, in violation of 2 U.S.C. § 441b. In addition, the possibility exists that four contributors contributed \$5,000 each to the Committee with the knowledge that a substantial portion would be expended on behalf of James L. Buckley for U.S. Senate, in violation of 2 U.S.C. § 441a(a)(1)(A). The Committee's acceptance of these contributions violated 2 U.S.C. § 441a(f).

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441b

The Committee registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized

Att. 2, p. 12

independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

Under section 441b(a), a corporation is prohibited from making a contribution or expenditure in connection with any election to any political office. In addition, it is unlawful for any political committee knowingly to accept or receive any contribution prohibited by this section. As the National Review is incorporated and appears to have made a contribution of \$19,882 in the form of a loan to the Committee, the General Counsel recommends that the Commission find reason to believe that the Committee and the National Review violated 2 U.S.C. § 441b(a).

2 U.S.C. § 441a

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. The four following contributions were made subsequent to the purchase of the

83040414839

ads and prior to the payment to National Review: 4/

Robert Marston	11/13/80	\$5,000
Raymond J. Learsy	11/03/80	\$5,000
William F. Buckley, Jr.	12/01/80	\$5,000
Priscilla Buckley	12/01/80	\$5,000

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individuals:

Marston	0		
Learsy	1/04/80	\$1,000	convention
	8/25/80	\$1,000	general
Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000 (loan)	primary, general
	9/24/80	received loan payment	\$2,000
Buckley, Priscilla	12/20/79	\$1,000	convention
	10/03/80	\$1,000	general

4/ The only other contributions received during this period were a \$1,000 contribution from one individual and two \$100 contributions from two individuals.

As Senator Buckley was involved in three elections 5/ in 1980 (nominating convention, primary and general) all of these individuals could have contributed \$3,000 to Mr. Buckley's campaign. 6/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Under section 441a(f), a political committee is prohibited from knowingly accepting any contribution in violation of the provisions of section 441a. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also to a political committee which has supported, or

5/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

6/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

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The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the four \$5,000 contributions mentioned previously were received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee reimbursed National Review. Further, two of the contributors in question, William F. and Priscilla Buckley, are connected with the National Review. Thus, it is apparent that these four contributors made these contributions, and the Committee accepted these contributions, with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. Therefore, the General Counsel recommends that the Commission find reason to believe that Robert Marston, Raymond J. Learsy, William F. Buckley, Jr. and Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

Further, the General Counsel recommends that the Commission find reason to believe that the Committee violated 2 U.S.C. § 441a(f) by accepting these excessive contributions.

83040414843



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Robert Marston
10 Deer Park Court
Greenwich, Connecticut 06830

Re: MUR 1414

Dear Mr. Marston:

On , 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Att. 2, p. 19

Letter to Robert Marston
Page 2

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The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

83040414845

Att. 2, p. 20

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?
15. Did you make any contributions to the Citizens for Buckley, Inc.? If so, when? and how much?

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Robert Marston

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,000 to the campaign of James L. Buckley for U.S. Senator, \$2,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a biweekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On November 13, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

Robert Marston contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) does not disclose any contributions from Mr. Marston.

As Senator Buckley was involved in three elections ^{4/}

^{4/} On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

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-4-

in 1980 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

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- (2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and
- (3) The contributor does not retain control over the funds.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltear Gumbinner, Inc. and before the Committee reimbursed National Review. Thus, it appears that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Robert Marston violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

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<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess.</u> <u>Amount</u>
Marston	\$5,000	0	\$3,000	0	\$2,000



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Raymond J. Learsy
665 Fifth Avenue
New York, N.Y. 10022

Re: MUR 1414

Dear Mr. Learsy:

On , 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Letter to Raymond J. Learsy
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Enclosures

Questions

General Counsel's Factual and Legal Analysis

Procedures

Designation of Counsel Statement

83040414853

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR No. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Raymond J. Learsy

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that Raymond J. Learsy violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$7,000 to the campaign of James L. Buckley for U.S. Senate, \$4,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltar Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by the Committee. In addition, these independent expenditures appear to have been the Committee's only activity.

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received.

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

On November 3, 1980, Raymond J. Learsy contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Learsy	1/4/80	\$1,000	convention
	8/25/80	\$1,000	general

As Senator Buckley was involved in three elections 4/

4/ On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

in 1980 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

- (1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;
- (2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and
- (3) The contributor does not retain control over the funds.

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckleyd Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltear Gumbinner, Inc. and before the Committee reimbursed National Review. Thus, it appears that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Raymond J. Learsy violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess.</u> <u>Amount</u>
Learsy	\$5,000	\$2,000	\$3,000	0	\$4,000



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

William F. Buckley, Jr.
c/o National Review
150 E. 35th Street
New York, New York 10016

Re: MUR 1414

Dear Mr. Buckley:

On , 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 an election to James L. Buckley in 1980. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Att. 2, p. 35

Letter to William F. Buckley, Jr.
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Enclosures

Questions

General Counsel's Factual and Legal Analysis

Procedures

Designation of Counsel Statement

83040414861

QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of your brother, James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR 1414

STAFF MEMBER(S) & TEL. NO.

Marybeth Tarrant (202) 523-4529

Scott Thomas (202) 523-4166

RESPONDENT William F. Buckley, Jr.

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that William F. Buckley, Jr. violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$6,000 to the campaign of James L. Buckley for U.S. Senator, \$3,000 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltear Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by this committee. In addition, these independent expenditures appear to have been the Committee's only activity.

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On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a bi weekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On December 1, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

William F. Buckley, Jr. contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review:

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Buckley, Wm. F.	3/20/80	\$1,000	convention
	9/20/80	\$2,000	(loan) primary, general
	9/24/80		received loan repayment \$2,000

As Senator Buckley was involved in three elections ^{4/} in 1908 (nominating convention, primary and general) the respondent could have contributed \$3,000 to Mr. Buckley's

^{4/} On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did recieve 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

83040414865

campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltar Gumbinner, Inc. and before the Committee reimbursed National Review. Further, the contributor in

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckleyd Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

question, William F. Buckley, Jr., is connected with the National Review. Thus, it is apparent that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$ 19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of his funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that William F. Buckley, Jr. violated 2 U.S.C. § 441a(a) (1) (A) according to the following chart:

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<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Comm.</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess</u> <u>Amount</u>
Buckley, Wm. F.	\$5,000	\$1,000	\$3,000	0	\$3,000



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Priscilla Buckley
c/o National Review
150 E. 35th Street
New York, New York 10016

Re: MUR 1414

Dear Ms. Buckley:

On , 1982, the Federal Election Commission determined that there is reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), by contributing more than \$1,000 per election to the campaign of James L. Buckley for U.S. Senator. The General Counsel's 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 you. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Additionally, please submit answers to the enclosed questions within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if you so desire. See 11 C.F.R. § 111.18(d).

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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Letter to Priscilla Buckley
Page 2

The investigation now being conducted will be 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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Marybeth Tarrant, the staff member assigned to this matter, at 202-523-4529.

Sincerely,

Enclosures

Questions
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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QUESTIONS

With regard to your \$5,000 contribution to the Committee to Aid Connecticut (the Committee), please answer these questions.

1. Who solicited you for this contribution?
2. What was that person's relationship to the Committee?
3. What was your relationship to the Committee?
4. How much money were you solicited for?
5. If not \$5,000, why did you decide to give that amount?
6. If you were not solicited for this contribution, what prompted you to make this particular contribution?
7. When did you make this contribution?
8. Who was the money given to?
9. By what means did you make this contribution (e.g. check, money order)? If by check, please furnish a copy of such check. If by other means, please furnish a copy of the receipt or other documentation.
10. For what purpose were you told your contribution would be used?
11. By whom were you told?
12. Were you aware that most of your contribution would be covering the costs of an ad on behalf of your brother, James L. Buckley, and his campaign for U.S. Senator?
13. If not, what was your understanding regarding the Committee's use of your contribution?
14. Were you aware that most of your contribution would be used to repay the National Review?

15. Did you receive a contribution refund from Citizens for Buckley, Inc.?

If so, how much?

If so, why was this refund made?

If not, why did that Committee report such a refund?

83040414871

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

MUR NO. 1414
STAFF MEMBER(S) & TEL. NO.
Marybeth Tarrant (202) 523-4529
Scott Thomas (202) 523-4166

RESPONDENT Priscilla Buckley

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

SUMMARY OF ALLEGATIONS

It appears that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$5,682 to the campaign of James L. Buckley for U.S. Senate, \$2,682 in excess of the limitation.

FACTUAL AND LEGAL ANALYSIS

The Committee to Aid Connecticut (the Committee) registered with the Commission on October 31, 1980, as a political committee which would support more than one federal candidate, though not as a separate segregated fund or a party committee. On that same day, the Committee filed a Schedule E which itemized independent expenditures totalling \$19,882, on October 29 and November 3, 1980, to Amesh Viseltar Gumbinner, Inc. for newspaper ads. One expenditure of \$17,058 was in support of James L. Buckley for U.S. Senator and the second expenditure of \$2,824 was in support of Stewart McKinney for U.S. House of Representatives. 1/

1/ These were the only two candidates supported by this committee. In addition, these independent expenditures appear to have been the Committee's only activity.

On December 3, 1980, the Committee filed its only report, a Termination Report 2/, which disclosed a single payment of \$19,882 to National Review, a biweekly periodical. 3/ A Request for Additional Information (RFAI) was sent by RAD on June 17, 1981 regarding this discrepancy.

In a phone conversation on July 8, 1981, the treasurer's husband stated that it was the National Review (an incorporated entity) which paid the \$19,882 to Amesh Viseltear Gumbinner, Inc., a media buying firm, because the firm requested advance payment and the Committee did not have the funds. After sufficient funds were collected, National Review was reimbursed by the Committee.

As no written response was received in reply to the RFAI, a second letter was sent to the Committee. In response, the Committee sent in an amended Schedule E which disclosed National Review as the original payee.

As is indicated by the Committee's reports, the National Review initially paid for the ads in question and then was reimbursed by the Committee. However, the Committee had no funds to reimburse National Review until certain contributions were received. On December 1, 1980,

2/ At the time of termination, the Committee had no cash on hand and had no outstanding debts and/or obligations.

3/ The publisher of National Review is William F. Buckley, Jr. and its Editor is Priscilla Buckley, brother and sister, respectively, of candidate James Buckley.

83040414873

Priscilla Buckley contributed \$5,000 to the Committee. This contribution was therefore made subsequent to the purchase of the ads and prior to the payment to National Review.

The only expenditures of the Committee were a \$19,882 payment on December 3, 1980 to the National Review and \$1,318 contribution refund to Priscilla Buckley, also on that same date.

A review of the reports filed by the Citizens for Buckley, Inc. (James Buckley's principal campaign committee) shows the following contributions from the aforementioned individual:

Buckley, Priscilla	12/20/79	\$1,000	convention
	10/03/80	\$1,000	general

As Senator Buckley was involved in three elections ^{4/} in 1980 (nominating convention, primary and general) the

^{4/} On July 26, 1980, the state GOP convention was held at which time Senator Buckley won his party's endorsement by receiving the majority of delegate votes. However, a primary is required if there are candidates for office other than the party-endorsed candidate and if those candidates received 20% or more of the votes on one or more of the votes taken at the convention. As there was another candidate who did receive 20% of the vote, a primary was held on September 9, 1980. Had the other candidate not received 20% of the vote, there would not have been a primary.

respondent could have contributed \$3,000 to Mr. Buckley's campaign. 5/

Pursuant to 2 U.S.C. § 441a(a)(1)(A), a person is prohibited from making contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 11 C.F.R. § 110.1(h):

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as --

(1) The political committee is not the candidate's principal campaign committee or other authorized committee or a single candidate committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and

(3) The contributor does not retain control over the funds.

The only activities of the Committee were the independent expenditures on behalf of Buckley and McKinney. In addition, the \$5,000 contribution mentioned previously was received by the Committee after National Review paid Amesh Viseltear Gumbinner, Inc. and before the Committee

5/ On the 12 Day Pre Primary Report covering 7/7/80 - 8/20/80, the Citizens for Buckley, Inc. (Buckley Committee) reported outstanding debts of \$66,427.54. On the October 15, 1980 Report covering 8/21/80 - 9/30/80, the Buckley Committee reported outstanding debts of \$73,794.60. On its Year End Report covering 11/25/80 - 12/31/80, the Buckley Committee reported outstanding debts of \$109,002.95. Thus, the Buckley Committee had substantial outstanding debts from each election.

reimbursed National Review. Further, the contributor in question, Priscilla Buckley, is connected with the National Review. Thus, it is apparent that this contributor made this contribution with the intention of paying off the debt to National Review, a substantial portion of which (\$17,058 out of \$19,882) was expended on behalf of James Buckley. This suggests that the contributor gave with the knowledge that the bulk of her funds would aid Senator Buckley's campaign. Therefore, the General Counsel recommends that the Commission find reason to believe that Priscilla Buckley violated 2 U.S.C. § 441a(a)(1)(A) according to the following chart:

<u>Name</u>	<u>Amount</u> <u>Contrib.</u> <u>to the</u> <u>Comm.</u>	<u>Amount</u> <u>Contrib.</u> <u>to</u> <u>Buckley</u> <u>Committee</u>	<u>Amount of</u> <u>Contrib.</u> <u>Allowed</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Excess.</u> <u>Amount</u>
Buckley, Priscilla	\$5,000	\$2,000	\$3,000	\$1,318	\$2,682

MUR 1414

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Committee to Aid Connecticut)

81L-77

CERTIFICATION

I, Marjorie W. Emons, Recording Secretary for the Federal Election Commission's Executive Session on December 15, 1981, do hereby certify that the Commission decided by a vote of 5-0 to open a MUR in the above-captioned matter.

Commissioners Aikens, Harris, Reiche, Thomson, and Tiernan voted affirmatively for the decision; Commissioner McGarry was not present at the time of the vote.

Attest:

12/24/81

Date

Marjorie W. Emons

Marjorie W. Emons
Secretary of the Commission

83040414877

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

25 November 1981

MUR 1414

MEMORANDUM

TO : CHARLES N. STEELE
GENERAL COUNSEL

THROUGH : B. ALLEN CLUTTER *BAC*
STAFF DIRECTOR

FROM : JOHN D. GIBSON *JD*
ASSISTANT STAFF DIRECTOR, RAD

SUBJECT : REFERRAL OF COMMITTEE TO AID CONNECTICUT

Please find the attached referral of the Committee to Aid Connecticut. According to the non-compliance standards contained in the Review and Referral Procedures, there is evidence that an expenditure by the committee may not have been independent (Chart #19). If this expenditure is considered to be an in-kind contribution, then the committee has made an excessive contribution to a candidate for Federal office (Chart #3). In addition, as a result of the committee's response to a Request for Additional Information and phone conversations, there is evidence of a possible corporate contribution (Chart #4).

The committee also appears to have received excessive contributions from individuals, who donated funds with the knowledge that a substantial portion would be expended on behalf of two candidates for Federal office (Chart #3).

All of these matters require additional examination by your office. If you have any questions, please contact Mark Kleinman at 357-0026.

83040414878

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 25 November 1981

ANALYST: Mark Kleinman

I. COMMITTEE: Committee to Aid Connecticut - C00138198
Mrs. Harold Holmyard, Treasurer
Meads Point
Greenwich, Connecticut 06830

II. RELEVANT STATUTES: 2 U.S.C. 441b(a); 434(b)(6)(B)(iii) &
11 CFR 109.1(c); 2 U.S.C. 441a(a)(1)(A);
2 U.S.C. 441a(f) & 11 CFR 110.1(h)

III. BACKGROUND:

A. Receipt of Corporate Contribution - 2 U.S.C. 441b(a)

The Committee to Aid Connecticut ("the Committee") filed a 24 hour report showing payments which totalled \$19,882 in October and November of 1980 to Amesh Viseltear Gumbinner, Inc. (Attachment #2). The 24 hour report, which was sent certified on October 31, 1981, disclosed \$17,058 in independent expenditures in support of James L. Buckley for U.S. Senate, and \$2,824 in independent expenditures in support of Stewart McKinney for U.S. House of Representatives. However, the Committee's 1980 Termination Report, which covered this period, disclosed a single payment of \$19,882 on December 3, 1980 to National Review (Attachment #3). A Request for Additional Information was sent on June 17, 1981 asking the Committee to clarify this discrepancy (Attachment #4).

In a phone conversation on July 8, 1981, the treasurer's husband stated that the National Review had paid Amesh Viseltear Gumbinner, Inc., a media buying firm, initially since the firm expected an advanced payment. When the Committee received sufficient funds, it reimbursed the National Review (Attachment #5).

The Committee failed to respond to the Request for

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REPORTS ANALYSIS REFERRAL TO OFFICE OF GENERAL COUNSEL
COMMITTEE TO AID CONNECTICUT
PAGE TWO

Additional Information and therefore a Second Notice was sent on July 10, 1981 (Attachment #6).

In a phone conversation on July 22, 1981, the treasurer's husband inquired about the notices from the Reports Analysis Division. It was explained that the Request for Additional Information was seeking to determine the payee of the \$19,882 expenditure (Attachment #7). On August 3, 1981, the Committee responded by disclosing the National Review as the payee (Attachment #8). However, the response failed to explain the discrepancy between the 24 hour report and the 1980 Termination Report.

B. Independent Expenditure Reporting Problems - 2 U.S.C. 434(b)(6)(B)(iii) and 11 CFR 109.1(c)

In response to the Request for Additional Information of June 17, 1981, which was sent on the Termination Report, the Committee's amended report provided an independent expenditure schedule (Schedule E), which disclosed that \$17,058 had been paid to the National Review in support of James L. Buckley for U.S. Senator (Attachment #8).

The Committee's itemized receipt schedule (Schedule A) for the Termination Report disclosed contributions from William F. Buckley, Jr., the candidate's brother and Publisher of National Review, and Priscilla Buckley, Editor of National Review (Attachment #9). The receipt of these contributions and the involvement of the National Review raise questions as to independence of the expenditures made on behalf of James Buckley.

C. Excessive Contributions to a Candidate for Federal Office by a Non-Qualified Multi-Candidate Committee 2 U.S.C. 441a(a)(1)(A)

If the activity referred to in Part III-B does not satisfy the definition of an independent expenditure, then it appears that an excessive in-kind contribution was made by the Committee in support of James Buckley for the general election.

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REPORTS ANALYSIS REFERRAL TO OFFICE OF GENERAL COUNSEL
COMMITTEE TO AID CONNECTICUT
PAGE THREE

D. Receipt of Excessive Contributions by a Political
Committee - 2 U.S.C. 441a(f) and 11 CFR 110.1(h)

The information presented indicates that the payments on behalf of James L. Buckley and Stewart McKinney were apparently made by the National Review and subsequently reimbursed by the Committee after receipt of contributions. The possibility therefore exists that four contributors donated a total of \$20,000 to the Committee with the knowledge that a substantial portion would be expended on behalf of the above-mentioned candidates for the general election (Attachment #9).

IV. OTHER PENDING ACTIONS INITIATED BY RAD:

There are no outstanding Requests for Additional Information or matters which need to be referred at this time.

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83040414882

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (79-80)

DATE 90CT81
PAGE 1

NON-PARTY RELATED

COMMITTEE	DOCUMENT	RECEIPTS	EXPENDITURES	TYPE OF FILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
COMMITTEE TO AID CONNECTICUT CONNECTED ORGANIZATION: NONE						
	1980 STATEMENT OF ORGANIZATION			31OCT80	1	80FEC/188/0071
	24 HOUR CONTRIBUTION NOTICE			31OCT80	3	80FEC/188/0072
	TERMINATION REPORT	21,200	21,200	23OCT80 - 3DEC80	5	80FEC/188/0073
	TERMINATION REPORT - AMENDMENT	-	-	23OCT80 - 31DEC80	2	81FEC/203/0003
	REQUEST FOR ADDITIONAL INFORMATION			23OCT80 - 3DEC80	1	81FEC/197/0102
	REQUEST FOR ADDITIONAL INFORMATION 2ND			23OCT80 - 3DEC80	2	81FEC/198/0179
	TOTAL TERMINATED	21,200	0 21,200	0	14	TOTAL PAGES

NON-PARTY NON-QUALIFIED ID 0000130100

ATTACHMENT #1

ALL REPORTS HAVE RECEIVED BASIC REVIEW.

ENDING CASH-ON-HAND (12-3-80) = \$0

DEBTS = 0

SCHEDULE E

ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

Page 1 of 1 Page

M-2
10-21-80

Name of Committee (in Full)		I.D. No. 24 Hour Report		
Committee to aid Connecticut		C00138178 MK		
Full Name, Mailing Address & ZIP Code of Each Payee	Purpose of Expenditure	Date (month, day, year)	Amount	Name of Federal Candidate supported or opposed by the expenditure & office sought
Amesh Visel tear Gumbinner Inc. 711 3rd Avenue New York, N.Y. 10017	Newspaper	Oct. 29, 1980 \$14 Nov. 3, 80	\$17,058.00	James L. Buckley U.S. Senator ☒ Support ☐ Oppose
Amesh Visel tear Gumbinner Inc. 711 3rd Ave. New York, N.Y. 10017	Newspaper	10/29/30 11/3/80	\$ 2,824	Stewart McKinney US HOUSE OF REPRESENTATIVE ☒ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
(a) SUBTOTAL of Itemized Independent Expenditures			\$ 19,882	
(b) SUBTOTAL of Unitemized Independent Expenditures			\$	
(c) TOTAL Independent Expenditures			\$ 19,882	

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Signature: Margaret Hobbes Date: Oct 30 1980

Subscribed and sworn to before me this 30th day of Oct, 1980

My Commission expires: GENEVIEVE DICKNEIT
NOTARY PUBLIC
STATE OF CONNECTICUT
No. 35476
COMM. EXPIRES APRIL 1, 1984

Signature: [Handwritten Signature]
NOTARY PUBLIC

NET 1'm

SCHEDULE B

ITEMIZED DISBURSEMENTS

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

COMMITTEE TO AID CONNECTICUT

Termination Report
MK

INDEPENDENT EXPENDITURE

A. Full Name, Mailing Address and ZIP Code
NATIONAL REVIEW, INC.
150 E. 85TH ST
N.Y. N.Y. 10016

Purpose of Disbursement FOR
ADVERTISING FOR JAMES
BUCKLEY AND STEWART
H. SKINNEY
Disbursement for: ☐ Primary ☒ General
☐ Other (specify):

Date (month,
day, year)
10/8/80

Amount of Each
Disbursement This Period
19,882

B. Full Name, Mailing Address and ZIP Code
PRISCILLA BUCKLEY
60 BUTTON PLACE
NY NY 10022 22K.

Purpose of Disbursement
REFUND OF
CONTRIBUTION
Disbursement for: ☐ Primary ☒ General
☐ Other (specify):

Date (month,
day, year)
10/6/80

Amount of Each
Disbursement This Period
1318

C. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

D. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

E. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

F. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

G. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

H. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

I. Full Name, Mailing Address and ZIP Code

Purpose of Disbursement
Disbursement for: ☐ Primary ☐ General
☐ Other (specify):

Date (month,
day, year)

Amount of Each
Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

21,200

TOTAL This Period (last page this line number only)

21,200
19,882

83040414884



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 17, 1981

Harold Holmyard, Treasurer
Committee to Aid Connecticut
C/O Mrs. H. R. Holmyard, Meads Point
Greenwich, CT 06830

Identification No: C00138198

Reference: Termination Report (10/23/80 to 12/3/80)

Dear Mr. Holmyard:

This letter is prompted by the Commission's preliminary review of your Termination Report. The review raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act. An itemization of these areas follows:

- Please provide a Schedule E to support the entry on Line 22 of the Detailed Summary Page. (Note: This activity should not be disclosed on Schedule B.)

In addition, the 24 Hour Report filed by your committee indicated that the independent expenditures were paid to Anesh Viseltar Gunbinner, however, this report shows that payments were to National Review. Please clarify this discrepancy.

An amendment to your original report correcting the above problems should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll free number, (800) 424-9530. My local number is (202) 357-0026.

Sincerely,

Mark Kleinman

Mark Kleinman
Reports Analyst
Reports Analysis Division

MEMORANDUM TO THE FILES: TELECON

COMMITTEE NAME: COMMITTEE TO AID CONNECTICUT

COMMITTEE CONTACT: HAROLD HOLMYARD, treas. husband

DATE: 7/8/81

ANALYST: P. Brown

SUBJECT: RFAI

Mr. Holmyard called requesting clarification of the RFAI sent by Mark Kleinman. I explained that the first paragraph would require the reporting of the information disclosed on Schedule B to be disclosed on Schedule E, or in other words, the committee had reported the information on the incorrect schedule. The second paragraph of the request asked the committee whom they paid, since two different vendors had been disclosed (1 on a 24 hour independent expenditure report, and another on the committee termination report).

Mr. Holmyard did not have a copy of his filings, or a Schedule E, so he requested that I send him both the filings and a Schedule E. He stated that Amesh Viseltear Gumbinner were a media buy firm, since they hadn't known how to go about buying space themselves, and the firm had handled the media buy. He went on to say that the National Review had acted as their agent (he said he didn't think that agent was the right word) and had paid Amesh et al since the firm had wanted the money ahead of time. When the contributions were received from the individuals, the Committee paid the National Review.

I told him to fill out the Schedule E and provide the explanation in writing. I sent the forms this afternoon.

83040414886



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20041

July 10, 1981

R23

Harold Holmyard, Treasurer
Committee to Aid Connecticut
C/O Mrs H. R. Holmyard, Meads Point
Greenwich, CT 06830

Identification No: C00138198

Reference: Termination Report (10/23/80-12/3/80)

TER

Dear Mr. Holmyard:

This letter is to inform you that as of this date, the Commission has not received your response to our request for additional information, dated June 17, 1981. That notice requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Mark Kleinman on our toll-free number (800)424-9530 or our local number (202)357-0026.

Sincerely,

John D. Gibson

John D. Gibson
Acting Assist. Staff Director
Reports Analysis Division

Enclosure

3040414887

CB
7-15

TELECON TO THE FILE: COMMITTEE TO AID CONNECTICUT

FROM : MARK KLEINMAN

DATE : 7-22-81

RE: Independent Expenditures

I spoke with Mr. Holmyard at (212) 750-0811. He stated that he would check with his wife, who is the Treasurer.

He asked me what was needed. I informed him that while we had a Schedule B for the entry to National Review, that it was labelled "Independent Expenditure". Therefore, we needed a Schedule E.

I further informed him of the discrepancy between the 24 Hour Notice which showed Amesh Visel tear Gumbinner as the payee while the Schedule B showed National Review. He stated that he would check with his wife. I advised him that we needed the payee --- the person or organization to whom the payment was made to. (Note: although the caller was not sure, he thought that the National Review as their agent may have paid for this and that the payment was to National Review as a reimbursement.)

He will respond and his wife accordingly.

Mr. Holmyard, Treasurer's husband
(212) 750-0811

83040414888

SCHEDULE E

ITEMIZED INDEPENDENT EXPENDITURES

(See Reverse Side for Instructions)

MEZ
21 AUG 87 3:31

Page 1 of 1 Pages

Name of Committee on Ballot		I.D. No. Termination Ahead		
Committee to aid Connecticut		COL 138 148 MK		
Full Name, Mailing Address & ZIP Code of Each Payee	Category of Expenditure	Date (month, day, year)	Amount	Name of Federal Candidate supported or opposed by the expenditure & office sought
National Review Inc. 150 East 35th Street New York, NY 10016	Newspaper	Oct. 29, 1980 14 Nov. 3 1980	\$17,058.00	James L. Buckley U.S. Senator ☒ Support ☐ Oppose
National Review Inc. 150 East 35th Street New York, NY 10016	Newspaper	10/29/80 11/3/80	\$ 2,824	Stewart McKinney US HOUSE OF REPRESENTS. ☒ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
				☐ Support ☐ Oppose
g) SUSTOTAL of Itemized Independent Expenditures			\$ 19,882	
h) SUSTOTAL of Unitemized Independent Expenditures				
i) TOTAL Independent Expenditures			\$ 19,882	

Under penalty of perjury I certify that the independent expenditures reported herein were not made in cooperation, consultation, concert with, or at the request or suggestion of any candidate or any authorized committee or agent of such candidate or authorized committee. Furthermore, these expenditures did not involve the financing of dissemination, distribution, or republication in whole or in part of any campaign materials prepared by the candidate, his campaign committee, or their agent.

Walter J. Holman Oct 30 1980
Signature Date

Subscribed and sworn to before me this 30th day of

My Commission expires
Gervieve DiKneit
NOTARY PUBLIC
STATE OF CONNECTICUT
No. 3547A
COMM. EXPIRES: AIL 1, 1984

Walter J. Holman
NOTARY PUBLIC

NE3-11-3-11/7

SCHEDULE A

**ATTACHMENT #3
ITEMIZED RECEIPTS**

Page _____ of _____ for
LINE NUMBER _____
(Use separate schedules for each
category of the Detailed
Summary Page)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full) **COMMITTEE TO AID CONNECTICUT Termination Report MK**

A. Full Name, Mailing Address and ZIP Code Robert Marston Deer Park Court Greenwich, Conn Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer self employed Occupation Aggregate Year-to-Date—\$	Date (month, day, year) Nov 13 1980	Amount of Each Receipt This Period 5,000.00
B. Full Name, Mailing Address and ZIP Code Raymond J. Kearny 665 Fifth Ave New York, N.Y. 10022 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer Agricultural and Industrial Co. Occupation President Aggregate Year-to-Date—\$	Date (month, day, year) Nov 3 1980	Amount of Each Receipt This Period 5,000.00
C. Full Name, Mailing Address and ZIP Code Alyanara T. Holmyard Meadow Point Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer Occupation Volunteer Aggregate Year-to-Date—\$	Date (month, day, year) Nov 13 1980	Amount of Each Receipt This Period 100.00
D. Full Name, Mailing Address and ZIP Code William F. Buckley Jr. 73 East 73rd St New York, N.Y. 10021 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer National Review Occupation Publisher Aggregate Year-to-Date—\$	Date (month, day, year) DEC 1 1980	Amount of Each Receipt This Period 5,000.00
E. Full Name, Mailing Address and ZIP Code Priscilla Buckley 60 Sutton Place N.Y. N.Y. 10022 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer National Review Occupation Editor Aggregate Year-to-Date—\$	Date (month, day, year) DEC 1 1980	Amount of Each Receipt This Period 5,000.00
F. Full Name, Mailing Address and ZIP Code Benjamin Gilbert Greenaway Island Stamford, Conn 06902 Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer retired Occupation Aggregate Year-to-Date—\$	Date (month, day, year) Nov 3 1980	Amount of Each Receipt This Period 100.00
G. Full Name, Mailing Address and ZIP Code Roland J. Nemeyer Receipt For: ☐ Primary ☒ General ☐ Other (specify):	Name of Employer Cheshire Management Occupation President Aggregate Year-to-Date—\$	Date (month, day, year) Nov 1 1980	Amount of Each Receipt This Period 1,000.00
SUBTOTAL of Receipts This Page (optional)			21,200
TOTAL This Period (last page this line number only)			

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FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 1414

Date Filmed 8/16/83 Camera No. --- 3

Camoraman JRL



FEDERAL ELECTION COMMISSION

125 A STREET NW
WASHINGTON, D.C. 20543

THIS IS THE END OF FILM # 1414

Date Filmed 9/2/83 Camera No. — 3

Cameraman JRL



FEDERAL ELECTION COMMISSION

U.S. DEPARTMENT OF JUSTICE

THE FOLLOWING INFORMATION IS BEING SUBMITTED TO THE

FEDERAL BUREAU OF INVESTIGATION NY

030404190



658

NATIONAL REVIEW • 180 East 38th Street, New York, New York 10016

Tel. 679-7330

WILLIAM F. BUCKLEY, JR.
Editor

August 4, 1983

AUG 15 AIO: 55

Dear Mr. Gross:

re: MUR 1414
Committee to Aid Connecticut, et al.

In connection with the above-mentioned matter,
I enclose Mr. Buckley's check for \$2,500.00.

Yours faithfully,

Frances Bronson
Frances Bronson
Secretary

Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463

c.c. Messrs. Robert K. Burgess and
Steven M. Umin

03040431970

WM. F. BUCKLEY.
WALLACKS POINT
STAMFORD, CT 06902

15101

August 4 19 83

81-87
118

PAY
TO THE
ORDER OF

United States Treasurer

\$ 2,500.00

Two Thousand and five hundred and no/100----- DOLLARS

CBT THE CONNECTICUT BANK
AND TRUST COMPANY
HARTFORD, CONNECTICUT

FOR

Frances Brownson

Atty.

95-35-0001

Pay to the order of any Federal Reserve Bank or Branch or General Depository for credit to the United States Treasury. This check is in payment of an obligation to the United States and must be paid in full. N.P. Do not wire non-payment.

Date of endorsement 8-10-83

Robert H. Baker, Asst. Staff Director for Administration
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Negotiation of this check does not constitute acceptance by the Federal Election Commission of the proposed penalty. The proceeds of this check have been placed in a suspense account pending Commission consideration of the penalty.

83040431298

Wm. F. Buckley, Jr.

150 East 35th Street, New York, New York 10016

**Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463**





FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 1414

Date Filmed 9/7/83 Camera No. --- 3

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