

FEDERAL ELECTION COMMISSION

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FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

PRE-MUR: 320

DATE ACTIVATED: AUGUST 19, 1996

STAFF MEMBER: Tony Buckley

SOURCE: INTERNALLY GENERATED

RESPONDENTS: New York Republican Federal Campaign Committee and
Lewis B. Stone, as treasurer
Jeffrey T. Buley
David R. Dudley
Mary F. Obwald
Gregory V. Serio
Luther Mook
Kings County Republican Committee and its treasurer
Dorn & Associates, P.C.

RELEVANT STATUTES: 2 U.S.C. § 431(4)(C)
2 U.S.C. § 431(9)(A)(i)
2 U.S.C. § 432(h)(1)
2 U.S.C. § 433(a)
2 U.S.C. § 434(a)(1)
2 U.S.C. § 434(b)(5)(A)
2 U.S.C. § 434(b)(6)(B)(i)
2 U.S.C. § 434(b)(6)(B)(v)
2 U.S.C. § 441(b)(a)
2 U.S.C. § 441b(b)(2)
11 C.F.R. § 100.17
11 C.F.R. § 104.3(b)(3)(i)
11 C.F.R. § 104.3(b)(3)(i)(A)
11 C.F.R. § 104.3(b)(3)(i)(B)
11 C.F.R. § 104.3(b)(3)(viii)
11 C.F.R. § 104.3(b)(3)(ix)
11 C.F.R. § 106.1(c)(2)
11 C.F.R. § 106.1(d)

INTERNAL REPORTS CHECKED: Referral materials
 Disclosure reports
 Dun & Bradstreet

FEDERAL AGENCIES CHECKED: Internal Revenue Service

I. GENERATION OF MATTER

On September 18, 1995, the U.S. Attorney's Office for the Northern District of New York ("USAO") referred apparent violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the New York Republican Federal Campaign Committee ("the Committee") to the Commission. These apparent violations had been disclosed to the USAO by "a confidential source who has longstanding ties to the Republican Party."

According to the referral, the Committee's 1994 30-Day Post-General Report contained incorrect information regarding the disbursement of \$50,000 on November 7, 1994, the day before the 1994 general election. The referral cites four entries of disbursements on the Post-General Report's Joint Federal/Non-Federal Activity Schedule, the Schedule H4, to individuals living in the Albany, New York area, specifically, disbursements to Jeffrey T. Buley and David R. Dudley of \$15,000 each, and disbursements to Mary F. Obwald and Gregory V. Serio of \$10,000 each. The purpose indicated for each disbursement was "election day expenses," and the category checked for each was "ADMINISTRATIVE/VOTER DRIVE."¹

¹ Where such costs are involved, state parties must allocate them based on the ballot composition method. Specifically, state parties must allocate costs between federal and non-federal elections based on the ratio of federal offices expected on the ballot to total federal and non-federal offices on the ballot, in the next general election to be held in the committee's state. See 11 C.F.R. § 106.5(d)(1)(i)-(ii). Here, the Committee calculated the federal allocation at 22.2 percent as indicated on the Schedule H1 accompanying its 1993 Mid-Year Report. Consistent with this, for those individuals who received \$15,000, the allocation was \$3,330 for the federal share and \$11,670 for the non-federal share; for those individuals who received \$10,000, the allocation was \$2,220 for the federal share and \$7,780 for the non-federal share. This Office has no information which would suggest that the Committee improperly calculated the allocation ratio.

The referral points out that the use of the phrase "election day expenses" does not meet the reporting requirements of 11 C.F.R. § 104.3(b)(3)(i)(B).

According to the referral, the Committee's treasurer questioned Jeffrey Buley, one of the \$15,000 recipients, about the disbursements. The treasurer was told by Mr. Buley that "the checks were turned into cash for later distribution, possibly described as 'walking around money.'" The referral notes the USAO's concern that the disbursements were structured to generate a large amount of cash that was turned over to an unidentified individual or unidentified individuals in New York City "who did not wish to be identified publicly as working for the Republican Party, or whom the Republican Party did not wish to identify as the recipient(s) of the funds." The referral suggests that the ultimate recipients of, and the purposes for, the disbursements have gone unreported.

In addition to the four disbursements mentioned in the referral, the Committee's 1994 30-Day Post-General Report shows disbursements of \$5,000 each on November 5 and 9, 1994 to Luther Mook and the Kings County Republican Committee ("KCRC"),² respectively, for which the stated purpose is "election day expenses."³

Not addressed in the referral is the fact that, on March 22, 1995, the Reports Analysis Division ("RAD") sent a Request for Additional Information ("RAFI") to the Committee,

² At this time, it is unclear to this Office whether the KCRC exists in any substantial capacity. The only evidence regarding the existence of the KCRC this Office could obtain is its phone number, which was obtained from the Committee. That number is the same number as that of a Brooklyn, New York law firm, Dorn & Associates. Other than this information, no other source was available to enable this Office to locate the KCRC. No such entity is registered with the Commission or the New York State Board of Elections. None of three sources regarding corporate and/or non-profit entities, the Internal Revenue Service, the New York Secretary of State and the Dun & Bradstreet database, had any information regarding an entity known as the Kings County Republican Committee. Directory assistance in New York had no record of a phone number being assigned to that entity, and a review of a "criss-cross" directory showed no such entity at the address given for it on the Committee's report.

³ These disbursements were allocated similarly to the others.

specifically citing the itemization of certain disbursements as being for "election day expenses." The RFAI referred the Committee to 11 C.F.R. § 104.3(b)(3) and asked that the Committee clarify the description.

On April 24, 1995, the Committee filed an amended 1994 30-Day Post-General Report, on which it changed the purpose for the disbursements to Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook and the KCRC. For each of these entries, the Committee now explained the purpose of the disbursements as "GOTV - Travel Expense Reimbursement and Catering Costs." A letter from Jeffrey T. Buley accompanying the amended report stated that "all 'get-out-the-vote' expenditures were generic and party building in nature and, consequently, did not reference any specific United States House or Senate candidate."⁴

On February 12, 1997, this Office received a memorandum from RAD, seeking review of an RFAI to be sent to the Committee regarding the Committee's 1996 30-Day Post-General Report. One of the issues addressed in the RFAI was the Committee's use of the phrase "election day expenses" to describe the purpose of disbursements totaling \$22,500 in the days just prior to the 1996 general election.

II. FACTUAL AND LEGAL ANALYSIS

A. Applicable Law

Pursuant to 2 U.S.C. § 434(b)(5)(A) and 11 C.F.R. § 104.3(b)(3)(i), a political committee must report the name and address of each person to whom an expenditure in excess of \$200 is made by that committee to meet an operating expense, together with the date, amount and purpose of such operating expenditure. Likewise, pursuant to 2 U.S.C. § 434(b)(6)(B)(i) and

⁴ Buley signed the letter as Counsel to the Committee.

11 C.F.R. § 104.3(b)(3)(viii), a political committee must report the name and address of each person who receives any expenditure from that committee in connection with an expenditure under 2 U.S.C. § 441a(d), together with the date, amount and purpose of any such expenditure, as well as the name of, and office sought by, the candidate on whose behalf the expenditure is made. An expenditure is “any purchase payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office.” 2 U.S.C. § 431(9)(A)(i). A political committee must also report the name and address of each person who has received a disbursement not otherwise reported, in excess of \$200, together with the date, amount and purpose of any such disbursement. 2 U.S.C. § 434(b)(6)(B)(v); 11 C.F.R. § 104.3(b)(3)(ix). “Purpose” means a brief statement or description of why the disbursement was made. 11 C.F.R. § 104.3(b)(3)(i)(A). Commission regulations expressly hold that the statement “election day expenses” is not a sufficient description for reporting the purpose of a disbursement. 11 C.F.R. § 104.3(b)(3)(i)(B).

Pursuant to 11 C.F.R. § 106.1(c)(2), expenditures for get-out-the-vote drives of committees do not have to be attributed to individual candidates unless those expenditures are made on behalf of a clearly identified candidate, and those expenditures can be directly attributed to that candidate. A candidate is “clearly identified” if the candidate’s name, nickname, photograph, or drawing appears, or the identity of the candidate is otherwise apparent through an unambiguous reference such as “your congressman” or “the incumbent,” or through an unambiguous reference his or her status as a candidate. *See* 11 C.F.R. §§ 106.1(d) and 100.17.

In Advisory Opinion 1983-25, the Commission addressed the question of what detail is required in reporting disbursements to a vendor, where that vendor subcontracts some of the work to third parties. The Commission relied on several factors in determining that the

committee could meet its reporting obligation by only reporting the disbursements to the vendor, and not itemizing the payments by the vendor to the third parties. Those factors included the fact that the vendor was a corporation, with a legal existence separate and distinct from the operation of the committee; the fact that the firm's principals did not hold any staff positions with the committee; and the fact that the committee had conducted arm's-length negotiations with the vendor and planned to enter into a formal contract.

Pursuant to 2 U.S.C. § 432(h)(1), no disbursement may be made by a political committee in any form other than by check drawn on the committee's account at its designated campaign depository, except for disbursements of \$100 or less from a petty cash fund.

Pursuant to 2 U.S.C. § 433(a), every political committee which is not an authorized committee and which is not a separate segregated fund shall file a statement of organization with the Commission within 10 days after becoming a political committee within the meaning of 2 U.S.C. § 431(4). Pursuant to 2 U.S.C. § 431(4)(C), a local committee of a political party is a "political committee" for purposes of the Act if it receives contributions aggregating in excess of \$5,000 during a calendar year, or makes payments exempted from the Act's definition of "contribution" or "expenditure" aggregating in excess of \$5,000 during a calendar year, or makes contributions or expenditures aggregating in excess of \$1,000 during a calendar year. All political committees must file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a)(1). Such reports must include contributions received and expenditures made. *See generally* 2 U.S.C. § 434(b).

Pursuant to 2 U.S.C. § 441b(a), it is illegal for any corporation to make a contribution in connection with any election for Federal office, or for any political committee to accept any such contribution. A contribution is "any direct or indirect payment, distribution, loan, advance,

deposit, or gift of money, or any services, or anything of value . . . to any . . . political party or organization, in connection with any election” to Federal office. 2 U.S.C. § 441b(b)(2). The Commission has previously found reason to believe that section 441b(a) has been violated when a non-federal account transfers, and a political committee accepts, funds which contained corporate money. *See, e.g.,* MUR 2535, *In the Matter of Treen for Congress Committee*; *see also* 11 C.F.R. § 102.6(a)(1)(iv) (which requires that transfers of funds between certain committees be made only with funds which are permissible under the Act).

B. Analysis

1. Violations associated with the 1994 30-Day Post-General Report

a. Reporting violations

The Committee initially reported the purpose of six disbursements totaling \$60,000 on its 1994 30-Day Post-General Report as for “election day expenses.” The use of the phrase “election day expenses” is not a sufficient description for reporting the purpose of a disbursement, pursuant to Commission regulations. In response to an RFAI from RAD, the Committee revised their report to cite “GOTV - Travel Expense Reimbursement and Catering Costs” as the purpose for these disbursements. A note accompanying the amended report stated that all get-out-the-vote expenditures were generic or party building in nature and did not reference any specific Federal candidate. This last statement was apparently included so as to exclude the possibility that the disbursements at issue were made in connection with an expenditure under 2 U.S.C. § 441a(d).

This Office does not believe that the amended report resolves the issue of whether the proper purpose of the disbursements to Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook and the entity identified as the Kings County Republican

Committee, has been provided. First, there is the statement in the referral that a source known to the U.S. Attorney in Albany was aware of a conversation in which one of the individuals who received one of the disbursements admitted that he cashed the check and that the cash was subsequently distributed as "walking around money."

Moreover, according to the referral from the USAO, at the time of the payments Ms. Obwald was a secretary-receptionist for the New York State Republican Party, Mr. Dudley was Chairman of the Rensselaer County Republican Party, Mr. Buley was Counsel to the New York State Republican Party, and Mr. Serio was Counsel to the New York Senate Insurance Committee.⁶ These four individuals "are primarily identified with the [Committee] in their professional job capacities and not as campaign activists." Given this fact, the accounts of three separate sources, and the amounts and timing of the disbursements, it does not appear that the

⁶ The referral mentions the organizational affiliations of the individuals for identification purposes; nothing suggests that the disbursements were actually made to the organizations.

current explanation, that the money disbursed to Jeffrey T. Buley, David R. Dudley, Mary F. Obwald and Gregory V. Serio was used for "GOTV - Travel Expense Reimbursement and Catering Costs," is credible.

According to information available to the Commission, Luther Mook has been an activist with the New York Republican Party, being described in a May 1994 newspaper article as "the man who has been charged with bringing Asians into the state Republican Party." Katherine Scobey, *Chinese-Americans Surprise GOP With Their Fervor For Democracy*, SYRACUSE HERALD-J., May 24, 1994 at A4. Nevertheless, given that the purpose for the disbursements to Luther Mook and the Kings County Republican Party were changed to the exact same explanation, the correctness of those entries is also questionable.

Moreover, it is still possible that the funds in question were used in connection with an expenditure under 2 U.S.C. § 441a(d), the statement of Mr. Buley notwithstanding. The Committee has acknowledged that, in allocating certain amounts of the disbursed funds to federal activity, federal candidates benefited from the disbursements. It is unclear how Mr. Buley could know whether a specific candidate or specific candidates were referenced in the get-out-the-vote effort, as he had apparently passed along the money to others to perform that function. Thus, whether the disbursements were used in connection with an expenditure under 2 U.S.C. § 441a(d) appears to be an open question, as well as whether the disbursements were made to meet an operating expense, or were made for some other reason.⁷

⁷ With regard to the possibility that the disbursements were made in connection with an expenditure under 2 U.S.C. § 441a(d), the coordinated party expenditure limit for House candidates in the 1994 elections was \$29,300. See Federal Election Commission RECORD, Volume 20, Number 3 (March 1994). Although the Committee's reports on file with the Commission do not show any coordinated expenditures in connection with the 1994 Federal elections, reports filed by the National Republican Congressional Committee ("NRCC") show that the NRCC made a number of coordinated expenditures in New York which were almost twice the limit allowed for coordinated expenditures (\$58,600). Such expenditures include those on behalf of: Charles Millard in the 14th District for

Also, while it is apparently clear that the Committee did not report the proper recipient of the disbursement to the KCRC, it further appears that the Committee has not reported the proper recipients of the four disbursements itemized in the referral, as well as the proper recipient of the disbursement to Luther Mook. The referral notes that Jeffrey Buley has admitted that the checks were cashed and the cash was distributed as "walking around money." If this occurred, then the actual recipients of the funds are unknown.

The disbursement of funds to the four individuals identified in the referral, as well as to Luther Mook and the KCRC, appears to place the Committee outside the scope of the requirements outlined by the Commission in AO 1983-25 which permit less detailed reporting. First, the persons to whom the Committee made the disbursements were individuals, not corporations. Second, it does not appear that there were arm's-length relationships between the individuals or the KCRC and the Committee; indeed, two of the individuals worked directly for the Committee in some capacity, while the other three clearly were involved in the activities of the Committee. This Office could only locate information regarding the existence of the KCRC by going through the Committee. It is possible that the cash was distributed in amounts of \$200 or more. Thus, it appears that the Committee should have reported the ultimate recipients of these disbursed funds.

\$55,189; Dan Frisa in the 4th District for \$57,500; Peter King in the 3rd District for \$55,650; Michael Forbes in the 1st District for \$54,994.11; Renee Davison in the 28th District for \$54,999.25; Grant Lally in the 5th District for \$54,982.77; and Sue Kelly in the 19th District for \$55,148. Thus, it appears that the Committee authorized the NRCC to make coordinated expenditures on its behalf. If some or all of the disbursed money which is the subject of the referral in this matter was used to aid any of these candidates in their races, it may have caused the coordinated party expenditure limits to be exceeded.

Accordingly, this Office recommends that the Commission find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 434(b)(5)(A), (6)(B)(i), (6)(B)(v) and 11 C.F.R. § 104.3(b)(3)(i), (viii), (ix).

b. Failure to make disbursements from a designated depository

As noted above, there is evidence that the checks provided to the four individuals identified in the referral were cashed, and that that cash was then distributed to others. Because the Committee has amended its report to provide a similar purpose for the disbursements to Luther Mook and the KCRC, and because this Office can find no evidence that the KCRC exists as an organization, it is reasonable to assume that their checks were also cashed and the funds distributed to others. As noted above, all disbursements other than petty cash disbursements of \$100 or less must be made by a check drawn on the Committee's account at its qualified campaign depository. It is possible that the cash was distributed in amounts of \$100 or more. Moreover, checks totaling \$60,000 are unlikely to have come from a petty cash account. The Commission has previously found reason to believe that individuals other than the treasurer of the committee in question have violated 2 U.S.C. § 432(h)(1). *See, e.g.,* MUR 3974 (where the Commission found reason to believe that Congressman Charles Rangel violated section 432(h)(1) by distributing cash on behalf of his principal campaign committee, when he had obtained the cash from pre-signed committee checks).

As a result of the Committee's apparent use of cash rather than the required checks, this Office recommends that the Commission find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 432(h)(1). In addition, the five individuals each received checks made out to them. It appears that such checks could only have been negotiated, and the resultant cash distributed, with their consent.

Accordingly, this Office recommends that the Commission find reason to believe that Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio and Luther Mook each violated 2 U.S.C. § 432(h)(1).⁸

c. Other violations involving the Kings County Republican Committee

As noted above, the disbursement to the KCRC was made on November 9, 1994, the day after the general election, suggesting that the KCRC advanced \$5,000 on behalf of the Committee. According to the Committee's 1994 30-Day Post-General Report, of this amount, \$1,100 was in connection with a federal election. Thus, it appears the KCRC made an expenditure in excess of \$1,000 in a calendar year, becoming, in the process, a political committee. The KCRC has not filed a statement of organization with the Commission or filed reports of receipts and disbursements.

In addition, while it is unknown to this Office whether the funds which were used were "clean" funds, New York State law allows corporate and labor union contributions. Thus the KCRC may have made, and the Committee may have accepted, a contribution containing such funds. Moreover, the Dorn and Associates law firm, which appears to be the alter ego of the KCRC, has been incorporated in New York since July 1994. It is possible that funds of the firm were advanced on behalf of the Committee, and that this also would constitute a violation of section 441b.

⁸ It is also appropriate to make such a finding against the individual who cashed the check on behalf of the KCRC. This Office will make the appropriate recommendations when the identity of the individual is obtained. In addition, because the same purpose was used on the 1996 30-Day Post-General Report, it may indicate that the money was also passed along, although this Office has no evidence of such activity at this time. Further, if the individuals to whom the checks were made out deposited them in their personal bank accounts, this may have resulted in violations of the prohibition against commingling political committee funds. This Office will make recommendations regarding any such violations if appropriate evidence is acquired.

Accordingly, this Office recommends that the Commission find reason to believe that the Kings County Republican Committee and its treasurer violated 2 U.S.C. §§ 433(a), 434(a)(1) and 441b(a).⁹ This Office further recommends that the Commission find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 441b(a). Finally, this Office recommends that the Commission find reason to believe that Dorn & Associates, P.C. violated 2 U.S.C. § 441b(a).

2. Violations associated with the 1996 30-Day Post-General Report

The Committee reported the purpose of eight disbursements totaling \$22,500 on its 1996 30-Day Post-General Report as for "election day expenses." The use of the phrase "election day expenses" is not a sufficient description for reporting the purpose of a disbursement, pursuant to Commission regulations. The Committee was specifically advised by the Commission in March 1995 that the use of the phrase "election day expenses" is insufficient, and directed the Committee's attention to that portion of the regulations regarding what is necessary to properly report the purpose of a disbursement.

The Commission's standard for determining whether a violation is knowing and willful requires evidence that a respondent acted contrary to the law with an active awareness that he was violating the law. *See, e.g., National Right to Work Committee v. Federal Election Commission*, 716 F.2d 97, 101 (D.C. Cir. 1983).

With regard to the reporting on the 1996 30-Day Post-General Report, the Committee reported the purpose of certain disbursements as being for "election day expenses" in direct

⁹ The Factual and Legal Analysis for the KCRC will be mailed to it in care of the Dorn and Associates law firm. *See* fn. 2, *supra*.

contravention of Commission regulations. The Committee was actively aware that it was violating the law in so reporting the purpose, as the Commission had previously informed the Committee specifically about this issue. While it is unclear whether the disbursements were made to meet an operating expense, were made in connection with an expenditure under 2 U.S.C. § 441a(d), or were made for some other reason, the use of the phrase "election day expenses" is improper in reporting the purpose of any disbursements.

Accordingly, this Office recommends that the Commission find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, knowingly and willfully violated 2 U.S.C. § 434(b)(5)(A), (6)(B)(i), (6)(B)(v) and 11 C.F.R. § 104.3(b)(3)(i), (viii), (ix).¹⁰

III. PROPOSED DISCOVERY

As noted above, it is unclear who exactly were the ultimate recipients of the money represented by the six checks made out to Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook and the Kings County Republican Committee. The attached subpoenas seek documents which identify such individuals, as well as documents and information regarding the process by which the disbursement checks were cashed, and information regarding the organization of the Kings County Republican Committee. The subpoenas are addressed to the six persons who received the checks; the law firm which appears to be the alter ego of the KCRC, Dorn & Associates, P.C.; and the Committee, which should have maintained records of who received the money. Should the Committee be unable to

¹⁰ It is possible that the checks which made up the \$22,500 were cashed, and that the cash was distributed to others, as has been alleged with similarly-reported disbursements on the 1994 30-Day Post-General Report. This Office, however, has no evidence which would support such a conclusion. Should such evidence be obtained during the course of the investigation in this matter, this Office will make the appropriate recommendations.

provide responses to these questions, it may reveal violations of the recordkeeping provisions of the Act. Given the similarity in the purpose reported on the Committee's 1996 30-Day Post-General Report, the Subpoena and Order to the Committee seeks similar information regarding those disbursements. This Office is also recommending that the Commission approve subpoenas for depositions for Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook, and individuals to be identified by the Department of Justice. It is this Office's belief that more specific information regarding the use of the disbursements for "walking around money" can be better obtained through live testimony than through written discovery.


IV. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 434(b)(5)(A), (6)(B)(i), (6)(B)(v) and 11 C.F.R. § 104.3(b)(3)(i), (viii), (ix) in connection with the 1994 30-Day Post-General Report.
3. Find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, knowingly and willfully violated 2 U.S.C. § 434(b)(5)(A), (6)(B)(i), (6)(B)(v) and 11 C.F.R. § 104.3(b)(3)(i), (viii), (ix) in connection with the 1996 30-Day Post-General Report.
4. Find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 432(h)(1).
5. Find reason to believe that Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio and Luther Mook each violated 2 U.S.C. § 432(h)(1).
6. Find reason to believe that the Kings County Republican Committee and its treasurer violated 2 U.S.C. §§ 433(a), 434(a)(1) and 441b(a).
7. Find reason to believe that the New York Republican Federal Campaign Committee and Lewis B. Stone, as treasurer, violated 2 U.S.C. § 441b(a).
8. Find reason to believe that Dorn & Associates, P.C. violated 2 U.S.C. § 441b(a).

9. Approve the attached Subpoenas to Produce Documents and Orders to Submit Written Answers.
10. Approve subpoenas for depositions for Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook, and individuals to be identified by the Department of Justice.
11. Approve the attached Factual and Legal Analyses and the appropriate letters.

Lawrence M. Noble
General Counsel

4/5/97
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:


1. Factual and Legal Analyses (8)
2. Subpoenas and Orders (8)



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE ROSS 
COMMISSION SECRETARY

DATE: JUNE 12, 1997

SUBJECT: Pre-MUR 320 - GENERAL COUNSEL'S REPORT

The above-captioned document was circulated to the Commission
on Monday, June 09, 1997.

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>XXX</u>
Commissioner McDonald	—
Commissioner McGarry	—
Commissioner Thomas	—

This matter will be placed on the meeting agenda for
Tuesday, June 17, 1997.

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