

MAY 6 4 14 PM '99

FEDERAL ELECTION COMMISSION

999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD REFERRAL: 98L-02

DATE ACTIVATED: JANUARY 26, 1999

STAFF MEMBER: Stephanie Watson
Lawrence Calvert

SOURCE: INTERNALLY GENERATED

RESPONDENTS: Baesler for Senate Committee and
Michael Sullivan, as Treasurer

RELEVANT STATUTE(S): 2 U.S.C. § 434(a)(6)
11 CFR § 104.5(f)

INTERNAL REPORTS CHECKED: Disclosure Report

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Office of the General Counsel received a referral from the Reports Analysis Division ("RAD") on October 20, 1998. The basis for the referral is the failure of Baesler for Senate Committee ("Committee") and Michael Sullivan, as treasurer, to file a 48 Hour Notification ("48 Hour Notice") for a candidate loan in the amount of \$75,000. The candidate, Henry Scott Baesler, won the 1998 Senate Primary Election in the State of Kentucky with thirty four percent (34%) of the vote.

II. FACTUAL AND LEGAL ANALYSIS

Based on the Factual and Legal Analysis, see Attachment 1, this Office recommends the Commission find reason to believe the respondents violated 2 U.S.C. § 434(a)(6).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

IV. RECOMMENDATIONS


1. Open a MUR.
2. Find reason to believe that Baesler for Senate Committee and Michael Sullivan, as treasurer, violated 2 U.S.C. §434(a)(6) and enter into conciliation prior to a finding of probable cause to believe.
3. Approve the attached Factual and Legal Analysis, proposed conciliation agreement, and the appropriate letter.

Lawrence M. Noble
General Counsel

Date

5/6/99

BY:


Lois G. Lerner
Associate General Counsel

Attachments:

1. Factual and Legal Analysis
2. Proposed Conciliation Agreement