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FEDERAL ELECTION COMMISSION
MAY 30 5 27 1997

BEFORE THE FEDERAL ELECTION COMMISSION

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In the Matter of
Republican National Committee, and
Alec Poitevint, Treasurer

MUR 4250

RESPONSE OF THE REPUBLICAN NATIONAL COMMITTEE TO THE AMENDED COMPLAINT OF THE DEMOCRATIC NATIONAL COMMITTEE

The Republican National Committee ("RNC") hereby responds to the amended complaint filed by the Democratic National Committee ("DNC") in the above-referenced matter under review. The RNC incorporates herein its September 20, 1995, response to the DNC's original complaint in this matter. The amended complaint, like the original complaint, fails to provide any evidence that the RNC has violated the Federal Election Campaign Act of 1971, as amended ("FECA"), or any applicable Federal Election Commission ("FEC" or "Commission") regulation. Accordingly, the Commission should find "no reason to believe" in MUR 4250 and dismiss this matter.

On September 5, 1995, the FEC notified the RNC that it had received a complaint from the DNC in MUR 4250. The DNC complaint alleged that the National Policy Forum ("NPF") was a project of the RNC, and that the RNC violated 2 U.S.C. § 434 and 11 C.F.R. §§ 104.8(e) and 104.9 by failing to disclose the receipts and reimbursements of NPF. The complaint further alleged that the RNC violated 2 U.S.C. §§ 441a(f) and 441b and 11 C.F.R. §§ 102.5, 106.5(a), 110.9(a) and 114.2 by failing to allocate NPF expenses between its federal and non-federal accounts. Alternatively, the complaint alleged that if

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NPF were deemed to be a separate, non-profit corporation, the RNC accepted "millions of dollars worth of illegal corporate contributions" in violation of 2 U.S.C. § 441b and 11 C.F.R. §§ 114.2, 114.3 and 114.4.

On September 20, 1995, the RNC filed a response demonstrating that the allegations in the DNC's complaint lacked foundation and were utterly without merit. The RNC's response stated that: (1) The NPF was a non-profit educational foundation that was organized and maintained apart from the RNC; (2) NPF is not a "political committee" within the Commission's jurisdiction; (3) Because NPF is not a political committee within the FEC's jurisdiction, the RNC has not and could not be affiliated with it under FECA; and (4) All of the RNC's transactions with NPF were proper and lawful.

On May 15, 1997, the Commission notified the RNC that the DNC had filed an amended complaint in MUR 4250. The amended complaint -- which relies upon a mere five newspaper articles -- adds nothing to the original complaint and regurgitates many of the same allegations. Accordingly, the RNC stands by its September 20, 1995, response to the original complaint and incorporates its response herein. The RNC also would like to emphasize several key points.

First, the NPF was separately incorporated as a 501(c)(4) non-profit entity and the RNC neither authorized nor sanctioned any of its activities. Based on published news accounts, the RNC understands that although the Internal Revenue Service initially denied NPF's application for 501(c)(4) status, the NPF is appealing that initial determination. To the best of the RNC's knowledge, NPF has engaged in no activity that

is inconsistent with having 501(c)(4) status. In any event, whether or not NPF is given status as a 501(c)(4) organization by the IRS, it is a separately incorporated not-for-profit entity.

Second, to the best of the RNC's knowledge, the NPF did not engage in any activity which would subject it to regulation under FECA. Upon information and belief, NPF did not contribute to or in any way support any federal candidate, nor was it ever involved in any election-related activities such as voter registration or generic get-out-the-vote efforts. NPF also did not make any contributions to the RNC.

Finally, because the NPF was a legally distinct entity, with its own governing board of directors, staff, and office facilities, the RNC did not and could not control NPF's disbursements, and the RNC had no legal obligation or ability to disclose the financial activity of NPF. The RNC also was not liable for any of NPF's legal obligations.

For all the foregoing reasons, the Commission should find no "reason to believe" that the RNC has violated FECA and should dismiss the original and amended complaints in MUR 4250.

Respectfully submitted,



Thomas J. Josefiak

Counsel for the Republican National Committee
and Alec Poitevint, as Treasurer

DATED: May 30, 1997