

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

New York Republican Federal Campaign Committee
and Louis B. Stone, as treasurer, et al.

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GENERAL COUNSEL'S REPORT

I. BACKGROUND

On December 8, 1997, the Commission approve additional Orders to Submit Written Answers to Jeffrey T. Buley, Luther Mook and Arthur Bramwell. These orders sought the identities of the individuals to whom Messrs. Buley, Mook and Bramwell distributed cash in certain amounts in the days surrounding the 1994 and 1996 general elections. At issue is whether the New York Republican Federal Campaign Committee ("the Committee") should have reported identities of those individuals to the Commission pursuant to 2 U.S.C. § 434(b)(6)(B)(i).

II. ANALYSIS

As was noted in the General Counsel's Report in this matter dated December 1, 1997, Jeffrey Buley's responses to the Commission's earlier Subpoena and Order suggested that he distributed cash to numerous intermediaries. Now, Mr. Buley has informed the Commission that in both 1994 and 1996 he turned over large amounts of cash, \$50,000 and \$22,500 respectively, to one person: William D. Powers, Chairman of the New York Republican Party. Attachment 1. Thus, it now appears that Mr. Powers was involved in the distribution of the cash, and knows the identities of the individuals to whom the cash was distributed.

As was noted in the First General Counsel's report in this matter dated June 5, 1997, pursuant to 2 U.S.C. § 432(h)(1), 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. In previous matters, the Commission found reason to believe that individuals other than the treasurer of a committee violated this section. Accordingly, given his apparent role in distributing cash on behalf of the Committee rather than the required checks, this Office recommends that the Commission find reason to believe that William D. Powers violated 2 U.S.C. § 432(h)(1), and approve the attached Factual and Legal Analysis.

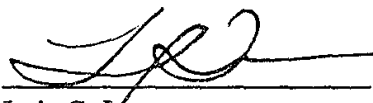
In addition, this Office believes that the questions previously sent to Mr. Buley seeking the identities of the individuals to whom the money was distributed should now be sent to Mr. Powers. Moreover, it appears that a deposition of Mr. Powers will also be required. Accordingly, this Office recommends that the Commission approve the attached Order to Submit Written Answers and the appropriate Subpoena for Deposition to William D. Powers.

III. RECOMMENDATIONS

1. Find reason to believe that William D. Powers violated 2 U.S.C. § 432(h)(1).
2. Approve the attached Orders to Submit Written Answers and the appropriate Subpoena for Deposition to William D. Powers.
3. Approve the attached Factual and Legal Analysis and the appropriate letters.

Lawrence M. Noble
General Counsel

2/11/98
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:

1. Buley Response
2. Order to Submit Written Answers
3. Factual and Legal Analysis

Staff Assigned: Tony Buckley