



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20543

THIS IS THE END OF MUR # 2252

Date Filmed 12/19/86 Camera No. --- 2

Cameraman AS

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FEDERAL ELECTION COMMISSION

Internal Memoranda, duplicates

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | |
|--|---|
| <input type="checkbox"/> (1) Classified Information | <input type="checkbox"/> (6) Personal privacy |
| <input checked="" type="checkbox"/> (2) Internal rules and practices | <input type="checkbox"/> (7) Investigatory files |
| <input type="checkbox"/> (3) Exempted by other statute | <input type="checkbox"/> (8) Banking Information |
| <input type="checkbox"/> (4) Trade secrets and commercial or financial information | <input type="checkbox"/> (9) Well Information (geographic or geophysical) |
| <input checked="" type="checkbox"/> (5) Internal Documents | |

Signed

date

J. Wagner
12-12-86

FEC 9-21-77

8504062209

MUR # 2252

MERGED WITH

MICROFILM LOCATION

REEL/FRAME

REEL/FRAME

REEL/FRAME

COMPLAINANT NAMES

Sullivan, Richard

☐ Continued

RESPONDENT NAMES

1) Townsend, Kathleen Kennedy

2) Citizens for Townsend Committee

3) O'Connor, Herbert R, III, Treasurer

4) Hutchinson, Donald P.

5) Hutchinson for Senate Committee

6) Haines, J. Robert, Treasurer

☐ Continued

MUR DATES

OPENED: 9-24-86

CLOSED: 11-21-86

U.S. CODE CITES

554 344(a)(1)(A)

578 344(a)(f)

C.F.R. CITES

☐ Continued

☐ Continued

SUBJECT TERMS

508 Limitations on Contributions by persons

☐ Continued

Francis S. Hagan 12-12-86
CODER (Name and Date)

[Signature] 12-15-86
SUPERVISOR (Name and Date)

VERIFIED BY AND SIGNED OFF (Name and Date)



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 4, 1986

Richard Sullivan, Chairman
Maryland Republicans
60 West Street, Suite 201
Annapolis, MD 21401

Re: MUR 2252

Dear Mr. Sullivan:

The Federal Election Commission reviewed the allegations of your complaint dated September 25, 1986 and determined that on the basis of the information provided in your complaint and information provided by the Respondents, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By *Lawrence M. Noble (H2)*
Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

8504062211

Allen



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 4, 1986

Herbert R. O'Connor, III, Treasurer
Citizens for Townsend Committee
44 West Chesapeake Avenue
Towson, MD 21204

RE: MUR 2252
Citizens for Townsend
Herbert R. O'Connor, III, as
treasurer

Dear Mr. O'Connor:

On October 6, 1986, the Commission notified the Citizens for Townsend Committee and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on November 21, 1986, determined that on the basis of the information in the complaint, and information you provided, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble (7/2)
By Lawrence M. Noble
Deputy General Counsel

8604062212



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 4, 1986

George A. Nilson, Esquire
Piper and Marbury
1100 Charles Center South
36 South Charles Street
Baltimore, MD 21201

RE: MUR 2252
Hutchinson for Senate
Committee
J. Robert Haines, as treasurer

Dear Mr. Nilson:

On October 6, 1986, the Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on November 21, 1986, determined that on the basis of the information in the complaint, and information you provided, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble (H7)
By Lawrence M. Noble
Deputy General Counsel

8604062213

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Kathleen Kennedy Townsend
Citizens for Townsend
Herbert R. O'Connor, III, Treasurer
Donald P. Hutchinson
Hutchinson for Senate Committee
J. Robert Haines, Treasurer

MUR 2252

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 21, 1986, the Commission decided by a vote of 6-0 to take the following actions in MUR 2252:

1. Find no reason to believe that the Hutchinson for Senate Committee and J. Robert Haines, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A).
2. Find no reason to believe that the Citizens for Townsend Committee and Herbert R. O'Connor, III, as treasurer, violated 2 U.S.C. § 441a(f).
3. Close the file.
4. Send the letters, as recommended in the First General Counsel's Report signed November 19, 1986.

Commissioners Aikens, Elliott, Josefiak, McDonald
McGarry and Thomas voted affirmatively for this decision.

Attest:

11-24-86

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

85740622214

SENSITIVE

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION _____

MUR #2252
DATE COMPLAINT RECEIVED BY OGC
9-24-86
DATE OF NOTIFICATION TO
RESPONDENT 10-6-86
STAFF: Frances B. Hagan

OFFICE OF THE
GENERAL COUNSEL
RECEIVED
11/19/86
P12

COMPLAINANT'S NAME: Richard Sullivan

RESPONDENTS' NAMES: Kathleen Kennedy Townsend
Citizens for Townsend
Herbert R. O'Connor, III, Treasurer
Donald P. Hutchinson
Hutchinson for Senate Committee
J. Robert Haines, Treasurer

RELEVANT STATUTE: 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441a(f)

INTERNAL REPORTS CHECKED: Disclosure Reports, MUR 2266

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

The allegations are that Donald P. Hutchinson, the Hutchinson for Senate Committee and its treasurer along with Kathleen Kennedy Townsend, the Citizens for Townsend Committee and its treasurer, violated 2 U.S.C. § 441a(a)(1)(A) or 2 U.S.C. § 441a(f) by making or receiving contributions in excess of the Act's limitations.

FACTUAL AND LEGAL ANALYSIS

2 U.S.C. § 441a(a)(1)(A) states that no person shall make contributions to any candidate and authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

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2 U.S.C. § 441a(f) states that no candidate or political committee shall knowingly accept any contribution . . . in violation of the Act's limits.

Complainant alleged, based on an article in the Baltimore Sun (9-19-86), that unsuccessful Maryland Senate candidate and new Townsend campaign chairman Donald Hutchinson (along with the Hutchinson for Senate Committee, Kathleen Kennedy Townsend, and the Citizens for Townsend Committee) intended to violate the Act's contribution limitations by using substantial residual funds from the Hutchinson Senate bid to contribute to the Townsend House of Representatives campaign.

The Sun article stated that the residual funds total \$350,000, "of which \$130,000 could be applied legally to a federal campaign." The article further stated that "he (Hutchinson) is not bound by the \$1,000 limit imposed on standard contributions." The Complainant attributed these statements to Mr. Hutchinson, although they were not quotes in the newspaper article.

The Complainant thereby alleged that the Hutchinson and Townsend campaigns were about to commit violations of 2 U.S.C. §§ 441a(a)(1)(A) or 441a(f). Complainant stated that the Commission is empowered to act pursuant to 2 U.S.C. § 437g(a)(2) if it receives a complaint and determines that it has reason to believe that a person has committed, or is about to commit, a violation of the Act. (Emphasis added).

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In response to the complaint, the Hutchinson Committee stated that the complaint "twists . . . into an assertion by Mr. Hutchinson . . ." a statement made by the newspaper reporter to the effect that Mr. Hutchinson "is not bound by the \$1,000 limit imposed on standard contributions." The Hutchinson Committee further stated:

It is apparent on the face of the complaint that no prior or existing violation is alleged. The complaint merely claims some possible future violation based on nothing more than newspaper accounts... County Executive Hutchinson and all those connected with the handling of the [Hutchinson Committee] funds are well aware of the requirements of Federal law relating to [limitations]. They have absolutely no intention of violating any applicable Federal requirements and have not done so.

The Townsend Committee stated in its response to the complaint that "no violation existed at the time the Complaint was filed. None exists now and there was never any intent to violate the law."

According to the Townsend and Hutchinson Committees' information and reports, the Hutchinson Committee has contributed \$798.38 in direct and in-kind contributions to the Townsend primary and general elections. The Office of the General Counsel concludes that there is no evidence to suggest that a violation of the Act occurred in this matter. Therefore, we are recommending a finding of no reason to believe regarding the respondents.

RECOMMENDATION

1. Find no reason to believe that the Hutchinson for Senate Committee and J. Robert Haines, as treasurer, violated 2 U.S.C. §§ 441a(a)(1)(A).

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2. Find no reason to believe that the Citizens for Townsend Committee and Herbert R. O'Connor, III, as treasurer, violated 2 U.S.C. § 441a(f).
3. Close the file.
4. Send the attached letters.

Charles N. Steele
General Counsel

Date

11/19/86

BY:

Lawrence M. Noble
Deputy General Counsel

Attachments

Letters to Respondents
Letters to Complainant
Letters from Respondents

3604062218



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Herbert R. O'Connor, III, Treasurer
Citizens for Townsend Committee
44 West Chesapeake Avenue
Towson, MD 21204--

RE: MUR 2252
Kathleen Kennedy Townsend
Citizens for Kennedy
Herbert R. O'Connor, as
treasurer

Dear Mr. O'Connor:

On October 6, 1986, the Commission notified the Citizens for Townsend Committee and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information you provided, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence N. Noble
Deputy General Counsel

Attachment A (1)

86040522219



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

George A. Nilson, Esquire
Piper and Marbury
1100 Charles Center South
36 South Charles Street
Baltimore, MD 21201

RE: MUR 2252
Donald P. Hutchinson
Hutchinson for Senate
Committee
J. Robert Haines, as treasurer

Dear Mr. Nilson:

On October 6, 1986, the Commission notified your client of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on , 1986, determined that on the basis of the information in the complaint, and information you provided, that there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence N. Noble
Deputy General Counsel

A (2)

86040522200



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Richard Sullivan, Chairman
Maryland Republicans
60 West Street, Suite 201
Annapolis, MD 21401

Re: MUR 2252

Dear Mr. Sullivan:

The Federal Election Commission reviewed the allegations of your complaint dated September 25, 1986 and determined that on the basis of the information provided in your complaint and information provided by the Respondents, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") has been committed. Accordingly, the Commission has decided to close the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Should additional information come to your attention which you believe establishes a violation of the Act, you may file a complaint pursuant to the requirements set forth in 2 U.S.C. § 437g(a)(1) and 11 C.F.R. § 111.4.

Sincerely,

Charles N. Steele
General Counsel

By Lawrence M. Noble
Deputy General Counsel

Enclosure
General Counsel's Report

Attachment B

85040622221

**Kathleen
TOWNSEND
for Congress**

CCC# 1811
Hagen

Citizens for Townsend
44 West Chesapeake Avenue
Towson, Maryland 21204
301-494-9500

October 20, 1986

Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2252

Dear Mr. Noble,

This will respond to your letter of October 11, 1986. We have received a contribution of \$50.00 from the Hutchinson For Senate Committee. This was noted on our Report which was filed on October 15, 1986. A copy of page 2 for line 11c is enclosed. The Hutchinson For Senate Committee has also made an in-kind contribution of \$424.07 for a Rally on September 24, 1986 which will be disclosed in our October 23rd Report.

The Complaint alleges that Mrs. Townsend and Mr. Hutchinson, in their public statements, demonstrated an intent to "break the law." This is incorrect. Mrs. Townsend has made no such statement. Mr. Hutchinson has the prerogative of determining the amount of any contribution. No violation existed at the time the Complaint was filed. None exists now and there was never any intent to violate the Law.

You are respectfully requested to recommend that the Federal Election Commission find no reason to believe a violation has occurred and that the Commission conclude its investigation of this Complaint. Please call me with any questions.

Very truly yours

Herbert R. O'Connor III

Herbert R. O'Connor, III
Treasurer

Attachment C(1)

35040622222

OCT 22 P 3:41

Citizens for Townsend
44 West Chesapeake Ave., Towson MD 21204

ITEMIZED RECEIPTS

PAGE 2 OF 4
FOR LINE # 11c

PERIOD 08/21/86 TO 09/30/86

NAME AND ADDRESS	EMPLOYER AND OCCUPATION	DATE	AMOUNT	ELECTION
RCPL PAC 3 Research Place Rockville YEAR TO DATE	MD 20850 \$1000.00	09/23/86	\$500.00	General-86
Com/Political Action PAC American Postal Workers Union 817 14th Street Washington YEAR TO DATE	DC 20005 \$2000.00	09/23/86	\$1000.00	General-86
United Steelworkers PAC 5 Gateway Center Pittsburgh YEAR TO DATE	PA 15222 \$6000.00	09/26/86	\$5000.00	General-86
Pacific PAC Pacific PAC 10100 Santa Monica Blvd., #500 Los Angeles YEAR TO DATE	CA 90067 \$5000.00	09/08/86	\$4000.00	Primary -86
Raytheon PAC Raytheon Political Action Comm 141 Spring Street Lexington YEAR TO DATE	MA 02173 \$500.00	08/28/86	\$500.00	Primary -86
NHE PAC Box 1102 Murfreesboro YEAR TO DATE	TN 37130 \$500.00	08/28/86	\$500.00	Primary -86
First MD Bancorp PAC P.O. Box 1596 Baltimore YEAR TO DATE	MD 21203 \$1000.00	08/28/86	\$1000.00	Primary -86
Friends/Al Gore, Jr. P.O. Box 249 Hendersonville YEAR TO DATE	TN 37077 \$1000.00	08/28/86	\$1000.00	Primary -86
Hutchinson/Senate 3417 Parkfalls Drive Baltimore YEAR TO DATE	MD 21236 \$50.00	09/02/86	\$50.00	Primary -86

C(2)

GCC#1309

HAND DELIVERED

00 OCT 22 10:24

LAW OFFICES OF
PIPER & MARBURY

1100 CHARLES CENTER SOUTH
36 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201

TELEPHONE 301-539-2530
CABLE PIPERMAR BAL
TELEX 908054

WRITER'S DIRECT NUMBER IS
576-1769

October 21, 1986

600 SIXTEENTH STREET, N. W.
WASHINGTON, D. C. 20006
TELEPHONE 202-785-8150

The Federal Election Commission
Washington, D.C. 20463

Attention: Charles N. Steele, Esquire, General Counsel

Re: MUR 2252

Gentlemen:

I have received your letter dated October 6, 1986, forwarding to Mr. Hutchinson the Complaint filed by Richard Sullivan, State Chairman of Maryland Republicans. That Complaint contended that Donald P. Hutchinson and/or the Hutchinson for Senate Committee were about to make illegal campaign contributions from the funds of the Hutchinson for Senate Committee. This letter is intended to constitute a written response to that Complaint on behalf of Donald P. Hutchinson, the Hutchinson for Senate Committee and Mr. J. Robert Haines, Treasurer of that Committee. The executed Designation of Counsel form will follow.

Mr. Hutchinson, who is presently the County Executive of Baltimore County, was a candidate for the United States Senate seat from the State of Maryland being contested in this year's elections. He withdrew from that race early this past summer, and did not participate in the September primary election. His campaign generated contributions in excess of campaign expenditures, and these excess campaign funds await final disposition in accordance with applicable requirements.

The Complaint filed by Mr. Sullivan and the Republican Party is based entirely on two newspaper accounts of Mr. Hutchinson's alleged intentions with respect to these excess funds and the possibility that some of those funds might be utilized as a contribution to the campaign for Congress (Second District, Maryland) of Kathleen Kennedy Townsend. After indicating that Mr. Hutchinson said that he would not be

giving Ms. Townsend's campaign the full amount (of the approximately \$130,000 remaining), the reporter who wrote the Baltimore Morning Sun article stated that "he (Mr. Hutchinson) is not bound by the \$1,000 limit imposed on standard contributions." The Complaint twists that statement of the newspaper reporter into an assertion by Mr. Hutchinson to that effect, and concludes, based on that statement plus another newspaper article quoting Mr. Hutchinson as indicating that "there will be some substantial contribution to (Townsend's) campaign", that Mr. Hutchinson and his treasurer were about to violate campaign contribution limits applicable to them.

It is apparent on the face of the Complaint that no prior or existing violation is alleged. The Complaint merely claims some possible future violation based on nothing more than newspaper accounts. No monetary contribution at all had been made to the Townsend campaign at the time of the Complaint. The just filed October 15, 1986 report of the Hutchinson For Senate Committee indicates six in-kind contributions made to the Townsend For Congress Committee totaling \$424.07. They are well within the limits allowed by Federal law. County Executive Hutchinson and all those connected with the handling of the funds of the Hutchinson For Senate Committee are well aware of the requirements of Federal law relating to the use of these funds and the extent to which they may be given to other candidates for Federal office. They have absolutely no intention of violating any applicable Federal requirements and have not done so. The Complaint by Mr. Sullivan and the Maryland Republican Party should be summarily dismissed inasmuch as it is based on newspaper accounts and speculation as to future action, and is utterly unsupported by any facts. The Complaint represents nothing more than a device to generate publicity and gain some advantage to Ms. Townsend's Republican opponent.

Very truly yours,

George A. Nilson

George A. Nilson

GAN:mdg

C (4)

LAW OFFICES OF
PIPER & MARBURY

1100 CHARLES CENTER SOUTH
36 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201

TELEPHONE 301-536-2530
CABLE PIPERMAR BAL
TELEX 908054

GEORGE A. NILSON

DIRECT DIAL NUMBER

301-576-1769

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

TELEPHONE 202-788150

November 4, 1986

The Federal Election Commission
Washington, D.C. 20463

Attention: Charles N. Steele, Esquire, General Counsel

Re: MUR 2266 and MUR 2252

Gentlemen:

By letter dated October 21, 1986, I responded to a Complaint (MUR 2252) directed against Donald P. Hutchinson, the Hutchinson For Senate Committee and its Treasurer, Mr. J. Robert Haines. Enclosed is a Designation of Counsel form executed by Mr. Haines and a letter from Mr. Hutchinson, which together designate me as counsel on their behalf and on behalf of the Committee with respect to Complaint MUR 2252 and Complaint MUR 2266 (to which this letter substantively responds).

The letter from Mr. Steele advising us of Complaint 2266 was received on October 22, 1986. That letter summarized and enclosed the Complaint of Richard D. Bennett, Chairman-Elect of the Baltimore County Republican Party. Mr. Bennett essentially complained that a rally had been held in Towson, Maryland on the Courthouse lawn on September 24, 1986 for Kathleen Kennedy Townsend, the Democratic candidate for House of Representatives from the 2nd Congressional District.

RECEIVED AT THE FEC
BCC#1934
NOV 5 11:21

NOV 5 12:00

RECEIVED
GENERAL COUNSEL

3504052226

In particular, Mr. Bennett complained about the use of certain Baltimore County equipment which was placed in position on the Courthouse lawn by several Baltimore County employees.

The Courthouse lawn in Towson has been used on many occasions in the past by various groups, both political and apolitical. It has been a long standing practice of the Baltimore County government to attempt to accommodate whenever possible all reasonable requests for the use of this property. It has also been a long standing practice of the County to make available appropriate County equipment upon request and when the equipment is available, on a cost reimbursement basis. As has been the case with other such events, the County departments providing and installing the equipment used at the Townsend rally submitted bills for the expenses involved. Copies of these itemized departmental bills are enclosed herewith. In this instance, the bills were paid for by the Hutchinson For Senate Committee through checks #414, 415 and 418, all dated October 16, 1986. The checks totalled slightly in excess of \$300. This transaction will be reported on the next appropriate report to be filed by the Hutchinson For Senate Committee. When added to the previous in kind contributions made by this Committee to the Townsend For Congress Committee, they are within the allowable limit of \$1,000.

I trust that the Commission will agree, upon a review of the facts, that there has been no violation as alleged. I also trust that you will advise me upon the dismissal or other disposition of the Complaint. Needless to say, if you or the Commission staff have any questions whatsoever, please do not hesitate to contact me.

Very truly yours,

George A. Nilson

George A. Nilson

Enclosure

GAN:mdg

DONALD P. HUTCHINSON
624 DORSEY AVENUE
BALTIMORE, MARYLAND 21221

October 29, 1986

George Nilson, Esq.
Piper & Marbury
36 S. Charles Street
Baltimore, Maryland 21201

Re: Federal Election Commission
Complaint #MUR 2252 and
Complaint #MUR 2266

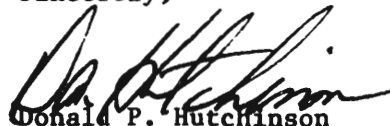
Dear George:

This letter will serve as my authorization and designation of your office and yourself as my authorized representative and legal counsel with reference to the Federal Election Commission's investigations of MUR 2252 and MUR 2266.

Furthermore, this letter will serve as my formal authorization for you to receive any and all notifications and other communications from the Federal Election Commission and to act on my behalf before that Commission.

If there are any further questions, please feel free to contact me.

Sincerely,


Donald P. Hutchinson

DPH/sam

cc: J. Robert Haines, Esq.

85040522228

STATEMENT OF DESIGNATION OF COUNSEL

NR 2252 & 2266

NAME OF COUNSEL: George A. Nilson

ADDRESS: 1100 Charles Center South

36 South Charles Street

Baltimore, MD 21201

TELEPHONE: (301) 539-2530

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Oct. 25, 1986
Date

James Robert Haines
Signature

RESPONDENT'S NAME: J. Robert Haines/Hutchinson for Senate Committee

ADDRESS: 3417 Park Falls Drive

Baltimore, MD 21236

HOME PHONE: 256-0156

BUSINESS PHONE: 494-4060

3504062229



BALTIMORE COUNTY
DEPARTMENT OF RECREATION & PARKS
TOWSON, MARYLAND 21204
(301) 494-3817 494-3058 (DEAF/TDD)

MALCOLM S. ALDRICH
DIRECTOR

October 10, 1986

Mr. Harold E. Long
Administrative Assistant
Baltimore County Executive Office
Old Courts Building
Towson, Maryland 21204


RE: Towson Rally

Dear Harold:

Per your request and our telephone conversation, below is listed the expense for the Hutchinson Senate Campaign Fund:

Stage	\$25.00
4 hrs. each - 2 people,	
Crew Chief-\$11.86/hr.	\$47.44
Maintenance II Employee/\$9.37 hr.	\$37.48
	<u>\$109.92</u>

If you have any questions, do not hesitate to contact me at my office.


Harry G. Coulter, Jr.
Assistant Director/Facility
Conservation and Development

HGC:ssm

*Pd. Ch. # 418
10/16/86*

85040522230

BALTIMORE COUNTY, MARYLAND

INTER-OFFICE CORRESPONDENCE

TO Harry Emmermann

Date October 9, 1986

FROM James J. Wyman - Chief
Building Services Division

SUBJECT Townsend Rally

On September 24 th Building Services provided the following:

Labor:

1 each Custodial Worker II @ \$7.86 HR. for .5 Hour =	\$ 3.93
1 each Custodial Worker I @ \$6.92 HR for .5 Hour =	\$ 3.46
2 each Electrician II @ \$10.25 HR. for 4 man hours=	\$41.00
1 each Building Maintenance Mechanic II @ \$10.25 HR. @ 4 hours	\$41.00
Labor Total	<u>\$89.39</u>

Materials Provided include delivery and pickup of 2 Tables, Podium, 2 racks of chairs and Extension Cords for power.

pd. Ck. # 415
10/16/86

CENTRAL ELECTRONIC SERVICES DIVISION
RADIO SERVICE REPORT

01-6250.84

I.D. TAG McL (CMM. for Good Gov. W.O.# 20923

form #08-81

date

9-24-86

TIME: FROM

AM

PM TILL

AM

PM

FCC FILE CHANGED: ☐ YES

WORK LOCATION

Courthouse Lawn

IN:

EQUIP: MAKE

MODEL

☐ FREQ CHECK

SERIAL #

B.C. #

☐ EMERGENCY CALL

☐ ROUTINE CHECK

VEHICLE #

CALL #

☐ ORIGINAL INSTALL

☐ RE-INSTALL

☐ REMOVE: REASON

CARRIER FREQS:

REC. MIN.

MAX.

QUIET

POWER OUTPUT

WATTS; MOD

COMPLAINT

RADIO:

ELECT. SIREN

VEH. REPEATER

B.C. #

B.C. #

B.C. #

Quan	CATALOG NUMBER				un	DESCRIPTION	PARTS	
	FS#	class	Item				Each	Total
						AMP, MIC, 2 SPKRS		
						MD Committee for Good Gov		
						Government		
						400 Washington Ave		
						Old Courthouse		
						Towson, MD 21204		
						Attn: Harold Long		

Service Performed By

Total Parts Cost \$ 25.00

Total Labor Cost \$

Representative of Agency Receiving Service

Total Cost \$

Kathleen
TOWNSEND
for Congress

CCC# 1811

Citizens for Townsend
44 West Chesapeake Avenue
Towson, Maryland 21204
301-494-9500

October 20, 1986

Lawrence M. Noble
Deputy General Counsel
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2252

Dear Mr. Noble,

This will respond to your letter of October 11, 1986. We have received a contribution of \$50.00 from the Hutchinson For Senate Committee. This was noted on our Report which was filed on October 15, 1986. A copy of page 2 for line 11c is enclosed. The Hutchinson For Senate Committee has also made an in-kind contribution of \$424.07 for a Rally on September 24, 1986 which will be disclosed in our October 23rd Report.

The Complaint alleges that Mrs. Townsend and Mr. Hutchinson, in their public statements, demonstrated an intent to "break the law." This is incorrect. Mrs. Townsend has made no such statement. Mr. Hutchinson has the prerogative of determining the amount of any contribution. No violation existed at the time the Complaint was filed. None exists now and there was never any intent to violate the Law.

You are respectfully requested to recommend that the Federal Election Commission find no reason to believe a violation has occurred and that the Commission conclude its investigation of this Complaint. Please call me with any questions.

Very truly yours

Herbert R. O'Connor III

Herbert R. O'Connor, III
Treasurer



Paid for by the Citizens for Townsend,
Herbert O'Connor, Treasurer.

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OCT 22 1986
F 3:41
GENERAL COUNSEL

Citizens for Townsend
44 West Chesapeake Ave., Towson MD 21204

ITEMIZED RECEIPTS

PAGE 2 OF 4
FOR LINE # 11c

PERIOD 08/21/86 TO 09/30/86

NAME AND ADDRESS	EMPLOYER AND OCCUPATION	DATE	AMOUNT	ELECTION
RCPL PAC 3 Research Place Rockville YEAR TO DATE	MD 20850 \$1000.00	09/23/86	\$500.00	General-86
Com/Political ActionPAC American Postal Workers Union 817 14th Street Washington YEAR TO DATE	DC 20005 \$2000.00	09/23/86	\$1000.00	General-86
United Steelworkers PAC 5 Gateway Center Pittsburgh YEAR TO DATE	PA 15222 \$6000.00	09/26/86	\$5000.00	General-86
Pacific PAC Pacific PAC 10100 Santa Monica Blvd., #500 Los Angeles YEAR TO DATE	CA 90067 \$5000.00	09/08/86	\$4000.00	Primary -86
Raytheon PAC Raytheon Political Action Comm 141 Spring Street Lexington YEAR TO DATE	MA 02173 \$500.00	08/28/86	\$500.00	Primary -86
NHE PAC Box 1102 Murfreesboro YEAR TO DATE	TN 37130 \$500.00	08/28/86	\$500.00	Primary -86
First MD Bancorp PAC P.O. Box 1596 Baltimore YEAR TO DATE	MD 21203 \$1000.00	08/28/86	\$1000.00	Primary -86
Friends/Al Gore, Jr. P.O. Box 249 Hendersonville YEAR TO DATE	TN 37077 \$1000.00	08/28/86	\$1000.00	Primary -86
Hutchinson/Senate 3417 Parkfalls Drive Baltimore YEAR TO DATE	MD 21236 \$50.00	09/02/86	\$50.00	Primary -86

GCC#1809

HAND DELIVERED

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LAW OFFICES OF
PIPER & MARBURY

1100 CHARLES CENTER SOUTH
36 SOUTH CHARLES STREET
BALTIMORE, MARYLAND 21201

TELEPHONE 301-539-2530
CABLE PIPERMAR BAL
TELEX 908054

606 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006
TELEPHONE 202-785-8150

WRITER'S DIRECT NUMBER IS
576-1769

October 21, 1986

The Federal Election Commission
Washington, D.C. 20463

Attention: Charles N. Steele, Esquire, General Counsel

Re: MUR 2252

Gentlemen:

I have received your letter dated October 6, 1986, forwarding to Mr. Hutchinson the Complaint filed by Richard Sullivan, State Chairman of Maryland Republicans. That Complaint contended that Donald P. Hutchinson and/or the Hutchinson for Senate Committee were about to make illegal campaign contributions from the funds of the Hutchinson for Senate Committee. This letter is intended to constitute a written response to that Complaint on behalf of Donald P. Hutchinson, the Hutchinson for Senate Committee and Mr. J. Robert Haines, Treasurer of that Committee. The executed Designation of Counsel form will follow.

Mr. Hutchinson, who is presently the County Executive of Baltimore County, was a candidate for the United States Senate seat from the State of Maryland being contested in this year's elections. He withdrew from that race early this past summer, and did not participate in the September primary election. His campaign generated contributions in excess of campaign expenditures, and these excess campaign funds await final disposition in accordance with applicable requirements.

The Complaint filed by Mr. Sullivan and the Republican Party is based entirely on two newspaper accounts of Mr. Hutchinson's alleged intentions with respect to these excess funds and the possibility that some of those funds might be utilized as a contribution to the campaign for Congress (Second District, Maryland) of Kathleen Kennedy Townsend. After indicating that Mr. Hutchinson said that he would not be

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giving Ms. Townsend's campaign the full amount (of the approximately \$130,000 remaining), the reporter who wrote the Baltimore Morning Sun article stated that "he (Mr. Hutchinson) is not bound by the \$1,000 limit imposed on standard contributions." The Complaint twists that statement of the newspaper reporter into an assertion by Mr. Hutchinson to that effect, and concludes, based on that statement plus another newspaper article quoting Mr. Hutchinson as indicating that "there will be some substantial contribution to (Townsend's) campaign", that Mr. Hutchinson and his treasurer were about to violate campaign contribution limits applicable to them.

It is apparent on the face of the Complaint that no prior or existing violation is alleged. The Complaint merely claims some possible future violation based on nothing more than newspaper accounts. No monetary contribution at all had been made to the Townsend campaign at the time of the Complaint. The just filed October 15, 1986 report of the Hutchinson For Senate Committee indicates six in-kind contributions made to the Townsend For Congress Committee totaling \$424.07. They are well within the limits allowed by Federal law. County Executive Hutchinson and all those connected with the handling of the funds of the Hutchinson For Senate Committee are well aware of the requirements of Federal law relating to the use of these funds and the extent to which they may be given to other candidates for Federal office. They have absolutely no intention of violating any applicable Federal requirements and have not done so. The Complaint by Mr. Sullivan and the Maryland Republican Party should be summarily dismissed inasmuch as it is based on newspaper accounts and speculation as to future action, and is utterly unsupported by any facts. The Complaint represents nothing more than a device to generate publicity and gain some advantage to Ms. Townsend's Republican opponent.

Very truly yours,



George A. Nilson

GAN:mdg



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 6, 1986

Richard Sullivan, Chairman
Maryland Republicans
60 West Street, Suite 201
Annapolis, MD 21401

Dear Mr. Sullivan:

This letter will acknowledge receipt of a complaint filed by you which we received on September 24, 1986, alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Ms. Kathleen Kennedy Townsend, Mr. Donald P. Hutchinson, the Citizens For Townsend Committee and Mr. Herbert R. O'Connor, III, as treasurer, and the Hutchinson For Senate Committee and Mr. J. Robert Haines as treasurer. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as the original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter MUR 2252. Please refer to this number in all future correspondence. If you have any questions, please contact Retha Dixon at (202) 376-3110.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble
By: Lawrence M. Noble
Deputy General Counsel

Enclosure

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 6, 1986

Ms. Kathleen Kennedy Townsend
PO Box 27521
Towson, MD 21285-7521

Re: MUR 2252

Dear Ms. Townsend:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2252. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

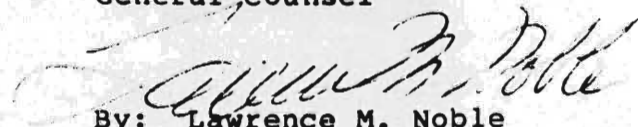
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Frances B. Hagan, the staff perso assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel


By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Citizens For Townsend Committee

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 6, 1986

Mr. Donald P. Hutchinson
624 Dorsey Avenue
Baltimore, MD 21221

Re: MUR 2252

Dear Mr. Hutchinson:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2252. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

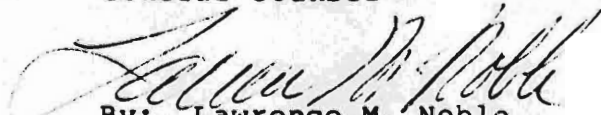
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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If you have any questions, please contact Frances B. Hagan, the staff person assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel


By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Hutchinson For Senate Committee

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 6, 1986

J. Robert Haines, Treasurer
Hutchinson For Senate Committee
3417 Park Falls Drive
Baltimore, MD 21236

Re: MUR 2252

Dear Mr. Haines:

The Federal Election Commission received a complaint which alleges that the Hutchinson For Senate Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2252. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and the Hutchinson For Senate Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 6, 1986

Herbert R. O'Connor, III, Treasurer
Citizens For Townsend Committee
44 W. Chesapeake Avenue
Towson, MD 21285

Re: MUR 2252

Dear Mr. O'Connor:

The Federal Election Commission received a complaint which alleges that the Citizens For Townsend Committee and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2252. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you and the Citizens For Townsend Committee in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

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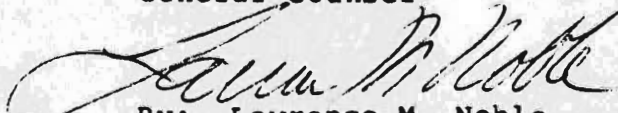
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plm

If you have any questions, please contact Frances B. Hagan, the staff person assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel



By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Mr. Donald P. Hutchinson

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If you have any questions, please contact Frances B. Hagan, the staff person assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel



By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Ms. Kathleen Kennedy Townsend

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RECEIVED
OFFICE OF THE
GENERAL COUNSEL

Maryland Republicans
60 West Street, Suite 201
Annapolis, Maryland 21401

86 SEP24 P 3: 40

September 25, 1986

Charles N. Steele, Esquire
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20004

Dear Mr. Steele:

This Complaint against Kathleen Kennedy Townsend, a congressional candidate; her campaign chairman, Donald P. Hutchinson; the Townsend for Congress Committee and the Hutchinson for Senate Committee is filed with the Federal Election Commission ("FEC") pursuant to 2 U.S.C. 437g(a).

This Complaint attempts to stop Townsend and Hutchinson from carrying out their publicly announced intention of breaking federal election law by flooding Townsend's campaign with illegal campaign contributions from Hutchinson's failed senatorial campaign committee.

FACTS

On September 19, 1986, the Baltimore Sun reported that Hutchinson, an unsuccessful candidate for Maryland's Democratic Senate nomination, would become chairman of Townsend's 2nd

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congressional district campaign. The Sun article's first paragraph reported that Hutchinson would "make a 'substantial contribution' to her [Townsend] from his own campaign treasury." Baltimore Sun, Sept. 19, 1986, at 1G, col. 2. (Attached as Exhibit A).

The Sun explains later in the article:

"Mr. Hutchinson, who dropped his Senate bid in June and has not indicated further political plans, has about \$350,000 on hand 'in interest-bearing accounts' of which about \$130,000 could be applied legally to a federal campaign. While he said he would not give her the full amount, he is not bound by the \$1,000 limit imposed on standard contributions."

Id.

Another report of Hutchinson's public appearance with Townsend noted that "he has \$130,000 in leftover campaign funds" and quotes him as saying "I would suspect that there will be some substantial contributions to [Townsend's campaign]." Washington Post (attached as Exhibit B).

VIOLATIONS

Two newspapers report that Hutchinson and Townsend are contemplating "substantial" contributions from Hutchinson's defunct committee to Townsend's congressional race. Hutchinson has indicated to at least one reporter that "he is not bound" by the usual "limit imposed on standard contributions."

This is a flagrantly incorrect reading of federal election law. The Federal Election Campaign Act is clear on its face that Hutchinson's committee, as presently constituted, cannot contribute more than \$1,000 to Townsend's campaign. 2 U.S.C. 441a(a)(1)(A). Even if Hutchinson can qualify his committee as a multicandidate

committee, ne will be limited to a \$5,000 contribution. 2 U.S.C. 441a(a)(2). Hutchinson's position as Townsend's campaign chairman precludes his using his funds for an independent expenditure on Townsend's behalf. 2 U.S.C. 109.1.

Their public statements demonstrate that Townsend and Hutchinson are about to break the law. In such situations, the Federal Election Commission is empowered by the statute to act:

If the Commission, upon receiving a complaint under paragraph (1) or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, determines ... that it has reason to believe that a person has committed, or is about to commit, a violation of this Act ... the Commission shall ... notify the person of the alleged violation. The Commission shall make an investigation of such alleged violation, which may include a field investigation or audit, in accordance with the provisions of this section.

2 U.S.C. 437g(a)(2) (emphasis added).

Federal election law is clear that Hutchinson is, in fact, "bound" by the "usual limit placed on standard contributions." This publicly stated ploy of Hutchinson and Townsend to violate the election contribution limits cannot be allowed by the Commission. Failure by the Commission to act could pollute the entire election process in Maryland's 2nd Congressional District.

CONCLUSION

I, therefore, request that the FEC investigate these potential violations and enforce, as necessary, the Commission's regulations.

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VERIFICATION

The undersigned swears that the allegations and facts set forth in this Complaint are true to the best of his knowledge, information and belief.

District of Columbia

Richard Sullivan

Richard Sullivan
State Chairman
Maryland Republicans

Subscribed and sworn to before me this 26 day of September 1986.

Mary Curtis Bowman
Notary Public

My Commission Expires:

May 30, 89

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FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2252

Date Filmed 12/19/86 Camera No. --- 2

Cameraman AS