

LAW OFFICES OF
**NIELSEN, MERKSAMER,
PARRINELLO, MUELLER & NAYLOR, LLP**
A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

SACRAMENTO

770 L STREET, SUITE 800
SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 446-6752

FAX (916) 446-6106

591 REDWOOD HIGHWAY, #4000

MILL VALLEY, CALIFORNIA 94941

TELEPHONE (415) 389-6800

FAX (415) 388-6874

SAN FRANCISCO

120 MONTGOMERY STREET, SUITE 1055
SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE (415) 389-6800

FAX (415) 388-6874

December 29, 1998

VIA FEDERAL EXPRESS

Ms. Alva E. Smith
Central Enforcement Docket
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Response to MUR 4862 On Behalf of Robert Baldwin, Wm.
McBeath, and Marc Schorr

Dear Ms. Smith:

We write to you on behalf of Robert H. Baldwin, Williams
McBeath, and Marc Schorr, in response to MUR 4862. We have
previously provided to you executed Statements of Designation of
Counsel for each individual.¹

The complaint which gave rise to MUR 4862 alleges that each
of Messrs. Baldwin, McBeath and Schorr has violated the Federal
Election Campaign Act of 1971, as amended, by making a \$1,000
contribution to the primary election campaign of *Don Chairez for
Congress* after the date of the September 1, 1998 primary
election, and by making an additional \$1,000 contribution to the
general election campaign of *Don Chairez for Congress*.

In fact each of these contributions was legally permissible.
Pursuant to 11 CFR section 110.1(b)(3)(i), it was legally
permissible for each of the contributors to make a maximum \$1,000
individual contribution to the primary election campaign of *Don
Chairez for Congress* even after the September 1, 1998 primary
election in order to assist the candidate in reducing his primary
election debt.

¹ As we previously informed you, we also represent
Douglas Pool. Mr. Pool is identified as a contributor in the
complaint relating to MUR 4862, but has not received any inquiry
from the Federal Election Commission as of this time. Should Mr.
Pool receive such an inquiry, he will also execute a Statement of
Designation of Counsel and we will respond on his behalf. In the
event that you sent Mr. Pool an inquiry, please resend it to Mr.
Pool c/o our office, so that we may make certain that he receives
the inquiry.

The confusion that apparently gave rise to the complaint underlying MUR 4862 is that the *Don Chairez for Congress* committee inadvertently failed to correctly identify its primary debt on its campaign reports both before and following the primary election.

It is our understanding that this error has been corrected, and the campaign reports of *Don Chairez for Congress* have been amended to correctly reflect the candidate's substantial primary campaign debt to which the contributions in question are to be applied. Such amended reports were to be filed by the *Don Chairez for Congress* committee with the Commission by overnight courier on December 28, 1998.

It is also our understanding that the bulk of the primary debt which was not timely reported by the *Don Chairez for Congress* committee (a \$25,000 personal loan received from the candidate on June 30, 1998) was in fact publicly disclosed by the *Don Chairez for Congress* committee in a press release on July 15, 1998 (a month and a half before the primary election).

Based upon the above information, we respectfully request that this case be dismissed as against respondents Robert H. Baldwin, William McBeath, and Marc Schorr.

* * * * *

Should you have any questions, please do not hesitate to call me at (415) 389-6800. Thank you for your assistance.

Sincerely,



Steven S. Lucas

cc: Bruce Aguilera, Esq.

SSL/slf
6311.01