



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20461

THIS IS THE END OF MUR # 1613

Date Filmed 9/26/84 Camera No. --- 4

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FEDERAL ELECTION COMMISSION

12 day report; Comment sheets; routing slips

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

Maura E. White

date

September 18, 1984

FEC 9-21-77

84040475245

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan People for Jim Dunn,) MUR 1613
et al.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of September 5, 1984, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 1613:

1. Take no further action against Michigan People for Jim Dunn and Marie Salvagno, as treasurer.
2. Take no further action against the Ingham County Republican Finance Committee and James A. Crawford, as treasurer.
3. Take no further action against the Jackson County Republican Committee and Julie S. Jewel, as treasurer.
4. Take no further action against the Livingstone County Republican Committee and Ronald Stammersky, as treasurer.
5. CLOSE THE FILE.
6. Approve the letters attached to the General Counsel's report dated August 15, 1984.

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

Attest:

9-10-84

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1984

James Crawford, Treasurer
Ingham County Republican Finance Committee
P.O. Box 10236
Lansing, Michigan 48901

Re: MUR 1613
Ingham County Republican Finance
Committee; James Crawford, as
treasurer

Dear Mr. Crawford:

By letter dated April 12, 1984, you were notified that the Commission found reason to believe the Ingham County Republican Finance Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on May 10, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against you and your committee, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election. Your clients should take immediate steps to insure that this activity does not occur in the future.

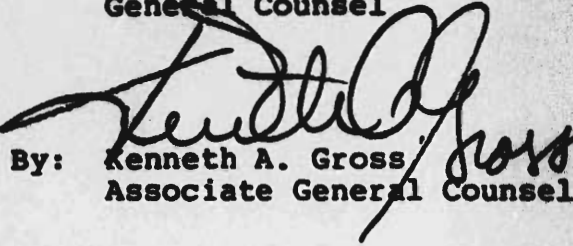
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Letter to James Crawford
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1984

Joel Ferguson
Saul Steadman
F & S Development Company
4820 W. Saginaw
Lansing, Michigan 48917

RE: MUR 1613
F & S Development
Company

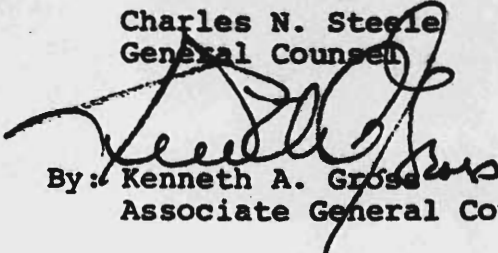
Dear Messrs. Ferguson and Steadman:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. A copy of the General Counsel's Report in this matter has been enclosed for your information.

If you have any questions please contact Maura White, the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 12, 1984

Ronald R. Stammersky, Treasurer
Livingston County Republican Committee
P.O. Box 938
Brighton, Michigan 48116

Re: MUR 1613
Livingston County Republican
Committee; Ronald L. Stammersky,
as treasurer

Dear Mr. Stammersky:

By letter dated April 12, 1984, you were notified that the Commission found reason to believe the Livingston County Republican Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn, and violated 2 U.S.C. § 434(b)(6)(B)(i) by failing to report three contributions to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on June 18, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against you and your committee, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds you that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election, and a violation of 2 U.S.C. § 434(b)(6)(B)(i) to fail to report contributions to federal political committees. You should take immediate steps to insure that this activity does not occur in the future.

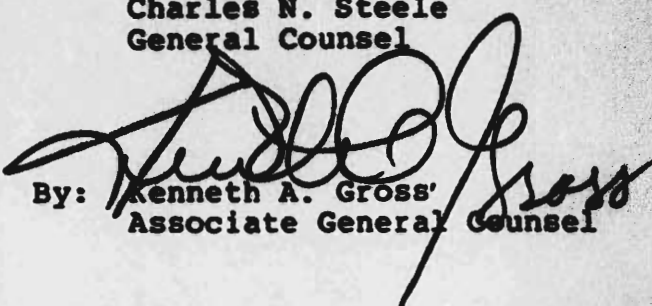
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Letter to Ronald R. Stammersky
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By:  Kenneth A. Gross
Associate General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1984

Chad C. Schmucker, Esquire
Best, Arnold, Gleeson, Best
and Schmucker
P.O. Box 570
Jackson, Michigan 49204-0570

Re: MUR 1613
Jackson County Republican
Committee; Julie S. Jewel,
as treasurer

Dear Mr. Schmucker:

By letter dated April 12, 1984, your clients were notified that the Commission found reason to believe the Jackson County Republican Committee and Julie S. Jewell, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on June 4, 1984, and on June 7, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against your clients, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election. Your clients should take immediate steps to insure that this activity does not occur in the future.

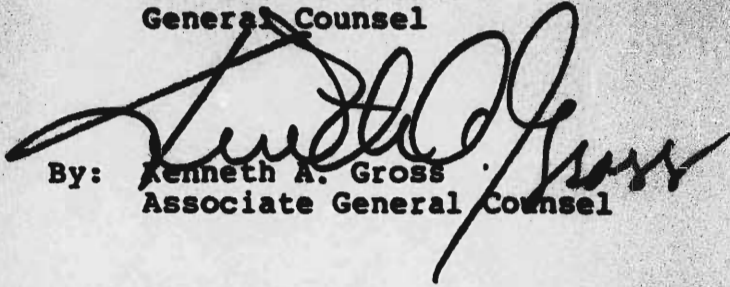
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Letter to Chad C. Schmucker
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel

By:  Kenneth A. Gross
Associate General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 12, 1984

J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102

Re: MUR 1613
Michigan People for Jim Dunn;
Marie Salvagno, as treasurer

Dear Mr. Herge:

By letter dated April 12, 1984, your clients were notified that the Commission found reason to believe Michigan People for Jim Dunn and its treasurer violated 2 U.S.C. § 441a(f) by accepting an excessive contribution from three affiliated republican county committees in Michigan. You submitted responses to the Commission's finding in this matter on June 1, 1984, and July 12, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against your clients, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(f) for the authorized committees of a federal candidate to accept in excess of \$5,000 per election from affiliated political committees. Your clients should take immediate steps to insure that this activity does not occur in the future.

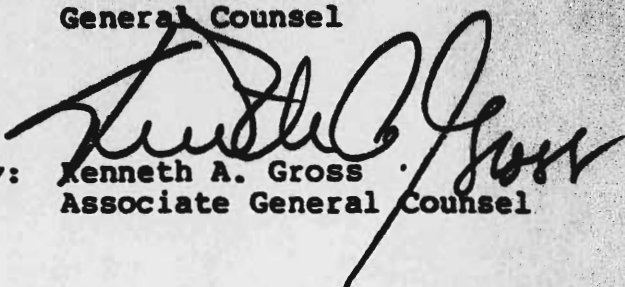
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Letter to J. Curtis Herge
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By:  Kenneth A. Gross
Associate General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/SUSAN M. TEIR *SMT*
DATE: AUGUST 16, 1984
SUBJECT: OBJECTION - MUR 1613 - GENERAL COUNSEL'S
REPORT signed August 15, 1984

The above-named document was circulated to the
Commission on Wednesday, August 15, 1984 at 4:00.

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____X_____
Commissioner Harris	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Reiche	_____

This matter will be placed on the Executive Session
agenda for Wednesday, September 5, 1984.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *GC*
DATE: August 15, 1984
SUBJECT: MUR 1613 - GC Rpt

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

Open Session _____

Closed Session _____

CIRCULATIONS

48 Hour Tally Vote [x]
Sensitive [x]
Non-Sensitive []

24 Hour No Objection []
Sensitive []
Non-Sensitive []

Information []
Sensitive []
Non-Sensitive []

Other []

DISTRIBUTION

Compliance [x]
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 FEC
COMMISSION SECRETARY

In the Matter of

Michigan People for Jim Dunn;
Marie Salvagno, as treasurer;
Ingham County Republican
Finance Committee;
James A. Crawford, as treasurer;
Jackson County Republican Committee;
Julie S. Jewel, as treasurer;
Livingston County Republican Committee;
Ronald L. Stammersky, as treasurer

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MUR 1613

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The instant matter originated from an audit of Michigan People for Jim Dunn ("Committee") pursuant to 2 U.S.C. § 438(b). The audit covered the period of January 1, 1981, through December 31, 1982. Referral was made to this office by the Audit Division after the Committee submitted an inadequate response to the interim audit report.

On April 10, 1984, the Commission determined that there was reason to believe the Committee and its treasurer had violated 2 U.S.C. § 441a(f) by accepting excessive contributions totalling \$2,163 from three affiliated republican county committees, the Ingham County Republican Finance Committee, the Livingston County Republican Committee, and the Jackson County Republican Committee, during 1981. The Commission also determined that the above three county committees and their respective treasurers violated 2 U.S.C. § 441a(a)(2)(A) by making the above excessive

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contributions to the Committee. 1/ In addition, the Commission determined that there was reason to believe the Livingston County Republican Committee violated 2 U.S.C. § 434(b) (6) (B) (i) by failing to report three contributions to the Committee during 1981. Notification letters were mailed to the respondents in this matter on April 12, 1984. Also on April 12, 1984, interrogatories and a request for documents were mailed to the Michigan Republican State Committee.

On May 10, 1984, the Ingham County Republican Finance Committee submitted its response to the Commission's finding, and the Michigan Republican State Committee submitted the requested documents and information (Attachments 1 and 2). Responses

1/ In view of the regulatory presumption of affiliation between subordinate party committees (see 11 C.F.R. § 110.3(b) (2) (ii)) the interim audit report recommended that the Committee either: present documentation demonstrating that the contributions at issue were not excessive; or, refund the excessive portion (\$2,163) of the contributions and present evidence of the refunds. The audit report also recommended that the Committee refund \$755 to the Livingston County Republican Committee if it is demonstrated that the county committees are not affiliated, because the Livingston County Republican Committee contributed \$1,755 to the Committee when it had not qualified as a multicandidate committee. In response to the audit report, but subsequent to referral to this office, the Committee submitted a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." A letter was also submitted from the Ingham County Republican Party which stated that its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee," and from the Jackson County Republican Committee which stated its claim of being "independent of, and not dependent to, the State Republican Party."

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were submitted on behalf of Michigan People for Jim Dunn and its treasurer on June 1, 1984, and July 12, 1984 (Attachment 3). On June 4, 1984, and June 7, 1984, the Jackson County Republican Committee and its treasurer responded to the Commission's finding (Attachment 4). The Livingston County Republican Committee responded to the Commission's interrogatories on June 18, 1984 (Attachment 5).

II. FACTUAL AND LEGAL ANALYSIS

(a) The Facts

The following five contributions to the Committee for the 1982 primary election are at issue herein:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	<u>\$4,358</u>
		\$7,163 Total

The Committee's response to the Commission's reason to believe finding states that it refunded \$755 to the Livingston County Republican Committee in response to the interim audit report because it believed that it had successfully demonstrated that the three county committees involved herein were not affiliated and, hence, subject to a common contribution limitation (see footnote 1 above). Counsel for the Committee asserts that "[i]t was the conclusion of our client that it had acted in good faith and in reliance upon the letters from the committees and the options given to it by the Audit Division" (see footnote 1). The response continues on to state that

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the Committee, "being a principal campaign committee not affiliated with the State Party, is not in a position to submit additional material in contradiction of the presumption" of affiliation in 11 C.F.R. § 110.3(b)(2)(ii). The response concludes by stating that "[i]n light of the foregoing, but not as an admission that the Michigan Republican State Committee and subordinate party committees are affiliated, Michigan People for Jim Dunn shall refund the sum of \$1,408 to the Ingham County Republican Committee" and shall provide, "in due course," evidence of that refund. Counsel notes that the proposed refund "together with the \$755 previously refunded to the Livingston County Republican Committee, reduces the aggregate contributions made by the three county committees to \$5,000." On July 12, 1984, the Committee submitted a copy of a refund check to the Ingham County Republican Party in the amount of \$1,408 (\$2,163 less \$755). 2/

In response to interrogatories issued by the Commission at the time of the reason to believe finding, the Ingham County Republican Finance Committee has stated that: its decision to contribute to the Committee was made "independent of any other

2/ The refund check of \$1,408 was drawn on the account of the Jim Dunn for Congress Committee, an authorized committee of Jim Dunn which has been registered with the Commission since January 22, 1980. By letter dated April 27, 1984, the Committee notified the Commission of its transfer of its remaining cash-on-hand (\$5,164.27) to Michigan People for Jim Dunn (1984 Senate) and its transfer of \$20,000 in debts to the Jim Dunn for Congress Committee.

political body"; it is not financed, maintained or controlled by the Michigan Republican State Committee in any manner whatsoever; and, it "is not required or requested to submit money to the State Republican Party." Similarly, the response received from the Jackson County Republican Committee on June 4, 1984, states that its contribution to the Committee was "not made in cooperation, consultation, or concert with or at the request or suggestion of any other Republican Committee." The Jackson County Republican Committee also asserts in its reply that it "operates independently and is not required to report to or to follow the instructions of the Michigan Republican State Committee," and that its "financing comes from [its] own memberships and fundraisers." The Jackson County Republican Committee further explained that although the Michigan Republican State Committee had quotas in 1981, "the quotas were for the counties, and not for the individual committees." Moreover, "[i]n some years, the Jackson County Republican Committee has made a contribution to the Michigan State Republican Committee, but in other years no contribution has been made."

The Livingston County Republican Committee responded to the Commission's interrogatories by stating that it did not make its decision to contribute to the Committee "in cooperation, consultation, or concert with or at the request or suggestion of" any other political unit in Michigan, and that it is not

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financed, maintained, or controlled in any way by the Michigan Republican State Committee. In addition, the Livingston County Republican Committee explained that it is not required to submit monies to the Michigan Republican State Committee or any of its subordinate committees, but it "does occasionally assist by providing financial contributions which are not required or requested."

In its submission of May 10, 1984, the Michigan Republican State Committee provided the following information:

Regarding dues and quotas, the state committee has used an informal 'fair-share' guideline for County committee financial participation toward state budgetary goals. Prior to 1984, this 'fair-share' guideline was changed to a common amount for each county. In both cases these guidelines have been honored more in non-performance than in compliance. In no case have records or sanctions been conditional to performance.

In addition, copies of the bylaws of the Michigan Republican State Committee which were in effect during 1981 were provided. One of the stated purposes of the Michigan Republican State Committee in its bylaws is to "direct, manage and supervise the affairs and business of the Republican Party of Michigan." With respect to any aspect of control over the county committees, the bylaws state in pertinent part that: the responsibility of the Party Organization Committee shall be to study party affairs at all levels; the Ways and Means Committee shall collect and disseminate ideas for fundraising for local levels; and, there shall be a task force of the District Chairman's Committee whose

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responsibilities shall include public relations with the districts and the appointment of committees in the home districts to carry out programs of the Republican State Committee.

(b) The applicable law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

Under 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution in violation of the provisions of § 441a, and no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate in violation of any limitation imposed on contributions under § 441a.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any

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other person, or by any group of such persons, shall be considered to have been made by a single political committee.

2 U.S.C. § 441a(a)(5).

Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

Pursuant to 2 U.S.C. § 434(b)(6)(B)(i), a political committee is required to report the name and address of each political committee which has received a contribution from the reporting committee during the reporting period, together with the date and amount of any such contribution.

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(c) Application of the law to the facts

The evidence obtained in this matter demonstrates that the Committee accepted contributions totalling \$7,163 for the 1982 primary election from the three county committees involved herein. At the time of the reason to believe finding in this matter it was the view of this office that the presumption of affiliation among the State and instant subordinate party committees (see 11 C.F.R. § 110.3(b)(2)(ii)) had not been successfully rebutted because transfers of funds had been made from the county committees to the State Committee (see 11 C.F.R. § 110.3(b)(2)(ii)(A)), and it was not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level were made at the request or suggestion of another subordinate county party unit or committee. (see 11 C.F.R. § 110.3(b)(2)(ii)(B)). In addition, the existence of a party quota in Michigan raised a question concerning the control of the Michigan Republican State Committee over the county committees.

It is clear that the presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (see 11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of, another party unit or its political committee (see 11 C.F.R. § 110.3(b)(2)(ii)(B)). With respect to

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the decisions of the three county committees to make the instant contributions to the Committee, all have now stated that their respective decisions were made independent of each other and of any other party unit in Michigan. Moreover, as discussed in the First General Counsel's Report in this matter, the Michigan Republican Party has stated that the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts."

Although the instant three county committees independently made their respective decisions to contribute to the Committee, and the "quota" system in Michigan is apparently a voluntary guideline rather than a requirement by the State Party, it is the view of this office that the presumption of affiliation has not been overcome. Such a view reflects the fact that since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), each of the three county committees have transferred monies to the Michigan Republican State Committee, a federal account. 2/ These

2/ In discussing the affiliation of State and subordinate party committees in Nebraska, the General Counsel noted in MUR 655 that both the Nebraska Democratic State Central Committee and the Iowa Republican State Central Committee (the subject of Advisory Opinion 1978-9) assign a percentage of their yearly operations budgets to the counties via a quota system. The Commission determined in Advisory Opinion 1978-9 that the Iowa Republican State Central Committee was not affiliated with the county committees in Iowa. The General Counsel emphasized in MUR 655 that none of the transfers received by the Iowa Republican State Central Committee were deposited into its federal account, whereas the Nebraska Democratic State Central Committee deposited the transfers into its single account for federal and state elections. In MUR 655 the Commission found reason to believe that the Nebraska Democratic State Central Committee and a county committee violated the contribution limitations in that they were affiliated committees and, hence, subject to a common limitation.

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transfers prevent the presumption from being overcome (see
11 C.F.R. § 110.3(b)(2)(ii)(A)), and indicate that the State
Committee is financed in part by the county committees in
Michigan (see 2 U.S.C. § 441a(a)(5)). It is the recommendation
of this office, however, that the Commission take no further
action against the Committee and the three county committees
involved herein. Such a recommendation reflects the fact that
the Committee has now refunded all of the \$2,163 it accepted in
excess of the contribution limitation from the three county
committees. The two refunds reduce the aggregate contributions
made by the three county committees to \$5,000. 3/ In view of the
foregoing, it is the recommendation of the Office of the General
Counsel that with respect to the instant excessive contributions
the Commission take no further action against: Michigan People
for Jim Dunn and Marie Salvagno, as treasurer; the Ingham County
Republican Finance Committee and James Crawford, as treasurer;
the Jackson County Republican Committee and Julie S. Jewel, as
treasurer; and, the Livingston County Republican Committee and
Ronald L. Stammersky, as treasurer.

With respect to the Livingston County Republican Committee's
failure to report the three contributions it made to the
Committee (see page 2 supra) at issue herein, it is also the
recommendation of this Office that no further action be taken by

3/ On April 10, 1984, the Commission found reason to believe
that the Committee violated 2 U.S.C. § 441a(f) in connection with
its receipt of an excessive contribution from a partnership, but
determined to take no further action against the Committee in
view of the fact that the Committee refunded the excessive
contribution.

the Commission. The three contributions by the Livingston County Republican Committee were made three years ago, at which time the current treasurer did not hold the office, and total only \$1,755. Moreover, during the 1981-1982 election cycle the Livingston County Republican Committee engaged in limited financial activity with disbursements of only \$22,391. In view of the foregoing and in consideration of the fact that the Commission has made a reason to believe finding (2 U.S.C.

§ 434(b)(6)(B)(i)) with respect to this issue, thus placing the county committee on notice of the violation, it is the recommendation of the Office of the General Counsel that the Commission take no further action against the Livingston County Republican Committee and Ronald Stammersky, as treasurer.

III. Recommendations

1. Take no further action against Michigan People for Jim Dunn and Marie Salvagno, as treasurer.
2. Take no further action against the Ingham County Republican Finance Committee and James A. Crawford, as treasurer.
3. Take no further action against the Jackson County Republican Committee and Julie S. Jewel, as treasurer.
4. Take no further action against the Livingston County Republican Committee and Ronald Stammersky, as treasurer.
5. Close the file.

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6. Approve the attached letters.

Charles N. Steele
General Counsel

August 15, 1984
Date

By:

Kenneth A. Gross
Associate General Counsel

Attachments

- 1 - Response of Ingham County
- 2 - Response of MRSC
- 3 - Response of Michigan People
- 4 - Response of Jackson County
- 5 - Response of Livingston County
- 6 - Proposed letters

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GCE#3108

White



INGHAM
COUNTY
REPUBLICAN
PARTY

P.O. Box 10226, Lansing, MI 48901 517 484-8881

R
O.
COMM:

RECEIVED
MAY 10 1984

84 MAY 10 All: 30

May 4, 1984

MAY 10 11:33

Lee Ann Elliott
Federal Election Commission
Washington, D.C.

RE: MUR 1613

Dear Ms. Elliott,
The following answers are in response to the above referenced inquiry. I
have also attached a copy of the questions you have asked me to address.

Question #1) No. The decision to contribute to Michigan People for
Jim Dunn was made by the Ingham County Finance Committee
independent of any other political body.

Question #2) No. The Finance Committee is not financed, maintained
or controlled by the Michigan Republican State Committee
in any manner whatsoever.

Question #3) No. The finance committee is not required or requested
to submit money to the State Republican Party.

I hope these answers are helpful to you in concluding your investigation into this
this matter. I apologize for any delay I may have caused in delaying your
inquiry. Please contact me if I can be of further assistance in this matter.

Sincerely
Jim Crawford
Jim Crawford, Treasurer

84040475271

Attachment 1

6-CC 3104
RECEIVED AT THE FEC

84 MAY 10 AB: 57
White

May 7, 1984

Charles N. Steele, General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 1613

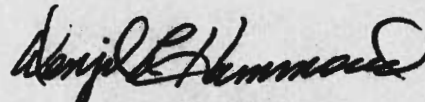
Dear Mr. Steele:

Attached, please find (2) sets of by-laws for the Michigan Republican State Committee. The first set, amended April 26, 1980 were in effect for the major portion of 1981, and the second set, amended December 5, 1981, were in effect for the balance of the year.

Regarding dues and quotas, the state committee has used an informal "fair-share" guideline for County committee financial participation toward state budgetary goals. Prior to 1984, this "fair-share" guideline was changed to a common amount for each county. In both cases, these guidelines have been honored more in non-performance than in compliance. In no case have records or sanctions been conditional to performance.

Should further questions arise, please feel free to contact me by telephone at my normal business office (313) 956-3992.

Sincerely,



DENZIL L. HAMMOND, Treasurer
Michigan Republican State
Committee
2121 E. Grand River
Lansing, Michigan 48912

Attachment 2 (1)

84040475272

BY-LAWS

**Michigan Republican State Committee
As Amended April 26, 1980**

) ARTICLE I

Name

(1) This Committee shall be identified as the Republican State Committee and for the purpose of these by-laws unless otherwise specified shall be designated as the Committee.

(2) Roberts Rules of Order Newly Revised shall govern meetings of the Committee and all its standing committees.

ARTICLE II

Purposes

The purpose of this Committee shall be as follows:

(1) To perform all duties delegated to a State Committee by law, and such other duties not prohibited by law.

(2) To direct, manage and supervise the affairs and business of the Republican Party of Michigan. ✓

(3) To adopt by-laws by which the Committee shall be governed.

ARTICLE III

Membership

The regular members shall be the District Chairmen and two men and two women nominated and elected from each Congressional District and the Chairman and the First, Second, Third, Fourth and Fifth Vice-Chairmen, the Secretary and the Treasurer of the Committee, and the National Committeeman and National Committeewoman selected according to law until their successors are elected.

Ex-Officio members shall be two members named by party caucus from the State Senate, two members named by party caucus from the State House of Representatives and one named by the delegation from the United States Congress.

Each regular member of the Committee shall be a registered voter and a resident of the Congressional District such member represents.

Permanent vacancies in membership arising from any cause whatsoever shall be filled by the statutory Executive Committee of the Congressional District in which the vacancy arises within 60 days after such vacancy arises. Notice in writing to the Chairman of the State Committee of the name and address of the person selected to fill the vacancy shall be signed by the Chairman of the Executive Committee of the appropriate Congressional District.

The Committee shall have authority and power to terminate the membership of any member of this Committee, should any member be found guilty of any felony in any Court of Record. In such case, such membership can only be terminated

and the member expelled by affirmative vote of the majority of the entire Committee.

ARTICLE IV

Officers

The Committee shall have the following officers:

- (1) Chairman
- (2) First Vice Chairman
- (3) Second Vice Chairman
- (4) Third Vice Chairman
- (5) Fourth Vice Chairman
- (6) Fifth Vice Chairman
- (7) Secretary
- (8) Treasurer

ARTICLE V

Selection - Election - Duties of Officers

- (A) The Chairman and the First and Second Vice Chairman of this Committee shall be selected as provided by law. The First Vice Chairman shall be the first Vice Chairman elected. The Third, Fourth and Fifth Vice Chairmen shall be elected at the same time and in the same manner as the Chairman and the First and Second Vice Chairmen. In the event the office of the Chairman becomes vacant, the First Vice Chairman shall become the acting Chairman until a successor is elected at the next meeting of the State Committee.
- (B) The Secretary and Treasurer shall be elected by the Committee at the first regular meeting of the Committee after the election of the Chairman and Vice Chairman and they shall hold office until their successors are elected and qualified. In the event the office of Treasurer becomes vacant, the Secretary shall become the acting Treasurer until a successor is elected at the next meeting of the State Committee.
- (C) The Chairman shall preside at all meetings of the Committee, sign all contracts, agreements, and documents, with the Treasurer, when authorized by the Committee (or the Executive Committee acting while the Committee is not in session), submit reports to the Committee at each meeting of the Committee and at such other meetings as the Committee, by resolution or motion may require, appoint and hire such employees with the approval of the Executive Committee as the business of the Committee may require, serve ex-officio as a member of the Republican State Finance Committee, and shall perform such other duties as these by-laws provide and as the Committee shall from time to time designate. The Chairman shall be an ex-officio member of all standing committees and of all sub-committees.

- (D) The First Vice Chairman, shall be a registered voter, (and in his/her absence the Second Vice Chairman) shall have like power as the Chairman in the absence of the Chairman, both shall serve ex-officio as members of the Republican State Finance Committee, and shall perform such other duties as the Committee may determine. The Vice Chairman shall be ex-officio members of all standing committees of which the Chairman serves as an ex-officio member. One Vice Chairman, providing the office be held by a woman, shall be designated to be in charge of all women's activities of the party organization.
- (E) The Second Vice Chairman shall be a registered voter, shall serve as an ex-officio member of all standing committees and the Republican State Finance Committee. In the absence of the Chairman and 1st Vice Chairman, the Second Vice Chairman shall have like power as the Chairman, and shall perform such other duties as the Committee may determine. The Second Vice Chairman shall be in charge of activities of the Party concerning the National Black Republican Council and other minority organizations and shall make periodic reports to the Michigan State Committee.
- (F) The Third Vice Chairman when elected shall be a registered voter who has not attained his or her 25th birthday, shall serve as ex-officio member of all standing committees, and shall be in charge of all youth activities of the party organization, make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Third Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
- (G) The Fourth Vice Chairman, shall be a registered voter, and serve as ex-officio member of all standing committees, and shall be in charge of all ethnic activities of the party organization and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fourth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
- (H) The Fifth Vice Chairman shall serve as an ex-officio member of all standing committees. He or she shall, when elected, be a registered voter has attained the age of 60. He or she shall be in charge of activities of the Party dealing with Senior Citizens organizations and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fifth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
- (I) The Secretary shall keep an accurate record of the minutes of each meeting of the Committee and of the reports of the sub-committees, shall give notice to the membership of all meetings by sending same to the post office address of the member recorded with the Committee, make written report to the Committee at each meeting, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Secretary need not be a duly selected or elected member of the Committee from a Congressional District.

The Secretary shall turn over to his successor all books, records, letters, and documents pertaining to and associated with the affairs and business of the Committee.

- (J) The Treasurer shall comply with all applicable laws and receive all monies paid to the Committee and deposit the same in the name of the Committee in a bank designated by the Executive Committee, pay all

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bills charted to the Committee when authorized by the Chairman or in the absence the First Vice Chairman of the Committee, sign and execute contracts, agreements and documents with the Chairman in the manner set forth in paragraph C above, keep an accurate account of all receipts and disbursements in proper books, which books shall at all times be open to inspection and examination of the Ways and Means Committee or any member of the State Committee, shall render statements of the financial condition of the Committee to the Committee at each meeting, make an annual statement and report to the Committee at the last meeting of the year, have books audited for each preceding fiscal year by certified public accountants designated by the Executive Committee, give surety bond to the Committee at its expense in such amount as the Executive Committee may designate within forty-eight hours after accepting office.

The Treasurer shall turn over to his successor all funds, money and books, accounts, files, letters, papers and other property pertaining to or associated with the affairs and business of the Committee. The Treasurer shall be a non-voting member of the Ways and Means Committee.

ARTICLE VI

Meetings

The first special meeting of this Committee, after its members have been selected, shall be called by the Chairman within twenty-four hours after the state convention has been adjourned. There shall be at least five meetings of the Committee and the standing committees in each calendar year.

Special meetings of the Committee may be called by the Chairman when the business of the Committee requires the same and the Chairman shall call a special meeting of the Committee on written request of one-third of the members of the Committee within fifteen days after such written request has been filed with the Chairman. Upon failure to do so, any such member can give notice five days before such meetings.

Notices of special meetings shall designate the purpose of such special meetings.

A majority of the total membership of the Committee present in person, shall constitute a quorum to transact all business of the Committee except where the action of the Committee requires a larger number of members as specifically set forth in these by-laws.

Those authorized to vote may vote in person or by proxy at any meeting of the State Committee provided that such person shall be allowed to cast only one vote on each item of business transacted. Any person voting a proxy of a State Committee member must be a qualified elector from the State Committee member's Congressional District.

If a regular member is not present for a particular meeting and has not provided for a proxy, the district chairman or in his absence, the remaining members present from the absent member's Congressional District representation to the State Central Committee may select a registered voter from the Congressional District to fill the temporary vacancy for that meeting only. If the absent member should subsequently appear during the course of the meeting, said regular member shall regain full voting rights.

Prior to action by the Republican State Committee, a resolution must be first submitted in writing to the appropriate standing committee not less than 14 days prior to said committee meeting, by delivery of a copy of said resolution to the Chairman or Secretary of said committee, and to the Chairman of the Republican State Committee; a copy thereof shall be mailed to all Republican State Committee members not less than 7 days prior to their next meeting provided that the foregoing provisions may be waived by a majority vote of the respective committee.

After action by the appropriate standing committee, said resolution shall be presented to the Republican State Committee separate from the committee report.

EXECUTIVE COMMITTEE:

The work of this committee shall be to make recommendations to the State Committee, set party policy and establish programs for implementation by the other standing committees. This committee shall cooperate with staff personnel to implement policies set by the State Committee.

CAMPAIGN COMMITTEE:

The work of this committee shall include, but not be limited to, regular party publications, research projects assigned by the State Chairman, assist in coordination of campaigns of statewide candidates, develop campaign issues, make recommendations on the distribution of campaign funds.

PARTY ORGANIZATION COMMITTEE:

The responsibility of this committee shall be to study party affairs at all levels to determine possible improvements and develop programs for recruiting and training precinct workers. This committee shall also coordinate and encourage recruitment programs of those groups recognized by the State Committee, such as women's organizations, nationalities groups, youth groups, senior citizen groups, business groups, professional groups, labor groups, civic groups, veteran groups, and so forth. They shall render assistance to help the effective organization of the party at all levels.

WAYS AND MEANS COMMITTEE:

This committee shall collect and disseminate ideas for fund raising for local levels, exert budget control, review and approve financial spending and maintain sound fiscal policy.

DISTRICT CHAIRMAN'S COMMITTEE:

There shall also be a District Chairman's Committee consisting of the District Chairmen. They will form a special Republican State Committee Task Force whose responsibilities include, but are not necessarily limited to, public relations with the districts, providing contact with local volunteers and urging their support in special elections throughout the state, appointing committees in the home districts to carry out programs of the Republican State Committee such as contact with nationalities' groups, youth groups, senior citizens, business, professional, labor, civic and veterans groups; serve as liaison between the Governor, Chairman of the State Committee and constituents of the District.

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ARTICLE VII

Committees

Standing Committees. There shall be elected and appointed the following standing committees at the first regular meeting after the date of the spring state convention in the odd-numbered years:

- (1) Executive Committee
- (2) Campaign Policy Committee
- (3) Party Organization Committee
- (4) Ways and Means Committee
- (5) District Chairmen's Committee

The State Chairman shall appoint one of the duly elected members from each Congressional District to serve on each Committee. The elected members from each Congressional District shall, within seven days following the spring state convention, indicate their preference for Committee assignments to the Chairman of the State Committee, who in turn will appoint one duly elected member to each standing committee from each Congressional District.

Each standing committee shall, as soon as possible after the date of holding the spring state convention in the odd-numbered years, be called together by the Chairman of the State Committee for the purpose of organizing such committee and electing its Chairman, Vice Chairman and Secretary.

The Chairman of each standing committee shall preside at all meetings of the Committee, appoint sub-committees as deemed necessary, and shall perform such other duties as those by-laws provide. The Vice Chairman shall have like power as the Chairman in the absence of the Chairman, may serve on all other committees, in like capacity, when the Chairman cannot attend, and shall perform such other duties as the Committee may determine. The Secretary shall keep an accurate record of the minutes of each meeting, make a written report to the Committee at each meeting, and perform such other duties as the Committee may determine. Each standing committee shall have the right to adopt its own rules and procedure not inconsistent with these rules and Riort's Rules of Order.

Notice of subsequent meetings of each standing committee shall be mailed to each member thereof at least five days before the date of meeting by the Secretary thereof. Postage, paper, and letterheads shall be furnished each standing committee by the State Committee and such cost shall be placed in the annual budget. Such meetings may be called by the Chairman of the standing committee or by any five members of any such standing committee.

Each standing committee shall have the authority and power to appoint sub-committees which may include others than State Committee members. However, each sub-committee so appointed shall include in its membership a person or persons from the standing committee who shall report directly to the standing committee.

It shall be necessary to have a quorum present at every standing committee meeting, consisting of not less than seven members of such committee in person, before any standing committee business may be transacted.

OTHER COMMITTEES:

Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the content of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by such members and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1979 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

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BY-LAWS

Michigan Republican State Committee
As Amended December 5, 1981

ARTICLE I

Name

(1) This Committee shall be identified as the Republican State Committee and for the purpose of these by-laws unless otherwise specified shall be designated as the Committee.

(2) Roberts Rules of Order Newly Revised shall govern meetings of the Committee and all its standing committees.

ARTICLE II

Purposes

The purpose of this Committee shall be as follows:

(1) To perform all duties delegated to a State Committee by law, and such other duties not prohibited by law.

(2) To direct, manage and supervise the affairs and business of the Republican Party of Michigan.

(3) To adopt by-laws by which the Committee shall be governed.

ARTICLE III

Membership

The regular members shall be the District Chairmen and two men and two women nominated and elected from each Congressional District and the Chairman and the First, Second, Third, Fourth, Fifth and Sixth Vice Chairmen, the Secretary and the Treasurer of the Committee, and the National Committeeman and National Committeewoman selected according to law until their successors are elected.

Ex-Officio members shall be two members named by party caucus from the State Senate, two members named by party caucus from the State House of Representatives and one named by the delegation from the United States Congress.

Each regular member of the Committee shall be a registered voter and a resident of the Congressional District such member represents.

Permanent vacancies in membership arising from any cause whatsoever shall be filled by the statutory Executive Committee of the Congressional District in which the vacancy arises within 60 days after such vacancy arises. Notice in writing to the Chairman of the State Committee of the name and address of the person selected to fill the vacancy shall be signed by the Chairman of the Executive Committee of the appropriate Congressional District.

The Committee shall have authority and power to terminate the membership of any member of this Committee, should any member be found guilty of any felony in any Court of Record. In such case, such membership can only be terminated

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and the member expelled by affirmative vote of the majority of the entire Committee.

ARTICLE IV

Officers

The Committee shall have the following officers:

- (1) Chairman
- (2) First Vice Chairman
- (3) Second Vice Chairman
- (4) Third Vice Chairman
- (5) Fourth Vice Chairman
- (6) Fifth Vice Chairman
- (7) Sixth Vice Chairman
- (8) Secretary
- (9) Treasurer

ARTICLE V

Selection - Election - Duties of Officers

- (A) The Chairman and the First and Second Vice Chairman of this Committee shall be selected as provided by law. The First Vice Chairman shall be the first Vice Chairman elected. The Third, Fourth, Fifth and Sixth Vice Chairmen shall be elected at the same time and in the same manner as the Chairman and the First and Second Vice Chairmen. In the event the office of the Chairman becomes vacant, the First Vice Chairman shall become the acting Chairman until a successor is elected at the next meeting of the State Committee.
- (B) The Secretary and Treasurer shall be elected by the Committee at the first regular meeting of the Committee after the election of the Chairman and Vice Chairmen and they shall hold office until their successors are elected and qualified. In the event the office of Treasurer becomes vacant, the Secretary shall become the acting Treasurer until a successor is elected at the next meeting of the State Committee.
- (C) The Chairman shall preside at all meetings of the Committee, sign all contracts, agreements, and documents, with the Treasurer, when authorized by the Committee (or the Executive Committee acting while the Committee is not in session), submit reports to the Committee at each meeting of the Committee and at such other meetings as the Committee, by resolution or motion may require, appoint and hire such employees with the approval of the Executive Committee as the business of the Committee may require, serve ex-officio as a member of the Republican State Finance Committee, and shall perform such other duties as these by-laws provide and as the Committee shall from time to time designate. The Chairman shall be an ex-officio member of all standing committees and of all sub-committees.

- 2(7)
- (D) The First Vice Chairman, shall be a registered voter, (and in his/her absence the Second Vice Chairman shall have like power as the Chairman in the absence of the Chairman, both shall serve ex-officio as members of the Republican State Finance Committee, and shall perform such other duties as the Committee may determine. The Vice Chairman shall be ex-officio members of all standing committees of which the Chairman serves as an ex-officio member. One Vice Chairman, providing the office be held by a woman, shall be designated to be in charge of all women's activities of the party organization.
 - (E) The Second Vice Chairman shall be a registered voter, shall serve as an ex-officio member of all standing committees and the Republican State Finance Committee. In the absence of the Chairman and 1st Vice Chairman, the Second Vice Chairman shall have like power as the Chairman, and shall perform such other duties as the Committee may determine. The Second Vice Chairman shall be in charge of activities of the Party concerning the National Black Republican Council and other minority organizations and shall make periodic reports to the Michigan State Committee.
 - (F) The Third Vice Chairman when elected shall be a registered voter who has not attained his or her 25th birthday, shall serve as ex-officio member of all standing committees, and shall be in charge of all youth activities of the party organization, make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Third Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (G) The Fourth Vice Chairman, shall be a registered voter, and serve as ex-officio member of all standing committees, and shall be in charge of all ethnic activities of the party organization and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fourth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (H) The Fifth Vice Chairman shall serve as an ex-officio member of all standing committees. He or she shall, when elected, be a registered voter has attained the age of 60. He or she shall be in charge of activities of the Party dealing with Senior Citizens organizations and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fifth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (I) The Sixth Vice Chairman shall be a registered voter, and serve as an ex-officio member of all standing committees, and shall be in charge of all Hispanic activities of the party organization and make periodic reports to the Republican State Committee, perform other such duties as these by-laws provide and as this Committee shall from time to time require. The Sixth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (J) The Secretary shall keep an accurate record of the minutes of each meeting of the Committee and of the reports of the sub-committees, shall give notice to the membership of all meetings by sending same

to the post office address of the member recorded with the Committee, make written report to the Committee at each meeting, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Secretary need not be a duly selected or elected member of the Committee from a Congressional District.

The Secretary shall turn over to his successor all books, records, letters, and documents pertaining to and associated with the affairs and business of the Committee.

- (K) The Treasurer shall comply with all applicable laws and receive all monies paid to the Committee and deposit the same in the name of the Committee in a bank designated by the Executive Committee, pay all bills charged to the Committee when authorized by the Chairman or in the absence the First Vice Chairman of the Committee, sign and execute contracts, agreements and documents with the Chairman in the manner set forth in paragraph C above, keep an accurate account of all receipts and disbursements in proper books, which books shall at all times be open to inspection and examination of the Ways and Means Committee or any member of the State Committee, shall render statements of the financial condition of the Committee to the Committee at each meeting, make an annual statement and report to the Committee at the last meeting of the year, have books audited for each preceding fiscal year by certified public accountants designated by the Executive Committee, give surety bond to the Committee at its expense in such amount as the Executive Committee may designate within forty-eight hours after accepting office.

The Treasurer shall turn over to his successor all funds, money and books, accounts, files, letters, papers and other property pertaining to or associated with the affairs and business of the Committee. The Treasurer shall be a non-voting member of the Ways and Means Committee.

ARTICLE VI

Meetings

The first special meeting of this Committee, after its members have been selected, shall be called by the Chairman within twenty-four hours after the state convention has been adjourned. There shall be at least five meetings of the Committee and the standing committees in each calendar year.

Special meetings of the Committee may be called by the Chairman when the business of the Committee requires the same and the Chairman shall call a special meeting of the Committee on written request of one-third of the members of the Committee within fifteen days after such written request has been filed with the Chairman. Upon failure to do so, any such member can give notice five days before such meetings.

Notices of special meetings shall designate the purpose of such special meetings.

A majority of the total membership of the Committee present in person, shall constitute a quorum to transact all business of the Committee except where the action of the Committee requires a larger number of members as specifically set forth in these by-laws.

Those authorized to vote may vote in person or by proxy at any meeting of the State Committee provided that such person shall be allowed to cast only one vote on each item of business transacted. Any person voting a proxy of a State Committee member must be a qualified elector from the State Committee member's Congressional District.

If a regular member is not present for a particular meeting and has not provided for a proxy, the district chairman or in his absence, the remaining members present from the absent member's Congressional District representation to the State Central Committee may select a registered voter from the Congressional District to fill the temporary vacancy for that meeting only. If the absent member should subsequently appear during the course of the meeting, said regular member shall regain full voting rights.

ARTICLE VII

Committees

Standing Committees. There shall be elected and appointed the following standing committees at the first regular meeting after the date of the spring state convention in the odd-numbered years:

- (1) Executive Committee
- (2) Campaign Policy Committee
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- (5) District Chairmen's Committee

The State Chairman shall appoint one of the duly elected members from each Congressional District to serve on each Committee. The elected members from each Congressional District shall, within seven days following the spring state convention, indicate their preference for Committee assignments to the Chairman of the State Committee, who in turn will appoint one duly elected member to each standing committee from each Congressional District.

Each standing committee shall, as soon as possible after the date of holding the spring state convention in the odd-numbered years, be called together by the Chairman of the State Committee for the purpose of organizing such committee and electing its Chairman, Vice Chairman and Secretary.

The Chairman of each standing committee shall preside at all meetings of the Committee, appoint sub-committees as deemed necessary, and shall perform such other duties as these by-laws provide. The Vice Chairman shall have like power as the Chairman in the absence of the Chairman, may serve on all other committees, in like capacity, when the Chairman cannot attend, and shall perform such other duties as the Committee may determine. The Secretary shall keep an accurate record of the minutes of each meeting, make a written report to the the Committee at each meeting, and perform such other duties as the Committee may determine. Each standing committee shall have the right to adopt its own rules and procedure not inconsistent with these rules and Robert's Rules of Order.

Notice of subsequent meetings of each standing committee shall be mailed to each member thereof at least five days before the date of meeting by the Secretary thereof. Testimony, paper, and letterheads shall be furnished each standing committee by the State Committee and such cost shall be placed in the annual budget. Such meetings may be called by the Chairman of the standing committee or by any five members of any such standing committee.

Each standing committee shall have the authority and power to appoint sub-committees which may include others than State Committee members. However, each sub-committee so appointed shall include in its membership a person or persons from the standing committee who shall report directly to the standing committee.

It shall be necessary to have a quorum present at every standing committee meeting, consisting of not less than seven members of such committee in person, before any standing committee business may be transacted.

Prior to action by the Republican State Committee, a resolution must be first submitted in writing to the appropriate standing committee not less than 14 days prior to said committee meeting, by delivery of a copy of said resolution to the Chairman or Secretary of said committee, and to the Chairman of the Republican State Committee; a copy thereof shall be mailed to all Republican State Committee members not less than 7 days prior to their next meeting provided that the foregoing provisions may be waived by a majority vote of the respective committee.

After action by the appropriate standing committee, said resolution shall be presented to the Republican State Committee separate from the committee report.

EXECUTIVE COMMITTEE:

The work of this committee shall be to make recommendations to the State Committee, set party policy and establish programs for implementation by the other standing committees. This committee shall cooperate with staff personnel to implement policies set by the State Committee.

OVERSIGHT COMMITTEE:

The work of this committee shall include, but not be limited to, regular party publications, research projects assigned by the State Chairman, assist in coordination of campaigns of statewide candidates, develop campaign issues, make recommendations on the distribution of campaign funds.

PARTY ORGANIZATION COMMITTEE:

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WAYS AND MEANS COMMITTEE:

This committee shall collect and disseminate ideas for fund raising; for local levels, exert budget control, review and approve financial spending and maintain sound fiscal policy.

DISTRICT CHAIRMAN'S COMMITTEE:

There shall also be a District Chairman's Committee consisting of the District Chairmen. They will form a special Republican State Committee Task Force whose responsibilities include, but are not necessarily limited to, public relations with the districts, providing contact with local volunteers and urging their support in special elections throughout the state, appointing committees in the home districts to carry out programs of the Republican State Committee such as contact with nationalities' groups, youth groups, senior citizens, business, professional, labor, civic and veterans groups; serve as liaison between the Governor, Chairman of the State Committee and constituents of the District.

OTHER COMMITTEES:

Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the content of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by such members and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1979 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22102

(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOWETT
PHILIP H. BANE
DONNA L. MILLER

OF COUNSEL

THOMAS J. FADWIL, JR.

May 31, 1984

RECEIVED AT THE FEC

June 8 1984 11:54

TELEX: 710-831-0886

CABLE: SEDAMHERG

SEDAM, HERGE & REED

SUITE 1100

1800 EYE STREET, N.W.

WASHINGTON, D.C. 20005

202-638-6800

RESIDENT PARTNER: CHARLES S. REED

The Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Maura White
Office of General Counsel

Re: MUR 1613

Dear Madam Chairman:

We are writing on behalf of our client, Michigan People for Jim Dunn, in substantive response to your letter addressed to Mr. Francis J. Roost, dated April 12, 1984, in which you reported that our client and Mr. Roost, as its treasurer, may have violated the provisions of 2 U.S.C. 441a(f). You have on file a Statement of Designation of Counsel, dated May 2, 1984, designating the undersigned as counsel to Michigan People for Jim Dunn in connection with this matter. By letter to you, dated May 9, 1984, I entered my appearance and, for the reasons expressed therein, requested an extension of time within which to submit this response.

In your letter to Mr. Roost, dated April 12, 1984, it was reported that the Federal Election Commission had determined there is reason to believe that Michigan People for Jim Dunn may have violated the provisions of 2 U.S.C. 441a(f) in connection with the receipt of contributions from three Republican county committees. (You also reported that the Commission made a similar finding in connection with the receipt of a contribution from an unincorporated entity, but then determined to take no further action in respect of that contribution.)

Attachment 3(1)

84040475281

MUR 1613
White

21:15

The Honorable Lee Ann Elliott
May 31, 1984
Page Two

With respect to the contributions from the three Republican county committees, it was alleged that Michigan People for Jim Dunn received the following contributions from subordinate units of the Michigan Republican Party, all such contributions being attributable to the 1982 primary election cycle:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston Co. Repub. Comm.	6-9-81	\$ 1,445.00
Jackson Co. Repub. Comm.	6-22-81	1,050.00
Livingston Co. Repub. Comm.	6-29-81	185.00
Livingston Co. Repub. Comm.	10-6-81	125.00
Ingham Co. Repub. Comm.	12-31-81	<u>4,358.00</u>
	TOTAL	\$ 7,163.00

It was also reported that the Audit Division of the Federal Election Commission recommended, with respect to the foregoing contributions, that Michigan People for Jim Dunn either:

- (1) Refund the sum of \$755.00 to the Livingston County Republican Committee, if it could be demonstrated that the three county committees are not affiliated; or*
- (2) Refund the sum of \$2,163.00, presumably to the Ingham County Republican Committee, if the three county committees are affiliated.

On November 28, 1983, Michigan People for Jim Dunn reported that it was prepared to make the refund suggested under option (2), but was holding the refund because "[w]e are advised that all three are...independent of the State Republican Party." Subsequently, Michigan People for Jim Dunn submitted documentation in support of its understanding that the party

*It appears that this recommendation was based upon a finding that the Livingston County Republican Committee had not then qualified as a multicandidate committee.

The Honorable Lee Ann Elliott
May 31, 1984
Page Three

committees were not affiliated. That documentation consisted of a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three county committees involved herein. According to the Ingham County Republican Committee, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claimed to be "independent of, and not dependent to, the State Republican Party."

In reliance upon those letters, Michigan People for Jim Dunn concluded it was appropriate to proceed under option (1) and, thus, it refunded of \$755.00 to the Livingston County Republican Committee and submitted evidence of that refund to the Commission. It was the conclusion of our client that it had acted in good faith and in reliance upon the letters from the committees and the options given to it by the Audit Division.

In the General Counsel's Factual and Legal Analysis, which was submitted to the Commission in connection with this matter, it was noted there was not a sufficient amount of information presented to conclude that the presumption of affiliation in 11 CFR §110.3(b)(2)(ii) had been overcome. A number of issues and questions were unresolved and unanswered. As a result, the Office of General Counsel concluded that, in the absence of additional information, the presumption of affiliation remained in effect. As a consequence, and because the Commission did not expressly rule on the issue of the affiliation, the finding of reason to believe that our client violated the Act is predicated upon the resolved issue of law. Our client, being a principal campaign committee not affiliated with the State Party, is not in a position to submit additional material in contradiction of the presumption.

In light of the foregoing, but not as an admission that the Michigan Republican State Committee and subordinate party committees are affiliated, Michigan People for Jim Dunn shall refund the sum of \$1,408.00 to the Ingham County Republican

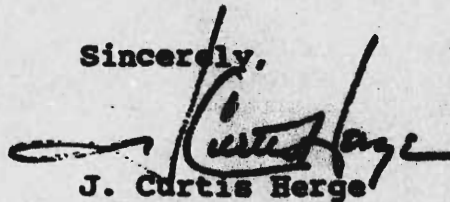
3(3)

The Honorable Lee Ann Elliott
May 31, 1984
Page Four

Committee. We shall provide to you, in due course, evidence of that refund. That refund, together with the \$755.00 previously refunded to the Livingston County Republican Committee, reduce the aggregate contributions made by the three county committees to \$5,000.00.

In consideration of the foregoing, it is recommended that the Commission take no further action concerning this matter.

Sincerely,



J. Curtis Herge
Counsel to Michigan People
for Jim Dunn

Enclosre

cc: Mr. Michael Barnhart
Michigan People for Jim Dunn

84040475284

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84 JUL 12 48:45

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
3300 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102

(703) 821-1000

July 10, 1984

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT E. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA L. MILLER
OF COUNSEL
THOMAS J. FADOUL, JR.

TELEX: 710-831-0886
CABLE: SEDAMHERG
SEDAM, HERGE & REED
SUITE 1100
1200 EYE STREET, N.W.
WASHINGTON, D.C. 20004
(202) 338-0886
RESIDENT PARTNER: CHARLES S. REED

10:07

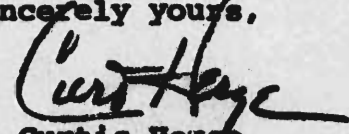
Ms. Maura White
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1613

Dear Maura:

With reference to my letter of May 31, 1984 and to our last conversation over the telephone relative to MUR 1613, I am sending to you herewith a copy of a letter from the Treasurer of Michigan People for Jim Dunn Committee to Mr. Dennis Hurst, dated July 5, 1984, transmitting a check in the amount of \$1,408.00 to the Ingham County Republican Committee. A copy of the check in question is superimposed on the copy of the letter.

Sincerely yours,



J. Curtis Herge

Enclosure

84040475285

3(5)

Michigan People For
Jim Dunn Committee
Box 1631
East Lansing, Michigan 48823
(517) 351-9483

JIM DUNN

for Senate.

5 July 1984

Mr. Dennis Hurst
535 Edison
Lansing, MI 48910

Dear Mr. Hurst:

Upon the advice of counsel, we enclose the check of the Jim Dunn for Congress Committee, drawn to the order of the Ingham County Republican Committee in the amount of \$1,408.00, which constitutes a partial refund of a contribution made on or about December 31, 1981.

Sincerely,

Ree Salvagno,
Treasurer

cc. J. Curtis Herge
Michael Barnhart

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JIM DUNN FOR CONGRESS COMMITTEE		429	
GENERAL ACCOUNT			
PAY TO THE ORDER OF	Ingham County Republican Party	July 5 1984	74-67 10 724
	ONE thousand four hundred eight	\$1408	00/100
			DOLLARS
American BANK AND TRUST COMPANY LANSING, MICHIGAN 48906		Ree Salvagno	
For	refund		
⑈000429⑈ • ⑈072400670⑈		13-5617-9⑈	

JACKSON COUNTY REPUBLICAN COMMITTEE'S
ANSWERS TO INTERROGATORIES

**IN RE: MUR 1613 Jackson County
Republican Committee, Julie S.
Jewel, Treasurer**

1. State whether the decision of the Jackson County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a. Michigan Republican Party;
- b. Michigan Republican State Committee;
- c. Ingham County Republican Finance Committee;
- d. Ingham County Republican Part;
- e. Livingston County Republican Committee;
- f. Livingston County Republican Party;
- g. Any other republican part unit or its political committee in Michigan.

ANSWER:

In June of 1981, the Jackson County Republican Committee made a donation in the amount of \$1,050.00 to the Michigan People for Jim Dunn. That contribution was in payment for tickets to a fund raiser held in Lansing on June 18, 1981. The following explains why that contribution was made.

The Jackson County Republican Committee has a variety of membership packages. Some memberships, i.e. senior citizen, student, and general, entitle the member to a copy of the Jackson County Republican Newsletter and a membership card. Some memberships, over \$100.00, include free tickets to certain events, such as the Jackson County Annual Lincoln Day Dinner.

Certain memberships, over \$300.00, include a ticket to certain Republican events. In 1981, that could have included a fund raiser for Governor William Milliken, a fund raiser for the Michigan House Republicans, the Michigan Senate Republicans, a United States Congressional Candidate (such as Jim Dunn). Although the price range for the fund raisers must be within certain limits, the actual fund raiser that is selected is not actually made by the Committee, but is made by the individual. In fact, it is not unusual for some individuals to not go to a fund raiser at all.

In this case, 21 couples individually elected to attend the Jim Dunn event in Lansing.

The Jackson County Republican Committee was not influenced by any other Republican Committee in any other regard regarding this contribution. It was not made in cooperation, consultation, or concert with or at the request or suggestion of any other Republican Committee.

Attachment 4(1)

84040475287

2. State whether the Jackson County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

a. If the answer is yes, describe such maintenance, control, or financial support in complete detail.

ANSWER:

The Jackson County Republican Committee is elected by precinct delegates. The entire process of election is set forth in the election laws of the State of Michigan. The Committee operates independently and is not required to report to or follow the instructions of the Michigan Republican State Committee. Our financing comes from our own memberships and fund raisers.

Our financial records will be made available upon request.

3. State whether the Jackson County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

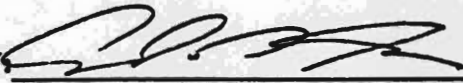
ANSWER:

In 1981, the Michigan Republican State Committee had quotas for individual Michigan counties. It is our understanding that the quotas were for the counties, and not for the individual committees. That is, if an individual contributed \$500.00 directly to the Michigan Republican State Committee, that individual's contribution would be applied to the county quota.

In some years, the Jackson County Republican Committee has made a contribution to the Michigan State Republican Committee, but in other years, no contribution has been made.

The Jackson County Republican Committee is unable to state with any specificity as to how exactly the quota is determined. It is our understanding that it is based on the number of persons that vote Republican in the county and to some extent on the amount of disposable income as determined from the last census.

**JACKSON COUNTY REPUBLICAN
COMMITTEE**

BY 

Chad C. Schmucker
Its Attorney

BEST, ARNOLD, GLEESON, BEST & SCHMUCKER, P.C.

ATTORNEYS AT LAW

FELIX F. BEST
RAYMOND V. ARNOLD
ROGER J. GLEESON
ROBERT P. BEST
CHAD C. SCHMUCKER

BENJAMIN J. GLASSOW
STEPHEN E. MORGAN
ANNE L. HEYNS
MICHAEL J. KLASSEN

RECEIVED AT THE FCC

84 JUN 7 AM: 32

P.O. BOX 570

JACKSON, MICHIGAN 49204-0570

TELEPHONE 767-2620
AREA CODE 817

June 5, 1984

Federal Elections Commission
Washington, D.C. 20463

Attention: Maura White

Re: MUR 1613 Jackson County Republican Committee

Dear Ms. White:

I would like to submit the following additional information for your consideration.

The Jackson County Republican Executive Committee met on June 2, 1984. It was a regularly scheduled meeting. At the meeting I inquired as to whether any member of our committee has ever attended an Ingham County Republican Executive Committee meeting or a Livingston County Republican Executive Committee meeting. Everyone present indicated they had never attended a meeting of either of those Executive Committees.

If you need this information submitted in affidavit form, please let me know.

I would also like to raise what I consider to be more of a legal, other than a factual argument. Our Committee donated \$1,050.00 on 6/22/81. At the time that donation was made, it was a legal donation. It was not in excess of any limit.

Even if you can establish affiliation, the contribution that would be improper would be Ingham County's contribution of \$4,358.00 on 12/31/81. It seems for you to establish any impropriety on the part of our Committee, you would have to establish that the 12/31/81 contribution was made at the request of, suggestion of, or with the knowledge of the Jackson County Republican Committee. I think it is clear that the committees operate independently, but even if they didn't, it wasn't our contribution that was in excess, but was Ingham County's and as such, it appears that your investigation should be focused at their committee.

4(3)

Federal Election Commission
Page 2
June 5, 1984

If there is any additional information that you need, please let me know.

Very truly yours,

BEST, ARNOLD, GLEESON, BEST &
SCHMUCKER, P.C.



Chad C. Schmucker

CCS/kil

cc: Joe Filip
Julie Jewell

84040475290

4(4)

RECEIVED AT THE FEC

34 JUN 18 12:51

JUN 18 3:28

Lee Ann Elliott, Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR 1613
Livingston County Republican
Committee—Ronald L. Stammersky
as Treasurer

Dear Ms. Elliott:

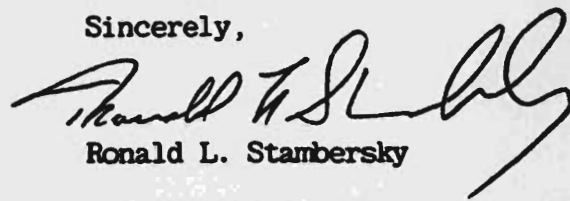
Please find enclosed the Answers which are submitted on behalf of the Livingston County Republican Committee, in response to the Interrogatories which were submitted to me, on behalf of said committee.

The Livingston County Republican Committee has not violated any of the Federal Election Campaign Laws of 1971, as amended. The Livingston County Republican Committee complies to the best of its ability, with all the rules and regulations of the State of Michigan, the United States, as well as its administrative bodies.

If for any reason you are in need of further information as it relates to this claim, I would be more than happy to provide the necessary information or documentation to assist thereto.

Thank you for your courtesies.

Sincerely,


Ronald L. Stammersky

RLS/pas

encl.

Attachment 5(1)

84040475291

FEDERAL ELECTION COMMISSION
Washington, D.C.

RESPONDENT'S ANSWERS TO INTERROGATORIES
SUBMITTED TO THE LIVINGSTON COUNTY REPUBLICAN COMMITTEE
AND RONALD L. STAMBERSKY, as TREASURER

1. State whether the decision of the Livingston County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Jackson County Republican Party
- f) Jackson County Republican Party
- g) any other republican party unit or its political committee in Michigan.

ANSWER: No, the Livingston County Republican Committee has not made contributions in cooperation, consultation, or concert with or at the request or suggestion of any of the aforesaid named organizations.

2. State whether the Livingston County Republican Committee is financed, maintained, or controlled in a manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

ANSWER: No, the Livingston County Republican Committee is not financed, maintained, or controlled in any way by Michigan Republican State Committee.

3. State whether the Livingston County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues".

If the answer is yes, describe the quota or dues structure.

ANSWER: No, the Livingston County Republican Committee is not required to submit monies on a periodic basis to the Michigan Republican State Committee, or any of its subordinate committees. IN FURTHER ANSWER, the Livingston County Republican Committee does occasionally assist by providing financial contributions which are not required or requested.


Ronald L. Stammersky, Treasurer
Livingston County Republican
Committee

84040475293



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**J. Curtis Herge, Esquire
Sedam and Herge
Suite 1100
8300 Greensboro Drive
McLean, Virginia 22102**

**Re: MUR 1613
Michigan People for Jim Dunn;
Marie Salvagno, as treasurer**

Dear Mr. Herge:

By letter dated April 12, 1984, your clients were notified that the Commission found reason to believe Michigan People for Jim Dunn and its treasurer violated 2 U.S.C. § 441a(f) by accepting an excessive contribution from three affiliated republican county committees in Michigan. You submitted responses to the Commission's finding in this matter on June 1, 1984, and July 12, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against your clients, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(f) for the authorized committees of a federal candidate to accept in excess of \$5,000 per election from affiliated political committees. Your clients should take immediate steps to insure that this activity does not occur in the future.

Attachment 6(1)

84040475294

Letter to J. Curtis Herge
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

84040475295

6(2)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Ronald R. Stammersky, Treasurer
Livingston County Republican Committee
P.O. Box 938
Brighton, Michigan 48116

Re: MUR 1613
Livingston County Republican
Committee; Ronald L. Stammersky,
as treasurer

Dear Mr. Stammersky:

By letter dated April 12, 1984, you were notified that the Commission found reason to believe the Livingston County Republican Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn, and violated 2 U.S.C. § 434(b)(6)(B)(i) by failing to report three contributions to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on June 18, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against you and your committee, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds you that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election, and a violation of 2 U.S.C. § 434(b)(6)(B)(i) to fail to report contributions to federal political committees. You should take immediate steps to insure that this activity does not occur in the future.

Letter to Ronald R. Stammersky
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

84040475297

6(4)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**James Crawford, Treasurer
Ingham County Republican Finance Committee
P.O. Box 10236
Lansing, Michigan 48901**

**Re: MUR 1613
Ingham County Republican Finance
Committee; James Crawford, as
treasurer**

Dear Mr. Crawford:

By letter dated April 12, 1984, you were notified that the Commission found reason to believe the Ingham County Republican Finance Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on May 10, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against you and your committee, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election. Your clients should take immediate steps to insure that this activity does not occur in the future.

6(s)

84040475298

Letter to James Crawford
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

84040475299

6(6)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Chad C. Schmucker, Esquire
Best, Arnold, Gleeson, Best
and Schmucker
P.O. Box 570
Jackson, Michigan 49204-0570

Re: MUR 1613
Jackson County Republican
Committee; Julie S. Jewell,
as treasurer

Dear Mr. Schmucker:

By letter dated April 12, 1984, your clients were notified that the Commission found reason to believe the Jackson County Republican Committee and Julie S. Jewell, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A) by making an excessive contribution to Michigan People for Jim Dunn. You submitted a response to the Commission's finding in this matter on June 4, 1984, and on June 7, 1984.

After considering the circumstances of this matter, the Commission has determined to take no further action against your clients, and close its file. A copy of the final General Counsel's Report in this matter has been enclosed for your information.

The file in this matter will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds your clients that it is nevertheless a violation of 2 U.S.C. § 441a(a)(2)(A) for affiliated political committees to contribute to a federal candidate in excess of \$5,000 per election. Your clients should take immediate steps to insure that this activity does not occur in the future.

6(7)

Letter to Chad C. Schmucker
Page 2

If you have any questions please direct them to Maura White,
the staff member assigned to this matter, at (202)523-4143.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

Enclosure

84040475301

6(8)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**Joel Ferguson
Saul Steadman
F & S Development Company
4820 W. Saginaw
Lansing, Michigan 48917**

**RE: MUR 1613
F & S Development
Company**

Dear Messrs. Ferguson and Steadman:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within thirty days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. A copy of the General Counsel's Report in this matter has been enclosed for your information.

If you have any questions please contact Maura White, the staff member assigned to this matter, at (202)523-4143.

Sincerely,

**Charles N. Steele
General Counsel**

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

Enclosure

6(9)

84040475302

604 4015
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84 JUL 12 AB: 45

SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22102

(703) 821-1800

July 10, 1984

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MOFFITT
PHILIP H. BANE
DONNA L. MILLER

OF COUNSEL

THOMAS J. PADOUL, JR.

TELEX: 710-831-0888

CABLE: SEDAMHERG

SEDAM, HERGE & HEND

SUITE 1100

1800 EYE STREET, N.W.

WASHINGTON, D.C. 20005

(202) 898-0888

RESIDENT PARTNER: CHARLES D. REED

10:07

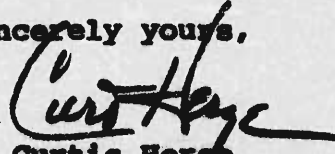
Ms. Maura White
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1613

Dear Maura:

With reference to my letter of May 31, 1984 and to our last conversation over the telephone relative to MUR 1613, I am sending to you herewith a copy of a letter from the Treasurer of Michigan People for Jim Dunn Committee to Mr. Dennis Hurst, dated July 5, 1984, transmitting a check in the amount of \$1,408.00 to the Ingham County Republican Committee. A copy of the check in question is superimposed on the copy of the letter.

Sincerely yours,

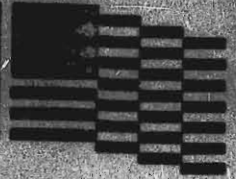

J. Curtis Herge

Enclosure

84040475303

Michigan People For
Jim Dunn Committee
Box 1631
East Lansing, Michigan 48823
(517) 351-9483

JIM DUNN



for Senate.

5 July 1984

Mr. Dennis Hurst
535 Edison
Lansing, MI 48910

Dear Mr. Hurst:

Upon the advice of counsel, we enclose the check of the Jim Dunn for Congress Committee, drawn to the order of the Ingham County Republican Committee in the amount of \$1,408.00, which constitutes a partial refund of a contribution made on or about December 31, 1981.

Sincerely,

Ree Salvagno,
Treasurer

cc. J. Curtis Herge
Michael Barnhart

8 1 0 4 0 4 7 5 3 0 4

JIM DUNN FOR CONGRESS COMMITTEE
GENERAL ACCOUNT

429

PAY TO THE
ORDER OF

Ingham County Republican Party

July 5 1984 74-87 10
784
\$1408.00

ONE thousand four hundred eight ⁰⁰/₁₀₀ DOLLARS

American
BANK AND TRUST COMPANY
LANSING, MICHIGAN 48906

FOR

refund

Ree Salvagno

⑈000429⑈ • ⑈072400670⑈

13-5617-9⑈

84040475305

SEDAM & HENGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

2000 GREENHURST DRIVE

MCLEAN, VIRGINIA 22102



**Ms. Maura White
Office of General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463**

800#3398
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SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
5500 GREENBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 821-1000

84 MAY 1 48:54

GLENN J. SEDAM, JR.
J. GUYTON KIRCH
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER S. MCVITT
PHILIP H. RANE
DONNA L. MILLER
OF COUNSEL
THOMAS J. FADOUL, JR.

May 31, 1984

TELEX: 710-831-0806
CABLE: SEDAMHERG
SEDAM, KIRCH & REED
SUITE 1100
1500 EYE STREET, N.W.
WASHINGTON, D.C. 20005
(202) 638-0800
RESIDENT PARTNER: CHARLES D. REED

The Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Maura White
Office of General Counsel

Re: MUR 1613

Dear Madam Chairman:

We are writing on behalf of our client, Michigan People for Jim Dunn, in substantive response to your letter addressed to Mr. Francis J. Roost, dated April 12, 1984, in which you reported that our client and Mr. Roost, as its treasurer, may have violated the provisions of 2 U.S.C. 441a(f). You have on file a Statement of Designation of Counsel, dated May 2, 1984, designating the undersigned as counsel to Michigan People for Jim Dunn in connection with this matter. By letter to you, dated May 9, 1984, I entered my appearance and, for the reasons expressed therein, requested an extension of time within which to submit this response.

In your letter to Mr. Roost, dated April 12, 1984, it was reported that the Federal Election Commission had determined there is reason to believe that Michigan People for Jim Dunn may have violated the provisions of 2 U.S.C. 441a(f) in connection with the receipt of contributions from three Republican county committees. (You also reported that the Commission made a similar finding in connection with the receipt of a contribution from an unincorporated entity, but then determined to take no further action in respect of that contribution.)

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MUR 1613
White
JUN 1 11:15

The Honorable Lee Ann Elliott
May 31, 1984
Page Two

With respect to the contributions from the three Republican county committees, it was alleged that Michigan People for Jim Dunn received the following contributions from subordinate units of the Michigan Republican Party, all such contributions being attributable to the 1982 primary election cycle:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston Co. Repub. Comm.	6-9-81	\$ 1,445.00
Jackson Co. Repub. Comm.	6-22-81	1,050.00
Livingston Co. Repub. Comm.	6-29-81	185.00
Livingston Co. Repub. Comm.	10-6-81	125.00
Ingham Co. Repub. Comm.	12-31-81	<u>4,358.00</u>
	TOTAL	\$ 7,163.00

It was also reported that the Audit Division of the Federal Election Commission recommended, with respect to the foregoing contributions, that Michigan People for Jim Dunn either:

- (1) Refund the sum of \$755.00 to the Livingston County Republican Committee, if it could be demonstrated that the three county committees are not affiliated; or*
- (2) Refund the sum of \$2,163.00, presumably to the Ingham County Republican Committee, if the three county committees are affiliated.

On November 28, 1983, Michigan People for Jim Dunn reported that it was prepared to make the refund suggested under option (2), but was holding the refund because "[w]e are advised that all three are...independent of the State Republican Party." Subsequently, Michigan People for Jim Dunn submitted documentation in support of its understanding that the party

*It appears that this recommendation was based upon a finding that the Livingston County Republican Committee had not then qualified as a multicandidate committee.

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The Honorable Lee Ann Elliott
May 31, 1984
Page Three

committees were not affiliated. That documentation consisted of a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three county committees involved herein. According to the Ingham County Republican Committee, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claimed to be "independent of, and not dependent to, the State Republican Party."

In reliance upon those letters, Michigan People for Jim Dunn concluded it was appropriate to proceed under option (1) and, thus, it refunded of \$755.00 to the Livingston County Republican Committee and submitted evidence of that refund to the Commission. It was the conclusion of our client that it had acted in good faith and in reliance upon the letters from the committees and the options given to it by the Audit Division.

In the General Counsel's Factual and Legal Analysis, which was submitted to the Commission in connection with this matter, it was noted there was not a sufficient amount of information presented to conclude that the presumption of affiliation in 11 CFR §110.3(b)(2)(ii) had been overcome. A number of issues and questions were unresolved and unanswered. As a result, the Office of General Counsel concluded that, in the absence of additional information, the presumption of affiliation remained in effect. As a consequence, and because the Commission did not expressly rule on the issue of the affiliation, the finding of reason to believe that our client violated the Act is predicated upon the resolved issue of law. Our client, being a principal campaign committee not affiliated with the State Party, is not in a position to submit additional material in contradiction of the presumption.

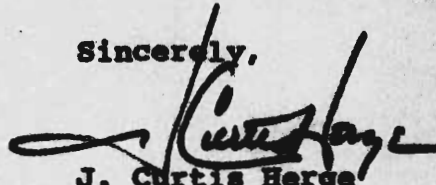
In light of the foregoing, but not as an admission that the Michigan Republican State Committee and subordinate party committees are affiliated, Michigan People for Jim Dunn shall refund the sum of \$1,408.00 to the Ingham County Republican

The Honorable Lee Ann Elliott
May 31, 1984
Page Four

Committee. We shall provide to you, in due course, evidence of that refund. That refund, together with the \$755.00 previously refunded to the Livingston County Republican Committee, reduce the aggregate contributions made by the three county committees to \$5,000.00.

In consideration of the foregoing, it is recommended that the Commission take no further action concerning this matter.

Sincerely,



J. Curtis Herge
Counsel to Michigan People
for Jim Dunn

Enclosure

cc: Mr. Michael Barnhart
Michigan People for Jim Dunn

84040475309

8004047531

SEDAM & HERGE
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
2200 GREENWOOD DRIVE
MCLEAN, VIRGINIA 22101



The Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Maura White
Office of General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO:

CHARLES N. STEELE
GENERAL COUNSEL

FROM:

MARJORIE W. EMMONS/ SUSAN M. TEIR *SMT*

DATE:

JUNE 12, 1984

SUBJECT:

**MUR 1613 - COMPREHENSIVE INVESTIGATIVE
REPORT #1 signed June 8, 1984**

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 11:00 on June 11, 1984.

There were no objections to the above-captioned matter at the time of the deadline.

84040475311



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *CD*
DATE: June 8, 1984
SUBJECT: MUR 1613 - Comprehensive Investigative Report #1

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 [x]
Sensitive [x]
Non-Sensitive []
Information []
Sensitive []
Non-Sensitive []
Other []

DISTRIBUTION

Compliance [x]
Audit Matters []
Litigation []
Closed MUR Letters []
Status Sheets []
Advisory Opinions []
Other (see distribution below) []

84040475312

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

In the Matter of)
Michigan People for)
Jim Dunn, Marie Salvagno,)
as treasurer; Ingham)
County Republican Finance)
Committee; James A. Crawford,)
as treasurer; Jackson County)
Republican Committee; Julie S.)
Jewel, as treasurer;)
Livingston County Republican)
Committee; Ronald L.)
Stambersky, as treasurer)

84 JUN 8 P3: 48

MUR 1613

SENSITIVE

COMPREHENSIVE INVESTIGATIVE REPORT #1

On April 10, 1984, the Commission determined that there is reason to believe Michigan People for Jim Dunn ("Committee") and its treasurer violated 2 U.S.C. § 441a(f) by accepting an excessive contribution of \$2,163 from three republican county committees in Michigan during 1981. The Commission also determined that there is reason to believe the Ingham County Republican Finance Committee, the Jackson County Republican Committee, the Livingston County Republican Committee, and their respective treasurers, violated 2 U.S.C. § 441a(a)(2)(A) by making the above excessive contribution to the Committee. In addition, the Commission determined that there is reason to believe the Livingston County Republican Committee violated 2 U.S.C. § 434(b)(6)(B)(i) by failing to report three contributions to the Committee during 1981.

Notification letters were mailed to the respondents in this matter on April 12, 1984. Also on April 12, 1984, interrogatories and a request for documents were mailed to the Michigan Republican State Committee.

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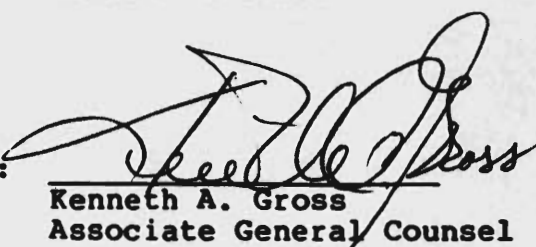
On May 10, 1984, the Ingham County Republican Committee submitted its response to the Commission's finding, and the Michigan Republican State Committee submitted the requested documents and information. A response was submitted on behalf of Michigan People for Jim Dunn and its treasurer on June 1, 1984. On June 4, 1984, the Jackson County Republican Committee and its treasurer responded to the Commission's finding. In response to a telephone inquiry from staff of this office on May 23, 1984, a representative for the Livingston County Republican Committee stated that a written response would be forthcoming as soon as the committee completed the process of reviewing its records in order to trace the contributions at issue. As of June 6, 1984, no response has been received.

Following a review of the responses submitted in this matter, this office will prepare a report to the Commission.

Charles N. Steele
General Counsel

Date

BY:


Kenneth A. Gross
Associate General Counsel

84040475314

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84 JUN 18 P12:51

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
14 JUN 18 P3:28

Lee Ann Elliott, Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR 1613
Livingston County Republican
Committee—Ronald L. Stammersky
as Treasurer

Dear Ms. Elliott:

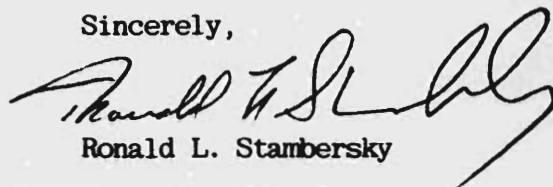
Please find enclosed the Answers which are submitted on behalf of the Livingston County Republican Committee, in response to the Interrogatories which were submitted to me, on behalf of said committee.

The Livingston County Republican Committee has not violated any of the Federal Election Campaign Laws of 1971, as amended. The Livingston County Republican Committee complies to the best of its ability, with all the rules and regulations of the State of Michigan, the United States, as well as its administrative bodies.

If for any reason you are in need of further information as it relates to this claim, I would be more than happy to provide the necessary information or documentation to assist thereto.

Thank you for your courtesies.

Sincerely,


Ronald L. Stammersky

RLS/pas

encl.

84040475315

FEDERAL ELECTION COMMISSION
Washington, D.C.

RESPONDENT'S ANSWERS TO INTERROGATORIES
SUBMITTED TO THE LIVINGSTON COUNTY REPUBLICAN COMMITTEE
AND RONALD L. STAMBERSKY, as TREASURER

1. State whether the decision of the Livingston County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Jackson County Republican Party
- f) Jackson County Republican Party
- g) any other republican party unit or its political committee in Michigan.

ANSWER: No, the Livingston County Republican Committee has not made contributions in cooperation, consultation, or concert with or at the request or suggestion of any of the aforesaid named organizations.

2. State whether the Livingston County Republican Committee is financed, maintained, or controlled in an manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

ANSWER: No, the Livingston County Republican Committee is not financed, maintained, or controlled in any way by Michigan Republican State Committee.

3. State whether the Livingston County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues".

If the answer is yes, describe the quota or dues structure.

84040475316

ANSWER: No, the Livingston County Republican Committee is not required to submit monies on a periodic basis to the Michigan Republican State Committee, or any of its subordinate committees. IN FURTHER ANSWER, the Livingston County Republican Committee does occasionally assist by providing financial contributions which are not required or requested.


Ronald L. Stammersky, Treasurer
Livingston County Republican
Committee

84040475317

840404753

**LIVINGSTON COUNTY
REPUBLICAN PARTY**

2007 E. Grand Floor • Dayton, OH 45416



Federal Elections Commission
Attn: Maura White
1325 K Street, N.W.
7th Floor
Washington, DC 20463



BEST, ARNOLD, GLEESON, BEST & SCHMUCKER, P.C.
ATTORNEYS AT LAW

FELIX F. BEST
RAYMOND V. ARNOLD
ROGER J. GLEESON
ROBERT F. BEST
CHAD C. SCHMUCKER

BENJAMIN J. GLASSOW
STEPHEN E. MORGAN
ANNE L. HEYNS
MICHAEL J. KLASSEN

June 5, 1984

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84 JUN 7 AM: 32

P.O. BOX 570

JACKSON, MICHIGAN 49204-0570

TELEPHONE 787-3880
AREA CODE 817

Federal Elections Commission
Washington, D.C. 20463

Attention: Maure White

Re: MUR 1613 Jackson County Republican Committee

Dear Ms. White:

I would like to submit the following additional information for your consideration.

The Jackson County Republican Executive Committee met on June 2, 1984. It was a regularly scheduled meeting. At the meeting I inquired as to whether any member of our committee has ever attended an Ingham County Republican Executive Committee meeting or a Livingston County Republican Executive Committee meeting. Everyone present indicated they had never attended a meeting of either of those Executive Committees.

If you need this information submitted in affidavit form, please let me know.

I would also like to raise what I consider to be more of a legal, other than a factual argument. Our Committee donated \$1,050.00 on 6/22/81. At the time that donation was made, it was a legal donation. It was not in excess of any limit.

Even if you can establish affiliation, the contribution that would be improper would be Ingham County's contribution of \$4,358.00 on 12/31/81. It seems for you to establish any impropriety on the part of our Committee, you would have to establish that the 12/31/81 contribution was made at the request of, suggestion of, or with the knowledge of the Jackson County Republican Committee. I think it is clear that the committees operate independently, but even if they didn't, it wasn't our contribution that was in excess, but was Ingham County's and as such, it appears that your investigation should be focused at their committee.

84040475319

Federal Election Commission
Page 2
June 5, 1984

If there is any additional information that you need, please let me know.

Very truly yours,

BEST, ARNOLD, GLEESON, BEST &
SCHMUCKER, P.C.



Chad C. Schmucker

CCS/kll

cc: Joe Filip
Julie Jewell

84040475320

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Chad C. Schmucker

ADDRESS: 410 South Jackson Street, P.O. Box 570, Jackson, MI 49204

TELEPHONE: (517) 787-2620

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.

May 24, 1984

Date

Julie Jewel
Signature

NAME: Julie Jewel

ADDRESS: 211 North Elm
Jackson, Michigan

HOME PHONE: (517) 784-6809

BUSINESS PHONE: (517) 787-8860

84040475321

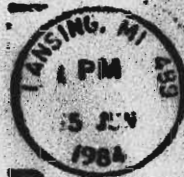
BEST, ARNOLD, GLEESON, BEST & SCHMUCKER, P.C.
ATTORNEYS AT LAW

410 SOUTH JACKSON STREET
P.O. BOX 570

JACKSON, MICHIGAN 49204-0570

ADDRESS CORRECTION REQUESTED

Federal Elections Commission
Washington, D.C. 20463



6cc#3073

STATEMENT OF DESIGNATION OF COUNSEL

MUR 1613
White

RE: MUR 1613 Michigan People FOR JIM DORN

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

NAME OF COUNSEL: Curtis J. Herge
Sedam & Herge PC

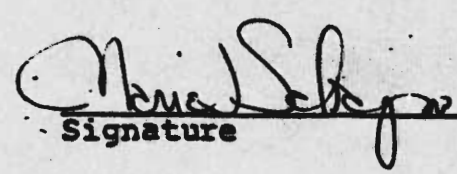
34 MAY 7 P 4: 57

ADDRESS: Suite 1100
8300 Greensboro Drive
Mc Lean, VA 22102

TELEPHONE: (703) 821-1000

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.

May 2, 1984
Date


Signature

NAME: Marie J. Salvagno

ADDRESS: P.O. Box 1631
East Lansing, MI 48823

HOME PHONE: (517) 332-8580

BUSINESS PHONE: (517) 351-6467

84040475323

JIM DUNNE

for Senate.

2

Michigan People for
Jim Dunne Committee

Lansing, Michigan 48225

6404047



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USE ZIP CODE

MS. LEE ANN ELLIOTT
FEDERAL ELECTIONS COMMISSION 1325 K' St. N.W.
WASHINGTON DC 20463

Printed and paid for by the Michigan People for Jim Dunne Committee



BEST, ARNOLD, GLEESON, BEST & SCHMUCKER, P.C.
ATTORNEYS AT LAW

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RAYMOND V. ARNOLD
ROBERT J. GLEESON
ROBERT P. BEST
CHAD C. SCHMUCKER
BENJAMIN J. GLASGOW
STEPHEN E. MORGAN
ANNE L. HEYNS
MICHAEL J. KLAEREN

14 JUN 4 P10: 52

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84 JUN 4 A9: 15

P.O. BOX 570

JACKSON, MICHIGAN 49204-0570

TELEPHONE 767-2820
AREA CODE 517

May 22, 1984

MUR 1613
White

Federal Elections Commission
Washington, D.C. 20463

Attention: Maura White

Re: MUR 1613 Jackson County Republican Committee,
Julie S. Jewel, Treasurer

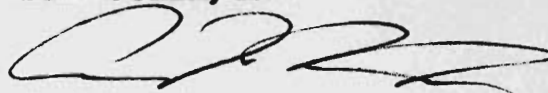
Dear Ms. White:

Enclosed please find a Statement of Designation of Counsel and
Answers to your Interrogatories.

We will be submitting additional information within the next 30 days.
If you need the information earlier than that, please call me.

Very truly yours,

**BEST, ARNOLD, GLEESON, BEST &
SCHMUCKER, P.C.**



Chad C. Schmucker

CCS/kl

cc: Joe Filip
Julie Jewell

84040475325

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Chad C. Schmucker

ADDRESS: 410 South Jackson Street, P.O. Box 570, Jackson, MI 49204

TELEPHONE: (517) 787-2620

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.

May 24, 1984
Date

Julie Jewel
Signature

NAME: Julie Jewel

ADDRESS: 211 North Elm
Jackson, Michigan

HOME PHONE: (517) 784-6809

BUSINESS PHONE: (517) 787-8860

84040475326

JACKSON COUNTY REPUBLICAN COMMITTEE'S
ANSWERS TO INTERROGATORIES

IN RE: MUR 1613 Jackson County
Republican Committee, Julie S.
Jewel, Treasurer

1. State whether the decision of the Jackson County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a. Michigan Republican Party;
- b. Michigan Republican State Committee;
- c. Ingham County Republican Finance Committee;
- d. Ingham County Republican Party;
- e. Livingston County Republican Committee;
- f. Livingston County Republican Party;
- g. Any other republican party unit or its political committee in Michigan.

ANSWER:

In June of 1981, the Jackson County Republican Committee made a donation in the amount of \$1,050.00 to the Michigan People for Jim Dunn. That contribution was in payment for tickets to a fund raiser held in Lansing on June 18, 1981. The following explains why that contribution was made.

The Jackson County Republican Committee has a variety of membership packages. Some memberships, i.e. senior citizen, student, and general, entitle the member to a copy of the Jackson County Republican Newsletter and a membership card. Some memberships, over \$100.00, include free tickets to certain events, such as the Jackson County Annual Lincoln Day Dinner.

Certain memberships, over \$300.00, include a ticket to certain Republican events. In 1981, that could have included a fund raiser for Governor William Milliken, a fund raiser for the Michigan House Republicans, the Michigan Senate Republicans, a United States Congressional Candidate (such as Jim Dunn). Although the price range for the fund raisers must be within certain limits, the actual fund raiser that is selected is not actually made by the Committee, but is made by the individual. In fact, it is not unusual for some individuals to not go to a fund raiser at all.

In this case, 21 couples individually elected to attend the Jim Dunn event in Lansing.

The Jackson County Republican Committee was not influenced by any other Republican Committee in any other regard regarding this contribution. It was not made in cooperation, consultation, or concert with or at the request or suggestion of any other Republican Committee.

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2. State whether the Jackson County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

a. If the answer is yes, describe such maintenance, control, or financial support in complete detail.

ANSWER:

The Jackson County Republican Committee is elected by precinct delegates. The entire process of election is set forth in the election laws of the State of Michigan. The Committee operates independently and is not required to report to or follow the instructions of the Michigan Republican State Committee. Our financing comes from our own memberships and fund raisers.

Our financial records will be made available upon request.

3. State whether the Jackson County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

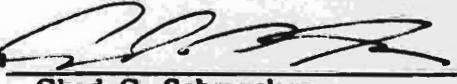
ANSWER:

In 1981, the Michigan Republican State Committee had quotas for individual Michigan counties. It is our understanding that the quotas were for the counties, and not for the individual committees. That is, if an individual contributed \$500.00 directly to the Michigan Republican State Committee, that individual's contribution would be applied to the county quota.

In some years, the Jackson County Republican Committee has made a contribution to the Michigan State Republican Committee, but in other years, no contribution has been made.

The Jackson County Republican Committee is unable to state with any specificity as to how exactly the quota is determined. It is our understanding that it is based on the number of persons that vote Republican in the county and to some extent on the amount of disposable income as determined from the last census.

**JACKSON COUNTY REPUBLICAN
COMMITTEE**

BY: 

Chad C. Schmucker
Its Attorney

84040475328

EST. ARNOLD, GLEESON, BEST & SCHMUCKER, P.C.
ATTORNEYS AT LAW

410 SOUTH JACKSON STREET
P.O. BOX 870

JACKSON, MICHIGAN 49204-0570



A9: 15

Federal Elections Commission
Washington, D.C. 20545

Attention: Maura White

ADDRESS CORRECTION REQUESTED

34040475329

GCC#2196

SEDAM & HERGE
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

(703) 821-1000

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
MAY 18 P 1:12

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT E. SPARKS, JR.
A. MARK CHRISTOPHER
CHRISTOPHER A. MOFFITT
PHILIP H. BANE
DONNA L. MILLER
OF COUNSEL
THOMAS J. PADOU, JR.

TELEX: 710-831-0886
CABLE: SEDAMHERG
SEDAM, HERGE & BEND
SUITE 1000
1800 NTH STREET, N.W.
WASHINGTON, D.C. 20001
GDS 830-0800
RESIDENT PARTNER: CHARLES D. NEED

May 9, 1984

MUR 1613
white

The Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Maura White
Office of General Counsel

Re: MUR 1613

Dear Madam Chairman:

We are writing on behalf of our client, Michigan People for Jim Dunn, in response to your letter addressed to Mr. Francis J. Roost, dated April 12, 1984, in which you reported that our client and Mr. Roost, as its treasurer, may have violated 2 U.S.C. 441a(f). It is our understanding that your letter was initially acknowledged by letter dated April 19, 1984, in which Marie J. Salvagno reported that she had replaced Mr. Roost as the treasurer of Michigan People for Jim Dunn. That substitution was reflected in an amended statement of organization filed on March 21, 1984. It is also our understanding that Marie J. Salvagno has submitted to you a Statement of Designation of Counsel, dated May 2, 1984, designating the undersigned as counsel in connection with this matter. Copies of the materials referred to above were received in this office on May 3, 1984, while I was on vacation.

By reason of the fact that I was away from the office and the need I now have to consult with, and obtain materials from, our client, I respectfully request an extension of time for the submission of a substantive reply to the findings of the

84040475330

MAY 18 P 1:40

The Honorable Lee Ann Elliott
May 9, 1984
Page Two

Commission. Because of the need to exchange correspondence with our client, which is located in Michigan, it appears that we should be in a position to submit a reply to you on or before May 31, 1984.

Sincerely,



J. Curtis Herge

cc: Michigan People for Jim Dunn

84040475331

8404047532

SEDAM & HERGE
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
SUITE 1100
2900 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102

11:41 PM MAY 18 1968

RECEIVED
GENERAL COUNSEL

The Honorable Lee Ann Elliott
Chairman
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention: Maura White
Office of General Counsel



6CC 3104
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24 MAY 10 48:58

White

May 7, 1984

Charles N. Steele, General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 1613

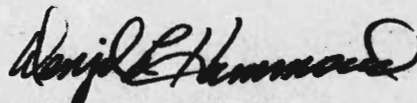
Dear Mr. Steele:

Attached, please find (2) sets of by-laws for the Michigan Republican State Committee. The first set, amended April 26, 1980 were in effect for the major portion of 1981, and the second set, amended December 5, 1981, were in effect for the balance of the year.

Regarding dues and quotas, the state committee has used an informal "fair-share" guideline for County committee financial participation toward state budgetary goals. Prior to 1984, this "fair-share" guideline was changed to a common amount for each county. In both cases, these guidelines have been honored more in non-performance than in compliance. In no case have records or sanctions been conditional to performance.

Should further questions arise, please feel free to contact me by telephone at my normal business office (313) 956-3992.

Sincerely,



DENZIL L. HAMMOND, Treasurer
Michigan Republican State
Committee
2121 E. Grand River
Lansing, Michigan 48912

8404047533

MAY 10 AIO: 15

BY-LAWS

Michigan Republican State Committee

As Amended April 26, 1960

ARTICLE I

Name

(1) This Committee shall be identified as the Republican State Committee and for the purpose of these by-laws unless otherwise specified shall be designated as the Committee.

(2) Roberts Rules of Order Newly Revised shall govern meetings of the Committee and all its standing committees.

ARTICLE II

Purposes

The purpose of this Committee shall be as follows:

(1) To perform all duties delegated to a State Committee by law, and such other duties not prohibited by law.

(2) To direct, manage and supervise the affairs and business of the Republican Party of Michigan.

(3) To adopt by-laws by which the Committee shall be governed.

ARTICLE III

Membership

The regular members shall be the District Chairmen and two men and two women nominated and elected from each Congressional District and the Chairman and the First, Second, Third, Fourth and Fifth Vice-Chairmen, the Secretary and the Treasurer of the Committee, and the National Committeeman and National Committeewoman selected according to law until their successors are elected.

Ex-Officio members shall be two members named by party caucus from the State Senate, two members named by party caucus from the State House of Representatives and one named by the delegation from the United States Congress.

Each regular member of the Committee shall be a registered voter and a resident of the Congressional District such member represents.

Permanent vacancies in membership arising from any cause whatsoever shall be filled by the statutory Executive Committee of the Congressional District in which the vacancy arises within 60 days after such vacancy arises.

Notice in writing to the Chairman of the State Committee of the name and address of the person selected to fill the vacancy shall be signed by the Chairman of the Executive Committee of the appropriate Congressional District.

The Committee shall have authority and power to terminate the membership of any member of this Committee, should any member be found guilty of any felony in any Court of Record. In such case, such membership can only be terminated

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and the member expelled by affirmative vote of the majority of the entire Committee.

ARTICLE IV

Officers

The Committee shall have the following officers:

- (1) Chairman
- (2) First Vice Chairman
- (3) Second Vice Chairman
- (4) Third Vice Chairman
- (5) Fourth Vice Chairman
- (6) Fifth Vice Chairman
- (7) Secretary
- (8) Treasurer

ARTICLE V

Selection - Election - Duties of Officers

- (A) The Chairman and the First and Second Vice Chairman of this Committee shall be selected as provided by law. The First Vice Chairman shall be the first Vice Chairman elected. The Third, Fourth and Fifth Vice Chairmen shall be elected at the same time and in the same manner as the Chairman and the First and Second Vice Chairmen. In the event the office of the Chairman becomes vacant, the First Vice Chairman shall become the acting Chairman until a successor is elected at the next meeting of the State Committee.
- (B) The Secretary and Treasurer shall be elected by the Committee at the first regular meeting of the Committee after the election of the Chairman and Vice Chairman and they shall hold office until their successors are elected and qualified. In the event the office of Treasurer becomes vacant, the Secretary shall become the acting Treasurer until a successor is elected at the next meeting of the State Committee.
- (C) The Chairman shall preside at all meetings of the Committee, sign all contracts, agreements, and documents, with the Treasurer, when authorized by the Committee (or the Executive Committee acting while the Committee is not in session), submit reports to the Committee at each meeting of the Committee and at such other meetings as the Committee, by resolution or motion may require, appoint and hire such employees with the approval of the Executive Committee as the business of the Committee may require, serve ex-officio as a member of the Republican State Finance Committee, and shall perform such other duties as these by-laws provided and as the Committee shall from time to time designate. The Chairman shall be an ex-officio member of all standing committees and of all sub-committees.

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- (D) The First Vice Chairman, shall be a registered voter, (and in his/her absence the Second Vice Chairman) shall have like power as the Chairman in the absence of the Chairman, both shall serve ex-officio as members of the Republican State Finance Committee, and shall perform such other duties as the Committee may determine. The Vice Chairman shall be ex-officio members of all standing committees of which the Chairman serves as an ex-officio member. One Vice Chairman, providing the office be held by a woman, shall be designated to be in charge of all women's activities of the party organization.
 - (E) The Second Vice Chairman shall be a registered voter, shall serve as an ex-officio member of all standing committees and the Republican State Finance Committee. In the absence of the Chairman and 1st Vice Chairman, the Second Vice Chairman shall have like power as the Chairman, and shall perform such other duties as the Committee may determine. The Second Vice Chairman shall be in charge of activities of the Party concerning the National Black Republican Council and other minority organizations and shall make periodic reports to the Michigan State Committee.
 - (F) The Third Vice Chairman when elected shall be a registered voter who has not attained his or her 25th birthday, shall serve as an ex-officio member of all standing committees, and shall be in charge of all youth activities of the party organization, make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Third Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (G) The Fourth Vice Chairman, shall be a registered voter, and serve as ex-officio member of all standing committees, and shall be in charge of all ethnic activities of the party organization and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fourth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (H) The Fifth Vice Chairman shall serve as an ex-officio member of all standing committees. He or she shall, when elected, be a registered voter has attained the age of 60. He or she shall be in charge of activities of the Party dealing with Senior Citizens organizations and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fifth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (I) The Secretary shall keep an accurate record of the minutes of each meeting of the Committee and of the reports of the sub-committees, shall give notice to the membership of all meetings by sending same to the post office address of the member recorded with the Committee, make written report to the Committee at each meeting, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Secretary need not be a duly selected or elected member of the Committee from a Congressional District.

The Secretary shall turn over to his successor all books, records, letters, and documents pertaining to and associated with the affairs and business of the Committee.

- (J) The Treasurer shall comply with all applicable laws and receive all monies paid to the Committee and deposit the same in the name of the Committee in a bank designated by the Executive Committee, pay all

beis chartered to the Committee when authorized by the Chairman- (C)
or in the absence the First Vice Chairman of the Committee, sign and
execute contracts, agreements and documents with the Chairman in
the manner set forth in paragraph C above, keep an accurate account
of all receipts and disbursements in proper books, which books shall
at all times be open to inspection and examination of the Ways and
Means Committee or any member of the State Committee, shall render
statements of the financial condition of the Committee to the
Committee at each meeting, make an annual statement and report to
the Committee at the last meeting of the year, have books audited for
each preceding fiscal year by certified public accountants designated
by the Executive Committee, give surety bond to the Committee at its
expense in such amount as the Executive Committee may designate within
forty-eight hours after accepting office.

The Treasurer shall turn over to his successor all funds, money and
books, accounts, files, letters, papers and other property pertaining
to or associated with the affairs and business of the Committee.
The Treasurer shall be a non-voting member of the Ways and Means (C)
Committee.

ARTICLE VI

Meetings

The first special meeting of this Committee, after its members have been
selected, shall be called by the Chairman within twenty-four hours after the
state convention has been adjourned. There shall be at least five meetings
of the Committee and the standing committees in each calendar year.

Special meetings of the Committee may be called by the Chairman when the
business of the Committee requires the same and the Chairman shall call a
special meeting of the Committee on written request of one-third of the members
of the Committee within fifteen days after such written request has been filed
with the Chairman. Upon failure to do so, any such member can give notice
five days before such meetings. (C)

Notices of special meetings shall designate the purpose of such special meetings.

A majority of the total membership of the Committee present in person, shall
constitute a quorum to transact all business of the Committee except where
the action of the Committee requires a larger number of members as specifically
set forth in these by-laws.

Those authorized to vote may vote in person or by proxy at any meeting of the
State Committee provided that such person shall be allowed to cast only one
vote on each item of business transacted. Any person voting a proxy of a
State Committee member must be a qualified elector from the State Committee
member's Congressional District.

If a regular member is not present for a particular meeting and has not provided
for a proxy, the district chairman or in his absence, the remaining members present
from the absent member's Congressional District representation to the State
Central Committee may select a registered voter from the Congressional District
to fill the temporary vacancy for that meeting only. If the absent member should
subsequently appear during the course of the meeting, said regular member shall
regain full voting rights.

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Prior to action by the Republican State Committee, a resolution must be first submitted in writing to the appropriate standing committee not less than 14 days prior to said committee meeting, by delivery of a copy of said resolution to the Chairman or Secretary of said committee, and to the Chairman of the Republican State Committee; a copy thereof shall be mailed to all Republican State Committee members not less than 7 days prior to their next meeting provided that the foregoing provisions may be waived by a majority vote of the respective committee.

After action by the appropriate standing committee, said resolution shall be presented to the Republican State Committee separate from the committee report.

EXECUTIVE COMMITTEE:

The work of this committee shall be to make recommendations to the State Committee, set party policy and establish programs for implementation by the other standing committees. This committee shall cooperate with staff personnel to implement policies set by the State Committee.

CAMPAIGN COMMITTEE:

The work of this committee shall include, but not be limited to, regular party publications, research projects assigned by the State Chairman, assist in coordination of campaigns of statewide candidates, develop campaign issues, make recommendations on the distribution of campaign funds.

PARTY ORGANIZATION COMMITTEE:

The responsibility of this committee shall be to study party affairs at all levels to determine possible improvements and develop programs for recruiting and training precinct workers. This committee shall also coordinate and encourage recruitment programs of those groups recognized by the State Committee, such as women's organizations, nationalities groups, youth groups, senior citizen groups, business groups, professional groups, labor groups, civic groups, veteran groups, and so forth. They shall render assistance to help the effective organization of the party at all levels.

WAYS AND MEANS COMMITTEE:

This committee shall collect and disseminate ideas for fund raising for local levels, exert budget control, review and approve financial spending and maintain sound fiscal policy.

DISTRICT CHAIRMEN'S COMMITTEE:

There shall also be a District Chairmen's Committee consisting of the District Chairmen. They will form a special Republican State Committee Task Force whose responsibilities include, but are not necessarily limited to, public relations with the districts, providing contact with local volunteers and urging their support in special elections throughout the state, appointing committees in the home districts to carry out programs of the Republican State Committee such as contact with nationalities' groups, youth groups, senior citizens, business, professional, labor, civic and veterans groups; serve as liaison between the Governor, Chairman of the State Committee and constituents of the District.

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ARTICLE VII

Committees

Standing Committees. There shall be elected and appointed the following standing committees at the first regular meeting after the date of the spring state convention in the odd-numbered years:

- (1) Executive Committee
- (2) Campaign Policy Committee
- (3) Party Organization Committee
- (4) Ways and Means Committee
- (5) District Chairmen's Committee

The State Chairman shall appoint one of the duly elected members from each Congressional District to serve on each Committee. The elected members from each Congressional District shall, within seven days following the spring state convention, indicate their preference for Committee assignments to the Chairman of the State Committee, who in turn will appoint one duly elected member to each standing committee from each Congressional District.

Each standing committee shall, as soon as possible after the date of holding the spring state convention in the odd-numbered years, be called together by the Chairman of the State Committee for the purpose of organizing with committee and electing its Chairman, Vice Chairman and Secretary.

The Chairman of each standing committee shall preside at all meetings of the Committee, appoint sub-committees as deemed necessary, and shall perform such other duties as these by-laws provide. The Vice Chairman shall have like power as the Chairman in the absence of the Chairman, may serve on all other committees, in like capacity, when the Chairman cannot attend, and shall perform such other duties as the Committee may determine. The Secretary shall keep an accurate record of the minutes of each meeting, make a written report to the Committee at each meeting, and perform such other duties as the Committee may determine. Each standing committee shall have the right to adopt its own rules and procedure not inconsistent with these rules and Robert's Rules of Order.

Notice of subsequent meetings of each standing committee shall be mailed to each member thereof at least five days before the date of meeting by the Secretary thereof. Postage, paper, and letterheads shall be furnished each standing committee by the State Committee and such cost shall be placed in the annual budget. Such meetings may be called by the Chairman of the standing committee or by any five members of any such standing committee.

Each standing committee shall have the authority and power to appoint sub-committees which may include others than State Committee members. However, each sub-committee so appointed shall include in its membership a person or persons from the standing committee who shall report directly to the standing committee.

It shall be necessary to have a quorum present at every standing committee meeting, consisting of not less than seven members of such committee in person, before any standing committee business may be transacted.

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OTHER COMMITTEES:

Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the content of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by such members and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1979 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

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Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the content of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by each member and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1979 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

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BY-LAWS

Michigan Republican State Committee
As Amended December 5, 1961

ARTICLE I

VI ADJUTANT

Name

as follows

(1) This Committee shall be identified as the Republican State Committee and for the purpose of these by-laws unless otherwise specified shall be designated as the Committee.

(2) Roberts Rules of Order Newly Revised shall govern meetings of the Committee and all its standing committees.

ARTICLE II

Purposes

The purpose of this Committee shall be as follows:

(1) To perform all duties delegated to a State Committee by law, and such other duties not prohibited by law.

(2) To direct, manage and supervise the affairs and business of the Republican Party of Michigan.

(3) To adopt by-laws by which the Committee shall be governed.

ARTICLE III

Membership

The regular members shall be the District Chairman and two men and two women nominated and elected from each Congressional District and the Chairman and the First, Second, Third, Fourth, Fifth and Sixth Vice Chairmen, the Secretary and the Treasurer of the Committee, and the National Committeewoman and National Committeewoman selected according to law until their successors are elected.

Ex-Officio members shall be two members named by party caucus from the State Senate, two members named by party caucus from the State House of Representatives and one named by the delegation from the United States Congress.

Each regular member of the Committee shall be a registered voter and a resident of the Congressional District such member represents.

Permanent vacancies in membership arising from any cause whatsoever shall be filled by the statutory Executive Committee of the Congressional District in which the vacancy arises within 60 days after such vacancy arises. Notice in writing to the Chairman of the State Committee of the name and address of the person selected to fill the vacancy shall be signed by the Chairman of the Executive Committee of the appropriate Congressional District.

The Committee shall have authority and power to terminate the membership of any member of this Committee, should any member be found guilty of any felony in any Court of Record. In such case, such membership can only be terminated

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and the member expelled by affirmative vote of the majority of the entire Committee.

As Amended December 2, 1981

ARTICLE IV
OFFICERS

The Committee shall have the following officers:

- (1) Chairman
- (2) First Vice Chairman
- (3) Second Vice Chairman
- (4) Third Vice Chairman
- (5) Fourth Vice Chairman
- (6) Fifth Vice Chairman
- (7) Sixth Vice Chairman
- (8) Secretary
- (9) Treasurer

ARTICLE V
SELECTION - ELECTION - DUTIES OF OFFICERS

- (A) The Chairman and the First and Second Vice Chairman of this Committee shall be selected as provided by law. The First Vice Chairman shall be the first Vice Chairman elected. The Third, Fourth, Fifth and Sixth Vice Chairmen shall be elected at the same time and in the same manner as the Chairman and the First and Second Vice Chairmen. In the event the office of the Chairman becomes vacant, the First Vice Chairman shall become the acting Chairman until a successor is elected at the next meeting of the State Committee.
- (B) The Secretary and Treasurer shall be elected by the Committee at the first regular meeting of the Committee after the election of the Chairman and Vice Chairman and they shall hold office until their successors are elected and qualified. In the event the office of Treasurer becomes vacant, the Secretary shall become the acting Treasurer until a successor is elected at the next meeting of the State Committee.
- (C) The Chairman shall preside at all meetings of the Committee, sign all contracts, agreements, and documents, with the Treasurer, when authorized by the Committee (or the Executive Committee acting while the Committee is not in session), submit reports to the Committee at each meeting of the Committee and at such other meetings as the Committee, by resolution or motion may require, appoint and hire such employees with the approval of the Executive Committee as the business of the Committee may require, serve ex-officio as a member of the Republican State Finance Committee, and shall perform such other duties as these by-laws provided and as the Committee shall from time to time designate. The Chairman shall be an ex-officio member of all standing committees and of all sub-committees.

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- (D) The First Vice Chairman, shall be a registered voter, (and in his/her absence the Second Vice Chairman) shall have like power as the Chairman in the absence of the Chairman, both shall serve ex-officio as members of the Republican State Finance Committee, and shall perform such other duties as the Committee may determine. The Vice Chairman shall be ex-officio members of all standing committees of which the Chairman serves as an ex-officio member. One Vice Chairman, providing the office be held by a woman, shall be designated to be in charge of all women's activities of the party organization.
 - (E) The Second Vice Chairman shall be a registered voter, shall serve as an ex-officio member of all standing committees and the Republican State Finance Committee. In the absence of the Chairman and 1st Vice Chairman, the Second Vice Chairman shall have like power as the Chairman, and shall perform such other duties as the Committee may determine. The Second Vice Chairman shall be in charge of activities of the Party concerning the National Black Republican Council and other minority organizations and shall make periodic reports to the Michigan State Committee.
 - (F) The Third Vice Chairman when elected shall be a registered voter who has not attained his or her 25th birthday, shall serve as ex-officio member of all standing committees, and shall be in charge of all youth activities of the party organization, make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Third Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (G) The Fourth Vice Chairman, shall be a registered voter, and serve as ex-officio member of all standing committees, and shall be in charge of all ethnic activities of the party organization and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fourth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (H) The Fifth Vice Chairman shall serve as an ex-officio member of all standing committees. He or she shall, when elected, be a registered voter has attained the age of 60. He or she shall be in charge of activities of the Party dealing with Senior Citizens organizations and make periodic reports to the Republican State Committee, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Fifth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (I) The Sixth Vice Chairman shall be a registered voter, and serve as an ex-officio member of all standing committees, and shall be in charge of all Hispanic activities of the party organization and make periodic reports to the Republican State Committee, perform other such duties as these by-laws provide and as this Committee shall from time to time require. The Sixth Vice Chairman need not be a duly selected or elected member of the Committee from a Congressional District.
 - (J) The Secretary shall keep an accurate record of the minutes of each meeting of the Committee and of the reports of the sub-committees, shall give notice to the membership of all meetings by sending same

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to the post office address of the member recorded with the Committee, make written report to the Committee at each meeting, perform such other duties as these by-laws provide and as this Committee shall from time to time require. The Secretary need not be a duly selected or elected member of the Committee from a Congressional District.

The Secretary shall turn over to his successor all books, records, letters, and documents pertaining to and associated with the affairs and business of the Committee.

- (K) The Treasurer shall comply with all applicable law and receive all monies paid to the Committee and deposit the same in the name of the Committee in a bank designated by the Executive Committee, pay all bills charted to the Committee when authorized by the Chairman or in the absence the First Vice Chairman of the Committee, sign and execute contracts, agreements and documents with the Chairman in the manner set forth in paragraph C above, keep an accurate account of all receipts and disbursements in proper books, which books shall at all times be open to inspection and examination of the Ways and Means Committee or any member of the State Committee, shall render statements of the financial condition of the Committee to the Committee at each meeting, make an annual statement and report to the Committee at the last meeting of the year, have books audited for each preceding fiscal year by certified public accountants designated by the Executive Committee, give surety bond to the Committee at its expense in such amount as the Executive Committee may designate within forty-eight hours after accepting office.

The Treasurer shall turn over to his successor all funds, money and books, accounts, files, letters, papers and other property pertaining to or associated with the affairs and business of the Committee. The Treasurer shall be a non-voting member of the Ways and Means Committee.

ARTICLE VI

Meetings

The first special meeting of this Committee, after its members have been selected, shall be called by the Chairman within twenty-four hours after the state convention has been adjourned. There shall be at least five meetings of the Committee and the standing committees in each calendar year.

Special meetings of the Committee may be called by the Chairman when the business of the Committee requires the same and the Chairman shall call a (I) special meeting of the Committee on written request of one-third of the members of the Committee within fifteen days after such written request has been filed with the Chairman. Upon failure to do so, any such member can give notice five days before such meetings.

Notices of special meetings shall designate the purpose of such special meetings.

A majority of the total membership of the Committee present in person, shall constitute a quorum to transact all business of the Committee except where the action of the Committee requires a larger number of members as specifically set forth in these by-laws.

Those authorized to vote may vote in person or by proxy at any meeting of the State Committee provided that such person shall be allowed to cast only one vote on each item of business transacted. Any person voting a proxy of a State Committee member must be a qualified elector from the State Committee member's Congressional District.

If a regular member is not present for a particular meeting and has not provided for a proxy, the district chairman or in his absence, the remaining members present from the absent member's Congressional District representation to the State Central Committee may select a registered voter from the Congressional District to fill the temporary vacancy for that meeting only. If the absent member should subsequently appear during the course of the meeting, said regular member shall regain full voting rights.

ARTICLE VII

Committees

Standing Committees. There shall be elected and appointed the following standing committees at the first regular meeting after the date of the spring state convention in the odd-numbered years:

- (1) Executive Committee
- (2) Campaign Policy Committee
- (3) Party Organization Committee
- (4) Ways and Means Committee
- (5) District Chairmen's Committee

The State Chairman shall appoint one of the duly elected members from each Congressional District to serve on each Committee. The elected members from each Congressional District shall, within seven days following the spring state convention, indicate their preference for Committee assignments to the Chairman of the State Committee, who in turn will appoint one duly elected member to each standing committee from each Congressional District.

Each standing committee shall, as soon as possible after the date of holding the spring state convention in the odd-numbered years, be called together by the Chairman of the State Committee for the purpose of organizing such committee and electing its Chairman, Vice Chairman and Secretary.

The Chairman of each standing committee shall preside at all meetings of the Committee, appoint sub-committees as deemed necessary, and shall perform such other duties as these by-laws provide. The Vice Chairman shall have like power as the Chairman in the absence of the Chairman, may serve on all other committees, in like capacity, when the Chairman cannot attend, and shall perform such other duties as the Committee may determine. The Secretary shall keep an accurate record of the minutes of each meeting, make a written report to the the Committee at each meeting, and perform such other duties as the Committee may determine. Each standing committee shall have the right to adopt its own rules and procedure not inconsistent with these rules and Robert's Rules of Order.

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Notice of subsequent meetings of each standing committee shall be mailed to each member thereof at least five days before the date of meeting by the Secretary thereof. Postage, paper, and letterheads shall be furnished each standing committee by the State Committee and such cost shall be placed in the annual budget. Such meetings may be called by the Chairman of the standing committee or by any five members of any such standing committee.

Each standing committee shall have the authority and power to appoint subcommittees which may include others than State Committee members. However, each subcommittee so appointed shall include in its membership a person or persons from the standing committee who shall report directly to the standing committee.

It shall be necessary to have a quorum present at every standing committee meeting, consisting of not less than seven members of such committee in person, before any standing committee business may be transacted.

Prior to action by the Republican State Committee, a resolution must be first submitted in writing to the appropriate standing committee not less than 14 days prior to said committee meeting, by delivery of a copy of said resolution to the Chairman or Secretary of said committee, and to the Chairman of the Republican State Committee; a copy thereof shall be mailed to all Republican State Committee members not less than 7 days prior to their next meeting provided that the foregoing provisions may be waived by a majority vote of the respective committee.

After action by the appropriate standing committee, said resolution shall be presented to the Republican State Committee separate from the committee report.

EXECUTIVE COMMITTEE:

The work of this committee shall be to make recommendations to the State Committee, set party policy and establish programs for implementation by the other standing committees. This committee shall cooperate with staff personnel to implement policies set by the State Committee.

CAMPAIGN COMMITTEE:

The work of this committee shall include, but not be limited to, regular party publications, research projects assigned by the State Chairman, assist in coordination of campaigns of statewide candidates, develop campaign issues, make recommendations on the distribution of campaign funds.

PARTY ORGANIZATION COMMITTEE:

The responsibility of this committee shall be to study party affairs at all levels to determine possible improvements and develop programs for recruiting and training precinct workers. This committee shall also coordinate and encourage recruitment programs of those groups recognized by the State Committee, such as women's organizations, nationalities groups, youth groups, senior citizen groups, business groups, professional groups, labor groups, civic groups, veteran groups, and so forth. They shall render assistance to help the effective organization of the party at all levels.

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WAYS AND MEANS COMMITTEE:

This committee shall collect and disseminate ideas for fund raising for local levels, exert budget control, review and approve financial spending and maintain sound fiscal policy.

DISTRICT CHAIRMEN'S COMMITTEE:

There shall also be a District Chairmen's Committee consisting of the District Chairmen. They will form a special Republican State Committee Task Force whose responsibilities include, but are not necessarily limited to, public relations with the districts, providing contact with local volunteers and urging their support in special elections throughout the state, appointing committees in the home districts to carry out programs of the Republican State Committee such as contact with nationalities' groups, youth groups, senior citizens, business, professional, labor, civic and veterans groups; serve as liaison between the Governor, Chairman of the State Committee and constituents of the District.

OTHER COMMITTEES:

Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the context of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by such members and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1979 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

WAYS AND MEANS COMMITTEE:

This committee shall collect and disseminate ideas for fund raising for local levels, exert budget control, review and approve financial spending and maintain sound fiscal policy.

DISTRICT CHAIRMAN'S COMMITTEE:

There shall also be a District Chairman's Committee consisting of the District Chairman. They will form a special Republican State Committee Task Force whose responsibilities include, but are not necessarily limited to, public relations with the districts, providing contact with local volunteers and urging their support in special elections throughout the state, appointing committees in the home districts to carry out programs of the Republican State Committee such as contact with nationalities, groups, youth groups, senior citizens, business, professional, labor, civic and veterans groups; serve as liaison between the Governor, Chairman of the State Committee and committees of the District.

OTHER COMMITTEES:

Committees for certain definite purposes may be appointed in the manner provided by any resolution adopted by the State Committee or any standing committee.

ARTICLE VIII

Amendments

- (A) All proposed amendments to these by-laws shall be first submitted in writing to the Executive Committee.
- (B) Each member of the Committee shall be notified in writing of the content of any proposed amendment at least thirty days before the date on which such proposed amendment is to be voted on.
- (C) No amendment shall pass until it has received a 60 percent favorable vote of the committee present and voting provided there is a quorum present, and such favorable 60 percent vote must be made in person by each member and not by proxy.

ARTICLE IX

Effective Date of Rules

These rules are hereby declared to be in full force and effect on the date of the election of the 1978 State Committee. Each member of said committee shall receive a copy of these by-laws within ten days following their election.

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FROM: HENRI L. HARRIS
20198 Charleston
Pittsford, NY 482719



TO: Charles H. Steele, General Counsel
Federal Election Commission
Washington, D. C. 20463

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INGHAM
COUNTY
REPUBLICAN
PARTY

P.O. Box 10838, Lansing, MI 48901 517 484-8881

RECEIVED
OFFICE OF THE
CLERK OF THE
COMMISSIONERS

84 MAY 10 All: 30

May 4, 1984

6cc#3108

White

MAY 10 P1:33

Lee Ann Elliott
Federal Election Commission
Washington, D.C.

RE: MUR 1613

Dear Ms. Elliott,
The following answers are in response to the above referenced inquiry. I
have also attached a copy of the questions you have asked me to address.

Question #1) No. The decision to contribute to Michigan People for
Jim Dunn was made by the Ingham County Finance Committee
independent of any other political body.

Question #2) No. The Finance Committee is not financed, maintained
or controlled by the Michigan Republican State Committee
in any manner whatsoever.

Question #3) No. The finance committee is not required or requested
to submit money to the State Republican Party.

I hope these answers are helpful to you in concluding your investigation into this
this matter. I apologize for any delay I may have caused in delaying your
inquiry. Please contact me if I can be of further assistance in this matter.

Sincerely

Jim Crawford
Jim Crawford, Treasurer

84040475351

Interrogatories to:

**Ingham County Republican Finance
Committee and James A. Crawford,
as treasurer**

1. State whether the decision of the Ingham County Republican Finance Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Jackson County Republican Committee
- d) Jackson County Republican Party
- e) Livingston County Republican Committee
- f) Livingston County Republican Party
- g) any other republican party unit or its political committee in Michigan.

14 MAY 10 P 1:40

2. State whether the Ingham County Republican Finance Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Ingham County Republican Finance Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

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CRAT
REPUBLICAN
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34 MAY 10 P1:4

Lee Ann Elliott
General Council
Federal Election Commission
Washington D.C. 20463



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

MEMORANDUM TO: *M. White*

FROM: Barbara A. Johnson
Docket Clerk

SUBJECT: Returned Letters

DATE: *4/23/84*

The following letter *MUR 1613* was returned. Please write a memo to the file and advise on what to do. If you wish to resend the letter, please have the envelope(s) and green card(s) made.

Thank::

BQ

Please re-mail to:

*Box 1631
East Lansing, Michigan
48823*

84040475354

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463
OFFICIAL BUSINESS

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WASHINGTON, D.C.
PERMIT NO. 631

Marie Salvagno, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901

CERTIFIED

#943430

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463
OFFICIAL BUSINESS

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~~Marie Salvagno, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901~~

CERTIFIED

#943430

**FEDERAL
EXPRESS**

OFF 5357

Extremely Urgent

Recipient: Please hand deliver to addressee.

To:

LEEANN

Elliott

**OVERNIGHT
LETTER**

Michigan People For
Jim Dunn Committee
Box 1631
East Lansing, Michigan 48823
(517) 351-9483

GCC#2205

JIM DUNN



for Senate.

19 April 1984

*MUR 1613
White*

Ms. Lee Ann Elliott
Federal Elections Commission
Washington, DC 20463

Re: MUR 1613
MICHIGAN PEOPLE FOR JIM DUNN
FRANCIS J. ROOST, as Treasurer

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
84 APR 20 AM 11:20

Dear Ms. Elliott:

Please be advised Francis J. Roost is no longer treasurer of the Committee referenced above. On March 21, 1984 I visited the FEC in Washington and filed an ammendment removing Mr. Roost and placing myself on the record as treasurer.

Your letter to Mr. Roost regarding MUR 1613 arrived in my office today, having been forwarded by Mr. Roost. We intend to respond within the 15 day period beginning with receipt of your letter today.

Sincerely,

Marie J. Salvagno

MARIE J. SALVAGNO

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APR 20 PM 1:14



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 19, 1984

Marie J. Salvagno, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901

Re: MUR 1613
Michigan People for Jim Dunn;
Marie J. Salvagno, Treasurer

Dear Ms. Salvagno:

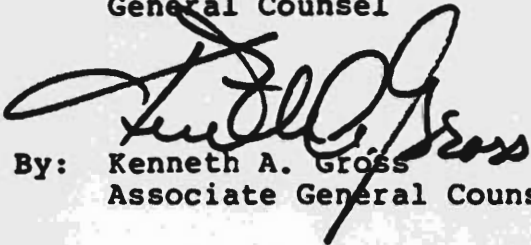
On April 10, 1984, the Federal Election Commission determined that the Jim Dunn for Congress Committee ("Committee") and its treasurer violated 2 U.S.C. § 441a(f). A copy of the notification of the Commission's finding which was mailed to Francis J. Roost, as treasurer, is enclosed for your information.

It has come to our attention that on March 21, 1984, the Committee filed an amended Statement of Organization designating you as the Committee's treasurer. This is to notify you that as the Committee's treasurer you are a respondent in this matter, rather than Francis J. Roost, the Committee's former treasurer.

If you have any questions, please contact Maura White at (202) 523-4143.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure
Notification Letter

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 12, 1984

Francis J. Roost, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901

RE: MUR 1613
Michigan People for Jim Dunn,
Francis J. Roost, as treasurer

Dear Mr. Roost:

On April 10, 1984, the Federal Election Commission determined that there is reason to believe Michigan People for Jim Dunn and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with receipt of an excessive contribution from three republican county committees and in connection with the receipt of a contribution from an unincorporated entity. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. With respect to the receipt of the contribution from the unincorporated entity, the Commission determined to take no further action.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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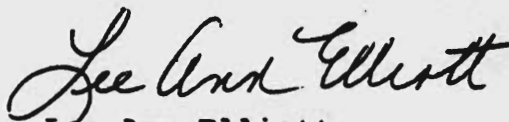
Letter to Francis J. Roost
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,



Lee Ann Elliott
Chairman

Enclosures

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

84040475361

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Michigan People for Jim MUR 1613
Dunn; Francis J. Roost,
as treasurer

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

Michigan People for Jim Dunn ("Committee") accepted an excessive contribution from three republican county committees in Michigan, and an excessive contribution from an unincorporated entity, in violation of 2 U.S.C. § 441a(f).

FACTUAL BASIS AND LEGAL ANALYSIS

Information obtained during an audit of the Committee revealed that the Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	\$4,358
		<u>\$7,163</u> Total

In view of the regulatory presumption that State and subordinate party committees are affiliated and, hence, subject to a common

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contribution limitation 1/ unless a demonstration is made to the contrary (see 11 C.F.R. § 110.3(b)(2)(ii)), the interim audit report recommended that the Committee either: present documentation demonstrating that the contributions at issue were not excessive; or, refund the excessive portion (\$2,163) of the contributions and present evidence of the refunds. 2/ The interim audit report also recommended that the Committee refund \$755 to the Livingston County Republican Committee if it is demonstrated that the county committees are not affiliated, because the Livingston County Republican Committee contributed \$1,755 to the Committee when it had not qualified as a multicandidate committee (see 2 U.S.C. § 441a(a)(1)(A)).

The Committee's response to the interim audit report was received on November 28, 1983. The response stated that the Committee had drawn a refund check to each of the three county committees, but that they were holding the checks because "[w]e are advised that all three are ... independent of the State Republican Party." The final audit report approved by the Commission referred this matter to this office. Subsequently, on December 27, 1983, the Committee provided Audit with additional

1/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

2/ The interim audit report noted that "the excessive portions are presumed to be the contributions most recently received by the Committee."

documentation. Specifically, the Committee submitted a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein.

According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

The audit of the Committee revealed the receipt of a \$2,000 contribution from an unincorporated entity, F and S Development, on October 19, 1982, for the 1982 general election. (See 2 U.S.C. § 441a(f), § 441a(a)(1)(A) and 11 C.F.R. § 110.1(e)). The interim audit report recommended that the Committee refund \$1,000 to F and S Development and present evidence of the refund (i.e., a copy of the front and back of the refund check, endorsed

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by F and S Development). In response to the audit report, the Committee submitted a letter stating that they had "delivered the F and S Development check and have received from the individual partners of F and S Development ... their personal checks for \$1,000 by way of reimbursement." The Committee's response also states that its refund check, dated November 4, 1983, had "not yet cleared the banking system," but that when they receive the cancelled check "we will copy the endorsement and the face of the check and forward it to you." Because the Committee did not present the evidence of the refund that was requested in the interim audit report, the instant matter was referred to this office. On December 27, 1983, following referral to this office, the Committee submitted a copy of the front and back of its cancelled refund check to F and S Development, demonstrating a refund of \$2,000.

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000.

The term "person" is defined at 2 U.S.C. § 431(11) to include an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate

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committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

Under 2 U.S.C. § 441a(f), no candidate or political

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committee shall knowingly accept any contribution in violation of the provisions of § 441a, and no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate in violation of any limitation imposed on contributions under § 441a.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the Committee and its treasurer have violated § 441a(f) by accepting a \$2,163 excessive contribution. If the three county committees are not affiliated, then the Committee and its treasurer have violated § 441a(f) by accepting a \$755 excessive contribution.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where

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the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party.. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

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In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Committee and its treasurer, Francis J. Roost, have violated 2 U.S.C. § 441a(f).

The Committee's acceptance of a \$2,000 contribution from an unincorporated entity in connection with the 1982 general election was in violation of 2 U.S.C. § 441a(f).- However, in

view of the fact that the Committee refunded the contribution in response to the interim audit report, it is the recommendation of the General Counsel that the Commission find reason to believe the Committee and its treasurer, Francis J. Roost, violated 2 U.S.C. §. 441a(f), and take no further action concerning this issue.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Michigan People for Jim Dunn,)
et al.)

MUR 1613

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission executive session on April 10, 1984, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1613:

1. Find reason to believe Michigan People for Jim Dunn and Francis J. Roost, as treasurer, violated 2 U.S.C. § 441a(f) in connection with receipt of contributions from three Republican county committees.
2. Find reason to believe Ingham County Republican Finance Committee and James A. Crawford, as treasurer, violated 2 U.S.C. § 441a(a) (2) (A).
3. Find reason to believe Jackson County Republican Committee and Julie S. Jewel, as treasurer, violated 2 U.S.C. § 441a(a) (2) (A).
4. Find reason to believe Livingston County Republican Committee and Ronald L. Stammersky, as treasurer, violated 2 U.S.C. §§ 441a(a) (2) (A) and 434(b) (6) (B) (i).
5. Find reason to believe Michigan People for Jim Dunn and Francis J. Roost, as treasurer, violated 2 U.S.C. § 441a(f) in connection with receipt of a contribution from the F and S Development Company, and take no further action.
6. Find reason to believe the F and S Development Company violated 2 U.S.C. § 441a(a) (1) (A) and take no further action.
7. Approve the letters, interrogatories, and analyses attached to the General Counsel's report dated March 22, 1984.

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

Signed:

4-11-84

Date

Marjorie W. Emmons
Secretary of the Commission

94040475371



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, Michigan 48912

Re: MUR 1613

Dear Mr. Hammond:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In connection with an investigation being conducted by the Commission it is requested that you provide a copy of the bylaws of the Michigan Republican State Committee which were in effect during 1981. In addition, it is requested that you state whether the county committees in Michigan are required or requested to submit monies to the Michigan Republican State Committee or any of its subordinate committees for "state dues" or "party quotas" on a periodic basis. If you answer in the affirmative, please describe this dues or quota system. Your answer to the above question and a copy of the bylaws are to be submitted within ten days of your receipt of this letter.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case. Please note that the Commission does not consider you a respondent in this matter.

If you have any questions please contact Maura White at 202-523-4057.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

84040475372



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

**Joel Ferguson
Saul Steadman
F and S Development Company
4820 W. Saginaw
Lansing, Michigan 48917**

**Re: MUR 1613
F and S Development Company**

Dear Messrs. Ferguson and Steadman:

On April 10, 1984, the Commission found reason to believe that the F and S Development Company violated 2 U.S.C. § 441a(a) (1) (A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to the F and S Development Company. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

The confidentiality provisions of 2 U.S.C. §§ 437g(a) (4) (B) and 437g(a) (12) (A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

The Commission reminds you that contributing to a federal candidate in excess of \$1,000 per election nevertheless appears to be a violation of the Act and you should take immediate steps to insure that this activity does not occur in the future. The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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Letter to Joel Ferguson
Saul Steadman
Page 2

If you have any questions, please direct them to Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,


Lee Ann Elliott
Chairman

Enclosure
General Counsel's Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENT: F and S Development Company MUR 1613

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

F and S Development Company made an excessive contribution to Michigan People for Jim Dunn ("Committee") in connection with the 1982 general election.

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee received a \$2,000 contribution from the F and S Development Company, a partnership, on October 19, 1982, in connection with the 1982 general election. On November 4, 1983, the Committee refunded \$2,000 to the F and S Development Company.

Pursuant to 2 U.S.C. § 431(11) the term "person" includes a partnership. As set forth at 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which in the aggregate exceed \$1,000.

The making of a \$2,000 contribution to the Committee by the F and S Development Company was in violation of 2 U.S.C. § 441a(a)(1)(A). However, in view of the fact that the excessive contribution has been refunded, it is the recommendation of the General Counsel that the Commission find reason to believe the F and S Development Company violated 2 U.S.C. § 441a(a)(1)(A) and take no further action.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

Francis J. Roost, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901

RE: MUR 1613
Michigan People for Jim Dunn,
Francis J. Roost, as treasurer

Dear Mr. Roost:

On April 10, 1984, the Federal Election Commission determined that there is reason to believe Michigan People for Jim Dunn and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with receipt of an excessive contribution from three republican county committees and in connection with the receipt of a contribution from an unincorporated entity. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. With respect to the receipt of the contribution from the unincorporated entity, the Commission determined to take no further action.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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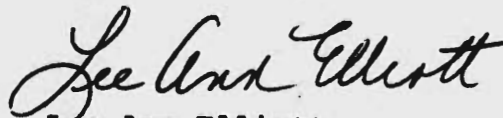
Letter to Francis J. Roost
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,



Lee Ann Elliott
Chairman

Enclosures

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

84040475377

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Michigan People for Jim Dunn; Francis J. Roost, **MUR 1613**
as treasurer

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

Michigan People for Jim Dunn ("Committee") accepted an excessive contribution from three republican county committees in Michigan, and an excessive contribution from an unincorporated entity, in violation of 2 U.S.C. § 441a(f).

FACTUAL BASIS AND LEGAL ANALYSIS

Information obtained during an audit of the Committee revealed that the Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	<u>\$4,358</u>
		\$7,163 Total

In view of the regulatory presumption that State and subordinate party committees are affiliated and, hence, subject to a common

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contribution limitation 1/ unless a demonstration is made to the contrary (see 11 C.F.R. § 110.3(b)(2)(ii)), the interim audit report recommended that the Committee either: present documentation demonstrating that the contributions at issue were not excessive; or, refund the excessive portion (\$2,163) of the contributions and present evidence of the refunds. 2/ The interim audit report also recommended that the Committee refund \$755 to the Livingston County Republican Committee if it is demonstrated that the county committees are not affiliated, because the Livingston County Republican Committee contributed \$1,755 to the Committee when it had not qualified as a multicandidate committee (see 2 U.S.C. § 441a(a)(1)(A)).

The Committee's response to the interim audit report was received on November 28, 1983. The response stated that the Committee had drawn a refund check to each of the three county committees, but that they were holding the checks because "[w]e are advised that all three are ... independent of the State Republican Party." The final audit report approved by the Commission referred this matter to this office. Subsequently, on December 27, 1983, the Committee provided Audit with additional

1/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

2/ The interim audit report noted that "the excessive portions are presumed to be the contributions most recently received by the Committee."

documentation. Specifically, the Committee submitted a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein.

According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

The audit of the Committee revealed the receipt of a \$2,000 contribution from an unincorporated entity, F and S Development, on October 19, 1982, for the 1982 general election. (See 2 U.S.C. § 441a(f), § 441a(a)(1)(A) and 11 C.F.R. § 110.1(e)). The interim audit report recommended that the Committee refund \$1,000 to F and S Development and present evidence of the refund (i.e., a copy of the front and back of the refund check, endorsed

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by F and S Development). In response to the audit report, the Committee submitted a letter stating that they had "delivered the F and S Development check and have received from the individual partners of F and S Development ... their personal checks for \$1,000 by way of reimbursement." The Committee's response also states that its refund check, dated November 4, 1983, had "not yet cleared the banking system," but that when they receive the cancelled check "we will copy the endorsement and the face of the check and forward it to you." Because the Committee did not present the evidence of the refund that was requested in the interim audit report, the instant matter was referred to this office. On December 27, 1983, following referral to this office, the Committee submitted a copy of the front and back of its cancelled refund check to F and S Development, demonstrating a refund of \$2,000.

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000.

The term "person" is defined at 2 U.S.C. § 431(11) to include an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate

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committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

Under 2 U.S.C. § 441a(f), no candidate or political

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committee shall knowingly accept any contribution in violation of the provisions of § 441a, and no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate in violation of any limitation imposed on contributions under § 441a.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the Committee and its treasurer have violated § 441a(f) by accepting a \$2,163 excessive contribution. If the three county committees are not affiliated, then the Committee and its treasurer have violated § 441a(f) by accepting a \$755 excessive contribution.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where

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the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

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decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Committee and its treasurer, Francis J. Roost, have violated 2 U.S.C. § 441a(f).

The Committee's acceptance of a \$2,000 contribution from an unincorporated entity in connection with the 1982 general election was in violation of 2 U.S.C. § 441a(f).- However, in

view of the fact that the Committee refunded the contribution in response to the interim audit report, it is the recommendation of the General Counsel that the Commission find reason to believe the Committee and its treasurer, Francis J. Roost, violated 2 U.S.C. § 441a(f), and take no further action concerning this issue.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

James A. Crawford, Treasurer
Ingham County Republican Finance Committee
P.O. Box 10236
Lansing, Michigan 48901

Re: MUR 1613
Ingham County Republican
Finance Committee,
James A. Crawford, as treasurer

Dear Mr. Crawford:

On April 10, 1984, the Federal Election Commission determined that there is reason to believe that the Ingham County Republican Finance Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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Letter to James A. Crawford
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,


Lee Ann Elliott
Chairman

Enclosures

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

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Ingham County Republican MUR 1613
 Finance Committee; James A.
 Crawford, as treasurer

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

Ingham County Republican Finance Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan, in violation of 2 U.S.C. § 441a(a)(2)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	\$4,358
		<u>\$7,163</u> Total <u>2/</u>

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

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On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party."

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any

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other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the

Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

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The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

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Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should

be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Ingham County Republican Finance Committee and its treasurer, James A. Crawford, have violated 2 U.S.C. § 441a(a) (2) (A).

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Interrogatories to:

**Ingham County Republican Finance
Committee and James A. Crawford,
as treasurer**

1. State whether the decision of the Ingham County Republican Finance Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Jackson County Republican Committee
- d) Jackson County Republican Party
- e) Livingston County Republican Committee
- f) Livingston County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Ingham County Republican Finance Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Ingham County Republican Finance Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 12, 1984

Julie S. Jewel, Treasurer
Jackson County Republican Committee
111 N. West Avenue
Jackson, Michigan 49204

Re: MUR 1613
Jackson County Republican Committee,
Julie S. Jewel, as treasurer

Dear Ms. Jewel:

On April 10, 1984, the Federal Election Commission determined that there is reason to believe that the Jackson County Republican Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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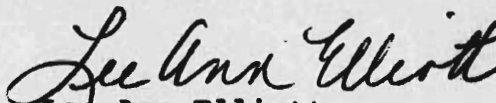
Letter to Julie S. Jewel
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,


Lee Ann Elliott
Chairman

Enclosures

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

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jackson County Republican Committee; Julie S. Jewel, as treasurer MUR 1613

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

Jackson County Republican Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan, in violation of 2 U.S.C. § 441a(a)(2)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	<u>\$4,358</u>
		<u>\$7,163</u> Total <u>2/</u>

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

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On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party."

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee.

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Section 110.3(b) (2) (ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a) (2) (A)) by contributing \$2,163 to the Committee in excess of the contribution limitation.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the

Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

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The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

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Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should

be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Jackson County Republican Committee and its treasurer, Julie S. Jewel, have violated 2 U.S.C. § 441a(a) (2) (A).

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Interrogatories to:

Jackson County Republican Committee
and Julie S. Jewel, as treasurer

1. State whether the decision of the Jackson County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Livingston County Republican Committee
- f) Livingston County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Jackson County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Jackson County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 12, 1984

Robert L. Stammersky, Treasurer
Livingston County Republican Committee
P.O. Box 938
Brighton, Michigan 48116

Re: MUR 1613
Livingston County Republican Committee;
Ronald R. Stammersky, as treasurer

Dear Mr. Stammersky:

On April 10, 1984, the Federal Election Commission determined that there is reason to believe the Livingston County Republican Committee and you, as treasurer, violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(6)(B)(i), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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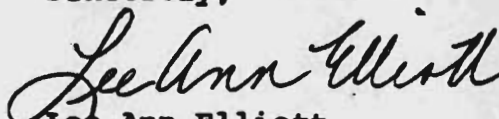
Letter to Robert L. Stammersky
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,


Lee Ann Elliott
Chairman

Enclosures

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

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Livingston County Republican Committee; Ronald L. Stammersky, as treasurer

MUR 1613

SOURCE OF MUR: INTERNALLY GENERATED

SUMMARY OF ALLEGATIONS

Livingston County Republican Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan in violation of 2 U.S.C. § 441a(a) (2) (A), and failed to report three contributions to the Committee in violation of 2 U.S.C. § 434 (b) (6) (B) (i).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

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Livingston County	10-06-81	\$ 125	
Ingham County	12-31-81	<u>\$4,358</u>	
		\$7,163	Total 2/

On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

If the three county committees are not affiliated, then the Livingston County Republican Committee has violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$1,755 to the Committee when it had not qualified as a multicandidate committee.

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For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

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The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation. If the three county committees are not affiliated, then the Livingston County Republican Committee has violated the contribution limitation (2 U.S.C. § 441a(a)(1)(A)) by contributing \$755 in excess of the limitation to the Committee.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in

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cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee.

Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Livingston County Republican Committee and its treasurer, Ronald L. Stammersky, have violated 2 U.S.C. § 441a(a)(2)(A).

As discussed in footnote 1 supra, the Livingston County Republican Committee did not report three contributions to the Committee. The Livingston County Republican Committee is required to report the name and address of each political

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committee which has received a contribution from it, together with the date and amount of the contribution, pursuant to 2 U.S.C. § 434(b)(6)(B)(i). In view of the Livingston County Republican Committee's failure to report three contributions to the Committee it is the recommendation of the General Counsel that the Commission find reason to believe the Livingston County Republican Committee and its treasurer, Ronald L. Stammersky, violated 2 U.S.C. § 434(b)(6)(B)(i).

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Interrogatories to:

**Livingston County Republican Committee
and Ronald L. Stammersky, as treasurer**

1. State whether the decision of the Livingston County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Jackson County Republican Committee
- f) Jackson County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Livingston County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Livingston County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: April 3, 1984
SUBJECT: MUR 1613 - First General Counsel's Report

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 [X]

DISTRIBUTION

Compliance [X]
Audit Matters []
Litigation []
Closed MUR Letters []
Status Sheets []
Advisory Opinions []
Other (see distribution below) []

Circulate on GREEN Paper to

Replace Document Previously

Circulated and on Agenda of

4/10/84. Circulate without

a Vote Sheet.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/JODY C. RANSOM *JCR*
DATE: MARCH 27, 1984
SUBJECT: OBJECTIONS - MUR 1613 First General Counsel's
Report signed March 22, 1984

The above-named document was circulated to the
Commission on Friday, March 23, 1984 at 2:00.

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens	<u>X</u>
Commissioner Elliott	<u>X</u>
Commissioner Harris	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Reiche	<u> </u>

This matter will be placed on the Executive Session
agenda for Tuesday, April 3, 1984.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE, GENERAL COUNSEL
FROM: MARJORIE W. ELLIOTT/JODY C. RANSOM *JCR*
DATE: MARCH 26, 1984
SUBJECT: OBJECTION - MUR 1613 First General Counsel's
Report signed March 22, 1984

The above-named document was circulated to the
Commission on Friday, March 23, 1984 at 2:00.

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____ X _____
Commissioner Harris	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Reiche	_____

This matter will be placed on the Executive Session
agenda for Tuesday, April 3, 1984.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: Office of the Commission Secretary
FROM: Office of General Counsel *Cut*
DATE: March 22, 1984
SUBJECT: MUR 1613 - First General Counsel's Report

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

CIRCULATIONS

48 Hour Tally Vote ☒ [X]
Sensitive ☒ [X]
Non-Sensitive ☐ []
24 Hour No Objection ☐ []
Sensitive ☐ []
Non-Sensitive ☐ []
Information ☐ []
Sensitive ☐ []
Non-Sensitive ☐ []
Other ☐ []

DISTRIBUTION

Compliance ☒ [X]
Audit Matters ☐ []
Litigation ☐ []
Closed MUR Letters ☐ []
Status Sheets ☐ []
Advisory Opinions ☐ []
Other (see distribution below) ☐ []

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

84 APR 3 P 3: 25

SENSITIVE

April 3, 1984

MEMORANDUM TO: The Commission

FROM: Charles N. Steele
General Counsel

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

SUBJECT: MUR 1613
First General Counsel's Report
dated March 22, 1984

During Executive Session on April 3, 1984, the Commission considered the recommendations contained in the First General Counsel's Report in this matter. Due to an insufficient number of votes, the matter was held over until the next scheduled Executive Session.

It has been determined that during the reproduction of documents to go before the Commission in this matter, some of the listed attachments were inadvertantly omitted and others were reproduced in the incorrect order. We are, therefore, recirculating the attached report at this time.

Attachment
First General Counsel's Report

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

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

84 MAR 22 P 3: 41

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION

3/22/84-3:40

MUR # 1613
STAFF MEMBER
Maura White

SENSITIVE

SOURCE OF MUR:

I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES:

Michigan People for Jim Dunn; Francis J. Roost, as treasurer; Ingham County Republican Finance Committee; James A. Crawford, as treasurer; Jackson County Republican Committee; Julie S. Jewel, as treasurer; Livingston County Republican Committee; Ronald L. Stammersky, as treasurer; and F and S Development Company

RELEVANT STATUTE:

2 U.S.C. § 441a(f), § 441a(a)(1)(A),
§ 441a(a)(2)(A), § 441a(a)(5), § 434(b)(6)
(B)(i)

INTERNAL REPORTS CHECKED: Audit documents

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter originated from an audit of Michigan People for Jim Dunn ("Committee") pursuant to 2 U.S.C. § 438(b). The audit covered the period of January 1, 1981, through December 31, 1982. Referral was made to this office by the Audit Division after the Committee submitted an inadequate response to the interim audit report.

FACTUAL AND LEGAL ANALYSIS

(a) The Facts

1. Affiliation of county committees

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Information obtained during an audit of the Committee revealed that the Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	\$4,358
		<u>\$7,163</u> Total

In view of the regulatory presumption that State and subordinate party committees are affiliated and, hence, subject to a common contribution limitation 2/ unless a demonstration is made to the contrary (see 11 C.F.R. § 110.3(b)(2)(ii)), the interim audit

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

According to Audit, the Statements of Organization of the three county committees did not disclose affiliation with the State Committee in Michigan and the Statement of Organization of the State Committee in Michigan (the Michigan Republican State Committee) did not disclose affiliation with the county committees.

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report recommended that the Committee either: present documentation demonstrating that the contributions at issue were not excessive; or, refund the excessive portion (\$2,163) of the contributions and present evidence of the refunds. 3/ The interim audit report also recommended that the Committee refund \$755 to the Livingston County Republican Committee if it is demonstrated that the county committees are not affiliated, because the Livingston County Republican Committee contributed \$1,755 to the Committee when it had not qualified as a multicandidate committee (see 2 U.S.C. § 441a(a)(1)(A)).

The Committee's response to the interim audit report was received on November 28, 1983. The response stated that the Committee had drawn a refund check to each of the three county committees, but that they were holding the checks because "[w]e are advised that all three are ... independent of the State Republican Party." The final audit report approved by the Commission referred this matter to this office "because the Committee had not adequately responded to the interim audit report." (Attachment 1.) Subsequently, on December 27, 1983, the Committee provided Audit with additional documentation which in Audit's opinion demonstrates non-affiliation and warrants no

3/ The interim audit report noted that "the excessive portions are presumed to be the contributions most recently received by the Committee."

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further action against the Committee (Attachment 2). Specifically, the Committee submitted a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

2. Excessive Partnership Contribution

The audit of the Committee revealed the receipt of a \$2,000 contribution from an unincorporated entity, F and S Development, on October 19, 1982, for the 1982 general election. (See 2 U.S.C. § 441a(f), § 441a(a)(1)(A) and 11 C.F.R. § 110.1(e)). The interim audit report recommended that the Committee refund \$1,000 to F and S Development and present evidence of the refund (i.e., a copy of the front and back of the refund check, endorsed

by F and S Development). In response to the audit report, the Committee submitted a letter stating that they had "delivered the F and S Development check and have received from the individual partners of F and S Development ... their personal checks for \$1,000 by way of reimbursement." The Committee's response also states that its refund check, dated November 4, 1983, had "not yet cleared the banking system," but that when they receive the cancelled check "we will copy the endorsement and the face of the check and forward it to you." Because the Committee did not present the evidence of the refund that was requested in the interim audit report, the instant matter was referred to this office. On December 27, 1983, following referral to this office, the Committee submitted a copy of the front and back of its cancelled refund check to F and S Development, demonstrating a refund of \$2,000.

(b) The applicable law

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000.

The term "person" is defined at 2 U.S.C. § 431(11) to include an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate

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committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

Under 2 U.S.C. § 441a(f), no candidate or political

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committee shall knowingly accept any contribution in violation of the provisions of § 441a, and no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate in violation of any limitation imposed on contributions under § 441a.

(c) Application of the law to the facts

1. Affiliation of county committees

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation, and the Committee and its treasurer have violated § 441a(f) by accepting a \$2,163 excessive contribution. If the three county committees are not affiliated, then the Livingston County Republican Committee has violated the contribution limitation (2 U.S.C. § 441a(a)(1)(A)) by contributing \$755 in excess of the limitation to the Committee, and the Committee and its treasurer have violated § 441a(f) by accepting a \$755 excessive contribution.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the

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Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. 4/ Moreover, even though the three county committees have received no more than

4/ In discussing the affiliation of State and subordinate party committees in Nebraska, the General Counsel noted in MUR 655 that both the Nebraska Democratic State Central Committee and the Iowa Republican State Central Committee (the subject of Advisory Opinion 1978-9) assign a percentage of their yearly operations budgets to the counties via a quota system. The Commission determined in Advisory Opinion 1978-9 that the Iowa Republican State Central Committee was not affiliated with the county committees in Iowa. The General Counsel emphasized in MUR 655 that none of the transfers received by the Iowa Republican State Central Committee were deposited into its federal account, whereas the Nebraska Democratic State Central Committee deposited the transfers into its single account for federal and state elections. In MUR 655 the Commission found reason to believe that the Nebraska Democratic State Central Committee and a county committee violated the contribution limitations in that they were affiliated committees and, hence, subject to a common limitation.

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incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2) 5/, the State Committee has received monies on several occasions from the three county committees involved herein. 6/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

5/ We note that the Jackson County Republican Committee has received several transfers from its subcommittee, the Jackson County Republican Finance Committee, a registered federal account. Furthermore, the Livingston County Republican Committee received one contribution from the Livingston County Women's Club.

6/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee.

Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe: the Committee and its treasurer have violated 2 U.S.C. § 441a(f); and, the Ingham County Republican Finance Committee and its treasurer, the Jackson County Republican Committee and its treasurer, and the Livingston County Republican Committee and its treasurer, have violated 2 U.S.C. § 441a(a)(2)(A).

2. Excessive Partnership Contribution

The Committee's acceptance of a \$2,000 contribution from an unincorporated entity in connection with the 1982 general election was in violation of 2 U.S.C. § 441a(f), and the making of the contribution by the F and S Development Company was in violation of 2 U.S.C. § 441a(a)(1)(A). However, in view of the fact that the Committee refunded the contribution in response to the interim audit report, it is the recommendation of the General Counsel that the Commission find reason to believe the Committee

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and its treasurer violated 2 U.S.C. § 441a(f), and reason to believe F and S Development violated 2 U.S.C. § 441a(a)(1)(A), and take no further action concerning this issue.

3. Reporting of Contributions to the Committee by the Livingston County Republican Committee

As discussed in footnote 1 supra, the Livingston County Republican Committee did not report the three contributions to the Committee which were noted during the audit of the Committee. See chart on page 2. The Livingston County Republican Committee is required to report the name and address of each political committee which has received a contribution from it, together with the date and amount of the contribution, pursuant to 2 U.S.C. § 434(b)(6)(B)(i). In view of the Livingston County Republican Committee's failure to report three contributions to the Committee it is the recommendation of the General Counsel that the Commission find reason to believe the Livingston County Republican Committee and its treasurer violated 2 U.S.C. § 434(b)(6)(B)(i).

RECOMMENDATIONS

1. Find reason to believe Michigan People for Jim Dunn and Francis J. Roost, as treasurer, violated 2 U.S.C. § 441a(f) in connection with receipt of contributions from three republican county committees.

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2. Find reason to believe Ingham County Republican Finance Committee and James A. Crawford, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A).
3. Find reason to believe Jackson County Republican Committee and Julie S. Jewel, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A).
4. Find reason to believe Livingston County Republican Committee and Ronald L. Stammersky, as treasurer, violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(6)(B)(i).
5. Find reason to believe Michigan People for Jim Dunn and Francis J. Roost, as treasurer, violated 2 U.S.C. § 441a(f) in connection with receipt of a contribution from the F and S Development Company, and take no further action.
6. Find reason to believe the F and S Development Company violated 2 U.S.C. § 441a(a)(1)(A) and take no further action.
7. Approve the attached letters, interrogatories, and analyses.

Charles N. Steele
General Counsel

3/22/84
Date

By: Kenneth A. Gross *(Signature)*
Kenneth A. Gross
Associate General Counsel

Attachments

- 1 - ~~Final~~ Audit Report
- 2 - Committee response
- 3 - Proposed letters (6) and analyses (5)

84040475431

CONFIDENTIAL

A83-14

December 6, 1983

MEMORANDUM

TO: THE COMMISSIONERS

THROUGH: JOHN C. SURINA *JCS*
STAFF DIRECTOR

FROM: BOB COSTA *RC*

SUBJECT: FINAL AUDIT REPORT - MICHIGAN PEOPLE FOR JIM DUNN

Attached is a copy of the proposed final audit report on Michigan People For Jim Dunn ("the Committee"). Since the Committee has not adequately responded to the recommendation contained in the interim audit report, the finding contained in that report is being referred to the Office of General Counsel (See Exhibit 1).

This final report is being circulated to the Commission for a tally vote. Upon notice of Commission approval, the report will be sent to the Committee.

Should you have any questions, please contact Charlie Hanshaw or Russell Bruner at 523-4155.

Attachments as stated

(Attachment I(1))

8 4 0 4 0 4 7 5 4 3 2



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

AI-684

A83-14

REPORT OF THE AUDIT DIVISION ON MICHIGAN PEOPLE FOR JIM DUNN

I. Background

A. Overview

This report is based on an audit of Michigan People For Jim Dunn ("the Committee"), undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to Section 438(b) of Title 2 of the United States Code which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under section 434 of this title. Prior to conducting any audit under this subsection, the Commission shall perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act.

The Committee registered with the United States House of Representatives on March 6, 1981 as Jim Dunn Mid-Michigan Congressional Committee, 1/ the principal campaign committee designated by the Honorable James W. Dunn, Jr., Republican candidate for the office of United States Representative from the 6th Congressional District of Michigan. The Committee maintains its headquarters in East Lansing, Michigan.

The audit covered the period January 1, 1981 through December 31, 1982. The Committee reported a cash on hand balance January 1, 1981 of \$-0-; total receipts for the period of \$367,205.94; total disbursements for the period of \$358,118.46 and a cash on hand balance December 31, 1982 of \$9,087.48.

1/ The Committee filed an amendment to its Statement of Organization July 23, 1982 changing its name to Michigan People For Jim Dunn.

Attachment 1(2)

This report is based on documents and working papers supporting each of its factual statements. They form part of the record upon which the Commission based its decisions on the matters in this report and were available to Commissioners and appropriate staff for review.

B. Key Personnel

The Treasurer of the Committee during the period of audit was Mr. Francis J. Roost.

C. Scope

The audit included such tests as verification of total reported receipts and disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances.

II. Audit Findings and Recommendations

A matter was referred to the Office of General Counsel on

II. Audit Findings and Recommendations

A. Limitations on Contributions

Section 441a(a) (1) (A) and (2) (A), Title 2, United States Code, states that no person shall make contributions to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000, and requires that no multicandidate political committees shall make such contributions which, in the aggregate, exceed \$5,000. Section 441a(f) states, in part, that no candidate or political committee shall knowingly accept any contribution in violation of the provisions of this section. Section 431(11) defines "person" to include a partnership.

Section 110.3(b) (2) (ii), Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if-

(A) The political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and

(B) The political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by any other party unit. Section 110.3(b) (3) (ii) states, in part, that a State committee and any subordinate committee able to demonstrate independence under the criteria of Section 110.3(b) (2) (ii) may each contribute \$1,000 (\$5,000 if a multicandidate committee) to a candidate for each election.

The Audit staff reviewed Committee records in support of contributions, and determined that the Committee received contributions in excess of the limitations. The excessive portions total \$3,163. (See Attachment 1). The records revealed the following with respect to these contributions-

(1) During the primary election period the Committee received \$7,163 from three county Republican committees which appeared to be affiliated with the State Republican Party. One of these committees, Livingston County Republican Committee, contributed \$1,755. If there is a demonstration that these committees are not affiliated with the Michigan Republican Party,

the Livingston County Republican Committee had not met the definition of a multicandidate political committee as set forth at 2 U.S.C. 441a(a)(4) because it had not made contributions to 5 or more candidates for federal office. Thus, it is subject to the \$1,000 limitation on contributions to such candidates. Absent the demonstration of non-affiliation, a combined limitation of \$5,000 on contributions to candidates for any election for federal office shall apply.

During the general election period the Committee received a \$2,000 contribution from an unincorporated company;

With respect to (1), the Treasurer stated that the Committee's intent was not to exceed the limit, but he did not know that there was a combined limitation for all the committees.

With respect to (2), the Treasurer stated that the company is a partnership owned by two individuals, and he felt that each partner had made a contribution subject to his respective limitation rather than the separate entity (the company) making the contribution subject to one \$1,000 limitation.

On September 29, 1983, the Commission approved the recommendation contained in the interim audit report. It was recommended that, within 30 days of receipt of the interim report, the Committee present documentation which would demonstrate that these contributions are not in excess of the limitation, or, within this stated period, refund the excessive portions (\$3,163) of the contributions to the appropriate contributors and present evidence of the refunds (i.e., a copy of the front and back of the refund checks endorsed by the contributors). With respect to (1) above, the excessive portions are presumed to be the contributions most recently received by the Committee. If there is a demonstration (to the Commission's satisfaction) that the county committees are not affiliated with the Michigan Republican Party, the Audit staff recommended that, within the above stated period, the Committee refund the excessive portion (\$755) of contributions received from the Livingston County Republican Committee.

On November 28, 1983, the Committee responded to the interim audit report. (See Attachment 2). The response contained copies of the front of the following checks which the Committee stated were "drawn in satisfaction of the audit findings."

(1) Three checks totaling \$2,163 are payable to three of the county Republican Committees noted in II.A. (1) of the interim audit report. The Committee stated "we are holding the

I(5)

checks to the three county committees. We are advised that all three are (1) independent of the State Republican Party and (2) authorized multi-candidate committee.

(2) One check totaling \$2,000 is payable to P&S Development, the unincorporated company noted in II.A. (2) of the interim audit report.

On November 30, 1983, during a telephone conversation, the Treasurer informed the Audit staff that the refund of \$755 had been made to the Livingston County Republican Committee. The Treasurer stated that he would send a copy of both sides of this refund check and the refund check to P&S Development when these checks clear the bank. Regarding the affiliation issue, the Treasurer indicated that the Michigan Republican State Committee and the county committees are presenting to him correspondence demonstrating that these committees are not affiliated. The Treasurer further stated that he would forward this correspondence to the Commission when it is received.

With respect to (1) above, the Audit staff feels that, to date, the Committee has not adequately responded to interim report. The Committee has not presented the recommended documentation to demonstrate that the contributions are not in excess of the limitation.

With respect to (2) above, it appears that the Committee has refunded the contribution to the unincorporated company, as recommended at II.A. (2) of the interim audit report. The Committee indicated that when this refund check clears the bank, a copy of the check showing the contributor's endorsement will be forwarded to the Audit Division.

Recommendation

Due to the inadequate response to the interim audit report, the Audit staff recommends that this matter be referred to the Office of General Counsel.

83 NOV 28 10:57

Danielson, Schultz & Co., P.C.

OAKLAND CENTER ■ 809 CENTER ST ■ P.O. BOX 15038 ■ LANSING, MI 48201-5038 ■ TELEPHONE: 617-7371-1000

Michigan People for Jim Dunn

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>	<u>Aggregate Amount</u>
Ingram County Rep. Committee	12-31-81	\$4,358.00	\$4,358.00
Jackson County Rep. Committee	06-09-81	1,050.00	1,050.00
Livingston County Rep. Committee	06-09-81	1,445.00	
Livingston County Rep. Committee	06-29-81	105.00	
Livingston County Rep. Committee	10-06-81	125.00	\$1,755.00
		Total	\$7,163.00
		Limit	5,000.00
		Excess	2,163.00
S & S Development Company	10-19-82	2,000.00	2,000.00
		Limit	1,000.00
		Excess	1,000.00
		Total Excess	\$3,163.00

84040475438

I(7)

83 NOV 28 P12: 57

Danielson, Schultz & Co., P.C.

OAKLAND CENTER ■ 809 CENTER ST. ■ P.O. BOX 15038 ■ LANSING, MI 48901-5038 ■ TELEPHONE: 517/371-1000

Michigan People for Jim Dunn

November 9, 1983

November 9, 1983

00.020,1

18-00-81

00.244,1

18-00-81

Federal Elections Commission
Washington, D.C. 20463

Attn: Robert J. Costa
Audit Division

Gentlemen:

Enclosed are copies of checks drawn in satisfaction of the audit findings in your letter of October 3, 1983 received here on October 11, 1983:

- Livingston County Republic Committee, \$755.00
- Jackson County Republican Committee, \$50.00
- Ingham County Republican Committee, \$1,358.00
- F & S Development, \$2,000.00

We have delivered the F & S Development check and have received from the individual partners of F & S Development (Saul Steadman and Joel Ferguson) their personal checks for \$1,000.00 by way of reimbursement.

Obviously that check has been issued at such a recent date that it has not yet cleared the banking system. When we receive copies of the cancelled check we will copy the endorsement and the face of the check and forward it to you.

I(8)

Federal Elections Commission
November 9, 1983
Page 2

We are holding the checks to the three county committees. We are advised that all three are (1) independent of the State Republican Party and (2) authorized multi-candidate committee.

Very truly yours,

DANIELSON, SCHULTZ & CO., P.C.

FJR
F. J. Roost, C.P.A.

FJR:b

cc: James W. Dunn

84040475440

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84040475441048

(10) ±

I(4)

349

74-87
724

MICHIGAN PEOPLE FOR JIM DUNN

Nov. 4 1983

Pay TO THE ORDER OF Y & S Development \$ 2000.00
two thousand 00/100 DOLLAR

AMERICAN
BANK AND TRUST
A MEMBER OF THE
FEDERAL RESERVE SYSTEM
LAUREL, MICHIGAN 48040

[Signature]

Four thousand 82 cents

⑆00031⑆ ⑆072400670⑆

MICHIGAN PEOPLE FOR JIM DUNN

Attachment 2
Page 4 of 4

350

11 Nov. 1983 74-67
724

PAY
TO THE
ORDER OF

INGHAM COUNTY REPUBLICANS

\$ 1358.00

ONE THOUSAND THREE HUNDRED FIFTYEIGHT AND 00/100

DOLLARS



OVERCONTRIBUTION 82 Cong. Race

⑈000350⑈ ⑆⑈072400670⑈

13⑈6707⑈7⑈

MICHIGAN PEOPLE FOR JIM DUNN

351

11 Nov. 1983

74-67
724

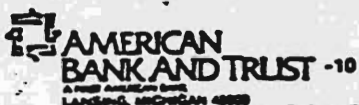
PAY
TO THE
ORDER OF

LIVINGSTON COUNTY REPUBLICANS

\$ 755.00

SEVEN HUNDRED FIFTYFIVE AND 00/100

DOLLARS



Over Contribution to 82 Cong. Race

⑈000351⑈ ⑆⑈072400670⑈

13⑈6707⑈7⑈

MICHIGAN PEOPLE FOR JIM DUNN

352

11 Nov. 1983

74-67
724

PAY
TO THE
ORDER OF

JACKSON COUNTY REPUBLICANS

\$ 50.00

FIFTY AND 00/100

DOLLARS



OVER CONTRIBUTION TO 82 Cong. Race

⑈000352⑈ ⑆⑈072400670⑈

13⑈6707⑈7⑈

I(11)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-14

December 30, 1983

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: *[Signature]* BOB COSTA

SUBJECT: ADDITIONAL RESPONSE TO AUDIT REPORT -
MICHIGAN PEOPLE FOR JIM DUNN
("THE COMMITTEE")

At paragraph II.A. of Exhibit 1 of the final audit report referred to your office December 8, 1983, the Audit staff noted that --

(1) During the primary election period the Committee received \$7,163 from three county Republican committees which appeared to be affiliated with the State Republican Party. One of these committees, Livingston County Republican Committee, contributed \$1,755. If there is a demonstration that these committees are not affiliated with the Michigan Republican Party, the Livingston County Republican Committee had not met the definition of a multicandidate political committee as set forth at 2 U.S.C. 441a(a)(4) because it had not made contributions to 5 or more candidates for Federal office. Thus, it is subject to the \$1,000 limitation on contributions to such candidates. Absent the demonstration of non-affiliation, a combined limitation of \$5,000 on contributions to candidates for any election for Federal office shall apply.

(2) During the general election period the committee received a \$2,000 contribution from an unincorporated company.

This matter was referred to your office for lack of an adequate response to the interim audit report. This interim report contained a recommendation that the Committee should present documentation which demonstrates that the contributions are not in excess of the limitation, or refund the excessive portions (\$3,163) of the contributions to the appropriate contributors and present evidence of the refunds.

Attachment 2(1)

84040475443

On December 27, 1983, the Committee presented additional documentation as follows (See Attachment 1) -

With respect to (1) above, the Committee presented letters from the Michigan Republican State Committee and two county Republican Committees demonstrating their non-affiliation. Further, the Committee presented a copy of the front and back of a cancelled check demonstrating a \$755 refund to the Livingston County Republican Committee.

With respect to (2) above, the Committee presented a copy of the front and back of a cancelled check demonstrating a \$2,000 refund to the unincorporated company.

Based upon our review of this additional documentation, we feel that the Committee has now fully complied with the recommendation at paragraph IV.A. of the interim audit report. Therefore, no further action is recommended by the Audit Division.

Should you have any questions concerning this matter, please contact Charlie Hanshaw or Russ Bruner at 523-4155.

Attachment as stated

Michigan Republicans

223 N. Walnut Street
Lansing, MI 48933
517/ 487-5413

1665 First National Bldg.
Detroit, MI 48226
313/ 963-9414

Attachment 1
1 of 6

November 30, 1983

Mr. Francis J. Root
Treasurer, Michigan People for Dunc
P.O. Box 15038
Lansing, MI 48901

Dear Mr. Root,

I have reviewed the communication you have received from the Federal Elections Commission relative to the 1982 Congressional Campaign and have the following observations relative to the Audit Findings and Recommendations, section A, subsection (A) subsection (1):

"During the primary election period the Committee received \$7,163 from three county Republican committees which appear to be affiliated with the State Republican Party."

1. The county parties are not affiliated with the Michigan Republican State Committee, except by the fact that we are Republicans.
2. Each county (83 in the state) are independently registered with the Michigan Campaign Finance Office and many of them are independently registered with the Federal Elections Commission.
3. The State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts.
4. The State Party does not finance, direct or manage any of the 83 county finance committees in Michigan.

2(3)

E SPENCER ABRAHAM
Chairman

FRANK D. STELLA
Finance Chairman

JACQUELINE E. MCGREGOR
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M. GLECK
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

JANE C. GARCIA
Sixth Vice Chair

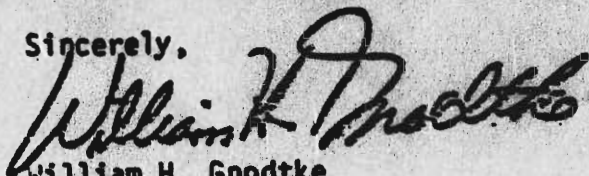
Mr. Francis J. Root
November 30, 1983
Page 2

Attachment 1
Page 2 of 6

I am not aware of the circumstances relating to the qualifications of the Livingston County Republican Committee and can not comment on that portion of the complaint.

I hope this information will be of use to you. If you should have any questions, please don't hesitate to call me.

Sincerely,



William H. Gnodtke
Finance Director
Michigan Republican Party

WHG/bjb

Attachments

84040475446

2(4)



INGHAM
COUNTY
REPUBLICAN
PARTY

P.O. Box 10236, Lansing, MI 48901 517 484-3581

Attachment 1
3 of 6

December 12, 1983

Mr. Francis Roost
Treasurer
Michigan People for Jim Dunn
Committee
P.O. Box 3000
East Lansing, Michigan 48823

Dear Jack:

Per our recent conversation, please be on notice that the Ingham County Republican Party and the federal committee which we use in our activities as a county political organization is not a part of, nor controlled by, or subject to the direction of the Republican State Committee.

Please contact my office if I can be of further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dennis Hurst", written over the typed name.

Dennis Hurst
Chairman
Ingham County Republicans

84040475447

2(s)



JACKSON COUNTY REPUBLICAN COMMITTEE

BOX 1276
JACKSON, MICHIGAN 49204

UNDER THE OAKS

11/29/83

Dear Mr. Root:

The Jackson County Republican Committee is independent of, and not dependent on, the State Republican Party.

The Jackson County Republican Committee is authorized by the Federal Elections Commission as a multi-candidate campaign committee authorized to make contributions to any one candidate in excess of \$1000.

Joseph S. Fieig
Chairman
Jackson County

BIRTHPLACE OF THE AMERICAN REPUBLICAN PARTY

74-67
724

1983

OF Y & S Development \$ 2000.00
two thousand 00/100 DOLLARS

AMERICAN BANK AND TRUST -10
 A MEMBER OF THE AMERICAN BANKING ASSOCIATION
 LANSING, MICHIGAN 48206

instrument for 82 Cong.

⑈00034⑈ ⑆072400670⑆ 13⑈6707⑈7⑈ ⑈0000200000⑈

Attachment 1
 Page 5 of 6

74-67
724

11 Nov. 1983

MICHIGAN PEOPLE FOR JIM DUNN 351

THE LIVINGSTON COUNTY REPUBLICANS \$ 755.00
 ER OF SEVEN HUNDRED FIFTYFIVE AND 00/100 DOLLARS

AMERICAN BANK AND TRUST -10
 A MEMBER OF THE AMERICAN BANKING ASSOCIATION
 LANSING, MICHIGAN 48206

over Contribution to 82 Cong. Race

⑈000351⑈ ⑆072400670⑆ 13⑈6707⑈7⑈ ⑈0000075500⑈

2(8)

8 4 0 4 0 4 7 5 4 5 0

PAY TO THE ORDER OF
MCPHERSON STATE BANK
FOR DEPOSIT ONLY
LIVINGSTON COUNTY
REPUBLICAN COMMITTEE
341-0021-01

FOR DEPOSIT ONLY
& S DEVELOPMENT
1013333229

PAY ANY BANK, P.E.G.

1013333229

7-11-77 74-1157

1013333229

072400670 000505763 11/18/83

072400670 0001 8122 11/25/83

137 17-5

NO. 17 11
PAY ANY BANK
NATIONAL BANK
DETROIT, MICH



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Francis J. Roost, Treasurer
Michigan People for Jim Dunn
P.O. Box 15038
Lansing, Michigan 48901

RE: MUR 1613
Michigan People for Jim Dunn,
Francis J. Roost, as treasurer

Dear Mr. Roost:

On , 1984, the Federal Election Commission determined that there is reason to believe Michigan People for Jim Dunn and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with receipt of an excessive contribution from three republican county committees and in connection with the receipt of a contribution from an unincorporated entity. The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information. With respect to the receipt of the contribution from the unincorporated entity, the Commission determined to take no further action.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. Please submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

Attachment 3(i)

84040475451

Letter to Francis J. Roost
Page 2.

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,

Enclosures

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

84040475452

3(2)

FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Michigan People for Jim Dunn; Francis J. Roost, MUR 1613
as treasurer

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

Michigan People for Jim Dunn ("Committee") accepted an excessive contribution from three republican county committees in Michigan, and an excessive contribution from an unincorporated entity, in violation of 2 U.S.C. § 441a(f).

FACTUAL BASIS AND LEGAL ANALYSIS

Information obtained during an audit of the Committee revealed that the Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	\$4,358
		\$7,163 Total

In view of the regulatory presumption that State and subordinate party committees are affiliated and, hence, subject to a common

contribution limitation 1/ unless a demonstration is made to the contrary (see 11 C.F.R. § 110.3(b)(2)(ii)), the interim audit report recommended that the Committee either: present documentation demonstrating that the contributions at issue were not excessive; or, refund the excessive portion (\$2,163) of the contributions and present evidence of the refunds. 2/ The interim audit report also recommended that the Committee refund \$755 to the Livingston County Republican Committee if it is demonstrated that the county committees are not affiliated, because the Livingston County Republican Committee contributed \$1,755 to the Committee when it had not qualified as a multicandidate committee (see 2 U.S.C. § 441a(a)(1)(A)).

The Committee's response to the interim audit report was received on November 28, 1983. The response stated that the Committee had drawn a refund check to each of the three county committees, but that they were holding the checks because "[w]e are advised that all three are ... independent of the State Republican Party." The final audit report approved by the Commission referred this matter to this office. Subsequently, on December 27, 1983, the Committee provided Audit with additional

1/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

2/ The interim audit report noted that "the excessive portions are presumed to be the contributions most recently received by the Committee."

documentation. Specifically, the Committee submitted a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein.

According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

The audit of the Committee revealed the receipt of a \$2,000 contribution from an unincorporated entity, F and S Development, on October 19, 1982, for the 1982 general election. (See 2 U.S.C. § 441a(f), § 441a(a)(1)(A) and 11 C.F.R. § 110.1(e)). The interim audit report recommended that the Committee refund \$1,000 to F and S Development and present evidence of the refund (i.e., a copy of the front and back of the refund check, endorsed

by F and S Development). In response to the audit report, the Committee submitted a letter stating that they had "delivered the F and S Development check and have received from the individual partners of F and S Development ... their personal checks for \$1,000 by way of reimbursement." The Committee's response also states that its refund check, dated November 4, 1983, had "not yet cleared the banking system," but that when they receive the cancelled check "we will copy the endorsement and the face of the check and forward it to you." Because the Committee did not present the evidence of the refund that was requested in the interim audit report, the instant matter was referred to this office. On December 27, 1983, following referral to this office, the Committee submitted a copy of the front and back of its cancelled refund check to F and S Development, demonstrating a refund of \$2,000.

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000.

The term "person" is defined at 2 U.S.C. § 431(11) to include an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate

committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

Under 2 U.S.C. § 441a(f), no candidate or political

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committee shall knowingly accept any contribution in violation of the provisions of §-441a, and no officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate in violation of any limitation imposed on contributions under § 441a.

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The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the Committee and its treasurer have violated § 441a(f) by accepting a \$2,163 excessive contribution. If the three county committees are not affiliated, then the Committee and its treasurer have violated § 441a(f) by accepting a \$755 excessive contribution.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where

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the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee.

Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

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In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Committee and its treasurer, Francis J. Roost, have violated 2 U.S.C. § 441a(f).

The Committee's acceptance of a \$2,000 contribution from an unincorporated entity in connection with the 1982 general election was in violation of 2 U.S.C. § 441a(f). However, in

view of the fact that the Committee refunded the contribution in response to the interim audit report, it is the recommendation of the General Counsel that the Commission find reason to believe the Committee and its treasurer, Francis J. Roost, violated 2 U.S.C. § 441a(f), and take no further action concerning this issue.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Julie S. Jewel, Treasurer
Jackson County Republican Committee
111 W. West Avenue
Jackson, Michigan 49204

Re: MUR 1613
Jackson County Republican Committee,
Julie S. Jewel, as treasurer

Dear Ms. Jewel:

On , 1984, the Federal Election Commission determined that there is reason to believe that the Jackson County Republican Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

Letter to Julie S. Jewel
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202) 523-4057.

Sincerely,

Enclosures

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

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3(13)

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jackson County Republican MUR 1613
Committee; Julie S. Jewel,
as treasurer

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

Jackson County Republican Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan, in violation of 2 U.S.C. § 441a(a)(2)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	<u>\$4,358</u>
		\$7,163 Total <u>2/</u>

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

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On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party."

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee.

Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the

Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

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Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should

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be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Jackson County Republican Committee and its treasurer, Julie S. Jewel, have violated 2 U.S.C. § 441a(a) (2) (A).

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Interrogatories to:

Jackson County Republican Committee
and Julie S. Jewel, as treasurer

1. State whether the decision of the Jackson County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Livingston County Republican Committee
- f) Livingston County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Jackson County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Jackson County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**James A. Crawford, Treasurer
Ingham County Republican Finance Committee
P.O. Box 10236
Lansing, Michigan 48901**

**Re: MUR 1613
Ingham County Republican
Finance Committee,
James A. Crawford, as treasurer**

Dear Mr. Crawford:

On , 1984, the Federal Election Commission determined that there is reason to believe that the Ingham County Republican Finance Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(2)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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Letter to James A. Crawford
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,

Enclosures

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

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FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Ingham County Republican MUR 1613
Finance Committee; James A.
Crawford, as treasurer

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

Ingham County Republican Finance Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan, in violation of 2 U.S.C. § 441a(a)(2)(A).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185
Livingston County	10-06-81	\$ 125
Ingham County	12-31-81	<u>\$4,358</u>
		<u>\$7,163</u> Total <u>2/</u>

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).

On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party."

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any

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other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the

Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

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Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should

be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Ingham County Republican Finance Committee and its treasurer, James A. Crawford, have violated 2 U.S.C. § 441a(a) (2) (A).

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Interrogatories to:

**Ingham County Republican Finance
Committee and James A. Crawford,
as treasurer**

1. State whether the decision of the Ingham County Republican Finance Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Jackson County Republican Committee
- d) Jackson County Republican Party
- e) Livingston County Republican Committee
- f) Livingston County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Ingham County Republican Finance Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Ingham County Republican Finance Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

**Robert L. Stammersky, Treasurer
Livingston County Republican Committee
P.O. Box 938
Brighton, Michigan 48116**

**Re: MUR 1613
Livingston County Republican Committee;
Ronald R. Stammersky, as treasurer**

Dear Mr. Stammersky:

On , 1984, the Federal Election Commission determined that there is reason to believe the Livingston County Republican Committee and you, as treasurer, violated 2 U.S.C. §§ 441a(a)(2)(A) and 434(b)(6)(B)(i), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). 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 and the committee. 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 interrogatories within ten days of your receipt of this letter.

In the absence of any additional information which demonstrates that no further action should be taken against your committee and you, as treasurer, 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 so desired. 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

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Letter to Robert L. Stammersky
Page 2

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.

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 Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,

Enclosures

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

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FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Livingston County Republican
Committee; Ronald L. Stammersky,
as treasurer

MUR 1613

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

Livingston County Republican Committee made an excessive contribution to Michigan People for Jim Dunn ("Committee") in conjunction with two affiliated republican county committees in Michigan in violation of 2 U.S.C. § 441a(a)(2)(A), and failed to report three contributions to the Committee in violation of 2 U.S.C. § 434(b)(6)(B)(i).

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee accepted five contributions totalling \$7,163 for the 1982 primary election from three republican county committees in Michigan (Ingham County Republican Finance Committee, Jackson County Republican Committee, and Livingston County Republican Committee). The above five contributions were received by the Committee on the following dates:

<u>Contributor</u>	<u>Date 1/</u>	<u>Amount</u>
Livingston County	06-09-81	\$1,445
Jackson County	06-22-81	\$1,050
Livingston County	06-29-81	\$ 185

1/ The Jackson County Republican Committee reported a contribution of \$1,050 to the Committee on June 17, 1981, and the Ingham County Republican Finance Committee reported a contribution of \$4,358 to the Committee on December 30, 1981. The Livingston County Republican Committee, however, did not report any contributions to the Committee during 1981.

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Livingston County	10-06-81	\$ 125	
Ingham County	12-31-81	\$4,358	
		\$7,163	Total 2/

On December 27, 1983, the Committee provided a letter from the Michigan Republican Party stating that: the "county parties are not affiliated" with the Michigan Republican State Committee; the "State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts"; and, that the "State Party does not finance, direct or manage any of the 83 county finance committees in Michigan." Letters were also submitted from two of the three counties involved herein. According to the Ingham County Republican Party, its federal committee "is not a part of, nor controlled by, or subject to the direction of the Republican State Committee." The Jackson County Republican Committee claims to be "independent of, and not dependent to, the State Republican Party." In addition, the Committee submitted evidence of its refund of \$755 to the Livingston County Republican Committee.

As set forth at 2 U.S.C. § 441a(a)(2)(A) no multicandidate committee shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$5,000.

2/ Assuming affiliation, the contribution limit at issue is \$5,000 since both the Ingham County Republican Finance Committee and the Jackson County Republican Committee are qualified multicandidate committees. See 2 U.S.C. § 441a(a)(2)(A).-

If the three county committees are not affiliated, then the Livingston County Republican Committee has violated 2 U.S.C. § 441a(a)(1)(A) by contributing \$1,755 to the Committee when it had not qualified as a multicandidate committee.

For purposes of the limitations imposed by 2 U.S.C. § 441a(a)(1) and (2), all contributions made by political committees established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee. Section 110.3(b)(2)(ii) of Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if: (A) the political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and, (B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by another party unit. Id.

The question at issue herein is whether the instant three county committees in Michigan are affiliated and, hence, subject to a common contribution limitation of \$5,000 per election. If the county committees are in fact affiliated then the three county committees have violated the contribution limitation (2 U.S.C. § 441a(a)(2)(A)) by contributing \$2,163 to the Committee in excess of the contribution limitation. If the three county committees are not affiliated, then the Livingston County Republican Committee has violated the contribution limitation (2 U.S.C. § 441a(a)(1)(A)) by contributing \$755 in excess of the limitation to the Committee.

The affiliation of the three county committees involved herein turns on their relationship to the State Committee and on the county committees' relationship to each other. In the General Counsel's view, the information submitted by the Committee does not successfully rebut the presumption of affiliation among State and subordinate party committees contained in the Commission's regulations (see 11 C.F.R. § 110.3(b)(2)(ii)).

The presumption of affiliation is applicable in all instances except where the political committee of the party unit in question has not received funds from another party unit's political committee (11 C.F.R. § 110.3(b)(2)(ii)(A)), and where the political committee does not make its contributions in

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cooperation, consultation or concert with, or at the request or suggestion of another party unit or its political committee (11 C.F.R. § 110.3(b)(2)(ii)(B)). In the instant matter, although the State Party contends that it is not "affiliated" with the county committees in Michigan because it does not "finance," "direct," or "manage" the counties, we note the existence of a "party quota" and "state dues" within the Michigan Republican Party. See MURs 655 and 953. Moreover, even though the three county committees have received no more than incidental funds from the political committees of other party units in Michigan since April 13, 1977, the effective date of 11 C.F.R. § 110.3(b)(2), the State Committee has received monies on several occasions from the three county committees involved herein. 3/

Additionally, despite the fact that the State Party claims that it does not "influence" the contribution decisions of the county committees in Michigan, it is not known whether the contribution decisions of the Michigan Republican Party at the subordinate county level are made at the request or suggestion of another subordinate county party unit or committee. Significantly, there has been no demonstration whatsoever that the three county committees do not make their contribution decisions in concert with or at the request or suggestion of each other. Indeed, at this juncture the evidence

3/ The purpose of some of the disbursements made by the Livingston County Republican Committee to the State Committee were reported as for "party quota" and "state dues."

in hand consists only of the simple statement by the Ingham County Republican Party that both it and its federal account are not controlled by the State Committee, and the Jackson County Republican Committee's pronouncement that it is "independent" of the State Party. Furthermore, the Committee did not submit any information concerning the Livingston County Republican Committee's relationship to other party units.

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In consideration of the foregoing it is the view of the General Counsel that the facts of the instant matter support the presumption of affiliation. The existence of a party quota in Michigan raises questions as to whether the counties in Michigan are to some extent controlled by the State Committee. Furthermore, the three subordinate county committees have not successfully demonstrated "independence" under the criteria of 11 C.F.R. § 110.3(b) (see 11 C.F.R. § 110.3(b)(3)(ii)) and should be considered subject to a common contribution limitation. It is, therefore, the recommendation of the General Counsel that there is reason to believe the Livingston County Republican Committee and its treasurer, Ronald L. Stammersky, have violated 2 U.S.C. § 441a(a)(2)(A).

As discussed in footnote 1 supra, the Livingston County Republican Committee did not report three contributions to the Committee. The Livingston County Republican Committee is required to report the name and address of each political

committee which has received a contribution from it, together with the date and amount of the contribution, pursuant to 2 U.S.C. § 434(b)(6)(B)(i). In view of the Livingston County Republican Committee's failure to report three contributions to the Committee it is the recommendation of the General Counsel that the Commission find reason to believe the Livingston County Republican Committee and its treasurer, Ronald L. Stammersky, violated 2 U.S.C. § 434(b)(6)(B)(i).

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Interrogatories to:

Livingston County Republican Committee
and Ronald L. Stammersky, as treasurer

1. State whether the decision of the Livingston County Republican Committee to contribute to Michigan People for Jim Dunn during 1981 was made in cooperation, consultation, or concert with, or at the request or suggestion of the:

- a) Michigan Republican Party
- b) Michigan Republican State Committee
- c) Ingham County Republican Finance Committee
- d) Ingham County Republican Party
- e) Jackson County Republican Committee
- f) Jackson County Republican Party
- g) any other republican party unit or its political committee in Michigan.

2. State whether the Livingston County Republican Committee is financed, maintained, or controlled in any manner by the Michigan Republican State Committee.

- a) If the answer is yes, describe such maintenance, control, or financial support in complete detail.

3. State whether the Livingston County Republican Committee is required or requested to submit monies on a periodic basis to the Michigan Republican State Committee or any of its subordinate committees for either "party quotas" or "state dues."

If the answer is yes, describe the quota or dues structure.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

**Joel Ferguson
Saul Steadman
F and S Development Company
4820 W. Saginaw
Lansing, Michigan 48917**

**Re: MUR 1613
F and S Development Company**

Dear Messrs. Ferguson and Steadman:

On , 1984, the Commission found reason to believe that the F and S Development Company violated 2 U.S.C. § 441a(a) (1) (A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to the F and S Development Company. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any materials to appear on the public record, please do so within 10 days of your receipt of this letter.

The confidentiality provisions of 2 U.S.C. §§ 437g(a) (4) (B) and 437g(a) (12) (A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed.

The Commission reminds you that contributing to a federal candidate in excess of \$1,000 per election nevertheless appears to be a violation of the Act and you should take immediate steps to insure that this activity does not occur in the future. The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

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Letter to Joel Ferguson
Saul Steadman
Page 2

If you have any questions, please direct them to Maura White, the staff member assigned to this matter, at (202)523-4057.

Sincerely,

Enclosure
General Counsel's Factual and Legal Analysis

84040475491

3(41)

FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S FACTUAL AND LEGAL ANALYSIS

RESPONDENT: F and S Development Company **MUR 1613**

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

F and S Development Company made an excessive contribution to Michigan People for Jim Dunn ("Committee") in connection with the 1982 general election.

FACTUAL BASIS AND LEGAL ANALYSIS

The Committee received a \$2,000 contribution from the F and S Development Company, a partnership, on October 19, 1982, in connection with the 1982 general election. On November 4, 1983, the Committee refunded \$2,000 to the F and S Development Company.

Pursuant to 2 U.S.C. § 431(11) the term "person" includes a partnership. As set forth at 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for federal office which in the aggregate exceed \$1,000.

The making of a \$2,000 contribution to the Committee by the F and S Development Company was in violation of 2 U.S.C. § 441a(a)(1)(A). However, in view of the fact that the excessive contribution has been refunded, it is the recommendation of the General Counsel that the Commission find reason to believe the F and S Development Company violated 2 U.S.C. § 441a(a)(1)(A) and take no further action.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Denzil L. Hammond, Treasurer
Michigan Republican State Committee
2121 E. Grand River
Lansing, Michigan 48912

Re: MUR 1613

Dear Mr. Hammond:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In connection with an investigation being conducted by the Commission it is requested that you provide a copy of the bylaws of the Michigan Republican State Committee which were in effect during 1981. In addition, it is requested that you state whether the county committees in Michigan are required or requested to submit monies to the Michigan Republican State Committee or any of its subordinate committees for "state dues" or "party quotas" on a periodic basis. If you answer in the affirmative, please describe this dues or quota system. Your answer to the above question and a copy of the bylaws are to be submitted within ten days of your receipt of this letter.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case. Please note that the Commission does not consider you a respondent in this matter.

If you have any questions please contact Maura White at 202-523-4057.

Sincerely,

Charles N. Steele
General Counsel

By: Kenneth A. Gross
Associate General Counsel

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Michigan People For
Jim Dunn Committee
Box 1631
East Lansing, Michigan 48823
(517) 351-9483

JIM DUNN

for Senate.

Rec # 1525
RECEIVED AT THE FEC
Nul 1613
White

January 19, 1984

The Federal Election Commission
General Counsel's Office
1325 K Street., NW
Washington DC 20036

Attention: Maura White

To Whom It May Concern:

As treasurer for the 1982 Jim Dunn for Congress Campaign, I
authorize Ari Fleischer, Jim Dunn's Press Secretary, to
gather information from the FEC pertaining to any matter
currently pending before the office of the General Counsel.

Sincerely

Jack Roost
Jack Roost

84040475494

JIM DUNNE

for Senate.

Michigan People For
Jim Dunn Committee
Box 1631
East Lansing, Michigan 48823

840404



The Federal Election Commission
General Counsel's Office
1325 K Street., NW
Washington DC 20036

20463

Authorized and paid for by the Michigan People for Jim Dunn Committee



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-14

December 30, 1983

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: BOB COSTA

SUBJECT: ADDITIONAL RESPONSE TO AUDIT REPORT -
MICHIGAN PEOPLE FOR JIM DUNN
("THE COMMITTEE")

At paragraph II.A. of Exhibit 1 of the final audit report referred to your office December 8, 1983, the Audit staff noted that --

(1) During the primary election period the Committee received \$7,163 from three county Republican committees which appeared to be affiliated with the State Republican Party. One of these committees, Livingston County Republican Committee, contributed \$1,755. If there is a demonstration that these committees are not affiliated with the Michigan Republican Party, the Livingston County Republican Committee had not met the definition of a multicandidate political committee as set forth at 2 U.S.C. 441a(a)(4) because it had not made contributions to 5 or more candidates for Federal office. Thus, it is subject to the \$1,000 limitation on contributions to such candidates. Absent the demonstration of non-affiliation, a combined limitation of \$5,000 on contributions to candidates for any election for Federal office shall apply.

(2) During the general election period the committee received a \$2,000 contribution from an unincorporated company.

This matter was referred to your office for lack of an adequate response to the interim audit report. This interim report contained a recommendation that the Committee should present documentation which demonstrates that the contributions are not in excess of the limitation, or refund the excessive portions (\$3,163) of the contributions to the appropriate contributors and present evidence of the refunds.

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On December 27, 1983, the Committee presented additional documentation as follows (See Attachment 1) -

With respect to (1) above, the Committee presented letters from the Michigan Republican State Committee and two county Republican Committees demonstrating their non-affiliation. Further, the Committee presented a copy of the front and back of a cancelled check demonstrating a \$755 refund to the Livingston County Republican Committee.

With respect to (2) above, the Committee presented a copy of the front and back of a cancelled check demonstrating a \$2,000 refund to the unincorporated company.

Based upon our review of this additional documentation, we feel that the Committee has now fully complied with the recommendation at paragraph II.A. of the interim audit report. Therefore, no further action is recommended by the Audit Division.

Should you have any questions concerning this matter, please contact Charlie Hanshaw or Russ Bruner at 523-4155.

Attachment as stated

84040475497

Michigan Republicans

223 N. Walnut Street
Lansing, MI 48933
517/487-5413

1865 First National Bldg.
Detroit, MI 48226
313/963-9414

November 30, 1983

Mr. Francis J. Root
Treasurer, Michigan People for Dunc
P.O. Box 15038
Lansing, MI 48901

Dear Mr. Root,

I have reviewed the communication you have received from the Federal Elections Commission relative to the 1982 Congressional Campaign and have the following observations relative to the Audit Findings and Recommendations, section A, subsection (A) subsection (1):

"During the primary election period the Committee received \$7,163 from three county Republican committees which appear to be affiliated with the State Republican Party."

1. The county parties are not affiliated with the Michigan Republican State Committee, except by the fact that we are Republicans.
2. Each county (83 in the state) are independently registered with the Michigan Campaign Finance Office and many of them are independently registered with the Federal Elections Commission.
3. The State Party does not influence the decisions of these independent county committees relative to their participation in Federal and State campaign efforts.
4. The State Party does not finance, direct or manage any of the 83 county finance committees in Michigan.

E. SPENCER ABRAHAM
Chairman

FRANK D. STELLA
Finance Chairman

JACQUELINE E. MCGREGOR
First Vice-Chair

VERA WEISS
Second Vice-Chair

JOHN M. GUZIK
Third Vice-Chair

JERRY KAMINSKI
Fourth Vice-Chair

MARIE WENTELA
Fifth Vice-Chair

JANE C. GARCIA
Sixth Vice Chair

Mr. Francis J. Root
November 30, 1983
Page 2

Attachment 1
Page 2 of 6

I am not aware of the circumstances relating to the qualifications of the Livingston County Republican Committee and can not comment on that portion of the complaint.

I hope this information will be of use to you. If you should have any questions, please don't hesitate to call me.

Sincerely,



William H. Gnodtke
Finance Director
Michigan Republican Party

WHG/bjb

Attachments

84040475499



INGHAM
COUNTY
REPUBLICAN
PARTY

P.O. Box 10236, Lansing, MI 48901 517 484-8881

December 12, 1983

Mr. Francis Roost
Treasurer
Michigan People for Jim Dunn
Committee
P.O. Box 3000
East Lansing, Michigan 48823

Dear Jack:

Per our recent conversation, please be on notice that the Ingham County Republican Party and the federal committee which we use in our activities as a county political organization is not a part of, nor controlled by, or subject to the direction of the Republican State Committee.

Please contact my office if I can be of further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dennis M. Hurst".

Dennis Hurst
Chairman
Ingham County Republicans

84040475500



JACKSON COUNTY REPUBLICAN COMMITTEE

BOX 1276
JACKSON, MICHIGAN 49204

UNDER THE OAKS

11/29/83

Dear Mr. Root:

The Jackson County Republican Committee is independent of, and not dependent on; the State Republican Party.

The Jackson County Republican Committee is authorized by the Federal Elections Commission as a multi-candidate campaign committee authorized to make contributions to any one candidate in excess of \$1000.

Joseph S. Fierig
Chairman
Jackson County

BIRTHPLACE OF THE REPUBLICAN PARTY
84040475501

Nov 4 1983 74-67 724

THE ORDER OF

J & S Development
two thousand

\$ 2000.⁰⁰/₁₀₀
DOLLARS

AMERICAN BANK AND TRUST -10
A FIDELITY UNION TRUST COMPANY
LANSING, MICHIGAN 48202

reimbursement for 82 cong.

[Signature]

⑆000349⑆ ⑆072400670⑆ ⑆3⑆6707⑆7⑆ ⑆0000200000⑆

Attachment 1
Page 5 of 6

MICHIGAN PEOPLE FOR JIM DUNN

351

BY THE ORDER OF

LIVINGSTON COUNTY REPUBLICANS

11 Nov. 1983

74-67 724

\$ 755.00

SEVEN HUNDRED FIFTYFIVE AND 00/100

DOLLARS

AMERICAN BANK AND TRUST -10
A FIDELITY UNION TRUST COMPANY
LANSING, MICHIGAN 48202

Over Contribution to 82 Cong. Race

[Signature]

⑆000351⑆ ⑆072400670⑆ ⑆3⑆6707⑆7⑆ ⑆0000075500⑆

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PAY TO THE ORDER OF
MCPHERSON STATE BANK
FOR DEPOSIT ONLY
LIVINGSTON COUNTY
REPUBLICAN COMMITTEE
341-0021-01

FOR DEPOSIT ONLY
F&S DEVELOPMENT
1013035520 10-2-79 2

Attachment 1
Page 6 of 6

PAY ANY BANK, P.E.G.

1013035520 10-2-79 2

1013035520

072400670 000505763 11/18/83

1013035520

NO. 11
PAY ANY BANK
LIVINGSTON COUNTY
REPUBLICAN COMMITTEE
DETROIT, MICHIGAN

72400670 00061 122 11/25/83

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Final Audit Report of the
Michigan People for
Jim Dunn

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)
)
)
)

A83-14

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on December 8, 1983, the Commission approved by a vote of 4-0 the Final Audit Report of the Michigan People for Jim Dunn as submitted with the Audit Division's December 6, 1983 Memorandum to the Commissioners.

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

Attest:

12-9-83

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

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SENSITIVE

White Jacket



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Date & Time Transmitted: TUESDAY, 12-6-83, 4:00

COMMISSIONER: McGARRY, AIKENS, McDONALD, ELLIOTT, REICHE, HARRIS

RETURN TO COMMISSION SECRETARY BY THURSDAY, DECEMBER 8, 1983, 4:00

SUBJECT: FINAL AUDIT REPORT - MICHIGAN PEOPLE FOR JIM DUNN
Memorandum to the Commissioners dated
December 6, 1983

() I approve the recommendation in the attached report.

() I object to the recommendation.

COMMENTS: _____

Date: _____ Signature: _____

ALL BALLOTS MUST BE SIGNED AND DATED. PLEASE RETURN ONLY THE BALLOT TO THE
COMMISSION SECRETARY. PLEASE RETURN THE BALLOT NO LATER THAN THE DATE AND
TIME SHOWN ABOVE.

From the Office of the Commission Secretary

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FEDERAL ELECTION COMMISSION

483-14

December 6, 1983

REPORT OF THE AUDIT DIVISION

MICHIGAN PEOPLE FOR JIM DUNN

MEMORANDUM

TO: THE COMMISSIONERS

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

BAKELIOWS

FROM: BOB COSTA

OVERVIEW

SUBJECT: FINAL AUDIT REPORT - MICHIGAN PEOPLE FOR JIM DUNN

Attached is a copy of the proposed final audit report on Michigan People For Jim Dunn ("the Committee"). Since the Committee has not adequately responded to the recommendation contained in the interim audit report, the finding contained in that report is being referred to the Office of General Counsel (See Exhibit 1).

This final report is being circulated to the Commission for a tally vote. Upon notice of Commission approval, the report will be sent to the Committee.

Should you have any questions, please contact Charlie Hanshaw or Russell Bruner at 525-4155.

The Committee reported on March 6, 1981 as Jim Dunn-Michigan Congressional Committee. It is the principal campaign committee designated by the Honorable James W. Dunn, Jr., Republican candidate for the office of United States Representative from the 6th Congressional District of Michigan. The Committee maintains its headquarters in East Lansing, Michigan. Attachments as stated.

The audit covered the period January 1, 1981 through December 31, 1982. The Committee reported a cash on hand balance of \$1,187.48; total receipts for the period of \$1,187.48; total disbursements for the period of \$1,187.48; and a cash on hand balance December 31, 1982 of \$1,187.48.

The Committee filed an amendment to its statement of Organization July 27, 1983 changing its name to Michigan People For Jim Dunn.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A83-14

REPORT OF THE AUDIT DIVISION
ON
MICHIGAN PEOPLE FOR JIM DUNN

I. Background

A. Overview

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This report is based on an audit of Michigan People For Jim Dunn ("the Committee"), undertaken by the Audit Division of the Federal Election Commission in accordance with the Commission's audit policy to determine whether there has been compliance with the provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The audit was conducted pursuant to Section 438(b) of Title 2 of the United States Code which states, in part, that the Commission may conduct audits and field investigations of any political committee required to file a report under section 434 of this title. Prior to conducting any audit under this subsection, the Commission shall perform an internal review of reports filed by selected committees to determine if the reports filed by a particular committee meet the threshold requirements for substantial compliance with the Act.

The Committee registered with the United States House of Representatives on March 6, 1981 as Jim Dunn Mid-Michigan Congressional Committee, 1/ the principal campaign committee designated by the Honorable James W. Dunn, Jr., Republican candidate for the office of United States Representative from the 6th Congressional District of Michigan. The Committee maintains its headquarters in East Lansing, Michigan.

The audit covered the period January 1, 1981 through December 31, 1982. The Committee reported a cash on hand balance January 1, 1981 of \$-0-; total receipts for the period of \$367,205.94; total disbursements for the period of \$358,118.46 and a cash on hand balance December 31, 1982 of \$9,087.48.

1/ The Committee filed an amendment to its Statement of Organization July 23, 1982 changing its name to Michigan People For Jim Dunn.

This report is based on documents and working papers supporting each of its factual statements. They form part of the record upon which the Commission based its decisions on the matters in this report and were available to Commissioners and appropriate staff for review.

B. Key Personnel

The Treasurer of the Committee during the period of audit was Mr. Francis J. Roost.

C. Scope

The audit included such tests as verification of total reported receipts and disbursements and individual transactions; review of required supporting documentation; analysis of Committee debts and obligations; and such other audit procedures as deemed necessary under the circumstances.

II. Audit Findings and Recommendations

A matter was referred to the Office of General Counsel on

Question has not been resolved. Committee established, financed, maintained, or controlled by any party unit and

(8) The political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of, any other party unit or political committee established, financed, maintained, or controlled by any other party unit. Section 110.3(p)(1) states, in part, that a State committee and any subordinate committee shall be deemed independent under the criteria of Section 110.3(p)(1) if each contributes \$1,000 (\$2,000 if a multi-candidate committee) or a candidate for each election.

The Audit staff reviewed Committee records in support of contributions, and determined that the Committee received contributions in excess of the limitations. The excessive portions total \$2,157.12. The records revealed the following with respect to these contributions:

(1) During the primary election period, the Committee received \$2,157 from three county-level committees which appeared to be affiliated with the State Committee. One of these committees, Divisadero County, was not included in the list of committees. It was a committee which was not affiliated with the State Committee.

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II. Audit Findings and Recommendations

A. Limitations on Contributions

Section 441a(a)(1)(A) and (2)(A), Title 2, United States Code, states that no person shall make contributions to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000, and requires that no multicandidate political committees shall make such contributions which, in the aggregate, exceed \$5,000. Section 441a(f) states, in part, that no candidate or political committee shall knowingly accept any contribution in violation of the provisions of this section. Section 431(11) defines "person" to include a partnership.

Section 110.3(b)(2)(iii), Title 11, Code of Federal Regulations, states that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and by subordinate State party committees shall be presumed to be made by one political committee. This presumption shall not apply if-

(A) The political committee of the party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and

(B) The political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with, or at the request or suggestion of any other party unit or political committee established, financed, maintained, or controlled by any other party unit. Section 110.3(b)(3)(ii) states, in part, that a State committee and any subordinate committee able to demonstrate independence under the criteria of Section 110.3(b)(2)(ii) may each contribute \$1,000 (\$5,000 if a multicandidate committee) to a candidate for each election.

The Audit staff reviewed Committee records in support of contributions, and determined that the Committee received contributions in excess of the limitations. The excessive portions total \$3,163. (See Attachment 1). The records revealed the following with respect to these contributions-

(1) During the primary election period the Committee received \$7,163 from three county Republican committees which appeared to be affiliated with the State Republican Party. One of these committees, Livingston County Republican Committee, contributed \$1,755. If there is a demonstration that these committees are not affiliated with the Michigan Republican Party,

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the Livingston County Republican Committee had not met the definition of a multicandidate political committee as set forth at 2 U.S.C. 441a(a)(4) because it had not made contributions to 5 or more candidates for Federal office. Thus, it is subject to the \$1,000 limitation on contributions to such candidates. Absent the demonstration of non-affiliation, a combined limitation of \$5,000 on contributions to candidates for any election for Federal office shall apply.

(2) During the general election period the Committee received a \$2,000 contribution from an unincorporated company. With respect to (1), the Treasurer stated that the Committee's intent was not to exceed the limit, but he did not know that there was a combined limitation for all the committees.

With respect to (2), the Treasurer stated that the company is a partnership owned by two individuals, and he felt that each partner had made a contribution subject to his respective limitation rather than the separate entity (the company) making the contribution subject to one \$1,000 limitation.

On September 29, 1983, the Commission approved the recommendation contained in the interim audit report. It was recommended that, within 30 days of receipt of the interim report, the Committee present documentation which would demonstrate that these contributions are not in excess of the limitation, or, within this stated period, refund the excessive portions (\$3,163) of the contributions to the appropriate contributors and present evidence of the refunds (i.e., a copy of the front and back of the refund checks endorsed by the contributors). With respect to (1) above, the excessive portions are presumed to be the contributions most recently received by the Committee. If there is a demonstration (to the Commission's satisfaction) that the county committees are not affiliated with the Michigan Republican Party, the Audit staff recommended that, within the above stated period, the Committee refund the excessive portion (\$755) of contributions received from the Livingston County Republican Committee.

On November 28, 1983, the Committee responded to the interim audit report. (See Attachment 2). The response contained copies of the front of the following checks which the Committee stated were "drawn in satisfaction of the audit findings."

(1) Three checks totaling \$2,163 are payable to three of the county Republican Committees noted in II.A. (1) of the interim audit report. The Committee stated "we are holding the

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checks to the three county committees. We are advised that all three are (1) independent of the State Republican Party and (2) authorized multi-candidate committee.

(2) One check totaling \$2,000 is payable to F&S Development, the unincorporated company noted in II.A. (2) of the interim audit report.

On November 30, 1983, during a telephone conversation, the Treasurer informed the Audit staff that the refund of \$755 had been made to the Livingston County Republican Committee. The Treasurer stated that he would send a copy of both sides of this refund check and the refund check to F&S Development when these checks clear the bank. Regarding the affiliation issue, the Treasurer indicated that the Michigan Republican State Committee and the county committees are presenting to him correspondence demonstrating that these committees are not affiliated. The Treasurer further stated that he would forward this correspondence to the Commission when it is received.

With respect to (1) above, the Audit staff feels that, to date, the Committee has not adequately responded to interim report. The Committee has not presented the recommended documentation to demonstrate that the contributions are not in excess of the limitation.

With respect to (2) above, it appears that the Committee has refunded the contribution to the unincorporated company, as recommended at II.A. (2) of the interim audit report. The Committee indicated that when this refund check clears the bank, a copy of the check showing the contributor's endorsement will be forwarded to the Audit Division.

Recommendation

Due to the inadequate response to the interim audit report, the Audit staff recommends that this matter be referred to the Office of General Counsel.

Michigan People for Jim Dunn

<u>Contributor</u>	<u>Date</u>	<u>Amount</u>	<u>Aggregate Amount</u>
Ingram County Rep. Committee	12-31-81	\$4,358.00	\$4,358.00
Jackson County Rep. Committee	06-09-81	1,050.00	1,050.00
Livingston County Rep. Committee	06-09-81	1,445.00	
Livingston County Rep. Committee	06-29-81	185.00	
Livingston County Rep. Committee	10-06-81	125.00	<u>\$1,755.00</u>
		Total	\$7,163.00
		Limit	5,000.00
		Excess	<u>2,163.00</u>
RS & S Development Company	10-19-82	2,000.00	2,000.00
		Limit	1,000.00
		Excess	<u>1,000.00</u>
		Total Excess	<u>\$3,163.00</u>

We have delivered the F & S Development check and have received from the individual partners of F & S Development (Sadi Steadman and Jeff Ferguson) their personal checks for \$1,000.00 by way of reimbursement.

forward it to you.

83 NOV 28 12: 57

Danielson, Schultz & Co., P.C.

OAKLAND CENTER ■ 809 CENTER ST. ■ P.O. BOX 15038 ■ LANSING, MI 48901-5038 ■ TELEPHONE: 517/371-1000

Contributor	Date	Amount	Signature
Livingston County Rep. Committee	08-09-81	1,442.00	AMES W. BRLEY, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	NIEL W. BROOBECK, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	TRUCKA. MORAN, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	GER W. MESON, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	KING C. LAKE, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	ARREST LEWIS, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	VID L. HANNEY, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	BERT S. MCKEY, JR., CPA
Livingston County Rep. Committee	08-09-81	1,442.00	TODD MORRIS, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	ANNE J. ROOST, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	ENNA A. TEST, CPA
Livingston County Rep. Committee	08-09-81	1,442.00	MES M. VANDEN BERGE, CPA

Federal Elections Commission
Washington, D.C. 20463

Attn: Robert J. Costa
Audit Division

Gentlemen:

Enclosed are copies of checks drawn in satisfaction of the audit findings in your letter of October 3, 1983 received here on October 11, 1983:

- Livingston County Republic Committee, \$755.00
- Jackson County Republican Committee, \$50.00
- Ingham County Republican Committee, \$1,358.00
- F & S Development, \$2,000.00

We have delivered the F & S Development check and have received from the individual partners of F & S Development (Saul Steadman and Joel Ferguson) their personal checks for \$1,000.00 by way of reimbursement.

Obviously that check has been issued at such a recent date that it has not yet cleared the banking system. When we receive copies of the cancelled check we will copy the endorsement and the face of the check and forward it to you.

8 4 0 4 0 4 7 5 5 1 5 0 4 8

Attachment 2
Page 3 of 4

MICHIGAN PEOPLE FOR JIM DUNN

349

Nov. 4 1983

74-87
724

PAY
TO THE
ORDER OF

J & S Development
two thousand

\$ 2000.⁰⁰/₁₀₀
DOLLARS

AMERICAN
BANK AND TRUST -10
LANSING, MICHIGAN 48209

FOR REIMBURSEMENT of 82 months

[Signature]

⑆000349⑆ ⑆072400670⑆

⑆3⑆6707⑆7⑆

MICHIGAN PEOPLE FOR JIM DUNN

Attachment 2
Page 4 of 4

350

11 Nov. 1983

74-57
724

PAY
TO THE
ORDER OF

INGHAM COUNTY REPUBLICANS

\$ 1358.00

ONE THOUSAND THREE HUNDRED FIFTYEIGHT AND 00/100

DOLLARS



FOR OVERCONTRIBUTION 82 Cong. Race

⑈000350⑈ ⑆072400670⑆

⑆3⑈6707⑈7⑈

351

MICHIGAN PEOPLE FOR JIM DUNN

11 Nov. 1983

74-57
724

PAY
TO THE
ORDER OF

LIVINGSTON COUNTY REPUBLICANS

\$ 755.00

SEVEN HUNDRED FIFTYFIVE AND 00/100

DOLLARS



FOR Over Contribution to 82 Cong. Race

⑈000351⑈ ⑆072400670⑆

⑆3⑈6707⑈7⑈

352

MICHIGAN PEOPLE FOR JIM DUNN

11 Nov. 1983

74-57
724

PAY
TO THE
ORDER OF

JACKSON COUNTY REPUBLICANS

\$ 50.00

FIFTY AND 00/100

DOLLARS



FOR OVER CONTRIBUTION TO 82 Cong. Race

⑈000352⑈ ⑆072400670⑆

⑆3⑈6707⑈7⑈

84040475517



FEDERAL ELECTION COMMISSION

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

THIS IS THE BEGINNING OF MUR # 1613

Date Filmed 9/26/84 Camera No. --- 4

Cameraman JRL