



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2897

DATE FILMED 1/24/90 CAMERA NO. 3

CAMERAMAN AS

99040775213

MUR 2897

Complainant,) (Before the
John Wayne Caton) (Federal Election
vs.) (Commission
Respondents,) (
Richard K. Armey,) (
Susan Byrd Armey, and) (
O.F. Henning, Jr.

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
JUN 13 PM 4:17

Complaint - Failure to Disclose Political Committee Affiliation

The complainant, John Wayne Caton, resides at 710 Midway
Drive, Euless, Texas 76039.

Complainant brings to the Federal Election Commission's
attention a complaint against Respondents,

U. S. Representative

Richard K. Armey

130 Cannon House Office Building

Washington, D.C. 20515

-and-

Susan Byrd Armey

330 Canyon Oaks Drive

Argyle, Texas 76220

-and-

O.F. Henning, Jr.

P.O. Box 85

Lewisville, Texas 75067.

Complainant believes that respondents have established a Political Committee named "Policy Innovation Political Action Committee", FEC ID C00222810, and did also previously establish a Political Committee named "Friends of Dick Armey", FEC ID C00198309.

Complainant further believes "Friends of Dick Armey" is the primary authorized campaign committee of U.S. Representative Richard K. Armey. Complainant alleges that "Policy Innovation Political Action Committee" is in fact an affiliated committee of U.S. Representative Richard K. Armey in accordance with 11 CFR 100.5(g) (2) (1) (E) or 11CFR 100.5(g) (2) (11) .

Complainant believes both committees are controlled by the same person or group of persons as evidenced by the following:

(1) The designated Treasurer of "Policy Innovation Political Action Committee" is Susan Byrd Armey who is also the spouse of Richard K. Armey. Respondent O.F. Henning, Jr. is the designated Assistant Treasurer and signer of FEC Form 3 filings for "Friends of Dick Armey".

(2) Copies of FEC Form 3X filings made by Susan Byrd Armey on February 5, 1989, were electronically transmitted (faxed) from the office of U.S. Representative Richard K. Armey as evidenced on Exhibit A, attached. The transmittal of these forms from Richard K. Armey's congressional office evidences that Richard K. Armey maintains control of "Policy Innovation Political Action Committee".

(3) Similar patterns of disbursements, such as consulting fees

paid to MGroup, 250 S. Stemmons, Lewisville, Texas 75057, as evidenced by Exhibit B, is evidence that the operations of both committees are controlled by the same person or persons.

John Wayne Caton complains to the Federal Election Commission that Richard K. Armey, Susan Byrd Armey and O.F. Henning, Jr. did knowingly, willfully and intentionally fail to disclose the affiliation of "Friends of Dick Armey" and "Policy Innovation Political Action Committee" in direct violation of 11 CFR 102.2(b).

Under penalties of perjury, I hereby swear that to the best of my belief and knowledge, the statements made herein are true.

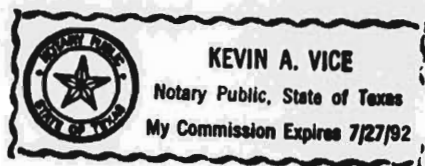

John Wayne Caton, Complainant

99040775216

Subscribed to and sworn before me this 6 day of June,
1989.

Kevin A. Vice / Kevin A. Vice

Notary Public



09040775217

SCHEDULE B

ITEMIZED DISBURSEMENTS

Exhibit A

Use separate schedule(s)
for each category of the
Detailed Summary PagePAGE 1 OF 1
FOR LINE NUMBER 17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Policy Innovation Political Action Committee

A. Full Name, Mailing Address and ZIP Code TERRILL WALKER Printing 881 N. Elm Lewisville, TX 76201	Purpose of Disbursement Printing Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/11/88	Amount of Each Disbursement This Period 574.59
B. Full Name, Mailing Address and ZIP Code Kwik Kopy 114 Lakeland Plaza Lewisville, TX 75067	Purpose of Disbursement Copying Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/12/88	Amount of Each Disbursement This Period 768.58
C. Full Name, Mailing Address and ZIP Code M GROUP 250 S. Stemmons Lewisville, TX 75057	Purpose of Disbursement Consulting Fees Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/12/88	Amount of Each Disbursement This Period 3000.00
D. Full Name, Mailing Address and ZIP Code Art Farms Printing 139 W. Main St Lewisville, TX 75067	Purpose of Disbursement Printing Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/11/88	Amount of Each Disbursement This Period 118.64
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

4461.81

03040775218

Exhibit B ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 2
FOR LINE NUMBER 17

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

FRIENDS OF DICK ARMEY

A. Full Name, Mailing Address and ZIP Code FEDERAL EXPRESS Corp PO Box 1140 Dept. A. Memphis, TN 38101-1140	Purpose of Disbursement Package Delivery Svc Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 8/19/88	Amount of Each Disbursement This Period 146.75
B. Full Name, Mailing Address and ZIP Code Terrill Wheeler Printing, Inc. 821 N. Elm Denton, TX 76201	Purpose of Disbursement Printing Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 8/19/88	Amount of Each Disbursement This Period 54.57
C. Full Name, Mailing Address and ZIP Code M-GROUP PO Box 815902 Dallas, TX 75381-5902	Purpose of Disbursement Consulting Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 8/3/88 8/17/88 8/17/88	Amount of Each Disbursement This Period 3295.39 2000.00 1000.00
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period

TELEPHONED FROM 202 225 7772

02.07.89 11:20 P.09 *CONG ARMEY

EXHIBIT B

ITEMIZED DISBURSEMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1
FOR LINE NUMBER 17

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Policy Innovation Political Action Committee

A. Full Name, Mailing Address and ZIP Code Terrill Wheeler Printing 821 N. Elm Lewisville, TX 76201	Purpose of Disbursement Printing Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/11/88	Amount of Each Disbursement This Period 574.59
B. Full Name, Mailing Address and ZIP Code Kwik Kopy 114 Lakeland Plaza Lewisville, TX 75067	Purpose of Disbursement Copying Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/12/88	Amount of Each Disbursement This Period 768.58
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D. Full Name, Mailing Address and ZIP Code Art Forms Printing 139 W. Main St Lewisville, TX 75067	Purpose of Disbursement Printing Disbursement for: ☐ Primary ☒ General ☐ Other (specify)	Date (month, day, year) 10/11/88	Amount of Each Disbursement This Period 118.64
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 20, 1989

John Wayne Caton
710 Midway Drive
Euless, TX 76039

RE: MUR 2897

Dear Mr. Caton:

This letter acknowledges receipt on June 13, 1989, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Susan Arney, Congressman Richard K. Arney, O.F. Henning, Jr., Policy Innovation Political Action Committee and the Dick Arney Campaign. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2897. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

990407520



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

June 20, 1989

Mike Keeling, Treasurer
Dick Arney Campaign
P.O. Box 85
Lewisville, TX 75067

RE: MUR 2897

Dear Mr. Keeling:

The Federal Election Commission received a complaint which alleges that the Committee and you, as treasurer may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2897. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

0 3 0 4 0 7 5 2 1

If you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

Enclosures

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

99040775222



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

O.F. Henning, Jr.
P.O. Box 85
Lewisville, TX 75067

RE: MUR 2897

Dear Mr. Henning:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2897. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

09040775223

If you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel


By: Lois G. Lerner
Associate General Counsel

Enclosures

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

99040775224



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

Susan Arney, Treasurer
Policy Innovation Political
Action Committee
P.O. Box 426
Lewisville, TX 75067

RE: MUR 2897

Dear Mrs. Arney:

The Federal Election Commission received a complaint which alleges that the Committee and you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2897. Please refer to this number in all future correspondence.

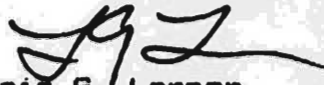
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel


By: Lois G. Lerner
Associate General Counsel

Enclosures

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

99040775226



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

Congressman Richard K. Arney
130 Cannon House Office Building
Washington, DC 20515

RE: MUR 2897

Dear Mr. Arney:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2897. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

99040775227

If you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

Enclosures

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

99040775228

cc 000000

FEDERAL ELECTION COMMISSION
ACQUISITION SECTION
89 JUN 30 AM 9:33

LAW OFFICES
WEBSTER, CHAMBERLAIN & BEAN
1747 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006
(202) 785-9500
FAX: (202) 835-0243

GEORGE D. WEBSTER
J. COLEMAN BEAN
ARTHUR L. HEROLD
ALAN P. OYE
BURRETT VAN KIRK
FRANK M. NORTHAM
GERARD A. PANARO
JOHN W. HAZARD, JR.
CHARLES M. WATKINS
ROBERT M. SPELTON
HUGH A. WEBSTER
ANNE S. POPE

FRANK M. NORTHAM
CHARLES M. WATKINS
ROBERT M. SPELTON
HUGH A. WEBSTER
ANNE S. POPE

June 28, 1989

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

Re: MUR 2897

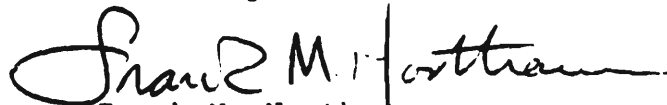
Dear Jonathan:

I have been retained to represent several of the individuals and entities named as respondents in the above-referenced MUR. Specifically, I will be representing Congressman Richard K. Armey, Susan Byrd Armey, O. F. Henning, Jr., Policy Innovation Political Action Committee, and "Friends of Dick Armey". You will be receiving Designations of Counsel from each entity and individual in the near future.

Given the flurry of complaints filed by Mr. Caton in the past few days and the upcoming July 4th holiday, I will need additional time to prepare responses in each of the MURs. The MURs were received from June 22nd through June 27th. I hereby request an extension of time to July 21, 1989 to file responses to MUR 2897 on behalf of the individuals and entities identified above.

I look forward to working with you again and hope that we can dispose of these MURs in a mutually agreeable manner.

Sincerely,


Frank M. Northam

FMN:dla

09040715229

89 JUN 30 AM 11:33

FEDERAL ELECTION COMMISSION



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 10, 1989

Frank M. Northam, Esquire
Webster, Chamberlain & Bean
1747 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

RE: MUR 2897

Congressman Richard K. Armey
Susan Byrd Armey
O.P. Henning, Jr.
Policy Innovation Political
Action Committee and Susan
Armey, as treasurer
Dick Armey Campaign and
Mike Keeling, as treasurer

Dear Mr. Northam:

This is in response to your letter dated June 28, 1989, which we received on June 30, 1989, requesting an extension until July 21, 1989 to respond to the complaints in these matters. Considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on July 21, 1989. In addition, the Commission expects the receipt of the designation of counsel forms from your clients in the next few days.

If you have any questions, please contact Jonathan Bernstein, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

99040775230

66C 3396

LAW OFFICES
WEBSTER, CHAMBERLAIN & BEAN
1747 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006

GEORGE D. WEBSTER
J. COLEMAN BEAN
ARTHUR L. HEROLD
ALAN P. OYE
BURRETT VAN KIRK
FRANK M. NORTHAM
GERARD P. PANARO
JOHN W. HAZARD, JR.
CHARLES M. WATKINS
ROBERT M. SHELTON
HUGH K. WEBSTER
ANNE S. POPE

(202) 785-9500
FAX: (202) 835-0243

OF COUNSEL
CHARLES E. CHAMBERLAIN
CONSULTANT
A. L. SINGLETON

July 11, 1989

89 JUL 13 AM 3:42

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE

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

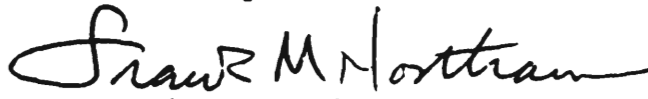
Re: MUR 2897

Dear Jonathan:

Enclosed are Designations of Counsel from the following individuals and entities:

1. Congressman Richard K. Armey;
2. Susan Byrd Armey, individually and as Treasurer, Policy Innovation PAC;
3. Michael F. Keeling, individually and as Treasurer, Friends of Dick Armey;
4. O. F. Henning, Jr., individually and as Assistant Treasurer, Friends of Dick Armey;
5. Friends of Dick Armey; and
6. Policy Innovation Political Action Committee.

Sincerely,


Frank M. Northam

FMN:dla
Enclosures

99040775231

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2897,

NAME OF COUNSEL:

FRANK NORTHAM

ADDRESS:

Webster, Chamberlain & Bean

1747 Pennsylvania Ave. NW #1000

Washington, DC 20006

TELEPHONE:

(202) 785-9500

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.

6-27-89
Date

Dick Arney
Signature

RESPONDENT'S NAME:

DICK ARNEY

ADDRESS:

130 CANNON BUILDING

WASHINGTON, DC 20515

HOME PHONE:

(817)

BUSINESS PHONE:

202/225-7772

89 JUL 13 AM 3:42

RECEIVED
FEDERAL ELECTION COMMISSION

99040775232

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2897.

NAME OF COUNSEL: Frank Northam

ADDRESS: Webster, Chamberlain & Bean
1747 Pennsylvania Avenue, N.W.
Suite 1000
Washington, D.C. 20006

TELEPHONE: (202) 785-9500

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.

7-1-89
Date

Susan Arney
Signature

RESPONDENT'S NAME: SUSAN Arney

ADDRESS: 330 CAP 420 OAHU
COPPER CAP 420, TA 76226

HOME PHONE: _____

BUSINESS PHONE: _____

RECEIVED
FEDERAL ELECTION COMMISSION
89 JUL 13 AM 3:42

99040775233

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2897.

NAME OF COUNSEL: Frank Northam

ADDRESS: Webster, Chamberlain & Bean
1747 Pennsylvania Avenue, N.W.
Suite 1000
Washington, D.C. 20006

TELEPHONE: (202) 785-9500

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.

7/5/89
Date

[Signature]
Signature

RESPONDENT'S NAME:

O.F. HENNING, JR.
4342 BOCA RAY DR.
DALLAS, TX 75244

ADDRESS:

HOME PHONE:

(214) 233-6327

BUSINESS PHONE:

89 JUL 13 AM 3:42

RECEIVED
FEDERAL ELECTION COMMISSION

99040775234

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2897

NAME OF COUNSEL: Frank Northam

ADDRESS: Webster, Chamberlain & Bean
1747 Pennsylvania Ave. NW
Suite 1000
Washington, D.C. 20006

TELEPHONE: (202) 785-9500

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.

7-1-89
Date

Susan Armeiz
Signature

RESPONDENT'S NAME: Policy Innovation Inc

ADDRESS: P.O. Box 426
LEWISVILLE, TX 75067

HOME PHONE: _____

BUSINESS PHONE: _____

89 JUL 13 AM 3:42

RECEIVED
FEDERAL ELECTION COMMISSION

99040775235

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2897

NAME OF COUNSEL:

Frank Northam

ADDRESS:

Webster, Chamberlain & Bean

1747 Pennsylvania Ave. NW

Suite 1000

Washington, D.C. 20006

TELEPHONE:

(202) 785-9500

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.

6/30/89
Date

Michael J. Keeling
Signature

RESPONDENT'S NAME:

FRIENDS OF DICK ARMEY

ADDRESS:

P.O. Box 85

LOUISVILLE, TX 75067

HOME PHONE:

BUSINESS PHONE:

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
89 JUL 13 AM 3:42

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2897

NAME OF COUNSEL: Frank M. Northam, Esq.

ADDRESS: Webster, Chamberlain & Bean

1747 Pennsylvania Avenue, N.W.

Suite 1000

Washington, D.C. 20006

TELEPHONE: (202) 785-9500

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.

6/30/89
Date

Michael F. Keeling
Signature

RESPONDENT'S NAME: Michael F. Keeling

ADDRESS: 257 Pinyon

Coppell TX 75019

HOME PHONE: 214/462-0788

BUSINESS PHONE: 214/385-7000 EXT. 236

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF
89 JUL 13 AM 3:42

99040775237

HAND DELIVERED
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
OGC
3496

LAW OFFICES
WEBSTER, CHAMBERLAIN & BEAN
1747 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006

09 JUL 21 AMH: 18

GEORGE D. WEBSTER
J. COLEMAN BEAN
ARTHUR L. HEROLD
ALAN P. DYE
BURRETT VAN KIRK
FRANK M. NORTHAM
GERARD P. PANARO
JOHN W. HAZARD, JR.
CHARLES M. WATKINS
ROBERT M. SKELTON
HUGH K. WEBSTER
ANNE B. POPE

(202) 785-9500
FAX: (202) 835-0243

OF COUNSEL
CHARLES E. CHAMBERLAIN
CONSULTANT
A. L. SINGLETON

July 20, 1989

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

Re: MUR 2897

Dear Mr. Bernstein:

This letter constitutes a response on behalf of Congressman Richard K. Armey, Mrs. Susan Armey, Treasurer of Policy Innovation Political Action Committee ("PIPAC"), Mr. Michael F. Keeling, Treasurer of Friends of Dick Armey ("FODA"), Mr. O. F. Henning, Jr., Assistant Treasurer of FODA, PIPAC, and FODA to the complaint filed by Mr. John Wayne Caton and numbered MUR 2897.

In his complaint, Mr. Caton alleges that PIPAC and FODA are "affiliated" committees under the guidelines set forth in 11 C.F.R. §100.5(g) and that PIPAC and FODA have violated 11 C.F.R. §102.2(b) by failing to disclose their alleged affiliated status. As the FEC was advised upon the organization of PIPAC, PIPAC and FODA are not "affiliated" or "connected" committees and, therefore, Mr. Caton's complaint should be dismissed.

Upon the filing of PIPAC's Statement of Organization (Exhibit "A"), the FEC inquired as to whether PIPAC was "affiliated" or "connected" with any other committee. (Exhibit "B"). PIPAC's treasurer, Mrs. Armey, responded to the Commission's inquiry (Exhibit "C") and advised the Commission that PIPAC "is entirely separate and is not affiliated with another organization." The same holds true today. PIPAC is an independent, multicandidate political action committee and is not affiliated or connected with FODA or any other committee.

PIPAC was established in 1988 for two primary purposes: 1) to raise funds for Republican challengers, open seat candidates, and embattled incumbents, and 2) to provide challengers with information that will assist them in defeating incumbent Democrats. In 1988, PIPAC prepared "A Challenger's Guide to Key Votes in the

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WEBSTER, CHAMBERLAIN & BEAN

Jonathan Bernstein, Esq.
July 20, 1989
Page Two

100th Congress," a comprehensive guide to all politically important votes in the House of Representatives with explanations of the background on the issues and advice as to how a challenger could best use those votes against his opponent. This guide was distributed (as an in-kind contribution) to 56 congressional candidates during 1988. In addition, PIPAC made monetary contributions to 39 candidates throughout the country. (The two volumes of the Vote Guide are each several hundred pages long and, therefore, have not been submitted with this response. We will make them available if the FEC or the General Counsel so desires).

Friends of Dick Armey ("FODA") is Congressman Armey's principal campaign committee and Congressman Armey has not authorized any other political committee, including PIPAC, to accept contributions or make expenditures on his behalf.

In his complaint, Mr. Caton alleges that PIPAC and FODA are affiliated based on the following facts:

- 1) The treasurer of PIPAC, Mrs. Armey, is Congressman Armey's wife.
- 2) Copies of one of PIPAC's FEC Form 3X filings was electronically transmitted to the FEC from Congressman Armey's offices.
- 3) Both PIPAC and FODA, at one time, utilized the services of a common vendor, M Group.

Additionally, Mr. Caton alleges that both PIPAC and FODA were established by "the respondents." Presumably, this refers to the fact that FODA is Congressman Armey's principal campaign committee and that he also serves as the Chairman of PIPAC.

All of the facts listed above are correct. They do not, however, establish or even give rise to an inference that PIPAC and FODA are affiliated, because they are not.

Respondents are unable to discern what the relevance is of the fact that Mrs. Armey is the treasurer of PIPAC. Although Mrs. Armey is the wife of Congressman Armey, she does not hold any position with FODA. Mr. Caton has not alleged any actions on her part which would indicate that her activities as treasurer of PIPAC are controlled by FODA.

The fact that one of PIPAC's FEC filings was transmitted from Congressman Armey's office also fails to establish any indicia of control over PIPAC. Certainly, there is nothing in the FEC's regulations which mandates that a committee's filings

WEBSTER, CHAMBERLAIN & BEAN

Jonathan Bernstein, Esq.

July 20, 1989

Page Three

must be made from the committee's principal address. Moreover, the transmittal of reports to the FEC is purely a ministerial function which is of no probative value as an indicia of control over PIPAC, regardless of who transmitted them or from where they were transmitted.

Mr. Caton also has alleged that, at one time, PIPAC and FODA used a common vendor, M Group. M Group was an organization that provided administrative and other services to political committees. (M Group's services to PIPAC were terminated in late 1988). In several MUR's, the FEC has concluded that the common usage of non-policy-making vendors by separate political committees gives rise to no inference of affiliation or "coordination" between the committees. See, e.g., MUR's 1252/1299 and 1870. In MUR 1870, the General Counsel acknowledged that "many similarly ideologically situated entities rely on the same vendors for services" and concluded that "the use of these corporate vendors alone by [separate political committees] does not appear to be indicia of affiliation." The same holds true as to the common usage of M Group by PIPAC and FODA, particularly since PIPAC terminated M Group's services in late 1988.

Finally, Mr. Caton contends that PIPAC and FODA are affiliated because they both were established by the respondents. He apparently bases this assertion on the fact that Congressman Armev is the chairman of PIPAC and that FODA is his principal campaign committee. In Advisory Opinion 1978-12, however, the Commission ruled that there was no impediment to a congressman's assisting in the establishment of an independent political action committee and rendering advice to that committee.

In MUR 1870, it was alleged that the same congressman and PAC, that were involved in Advisory Opinion 1978-12, were affiliated for a number of reasons. The General Counsel's office found no indicia of affiliation based on the fact that the PAC and the Congressman's campaign committee had, to an extent, received contributions from the same individuals nor on the fact that they had some vendors in common. The General Counsel did believe, however, that indicia of affiliation could be discerned based on two factors: 1) there was an interchange of personnel between and among the shared vendors, the PAC, the campaign committee, and the Congressional Office; and 2) there was a pattern of apparent coordination of contributions by the PAC and the campaign committee. Nevertheless, the Commission voted 5-0 to find no reason to believe that the PAC and the campaign committee were affiliated.

In the instant MUR, none of the factors, that caused the General Counsel concern in MUR 1870, has been set forth. Indeed,

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WEBSTER, CHAMBERLAIN & BEAN

Jonathan Bernstein, Esq.

July 20, 1989

Page Four

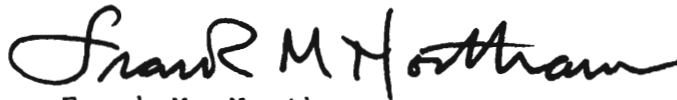
the allegations made by Mr. Caton are of the same type that the General Counsel found to be no evidence of affiliation.

In MUR 1755, the General Counsel found that the following factors disproved affiliation: 1) the Statements of Organization of the two committees did not identify each other as affiliates or "connected organizations;" and 2) there was no evidence of any transfers of funds between the two committees. Both of those factors are equally true in regard to PIPAC and FODA.

Essentially, Mr. Caton has taken a few isolated and non-probative facts about PIPAC and attempted to convert what are not even puffs of smoke into a forest fire. He has presented not even a scintilla of evidence that would justify the Commission in finding reason to believe that PIPAC and FODA are affiliated. Therefore, the complaint in MUR 2897 must be dismissed.

The respondents to this MUR waive the confidentiality provisions of sections 437g(a)(4)(B) and 437g(a)(12)(A) of Title 2 and 11 C.F.R. §111.21.

Respectfully submitted,


Frank M. Northam

FMN:dla

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EXHIBIT A

1. (a) NAME OF COMMITTEE IN FULL ☐ (Check if name is changed) POLICY INITIATION POLITICAL ACTION COMMITTEE	2. DATE 2/8/81
(b) Number and Street Address ☐ (Check if address is changed) P.O. BOX 426	3. FEC IDENTIFICATION NUMBER
(c) City, State and ZIP Code LEWISVILLE, TX	4. IS THIS STATEMENT AN AMENDMENT? ☐ YES ☒ NO

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
-------------------	-----------------------------	---------------	----------------

- | Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship |
|--|------------------------------|--------------|
| | | |

Full Name	Mailing Address	Title or Position
HUCK HENRIUS	P.O. Box 426 Lewisville, TX 75067	CONSULTANT 214/434-3583

Full Name	Mailing Address	Title or Position
Susan Arney	P.O. Box 426 Lewisville, TX 75067	Treasurer

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
M-092K	250 S. STEPHENS LEWISVILLE, TX 75067

TYPE OR PRINT NAME OF TREASURER	SIGNATURE OF TREASURER	DATE
SUSAN ARNEY		

				For further information contact: Federal Election Commission Toll-free 800-424-9530 Local 202-376-3120
--	--	--	--	---

FEC FORM 1
(revised 4/87)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-1

MAR 2 1988

Susan Arney, Treasurer
Policy Innovation Political
Action Committee
P.O. Box 426
Lewisville, TX 75067

Identification Number: C00222810

Reference: Statement of Organization (dated 2/8/88)

Dear Ms. Arney:

This letter is prompted by the Commission's preliminary review of your Statement of Organization. The review raised questions concerning certain information contained in the Statement. An itemization follows:

-Any affiliated or connected organization must be identified on your Statement of Organization. For further guidance, please refer to 11 CFR 100.5(g) and 100.6. If there are no other committees or organizations with which you share control or financing, please indicate "None" on Line 6. If you do share control or financing with other committees or organizations, please list their names, addresses, and relationships on that line. 11 CFR 102.2.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

A handwritten signature in cursive script, appearing to read "Donald Averett".

Donald Averett
Reports Analyst
Reports Analysis Division

99040775240

Policy Innovation

Political Action Committee

Dick Armey, MC
Chairman

March 9, 1988

Mr. Donald Averett
Reports Analyst
Federal Election Commission
999 F Street, N.W.
Washington, D.C. 20463

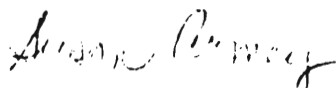
Dear Mr. Averett:

I'm writing to clarify the questions you raised regarding the Statement of Organization for the Policy Innovation Political Action Committee.

This organization is entirely separate and is not affiliated with another organization. Furthermore, I do not share control or financing with any other organization.

My husband, Richard K. Armey, is a member of Congress and Chairman of Policy Innovation Political Action Committee. He has his own campaign committee but it is not connected with Policy Innovation Political Action Committee. Should you have any additional questions, please don't hesitate to contact me at (214) 434-3588.

Sincerely,



Susan Armey, Treasurer
Policy Innovation Political Action Committee

SA:cgd

P.O. Box 426, Lewisville, Texas 75067

Contributions to Political Action Committees are not deductible as charitable contributions for federal income tax purposes.
Paid for by PIPAC

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SECRET

Congressman Richard K. Arney)
Susan Arney)
O.F. Henning, Jr.)

2897

Dick Arney Campaign and)
Mike Keeling, as treasurer)
Policy Innovation Political)
Action Committee and Susan)
Arney, as treasurer)

I. INTRODUCTION

The complainant alleges that an authorized congressional committee and a non-connected multicandidate political committee should be viewed by the Commission as affiliated committees. The

complainant further alleges that three (3) individuals used the unauthorized committee as a conduit to evade their individual contribution limitations to a congressional candidate.

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II. MUR 2897 - Failure to Disclose Affiliation

In MUR 2897, the complainant alleges that Respondents Richard K. Armey, Susan Byrd Armey and O.F. Henning, Jr., violated 11 C.F.R. § 102.2(b) by failing to report the affiliation between the Dick Armey Campaign ("DAC"), the authorized campaign committee of Congressman Richard K. Armey, and Policy Innovation Political Action Committee ("PIPAC"), a multicandidate committee which is apparently Rep. Armey's leadership PAC. The complainant states that for the following reasons, the two committees should be

viewed as affiliated under the Act. First, Susan Arney, the treasurer of PIPAC, is the spouse of Richard Arney. Second, on February 5, 1989, a copy of PIPAC's 1988 12 Day Pre-General Report was faxed (electronically transmitted) from Congressman Arney's congressional office, thereby assertedly evidencing that Congressman Arney maintains control of PIPAC. Lastly, the complainant alleges both DAC and PIPAC made similar patterns of disbursements to the same consulting firm in Lewisville, Texas.

A. Applicable Law

Pursuant to 2 U.S.C. § 431(6) an authorized committee is defined as the principal campaign committee or any other political committee authorized by the candidate to receive contributions or make expenditures on his or her behalf. An unauthorized committee is defined as a political committee that has not been authorized by a candidate to receive contributions or make expenditures on behalf of that candidate. 11 C.F.R. § 100.5(f)(2). Pursuant to 2 U.S.C. § 432(e)(3)(A), no political committee that supports or has supported more than one candidate may be designated as an authorized committee of a candidate.

All authorized committees of the same candidate are affiliated. 11 C.F.R. § 100.5(g)(1). Furthermore, all political committees established, financed, maintained, or controlled by the same corporation, labor organization, person, or group of persons are affiliated. 2 U.S.C. § 441a(a)(5); 11 C.F.R. § 100.5(g)(2). The Regulations provide indicia that may be used to determine whether particular committees are affiliated, including the ability of one committee to influence the decisions of another,

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similar patterns of contributions, and the transfer of funds between committees. 11 C.F.R. § 100.5(g)(2)(ii). Political committees must disclose all affiliated committees in their statements of organization. 2 U.S.C. § 433(b)(2).

In Advisory Opinion 1978-12 and in subsequent enforcement matters, the Commission has faced the question of whether, and if so when, a candidate's authorized committee will be considered affiliated with a multicandidate committee with which the candidate has a special relationship. In MUR 2161 (Antonovich), this Office reviewed MURs 950, 1741, and 1870, and concluded: "In sum, although the Commission has never explicitly stated that a PCC and a multicandidate committee cannot be affiliated, its practice is to apply the contribution limits of 2 U.S.C. § 441a to transactions between such organizations. This same type analysis should be applied to the present situation." GC Report in MUR 2161 dated 7/11/86, at p. 17.

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As is discussed below, although the affiliation indicia strongly suggest that PIPAC and the Dick Arney Campaign ("DAC") may be affiliated committees, on comparison of the Commission's previous treatment of leadership PACs, this Office does not recommend the Commission initiate an investigation on the basis of the two committees' affiliation.

B. Application of Law to Alleged Facts

According to Commission records, DAC is the authorized committee of Congressman Richard K. Arney and PIPAC is an unauthorized non-connected political committee. Susan Arney is the treasurer of record for PIPAC. PIPAC's stationery lists Dick Arney as its Chairman and a copy of PIPAC's 1988 12 Day Pre-General Rep was faxed from his congressional office to the Office of the Clerk at the U.S. House of Representatives on February 9, 1989.

In addition, DAC and PIPAC

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disclosed on their disclosure reports the employment of the same consulting firm, M Group, which performed consulting services for them. There also appears to be some overlap in contributors to the two committees. Specifically, twenty-five (25) contributors to DAC (approximately 15% of the total) also contributed to PIPAC, and these contributors comprised about half of PIPAC's total contributors. Finally, two individuals appear to be involved with both committees. O.F. Henning was DAC's custodian of records from February 9, 1987 - February 7, 1989, DAC's assistant treasurer from February 9 - August 20, 1987, and as well a campaign consultant to DAC; he was also designated PIPAC's custodian of records from its inception in March 1988. Mike Keeling, who became DAC's new treasurer in February 1989, actually signed a March 1989 report of PIPAC as PIPAC's "Assistant Treasurer."

On the other hand, neither DAC nor PIPAC have disclosed their affiliation on their Statements of Organization, and Respondents state that no other political committee, including PIPAC, has been authorized by Congressman Armey to accept contributions or make expenditures on his behalf. When the Reports Analysis Division ("RAD") questioned whether PIPAC was affiliated with any other federal committees, Mrs. Armey responded in a letter dated

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March 9, 1988 that although her husband is the Chairman of PIPAC and has his own campaign committee, the two committees are not connected (Attachment 2, p. 3).

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Respondents state generally that, "PIPAC was established for two primary purposes: 1) to raise funds for Republican challengers, open seat candidates, and embattled incumbents, and 2) to provide challengers with information that will assist them in defeating incumbent Democrats." Respondents specifically argue that although Mrs. Arney is the candidate's spouse, she holds no position with DAC and the complaint lacks any allegation that her activities as treasurer are controlled by DAC. Regarding the common vendor used by both committees, close examination of DAC's and PIPAC's disclosure reports reveal little evidence of a similar pattern in disbursements to M Group for consulting services because the dates and amounts vary so greatly. Similarly, no apparent pattern suggesting concerted fundraising activities is presented by the common contributions received by the committees.^{3/} Moreover, Respondents correctly state that in MUR 1870, on similar facts this Office "found no indicia of affiliation based on the fact that the PAC and Congressman's campaign committee had, to an extent, received contributions from the same individuals nor on the fact that they had some vendors in common." Response at 3. Respondents conclude that those factors pointed to by complainant

^{3/} Most of the common contributors gave to DAC in early to late 1987 and donated to PIPAC in early to late 1988. The interval between each individual's contributions to the two committees ranges from four to seventeen months, with most contributions a year or more apart.

were found insufficient for a conclusion of affiliation in AO 1978-12 and in this Office's report in MUR 1870, while factors this Office found probative in MUR 1870 (although not by the Commission), i.e. interchange of personnel and common contributions by the PAC and campaign committee, have not been shown.

Two of Respondents' factual contentions appear not completely accurate. Respondents aver a lack of evidence that Mrs. Arney's activities are controlled by DAC, while Mrs. Arney herself appears to have conceded that the candidate gives guidance on the operation of the PAC, and the candidate in fact responded to the Commission on behalf of the PAC. Moreover, Respondents contend no interchange of personnel is present, but it appears that Messrs. Henning and Keeling at some time have been officials, or acted on behalf of both committees.

Nonetheless, the facts presented here pose a difficult issue. There is clear evidence of the candidate's involvement with the PAC, but on similar involvement of the candidate in AO 1978-12, the Commission did not conclude the two committees were affiliated. Although there is a question of overlapping personnel (in addition to the candidate), this Office has discovered no transactions between the two committees and the activities of the two appear to be entirely separate. For these reasons, in the particular context of leadership PACs, this Office recommends that the Commission find no reason to believe that Richard K. Arney, O.F. Henning, Jr., Susan Byrd Arney, Dick Arney Campaign and Mike Keeling, as treasurer and Policy Innovation Political Action

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Committee and Susan Arney, as treasurer, violated 2 U.S.C. § 433
or 11 C.F.R. § 102.2(b).

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PAGES 10 THROUGH 18 DO NOT PERTAIN TO MUR 2897.

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IV. RECOMMENDATIONS

A. MUR 2897

1. Find no reason to believe that Richard K. Arney, O.F. Henning, Jr., Susan Byrd Arney, Dick Arney Campaign and Mike Keeling, as treasurer violated 2 U.S.C. § 433 or 11 C.F.R. § 102.2(b).

2. Find no reason to believe that Policy Innovation Political Action Committee and Susan Arney, as treasurer violated 2 U.S.C. § 433 or 11 C.F.R. § 102.2(b).

3. Close the file in MUR 2897.

990407/5256

Lawrence M. Noble
General Counsel

11-27-89
Date

BY: Lois G. Lerner
Associate General Counsel

Attachments

1. Responses in MUR 2897
2. Correspondence relevant to MUR 2897
- 3.
- 4.
- 5.
6. PIPAC Statement of Organization
- 7.
8. Proposed notification letters
- 9.
- 10.

Staff assigned: Bernstein/Kapper

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Congressman Richard K. Armey; Susan Armey; O.F. Henning, Jr.;

Dick Arney Campaign and Mike)
Keeling, as treasurer; Policy Innovation)
Political Action Committee and Susan)
Arney, as treasurer)

MUR

2897

AMENDED CERTIFICATION

I, Hilda Arnold, recording secretary for the Federal Election Commission executive session of December 5, 1989, do hereby certify that the Commission took the following actions in the above-captioned matter:

(continued)

FEDERAL ELECTION COMMISSION
AMENDED CERTIFICATION FOR
MUR 2897

PAGE 2

DECEMBER 5, 1989

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2. Decided by a vote of 4-2 to approve
the recommendations in the General
Counsel's report dated November 27,
1989 in MUR 2897
as follows:

A. MUR 2897

- 1) Find no reason to believe that
Richard K. Armey, O.F. Henning, Jr.,
Susan Byrd Armey, Dick Armey Campaign
and Mike Keeling, as treasurer
violated 2 U.S.C. § 433 or 11 C.F.R.
§ 102.2(b).

(continued)

FEDERAL ELECTION COMMISSION
AMENDED CERTIFICATION FOR MUR
2897
DECEMBER 5, 1989

PAGE 3

- 2) Find no reason to believe that Policy Innovation Political Action Committee and Susan Arney, as treasurer violated 2 U.S.C. § 433 or 11 C.F.R. § 102.2(b).
- 3) Close the file in MUR 2897.

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(continued)

FEDERAL ELECTION COMMISSION
AMENDED CERTIFICATION FOR MUR
2897
DECEMBER 5, 1989

PAGE 4

99040775260

(continued)

FEDERAL ELECTION COMMISSION
AMENDED CERTIFICATION FOR MUR
2897

PAGE 5

- 17) Approve the letters, factual and legal analyses, and interrogatories as recommended in the General Counsel's Report dated November 27, 1989.

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

Attest:

12/20/89
Date

Hilda Arnold

Hilda Arnold
Administrative Assistant

99040775261



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 26, 1989

Frank M. Northam, Esquire
Webster, Chamberlain & Bean
1747 Pennsylvania Ave., N.W.
Suite 100
Washington, D.C. 20006

RE: MUR 2897
Richard K. Armey
Susan Armey
O.F. Henning, Jr.
Dick Armey Campaign and Mike F.
Keeling, as treasurer

Dear Mr. Northam:

On June 21, 1989, the Federal Election Commission notified your clients, Richard K. Armey, Susan Armey, O.F. Henning, Jr., and Dick Armey Campaign and Mike F. Keeling, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On December 5, 1989, on the basis of the information in the complaint, and information provided by you, the Commission found that there is no reason to believe Richard K. Armey, Susan Armey, O.F. Henning, Jr., and Dick Armey Campaign and Mike F. Keeling, as treasurer violated 2 U.S.C. § 433 or 11 C.F.R. § 102.2(b). Accordingly, the Commission closed its file in this matter.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, reading "Lois G. Lerner", is written over the typed name of the Associate General Counsel.

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 26, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Wayne Caton
710 Midway Drive
Eules, TX 76039

RE: MUR 2897

Dear Mr. Caton:

On December 5, 1989, the Federal Election Commission reviewed the allegations of your complaints received June 13, 1989 as well as information provided by the respondents, and in MUR 2897, found that there is no reason to believe Richard K. Arney, Susan Arney, O.F. Henning, Jr., Policy Innovation Political Action Committee and Susan Arney, as treasurer, and Dick Arney Campaign and Mike F. Keeling, as treasurer violated 2 U.S.C. § 433 or 11 C.F.R. § 102.2(b).

Accordingly, on December 5, 1989, the Commission closed the file in MUR 2897. The Federal Election Campaign Act of 1971, as amended ("the Act") allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

0904077526J



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2897

DATE FILMED 4/24/90 CAMERA NO. 3

CAMERAMAN AS

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