



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3995

DATE FILMED 2-22-95 CAMERA NO. 2

CAMERAMAN JMN

25043625151

K.G. Watson, P.C.

Attorney at Law

3857 Rose Lane

Martinez, Georgia 30907

13 June 94

706/868-7151

General Counsel
Federal Election Commission
999 E. Street, NW
Washington, D.C. 20463

MUR 3995

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
JUN 16 12 13 PM '94

Dear Sir:

Re: Violations of Federal Election Regulations

I wish to file a formal complaint regarding the enclosed letter (Incl) which was mailed out in the 10th District of Georgia. I did not receive one, however, it was given to me with the information that it had been received in the mail. I believe that it constitutes a violation of Section 110.11 (CFR 11) regarding the required information to be placed in advertising. I also believe that the statement regarding the donating of funds anonymously is misleading and incorrect.

The campaign of Mr. Ralph Hudgens, candidate for 10th District Congress, is responsible for the letter as the writer is a paid staffer for Mr. Hudgens.

It is requested that you inquire into this matter and notify me of your determination.

K.G. Watson
K.G. Watson

Signed and sworn to before me this 14th day of June, 1994.

James R. Holden

Notary Public, Columbia Co., Georgia
My Commission expires Nov. 3, 1997

25043625152

Candi A. Sprague

3591 Oakmont Court
Martinez, Georgia 30907

May 30, 1994

Dear _____,

I need your help. All of us agree that our Congressman Don Johnson must come home from Washington. However, there is some confusion in the Augusta area as to whom is the best person to replace him.

Since there are two local candidates, some Augustans have made a decision to support one of these candidates. However, being local doesn't mean you can win a district wide race, and that's why I am supporting Ralph Hudgens.

Ralph won 54% of the Tenth District primary vote two years ago against our own Senator Frank Albert, despite the fact that Frank beat Ralph in both Richmond and Columbia counties.

Ralph was narrowly defeated by Don Johnson in the general election. Simply stated, he has the necessary support to win district-wide. Furthermore, the fragmentation of the Augusta vote with these two local candidates makes his successful candidacy even more likely than two years ago.

I would like to ask you for your support of Ralph. Even if you have already supported another candidate, you can still donate up to \$100.00 to Ralph's campaign, and your donation can remain anonymous. In this way you can lend your support to the candidate that I believe is going to win, and yet you can still remain anonymous with other local candidates during the primary.

Please help me support and elect the only candidate that has the sufficient district-wide support necessary to beat Representative Johnson in November.

Sincerely,


Candi Sprague

Amel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 22, 1994

K.G. Watson, Esq.
3857 Rose Lane
Martinez, GA 30907

RE: MUR 3995

Dear Mr. Watson:

This letter acknowledges receipt on June 16, 1994, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) 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 3995. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

25043625154



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 22, 1994

Tim Waters, Treasurer
Hudgens for Congress
P.O. Box 80266
Athens, GA 30608

RE: MUR 3995

Dear Mr. Waters:

The Federal Election Commission received a complaint which indicates that Hudgens for Congress ("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 3995. 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 the Committee and you, as treasurer, 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 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by 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.

5043625155

Tim Waters, Treasurer
Hudgens for Congress
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

05043625156



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

JUNE 22, 1994

Ralph Terry Hudgens
c/o Hudgens for Congress
P.O. Box 80266
Athens, GA 30608

RE: MUR 3995

Dear Mr. Hudgens:

The Federal Election Commission received a complaint which indicates 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 3995. 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.

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25043625157

Ralph Terry Hudgens
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

25043625158



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUNE 22, 1994

Candace A. Sprague
3591 Oakmont Court
Martinez, GA 30907

RE: MUR 3995

Dear Ms. Sprague:

The Federal Election Commission received a complaint which indicates 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 3995. 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 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by 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.

25043625159

Candace A. Sprague
Page 2

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

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

25043625160

RALPH T. HUDGENS

P.O. BOX 80266
ATLANTA, GA 30608-0266

July 7, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

JUL 11 2 29 PM '94

Ms. Mary L. Taksar, Attorney
Central Enforcement Docket
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RE: MUR 3995

Dear Ms. Taksar,

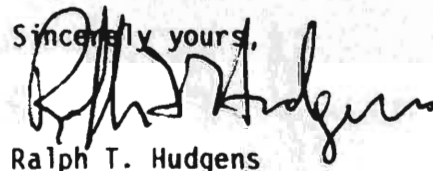
This response is in reply to your letters dated June 22, 1994 and received on Monday June 27, 1994. You sent the same letter to Tim Waters, Candice Sprague and me, all regarding correspondence from our campaign. This response is in reply to those three letters.

Mr. Watson filed a complaint regarding a letter sent from Candice A. Sprague stating that he felt it did not meet the requirements of 11 CFR 110.11. As you are well aware paragraph 110.11 outlines the requirement for a disclaimer to be included in material advocating the election or defeat of a particular candidate. In 11 CFR 110.11 (a)(1) it states: "Such person is not required to place the disclaimer on the front face or page of any such material, as long as a disclaimer appears within the communication,...". Mrs. Sprague's letter did advocate my election, however Mr. Watson did not send to you the complete mailing. I have included with this correspondence the other material that was included with the mailing. As you can see the biographical card includes the necessary disclaimer to meet the requirements of 11 CFR 110.11.

In response to Mr. Watson's other concern about the giving of funds and remaining anonymous. Mrs. Sprague was referring to the FEC requirement of only itemizing contributions of more than \$200.00. She is simply stating that her friends could avoid being listed on the FEC Report with a donation of \$100.00.

I hope this clears up this matter. Please let me know if you need any additional information.

Sincerely yours,


Ralph T. Hudgens

● ndice A. Sprague ●

3591 Oakwood Court
Martinez, Georgia 30907

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE DIVISION
Jul 11 7 16 PM '94

May 30, 1994

Dear _____,

I need your help. All of us agree that our Congressman Don Johnson must come home from Washington. However, there is some confusion in the Augusta area as to whom is the best person to replace him.

Since there are two local candidates, some Augustans have made a decision to support one of these candidates. However, being local doesn't mean you can win a district wide race, and that's why I am supporting Ralph Hudgens.

Ralph won 54% of the Tenth District primary vote two years ago against our own Senator Frank Albert, despite the fact that Frank beat Ralph in both Richmond and Columbia counties.

Ralph was narrowly defeated by Don Johnson in the general election. Simply stated, he has the necessary support to win district-wide. Furthermore, the fragmentation of the Augusta vote with these two local candidates makes his successful candidacy even more likely than two years ago.

I would like to ask you for your support of Ralph. Even if you have already supported another candidate, you can still donate up to \$100.00 to Ralph's campaign, and your donation can remain anonymous. In this way you can lend your support to the candidate that I believe is going to win, and yet you can still remain anonymous with other local candidates during the primary.

Please help me support and elect the only candidate that has the sufficient district-wide support necessary to beat Representative Johnson in November.

Sincerely,


Candi Sprague

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Jul 11 2 02 PM '94

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Am. 1

Ralph Hudgens

Means Business For Georgia

A Congressman Who Understands Business.

Ralph is president of Hudgens Enterprises, Inc., an investment and development company with holdings in real estate, stocks, bonds and mutual funds. Prior to beginning Hudgens Enterprises, Ralph had 18 years of experience with Shell Chemical Company and founded Quality Propane, Inc., a propane business which he sold in 1987.

As a businessman, Ralph knows what it takes to balance a budget and cut spending. That experience is the foundation to Ralph's belief in free enterprise, lower taxes, and cutting government over-regulation.

Background

Ralph and Suzanne have been married for 30 years and are residents of Madison County. They have four children and three grandchildren.

Ralph graduated from Georgia Military and then attended the University of Florida where he received his Bachelors Degree in agriculture.

In 1992, Ralph ran for the Tenth Congressional District of Georgia. After winning a five man race for the Republican nomination, Ralph received 46+% of the vote in November.

"Georgia businessmen deserve a new voice in Washington. President Clinton and Congressman Don Johnson aren't listening to businessmen and voters from this district. It's time to take a stand for free enterprise, for reducing taxes and getting government off our backs."

--Ralph Hudgens

**YES, I want to support Ralph Hudgens
and protect my future**

- ☐ I can help financially.
Enclosed is my check for \$ _____
- ☐ I will have a coffee in my house.
- ☐ I will host a reception with my
business associates
- ☐ You can put a sign in my yard or
a roadsign on my property
- ☐ Contact me about sponsoring a fund raiser.
- ☐ I will send letters/post cards.
- ☐ I will make telephone calls
- ☐ I will assemble/distribute signs.
- ☐ I will hold signs on Election Day.
- ☐ I will volunteer at Campaign Headquarters.

Name: _____

Address: _____

City/State/Zip: _____

County: _____

Phone #: _____ Fax #: _____

Employer: _____

Occupation: _____

This information is required by Federal Election Laws

Make checks payable to: Hudgens for Congress

P.O. Box 211786, Augusta, GA 30807
706-860-7272, FAX: 706-860-1168



RALPH

HUDGENS

Republican For Congress

25043625164

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

JAN 4 10 18 AM '95

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MURs #3980 and #3995
DATE COMPLAINTS FILED: May 26 and June 16, 1994
DATE OF NOTIFICATION: May 31 and June 22, 1994
DATE ACTIVATED: September 7, 1994
STAFF MEMBER: Tracey L. Ligon

COMPLAINANTS: Arthur William Rashap
K.G. Watson

RESPONDENTS: Hipp for Congress Committee and William
Ellison Thomas, as treasurer.

Hudgens for Congress and Tim Waters,
as treasurer.

RELEVANT STATUTE: 2 U.S.C. § 441d

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

These matters were initiated by signed sworn complaints filed with the Federal Election Commission ("the Commission") by Arthur William Rashap and K.G. Watson on May 26 and June 16, 1994, respectively. (Attachments 1 and 2). In the complaint of MUR 3890, Mr. Rashap alleges that Van Hipp, Jr. and/or the Hipp for Congress Committee violated 2 U.S.C. § 441d by posting billboards soliciting funds for a federal candidate without a disclaimer identifying who authorized and paid for the communication. In the complaint of MUR 3995, Mr. Watson alleges that the Hudgens for Congress committee failed to include a disclaimer in a letter which advocated the election of Ralph Hudgens.

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II. FACTUAL AND LEGAL ANALYSIS

Pursuant to 2 U.S.C. § 441d(a), whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other persons and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee. Such person is not required to place the disclaimer on the front face or page of any such material, as long as a disclaimer appears within the communication, except on communication, such as billboards, that contain only a front face.

11 C.F.R. § 110.11(a)(1).

25043625166

1. MUR 3980 - The Hipp for Congress Committee

As stated above, the complainant alleges that Van Hipp, Jr. and/or the Hipp for Congress Committee violated 2 U.S.C. § 441d by posting billboards soliciting funds for a federal candidate without a disclaimer identifying who authorized and paid for the communication. According to the complaint, on or about May 13, 1994, at least two billboards were posted along Route 17 in Mount Pleasant, South Carolina bearing the following message:

"Meet
Dick Cheney
May 27
937-0205"

The complainant stated that Route 17 is a heavily traveled four lane road. In the complaint dated May 21, 1994, the complainant claimed that he observed the billboards daily. The event that the billboards promoted was held on May 27, 1994.

The complainant stated that on May 19, 1994, he telephoned the number in the message and was told that a Bar-B-Que was being held on May 27, 1994 from 12:30 to 2:00 p.m. at which Dick Cheney and other veterans such as Harry Dent would speak and that the tickets were twenty-five dollars. He stated that he was also told that a sponsors' reception would be held at a cost of two hundred fifty dollars per ticket where Mr. Cheney would be present. The complainant stated that neither the name of Mr. Van Hipp or the Hipp for Congress Committee were mentioned during the conversation until he asked where the money would be going, at which time he was told that it was for Mr. Van Hipp.

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The complainant further stated that he asked the person on the telephone to send him tickets and information, copies of which he submitted with the complaint. The information regarding the fundraiser sent to the complainant was contained in a letter typed on Hipp for Congress letterhead and signed by Mr. Van Hipp. The letter bore a proper disclaimer on its face. The ticket for the event also bore a proper disclaimer.

In responding to the complaint, counsel for the Hipp for Congress Committee and William Ellison Thomas, as treasurer, stated that on May 16, 1994 campaign volunteers placed four signs around the Charleston, South Carolina area, two of which did not contain disclaimers in compliance with federal election law. He stated that the campaign volunteers that constructed the signs, which were handmade, had been instructed to include the necessary information but failed to do so. He further stated that as soon as knowledgeable campaign officials viewed the signs on the next day, May 17, 1994, the necessary information was added. In addition, counsel enclosed copies of six different pieces of campaign literature to support his contention that the event to which the signs related was otherwise promoted in full compliance with federal election laws.

The facts of this case raise the difficult issue of whether the billboards here were solicitations within the meaning of the statute and regulation, and themselves required disclaimers. Although the billboards advertised a fundraising event and listed the date of the event and a telephone number, they did not contain the cost of the event or any language soliciting a contribution.

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It was not until a later time when the viewer actually called the telephone number shown on the billboards that the cost of the event was provided and a solicitation occurred. The material sent to an individual as a result of a successful solicitation bore a proper disclaimer.

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If all of the written material in question had been part of one package, there would have been no violation because a proper disclaimer appeared on the ticket to the event. It is only because the message on the billboards was separated by time and space from the ticket to the event that the possibility of a violation even arises. Yet, this same separation raises a serious question as to whether a disclaimer was even required on the billboards. On balance, we have concluded that a disclaimer was required. Despite the separation of time and space, the message on the billboards and the information provided via telephone were so tied together as to render the billboards themselves an indirect form of solicitation. An important factor in this regard is that all of the necessary information was not listed on the billboards; anyone wishing to attend the event would have had to call the telephone number shown on the billboards to ascertain the time and location of the event. Therefore, the billboards at issue indirectly solicited contributions to the committee and required a disclaimer identifying who paid for and/or authorized the communication pursuant to 2 U.S.C. § 441d. Respondent admits that for a twenty to twenty-four hour period the billboards did not contain a disclaimer in compliance with federal law. Therefore, this Office recommends that the Commission find reason

to believe that the Hipp for Congress Committee and William Ellison Thomas, as treasurer, violated 2 U.S.C. § 441d.

However, this Office recommends that the Commission send an admonishment letter to the respondents and take no further action in this matter in light of the following considerations. Respondents have argued that volunteers were asked to place the necessary disclaimer on the sign, and that they made an error in failing to do so. Respondents also stated that they promptly corrected the billboards by adding a proper disclaimer the day after the billboards were erected. This story appears credible as the follow-up material sent to the complainant by the committee, including a letter and a ticket to the event promoted by the billboards, bore proper disclaimers. Since anyone requesting additional written information regarding the event would have received materials bearing the proper disclaimer, this Office does not believe this matter warrants the use of additional resources.

2. MUR 3995 - The Hudgens for Congress Committee

As stated above, the complainant in this matter alleges that the Hudgens for Congress committee failed to include a disclaimer in a letter which advocated the election of Mr. Ralph T. Hudgens. The complainant stated that he had not received the letter in the mail himself but that he had been given the letter with information that it was received in the mail in the tenth district of Georgia. The complainant stated that the Hudgens for Congress committee is responsible for the letter since the writer is a paid staffer for Mr. Hudgens.

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In responding to the complaint, Mr. Ralph T. Hudgens acknowledged the requirement that a disclaimer be included in material advocating the election or defeat of a particular candidate, and admitted that the letter at issue advocated his election. However, Mr. Hudgens quoted that part of 11 C.F.R. § 110.11(a)(1) which provides that a disclaimer need not be placed on the front face or page of any such material as long as it appears within the communication, and asserted that the complainant did not provide the Commission with the complete mailing. Mr. Hudgens enclosed a copy of other materials that he claims were included in the mailing, which include a biographical card bearing a proper disclaimer.

While the letter submitted with the complaint in this matter expressly advocates the election of a clearly identified candidate and does not include a disclaimer, the information currently in the file supports the respondents' contention that the mailing did not consist only of the letter at issue but also included additional material. Specifically, at the bottom of the letter, there is a handwritten truncated notation that appears to be "Incl," the abbreviation of a variant of enclosure. Additionally, in the complaint, the complainant himself refers to the letter at issue as the enclosed "letter(Incl)." Moreover, the complainant's admission that he did not personally receive the letter in the mail himself but was given the letter by someone else further supports respondents' position that additional materials were included in the mailing. Therefore, this Office recommends that the Commission find no reason to believe that the Hudgens for

Congress committee and Tim Waters, as treasurer violated 2 U.S.C. § 441d.¹

III. RECOMMENDATIONS

1. Find reason to believe that the Hipp for Congress Committee and William Ellison Thomas, as treasurer, violated 2 U.S.C. § 441d, issue an admonishment, and take no further action against these respondents.

2. Close the file in MUR 3980.

3. Find no reason to believe that the Hudgens for Congress committee and Tim Waters, as treasurer violated 2 U.S.C. § 441d.

25043625172

1. The complainant in this matter also expressed his belief that a statement contained in the letter regarding the donating of funds anonymously is misleading and incorrect. In the letter, the writer stated: "Even if you have already supported another candidate, you can still donate up to \$100.00 to Ralph's campaign, and your donation can remain anonymous." In this regard, the respondent stated that the writer was referring to the "FEC requirement of itemizing only contributions of more than \$200.00," and was simply stating that her friends could avoid being listed on the "FEC Report" with a donation of one hundred dollars. While the statement at issue is not a violation of the FECA, it is, as the complainant contends, misleading. Not only is the Committee required to keep records of all contributions, but it is required to report any contributions that, in the aggregate, exceed \$200. Thus, contributions totaling less than \$200 are not anonymous. Accordingly, we recommend that any letter the Commission sends to the respondents includes an explanation of the misleading nature of respondents' solicitation letter and requests that future letters be rephrased to more accurately reflect the law.

4. Close the file in MUR 3995.
5. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

Date 1/3/95

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:

1. Complaint in MUR 3980
2. Complaint in MUR 3995
3. Hipp for Congress Committee Response
4. Hudgens for Congress Response
5. Factual and Legal Analysis - MUR 3980

250436251/3



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: JANUARY 9, 1995

SUBJECT: MURs 3980 and 3995 - FIRST GENERAL COUNSEL'S
REPORT DATED 1/3/95.

The above-captioned document was circulated to the
Commission on Wednesday, January 4, 1995 at 4:00 p.m.

Objection(s) have been received from the
Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	<u>XXX</u>
Commissioner Elliott	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Potter	<u> </u>
Commissioner Thomas	<u>XXX</u>

This matter will be placed on the meeting agenda
for Tuesday, January 24, 1995.

Please notify us who will represent your Division before
the Commission on this matter.

250436251/4

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Hipp for Congress Committee and	)	MUR 3980
Ellison Thomas, as treasurer.	)	
	)	
Hudgens for Congress and Tim Waters)	)	MUR 3995
as treasurer.	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on January 24, 1995, do hereby certify that the Commission took the following actions with respect to MUR 3980 and MUR 3995:

1. Failed in a vote of 3-3 to approve the recommendations in the General Counsel's report to take the following actions:
 - a) Find reason to believe that the Hipp for Congress Committee and William Ellison Thomas, as treasurer, violated 2 U.S.C. § 441d, issue an admonishment, and take no further action against these respondents.
 - b) Close the file in MUR 3980.
 - c) Find no reason to believe that Hudgens for Congress and Tim Waters, as treasurer, violated 2 U.S.C. § 441d.

(continued)

25043625175

Federal Election Commission
Certification: MURS 3980 and 3995
January 24, 1995

Page 2

- d) Close the file in MUR 3995.
- e) Approve the appropriate letters as recommended in the General Counsel's January 3, 1995 report.

Commissioners McDonald, McGarry, and Potter voted affirmatively to approve the General Counsel's recommendations. Commissioners Aikens, Elliott, and Thomas dissented.

- 2. Decided by a vote of 5-0 to close the files in MUR 3980 and MUR 3995 and send appropriate letters.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for this decision. Commissioner Potter was not present.

Attest:

1-25-95
Date

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

25043625176



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

JAN 31 8 53 AM '95

January 31, 1995

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner *LL*
Associate General Counsel

SUBJECT: MUR 3995

On January 4, 1995, this Office circulated together MURs 3980 and 3995 to the Commission. We recommended that the Commission find RTB but take no further action and close the file in MUR 3980. In MUR 3995, we recommended that the Commission find no RTB and close the file.

The objections, as described to this Office, pertained only to MUR 3980, which involved the issue of whether a committee violated 2 U.S.C. § 441d by posting billboards ("Meet Dick Cheney") without a disclaimer. In the executive meeting held on January 24, 1995, the Commission was equally divided on whether to find RTB in MUR 3980. There was no discussion in the meeting regarding MUR 3995. Nonetheless, because there was no separate vote on the recommendations on MUR 3995, when the tally vote was changed at the meeting, the vote appears to have applied to both MUR 3980 and MUR 3995.

Based on the discussion at the meeting, it is our belief that the Commission did not intend to include MUR 3995 in the 3-3 vote. Therefore, to clarify the Commission's intentions in this regard, we are putting the recommendations in MUR 3995 before the Commission again. This Office made the following recommendations in MUR 3995:

III. RECOMMENDATIONS

1. Find no reason to believe that the Hudgens for Congress committee and Tim Waters, as treasurer, violated 2 U.S.C. § 441d.
2. Close the file in MUR 3995.
3. Approve the appropriate letters.

Attachment:
Certification

5043625177

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Hudgens for Congress Committee
and Tim Waters, as treasurer.

)
)
) MUR 3995
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 3, 1995, the Commission decided by a vote of 5-0 to take the following actions in MUR 3995:

1. Find no reason to believe that the Hudgens for Congress Committee and Tim Waters, as treasurer, violated 2 U.S.C. § 441d.
2. Close the file in MUR 3995.
3. Approve the appropriate letters, as recommended in the General Counsel's Memorandum dated January 31, 1995.

Commissioners Aikens, Elliott, McGarry, Potter, and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

2-3-95

Date

for Delores Hardy
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Tues., Jan. 31, 1995 8:53 a.m.
Circulated to the Commission: Tues., Jan. 31, 1995 11:00 a.m.
Deadline for vote: Fri., Feb. 03, 1995 4:00 p.m.

bjr

25043625178



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 9, 1995

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

K.G. Watson, Esq.
3857 Rose Lane
Martinez, GA 30907

RE: MUR 3995

Dear Mr. Watson:

On February 3, 1995, the Federal Election Commission reviewed the allegations of your complaint dated June 13, 1994, and found that on the basis of the information provided in your complaint, and information provided by Ralph T. Hudgens, there is no reason to believe the Hudgens for Congress committee and Tim Waters, as treasurer, violated 2 U.S.C. § 441d. Accordingly, on February 3, 1995, the Commission closed the file in this matter.

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).

The General Counsel's Report upon which the Commission relied in reviewing this matter is enclosed. Portions of the report have been obliterated to maintain the confidentiality of the parties involved in a separate matter that was also discussed in the report. If you have any questions, please contact Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure:
General Counsel's Report

25043625179



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 9, 1995

**Tim Waters, Treasurer
Hudgens for Congress
P.O. Box 80266
Athens, GA 30608**

RE: MUR 3995

Dear Mr. Waters:

On June 22, 1994, the Federal Election Commission notified the Hudgens for Congress committee and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On February 3, 1995, the Commission found, on the basis of the information in the complaint, and information provided by Ralph T. Hudgens, that there is no reason to believe the committee or you, as treasurer, violated 2 U.S.C. § 441d. Accordingly, the Commission closed its file in this matter.

However, this Office directs your attention to the letter dated May 30, 1994, which was the subject of this matter, wherein Candice A. Sprague stated "Even if you have already supported another candidate, you can still donate up to \$100.00 to Ralph's campaign, and your donation can remain anonymous." The Commission advises that this statement is misleading and should be rephrased in any future communications to more accurately reflect the law. Not only is a political committee required to keep records of all contributions, but it is required to file a report with the Commission which includes the identification of each person who makes a contribution or whose aggregate of contributions exceed \$200 within the calendar year. 2 U.S.C. § 434(b)(3)(A); 11 C.F.R. § 104.3(a)(4). Identification includes the name, address, occupation and employer of the contributor. 2 U.S.C. § 431(13); 11 C.F.R. § 100.12.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal

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materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel


BY: Lois G. Lerner
Associate General Counsel

Enclosure:
General Counsel's Report

25043625131



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

February 21, 1995

Candace A. Sprague
3591 Oakmont Court
Martinez, GA 30907

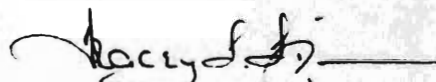
Re: MUR 3995

Dear Ms. Sprague:

This is to advise you that the matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,


Tracey L. Ligon
Attorney

25043625132



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 21, 1995

Ralph Terry Hudgens
c/o Hudgens for Congress
P.O. Box 80266
Athens, GA 30608

Re: MUR 3995

Dear Mr. Hudgens:

This is to advise you that the matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,


Tracey L. Ligon
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

THIS IS THE END OF MUR # 3995

DATE FILMED 2-22-95 CAMERA NO. 2

CAMERAMAN JMN

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