

LIONEL SAWYER & COLLINS

ATTORNEYS AT LAW
1700 BANK OF AMERICA PLAZA
300 SOUTH FOURTH STREET
LAS VEGAS, NEVADA 89101
(702) 383-8888

JOHN R. BAILEY

FAX (702) 383-8845

WRITER'S DIRECT DIAL NUMBER:
(702) 383-8889

TRANSMITTAL MEMORANDUM

TO: TRACEY L. LIGON
COUNSEL
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FROM: JOHN R. BAILEY

DATE: OCTOBER 1, 1997

FILE: MUR 4632; NEVADA STATE REPUBLICAN COMMITTEE AND RONALD F. RYAN

OCT 2 9 57 AM '97
RECEIVED
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

ENCLOSED ARE THE ORIGINAL AND TEN COPIES OF RESPONDENTS' BRIEF IN THE ABOVE-REFERENCED MATTER WHICH YOUR RECEPTIONIST TOLD MY SECRETARY YOU WOULD FORWARD TO THE SECRETARY OF THE COMMISSION FOR FILING. IN ADDITION, ENCLOSED ARE THREE COPIES OF THE BRIEF FOR YOUR OFFICE. THANK YOU FOR YOUR ASSISTANCE IN THIS MATTER. IF YOU HAVE ANY QUESTIONS, PLEASE DO NOT HESITATE TO CALL ME.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4632
The Nevada State Republican Central Committee)
and Ronald F. Ryan, as Treasurer)

RESPONDENTS' BRIEF

The Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities, found reason to believe that the Nevada State Republican Central Committee and Ronald F. Ryan, as treasurer ("Respondents" or "Committee"), violated 2 U.S.C. §§ 432(a), 433(c), and 434 (a)(4)(B) and instituted an investigation into this matter. In its brief the General Counsel set forth the legal and factual issues in this matter and found probable cause to believe that Respondents violated said section.

While the Committee does not dispute such facts, it does offer the following by way of explanation:

On February 2, 1995, Bob Beers resigned as the Committee's Treasurer. Jason Hall was immediately appointed as Interim Treasurer until Bob Bingham was elected Treasurer on May 4, 1995. On July 15, 1995, Brian McKay resigned as Chairman of the Committee. Nancy Ernaut served as Interim Chairman until John Mason was elected Chairman on August 26, 1995. When the Committee became aware of the fact that Mr. Bingham was not complying with FEC reporting requirements, Mr. Bingham was asked to resign (on July 30, 1995), which he did. Mr. Beers was reappointed Treasurer that same date. The Committee thereafter made numerous requests of Mr. Bingham to return the Committee's financial records he had taken upon his resignation. Mr. Bingham failed to do so, and the financial records had to be completely reconstructed. As the records for each reporting period were reconstructed, the FEC reports were filed. On May 5, 1996, John Mason was re-elected Chairman and Ron Ryan was elected Treasurer. Since this time, all reports have been timely filed.

In addition, the Committee has taken these additional steps to ensure the timely filing of reports in the future:

1. Previously, the Committee Treasurer was responsible for all FEC reporting with no support from the other officers or staff of the Committee. All FEC record keeping and data input is now done internally with the Treasurer reviewing and approving all FEC transactions and reports.

2. The Committee purchased new software for FEC record keeping at a purchase price of \$7,552.44, with annual support fees of \$1,200.00.

3. The Committee has hired a part-time employee to perform FEC accounting at an annual cost of approximately \$6,000.00.

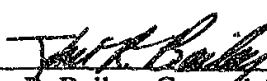
4. There are now four individuals, rather than just one, entrusted with the responsibility of ensuring that the FEC reports are timely filed; to wit: the Chairman, Treasurer, and Executive Director of the Committee and the FEC accounting employee.

5. A schedule of deadlines has been implemented: Draft FEC reports are due to the Executive Director by the 7th of each month; his corrections are due to the Treasurer by the 10th of each month; the finalized reports are then forwarded to the FEC by the 15th of each month.

While Respondents do not dispute the facts as presented in General Counsel's Brief, it does believe the Commission should take into account the unintentional nature of the acts complained of, the Committee's prompt response in correcting the reporting deficiencies, and the measures implemented to ensure that such problems do not arise in the future.

Dated this 1ST day of October, 1997.

RESPONDENTS:



John R. Bailey, General Counsel
Nevada State Republican Party