



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20461

THIS IS THE END OF MUR # 976

Date Filmed 10/20/80 Camera No. --- 2

Cameraman bpc

FEDERAL ELECTION COMMISSION

Note H/don per Congress

Committee

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 type="checkbox"/> (2) Internal rules and practices | <input type="checkbox"/> (7) Investigatory files |
| <input type="checkbox"/> (3) Exempted by other statute | <input checked="" 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 type="checkbox"/> (5) Internal Documents | |

Signed

date

William E. Felt
10/15/80



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
5328 W. 57th Street
Los Angeles, CA 90056

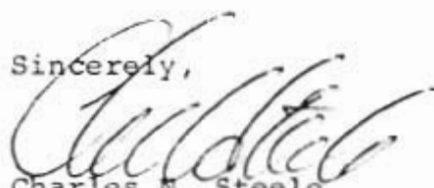
Re: MUR 976

Dear Mr. Holden:

On October 10, 1980, the Commission accepted the conciliation agreement signed by you and a civil penalty of \$250.00 in settlement of a violation of 2 U.S.C. § 441d. Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,


Charles N. Steele
General Counsel

Enclosure

Conciliation Agreement



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
5328 W. 57th Street
Los Angeles, CA 90056

Re: MUR 976

Dear Mr. Holden:

On October 10, 1980, the Commission accepted the conciliation agreement signed by you and a civil penalty of \$250.00 in settlement of a violation of 2 U.S.C. § 441d. Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

A handwritten signature, likely of Charles N. Steele, is written in ink over the word "Sincerely,".

Charles N. Steele
General Counsel

Enclosure

Conciliation Agreement

9104
RECEIVED
GCC#2873
80 OCT 6 A9:50

BEFORE THE FEDERAL ELECTION COMMISSION
August 10, 1980

In the Matter of)
) MUR 976
The Nate Holden For)
Congress Committee)

CONCILIATION AGREEMENT

This matter having been initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities, and after probable cause to believe having been found that The Nate Holden For Congress Committee ("Respondent") violated 2 U.S.C. § 44ld(a)(1) by failing to state that certain of its communications had been paid for by The Nate Holden For Congress Committee.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A) do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding.

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Respondent was and is at all times pertinent the principal campaign committee of Nate Holden, a candidate for Congress in 1978.

2. That the Respondent published and distributed certain campaign material which expressly advocated the election of Nate Holden For Congress.

3. That the campaign material in question failed to state that it had been paid for by the Nate Holden For Congress Committee.

WHEREFORE, Respondent agrees:

V. Respondent failed to clearly state that the campaign communications in question had been paid for by The Nate Holden For Congress Committee in violation of 2 U.S.C. § 44ld.

VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of two hundred and fifty dollars (\$250), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that it shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

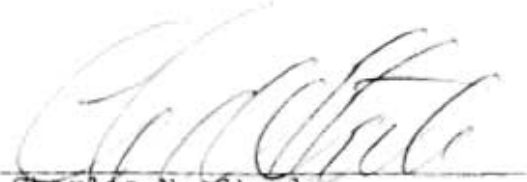
GENERAL CONDITIONS

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. It is agreed that respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

14 October 1980
Date


Charles N. Steele
General Counsel
Federal Election Commission

10/2/80
Date

The Nate Holden For Congress
Committee

BY: 

ITS: _____

8 2 7 4 3 2 2 3 3 9 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
The Nate Holden For)
Congress Committee)

MUR 976

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on October 10, 1980, the Commission decided by a vote of 6-0 to take the following actions regarding MUR 976:

1. Accept the conciliation agreement, as attached to the General Counsel's October 8, 1980 memorandum, which has been signed by Mr. Nate Holden.
2. CLOSE THE FILE.

Voting for this determination were Commissioners Aikens, Friedersdorf, Harris, McGarry, Reiche, and Tiernan.

Attest:

10/14/80

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

Received in Office of the Commission Secretary: 10-8-80, 11:56
Circulated on 48 hour vote basis: 10-8-80, 4:00



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
THE
SECRETARY
80 OCT 8 11:56

October 8, 1980

MEMORANDUM

TO: The Commission

FROM: Charles N. Steele
General Counsel *CNS*

SUBJECT: MUR 976(79) - Conciliation Agreement

Attached is a conciliation agreement that has been signed by Mr. Nate Holden.

The attached agreement includes all the provisions that the Commission determined should be included.

The Office of General Counsel recommends the acceptance of this agreement and the closing of the file.

Attachment

Conciliation Agreement

377112:105

Taylor

910421

GCC#2873
80 OCT 6 A9:50

BEFORE THE FEDERAL ELECTION COMMISSION
August 10, 1980

In the Matter of)
) MUR 976
The Nate Holden For)
Congress Committee)

CONCILIATION AGREEMENT

This matter having been initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities, and after probable cause to believe having been found that The Nate Holden For Congress Committee ("Respondent") violated 2 U.S.C. § 441d(a)(1) by failing to state that certain of its communications had been paid for by The Nate Holden For Congress Committee.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A) do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding.

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Respondent was and is at all times pertinent the principal campaign committee of Nate Holden, a candidate for Congress in 1978.

80 OCT 6 AM:47

80 OCT 6 AM:47

2. That the Respondent published and distributed certain campaign material which expressly advocated the election of Nate Holden For Congress.

3. That the campaign material in question failed to state that it had been paid for by the Nate Holden For Congress Committee.

WHEREFORE, Respondent agrees:

V. Respondent failed to clearly state that the campaign communications in question had been paid for by The Nate Holden For Congress Committee in violation of 2 U.S.C. § 441d.

VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of two hundred and fifty dollars (\$250), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that it shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

GENERAL CONDITIONS

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

8004022377

X. It is agreed that respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

Date

Charles N. Steele
General Counsel
Federal Election Commission

10/2/80

Date

The Nate Holden For Congress
Committee

BY: _____

ITS: _____

3000102223333

N^o 05282820

SECURITY PACIFIC NATIONAL BANK

OLYMPIC & FLOWER BRANCH
700 W. OLYMPIC BLVD., LOS ANGELES, CALIF. 90015

DATE

OCTOBER 2 1980

16 138
1223

PAY TO THE ORDER OF

..... FEDERAL ELECTION COMMISSION \$250.00

SPMB 2820

44111406011001

Gene York

AUTHORIZED SIGNATURE

⑈05282820⑈ ⑆1223⑆0138⑆144⑆560243⑈

663220010003

NATE HOLDEN

Former California State Senator

XXXXXX West Adams Boulevard
XXXXXX Los Angeles XXXX 90056

5328 West 57th Street

Los Angeles, CA 90056

RECEIVED

80 OCT 6 AS: 50

Federal Elections Commission
Washington, D. C. 20463

Attention: Charles N. Steele
General Counsel

NOT PRINTED OR MAILED AT PUBLIC EXPENSE

SECURITY PACIFIC NATIONAL BANK

OLYMPIC & FLOWER BRANCH
700 W. OLYMPIC BLVD., LOS ANGELES, CALIF. 90015

Nº 05282820

DATE

OCTOBER 2 1980

16-138
1223

PAY TO THE ORDER OF

..... *FEDERAL ELECTION COMMISSION* \$250.00

SPNB#250

[Faint, illegible text]

[Handwritten signature]
AUTHORIZED SIGNATURE

⑈05282820⑈ ⑆1223⑈ ⑆138⑆144⑈ ⑆560243⑈

10122201008



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *mwe*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*
DATE: OCTOBER 1, 1980
SUBJECT: MUR 976 - Interim Conciliation Report dated
9-23-80; Signed 9-26-80; Received in OCS
9-30-80, 10:01

The above-named document was circulated to the Commission on a no-objection basis at 4:00, September 30, 1980.

There were no objections to the Interim Conciliation Report at the time of the deadline.

Attached is a copy of Commissioner Reiche's vote sheet with a question.



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

DATE AND TIME OF TRANSMITTAL TUESDAY, 9-30-80
4:00

Commissioner FRIEDERDORF, AIKENS, TIEFMAN, MCGARRY, REICHE, HAPRIS

RETURN TO THE OFFICE OF COMMISSION SECRETARY BY: WEDNESDAY, OCTOBER 1, 1980
4:00

MUR No. 976 - Interim Conciliation Report #1 dated 9-23-80;
Signed 9-26-80

() I object to the recommendation in the attached report.

COMMENTS:

How he rose on 9/25/80?

Date

10/1/80

Signature

Frank P. Reiche

OBJECTIONS, SIGNED AND DATED, MUST BE RECEIVED IN THE COMMISSION SECRETARY'S OFFICE NO LATER THAN THE DATE AND TIME SHOWN ABOVE OR THE MATTER WILL BE DEEMED APPROVED. PLEASE RETURN ALL PAPERS TO THE OFFICE OF THE SECRETARY TO THE COMMISSION.

September 30, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM : Jane Colgrove
SUBJECT: MUR 976

Please have the attached Interim Conciliation Report
on MUR 976 distributed to the Commission on a 24 hour
no-objection basis.

Thank you.

80010022404

BEFORE THE FEDERAL ELECTION COMMISSION
September 23, 1980

In the Matter of the
Nate Holden for Congress
Committee

)
)
)
)


MAR 29 1976 A10: 01

Interim Conciliation Report #1

On September 22, 1980, Mr. Holden called the Office of General Counsel to say that he would be in Washington on Thursday, September 25, 1980, and he would like to discuss the proposed conciliation agreement he received on September 12, 1980.

After Mr. Holden's visit and the discussions we will submit a further report to the Commission.

26 Sept 1980
Date


Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

September 9, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
5328 W. 57th Street
Los Angeles, CA 90056

Re: MUR 976

Dear Mr. Holden:

On September 3, 1980, the Commission determined there was probable cause to believe that your committee committed a violation of 2 U.S.C. § 441d(a)(1) (formerly 2 U.S.C. § 441d) of the Federal Election Campaign Act of 1971, as amended, in connection with the Nate Holden For Congress Committee's failure to place on the literature in question a statement that it was paid for by the Nate Holden for Congress committee or Nate Holden.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact William Taylor, the attorney assigned to this matter, at 202-523-4529.

Sincerely,


William Taylor
General Counsel

Enclosure
Conciliation Agreement

30710117

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" section.

1. The following service is requested (check one):
☐ Show to whom and date delivered.
☐ Show to whom, date, and time of delivery.
☒ RESTRICTED DELIVERY
☐ RESTRICTED DELIVERY
☐ RESTRICTED DELIVERY
 (CONSULT POSTMASTER FOR DETAILS)

2. ARTICLE ADDRESSED TO
 Mr. Nate Holden
 5328 W. 57th Street
 Los Angeles, CA 90056

3. ARTICLE DESCRIPTION
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 946201

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE

RECEIVED
 30 SEP 17 AM 47
 POSTMARK
 SEP 17 1967
 LOS ANGELES
 INITIALS

MUR-976 - Taylor

3007022173

)
) MUR 976
)
)

CONCILIATION AGREEMENT

This matter having been initiated by the Federal Election Commission (hereinafter "the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities, and after probable cause to believe having been found that The Nate Holden For Congress Committee ("Respondent") violated 2 U.S.C. § 441d(a)(1) by failing to state that certain of its communications had been paid for by The Nate Holden For Congress Committee.

NOW, THEREFORE, the Commission and Respondent, having duly entered into conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A) do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding.

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. The Respondent was and is at all times pertinent the principal campaign committee of Nate Holden, a candidate for Congress in 1978.

2. That the Respondent published and distributed certain campaign material which expressly advocated the election of Nate Holden For Congress.

3. That the campaign material in question failed to state that it had been paid for by the Nate Holden For Congress Committee.

WHEREFORE, Respondent agrees:

V. Respondent failed to clearly state that the campaign communications in question had been paid for by The Nate Holden For Congress Committee in violation of 2 U.S.C. § 441d.

VI. Respondent will pay a civil penalty to the Treasurer of the United States in the amount of two hundred and fifty dollars (\$250), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondent agrees that it shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

GENERAL CONDITIONS

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

80019222179

X. It is agreed that respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

Date _____

Charles N. Steele
General Counsel
Federal Election Commission

Date _____

The Nate Holden For Congress
Committee

BY: _____

ITS: _____

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
The Nate Holden For)
Congress Committee)

MJR 976 (79)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission's executive session on September 3, 1980, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MJR 976 (79):

1. Find probable cause to believe the Nate Holden For Congress Committee violated 2 U.S.C. §441d(a) (1).
2. Approve the conciliation agreement attached to the General Counsel's August 10, 1980 report, subject to revision of the civil penalty from \$2,000 to \$250.00.
3. Approve the letter attached to the General Counsel's August 10, 1980 report.

Attest:

9/5/80

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary to the Commission

BEFORE THE FEDERAL ELECTION COMMISSION
August 10, 1980

EXECUTIVE SESSION
September 3, 1980

In the Matter of)
) MUR 976 (79)
The Nate Holden For)
Congress Committee)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

A review of the 1978 reports filed by the Nate Holden For Congress Committee (Holden Committee) determined that the committee accepted a \$5,000 contribution from the No on 13 Committee (N.O.C.), a committee not registered with the Commission. N.O.C. was organized to defeat Proposition 13 and promote Proposition 8, both state measures in California.

Investigation indicates that \$5,000 was not intended as a corporate contribution, but as payment by N.O.C. for space in Holden's campaign literature to advance N.O.C.'s position on the state propositions. According to the terms of a written agreement between N.O.C. and the United Citizens for Good Government (U.C.G.G.), which is a Holden Committee conduit, set up for the purpose of accepting N.O.C.'s check, N.O.C. paid the sum of \$5,000 for placing its message on proposition 13 in the Holden campaign literature. The literature produced as a result of N.O.C.'s agreement with U.C.G.G. contained both N.O.C.'s message on proposition 13 and a message that expressly advocated the election of Nate Holden to Congress. This literature utterly failed to contain

any statement that the communication had been paid for by Mr. Nate Holden or the Nate Holden For Congress Committee, as required by 2 U.S.C. § 441d. 1/

II. LEGAL ANALYSIS

(See OGC Brief of May 27, 1980.) In its Responsive Brief, the respondent does not deny that the Holden Committee failed to place on the literature in question a statement that it was paid for by the Nate Holden For Congress Committee or Nate Holden, as required by 2 U.S.C. § 441d. The respondent's brief appears to be an attempt to mitigate the seriousness of its failure to conform with said section rather than to refute the Commission's findings.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

The Holden Committee paid approximately \$25,000 (N.O.C. paid \$5,000 to have its message printed in Holden's literature) to print the campaign literature in question. It is the Holden Committee's position that it was unaware that it violated the Act, and to substantiate this claim, it points to the fact that it was the one that sent the Commission copies of the campaign literature in question. Apparently, the Holden Committee reasons that it had no knowledge that this literature was in violation of the Act; otherwise, it would not have sent the Commission campaign literature that failed to contain a § 441d statement 2/. The respondent's argument is not

1/ The Commission determined on August 30, 1979 that there was no RTB that the Holden Committee violated 2 U.S.C. § 441a(f) for receiving an excess contribution from N.O.C. or that N.O.C. failed to file a statement of organization pursuant to 2 U.S.C. § 433(a).

2/ The Holden Committee sent five separate pieces of campaign literature. Two of the five pieces of literature failed to contain a § 441d statement.


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without merit, not as defense to the Commission's findings, but as a mitigating fact to be considered by the Commission in determining a civil penalty of \$2,000.

IV. RECOMMENDATION

1. Find probable cause to believe the Nate Holden For Congress Committee violated 2 U.S.C. § 441d(a)(1).
2. Approve attached proposed conciliation agreement.
3. Approve attached letter.

2 August 1980
Date


Charles W. Steele
General Counsel

Attachments

1. Proposed Conciliation Agreement
2. Letter to Respondent
3. Brief of OGC
4. Brief of Respondent



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
5328 W. 57th Street
Los Angeles, CA 90056

Re: MUR 976

Dear Mr. Holden:

On , 1980, the Commission determined there was probable cause to believe that your committee committed a violation of 2 U.S.C. § 441d(a)(1) (formerly 2 U.S.C. § 441d) of the Federal Election Campaign Act of 1971, as amended, in connection with the Nate Holden For Congress Committee's failure to place on the literature in question a statement that it was paid for by the Nate Holden for Congress committee or Nate Holden.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

We enclose a conciliation agreement that this office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it along with the civil penalty to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the U.S. Treasurer.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, please contact William Taylor, the attorney assigned to this matter, at 202-523-4529.

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION
May 8, 1980

In the Matter of)
The Nate Holden for Congress) MUR 976
Committee)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

A review of the 1978 reports filed by the Nate Holden Campaign Committee (Holden Committee) listed a \$5,000 contribution from NO on 13 Committee (N.O.C.), a committee not registered with the Commission. N.O.C. was organized to defeat Proposition 13 and promote Proposition 8, both state measures in California.

The Commission sent both parties a notice of a surface violation by letter dated December 11, 1978 (The Holden Committee for its acceptance of a contribution in excess of \$1,000. N.O.C. for its failure to register as a political committee pursuant to 2 U.S.C. §433 and failing to file reports of receipts and expenditures pursuant to 2 U.S.C. §434.); it then found reason to believe against N.O.C. on February 6, 1979 for failing to file a statement of organization pursuant to 2 U.S.C. §433 and found reason to believe on March 15, 1979 for the Holden Committee's acceptance of an excessive contribution in violation of 2 U.S.C. §441a(f).

Investigation shows that \$5,000 was not intended as a contribution but as payment by N.O.C. for space in Holden's campaign literature to advance N.O.C.'s position on the state propositions. It is asserted by N.O.C. that "[N.O.C.] was aware

that a portion of the space it did not purchase would be utilized to promote Mr. Holden's candidacy" and that N.O.C made similar space arrangements with Mr. Holden's opponents in the primary election, and, further, that N.O.C. "terminated its operations immediately following the June, 1978 election."

Under the terms of a written agreement between N.O.C. and the United Citizens for Good Government (U.C.G.G.), a Holden Committee conduit apparently set up for the purposes of accepting N.O.C.'s check, N.O.C. paid \$5,000 for the placing of its message on proposition 13 in the Holden campaign literature.^{1/}

The literature produced as a result of N.O.C.'s agreement with U.C.G.G. contained both N.O.C.'s message on proposition 13 and a message which expressly advocated the election of Nate Holden to Congress by using the term "Elect Holden" (See attachment "A"). This literature did not contain any statement that the communication had been paid for by Nate Holden or the Nate Holden For Congress Committee, as required by §44ld of the Act.

On August 30, 1979 the Commission determined there was reason to believe that the Holden Committee violated §44ld of the Act by failing to include a §44ld notification on campaign literature which expressly advocated the election of a federal candidate, Nate Holden. The Commission also

^{1/} It is the Holden Committee's contention that U.C.G.G. was set up so the Holden Committee would not commingle N.O.C. funds with other campaign funds "until such time as the [check] could be verified." Furthermore, there is no evidence that U.C.G.G. accepted any contributions or made any expenditures of its own.

determined that there was no reasonable cause to believe that the Holden Committee violated 2 U.S.C. §441a(f) and that N.O.C. violated 2 U.S.C. §433. 2/

Due to a change in address on the part of the Holden Committee, the Commission's notification of its finding was not received by the Holden Committee until late December of 1979.

Mr. Holden responded, on behalf of his committee, to the Commission's findings by letter dated January 24, 1980 and contended that, to the best of his knowledge, all political advertisements used by his committee contained a 441d notification. At his request, copies of the advertisements in question were mailed to him (Attachment A & B). (These advertisements were originally sent to the Commission by the Holden Committee.)

Mr. Holden by letter dated March 17, 1980 (Attachment C) acknowledged receipt of the advertisements in question and set forth certain facts, not as a defense, but as mitigation of his committee's failure to include a 441d notice. He contends that the literature in question represents but a small portion of the material printed to support the overall campaign, and that the violation was inadvertent.

2/ The basis for the no reasonable cause to believe findings was that the Commission found that the \$5,000 was not a contribution but the payment on the fair market value of N.O.C.'s placing its message in the Holden campaign literature.

II. FACTUAL AND LEGAL ANALYSIS

§441d(a)(1) of the Act holds that "whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate ..., such communication if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee." ^{3/}


9 7 7 4 9 2 1 3
The communications in question (Attachment A & B) were handbills distributed by the Holden Committee during Mr. Holden's campaign for Congress and were expressly authorized by the Holden Committee. They clearly identify the candidate as "Nate Holden" and expressly advocate his election by using the words "elect." Finally, these advertisements do not contain any statement that they were paid for by the Nate Holden For Congress Committee, as expressly required by §441d(a)(1). Thus the Nate Holden For Congress Committee violated 2 U.S.C. §441d(a)(1).

^{3/} The language of 2 U.S.C. §441d has been changed slightly by the 1979 amendments. One of the changes has resulted in citing 2 U.S.C. §441d(a)(1) for the Holden Committee's failure to contain the required statement on the literature in question rather than citing this violation as 2 U.S.C. §441d(1), as would have been done prior to the 1979 amendments. The actions of the Holden Committee are in violation of the newly amended Act as well as the old Act.

III. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause that the Nate Holden for Congress Committee violated 2 U.S.C. §441d(a)(1).

23 May 1980
Date


Charles N. Steele
General Counsel

Attachments

1. Political advertisement - A
2. Political advertisement - B
3. Letter of Nate Holden - March 17, 1980 - C

3 7 7 4 7 2 2 4 2 0

1

DEMOCRATIC

1014 A-E	STATE	BOYTHROW Vote for One	JOHN HUGHES ARMITAGE, Democrat	1→	○
			JULIUS KIMMETT, Democrat	2→	○
			DAVID MOORE, Democrat	3→	○
			GEORGE B. BROWN, Democrat	4→	○
			EDWARD G. BROWN JR., Democrat	5→	○
			LEWELL DARRING, Democrat	6→	○
			RAYMOND V. LEBERTSON, Democrat	7→	○
			WILLIAM KENTON, Democrat	8→	○
			ALEX H. ALDA, Democrat	9→	○
1014 A-E	STATE	LEUTENANT GOVERNOR Vote for One	PATRICK MATTHEW FITZPATRICK, Democrat	11→	○
			ABE TAPPA, Democrat	12→	○
			PATRICIA E. HENRY RAVEN, Democrat	13→	○
			MERVIN W. DYMALLY, Democrat	14→	○
1014 A-E	STATE	SECRETARY OF STATE Vote for One	MARTIN FORD, D.D. Democrat	15→	○
1014 A-E	STATE	CONTROLLER Vote for One	KENNETH CORY, Democrat	18→	○
			JOSEPH E. GILGREN, Democrat	20→	○
			WILLIAM A. BURRITT, Democrat	21→	○
			JESSE W. LUNN, Democrat	22→	○
1014 A-E	STATE	ATTORNEY GENERAL Vote for One	FLORIAN BRATONWATE BURKE, Democrat	23→	○
			BARRY PRINCE, Democrat	24→	○

2

DEMOCRATIC

1014 B-E	STATE	MEMBER STATE BOARD OF EDUCATION Vote for One	RICHARD MEYERS, Democrat	27→	○
1014 B-E	CONGRESSIONAL	REPRESENTATIVE IN CONGRESS 2ND DISTRICT Vote for One	LEON E. LOTTON, JR., Democrat	33→	○
			WILLIAM WILSON, Democrat	34→	○
			WILLIE (WATSON) WENDELL, Democrat	35→	○
			JULIAN E. BROWN, Democrat	36→	○
			OLIVER WENDELL WILSON, Democrat	37→	○
			DAVID S. "BOBBY" CLARKSON, Democrat	38→	○
			CORNELL JACKSON, Democrat	39→	○
			CLARENCE LOTTON, Democrat	40→	○

3

DEMOCRATIC

1014 C-E	STATE LEGISLATURE	STATE SENATOR 3RD DISTRICT Vote for One	GENE BRODY, Democrat	53→	○
			ED DEAN, Democrat	54→	○
			DALE EDITH WALTON, Democrat	55→	○
			ROBERT W. HARRIS, Democrat	56→	○
			ERNEST C. SMITH, Democrat	57→	○
			SHIRLEY TEMPLE SMITH, Democrat	58→	○
1014 C-E	STATE LEGISLATURE	MEMBER OF THE ASSEMBLY 4TH DISTRICT Vote for One	ALBERT J. CRAMFORD, Democrat	62→	○
			WILLIAM J. JACKSON, Democrat	63→	○
			WILLIE EDWARDS, Democrat	64→	○
			WILLIAM HARRISON, Democrat	65→	○
			ELVIN W. WILSON, Democrat	66→	○
			OWEN MOORE, Democrat	67→	○
			RICHARD F. FALSTROM, Democrat	68→	○
			WILLIAM (BOBBY) DANIEL, Democrat	69→	○
			JORDAN DANIELS, JR., Democrat	70→	○

4

DEMOCRATIC

1014 D-E	COUNTY COMMITTEE	MEMBER COUNTY CENTRAL COMMITTEE 4TH Assembly District Vote for 10 men First Round	AL FISHER, Democrat	81→	○
			JOHN W. HARRISON, Democrat	82→	○
			JIM A. CLARKE, Democrat	83→	○
			WILLIAM LEE HARRISON, Democrat	84→	○
			W. JULIAN HARRISON, Democrat	85→	○
			PETER J. BARR, Democrat	86→	○
			ANTHONY (TONY) MICHALES, Democrat	87→	○
			GEORGE E. HARRISON, Democrat	88→	○
			JOHN T. MC DONALD, Democrat	89→	○
			RUSSELL BARR, Democrat	90→	○
1014 D-E	COUNTY COMMITTEE	JAMES DAVIS, Democrat	91→	○	
			92→	○	
			93→	○	
			94→	○	

5

NONPARTISAN
JUDGE OF THE SUPERIOR COURT

1014 A-E	JUDICIAL	Office No. 1 Vote for One	RICHARD S. SULLIVAN, Democrat	105→	○
			LAWRENCE WASHINGTON, Democrat	106→	○
			SARAH M. STEVENS, Democrat	107→	○
			BURMAN JUSTER, Democrat	108→	○
			BERRY D. LUCKE, Democrat	109→	○
			HENRY E. AMES, Democrat	110→	○
			DAVID A. BRANSON, Democrat	111→	○
			EVERETT E. BULL, Democrat	112→	○
			WILLIAM WILSON, Democrat	113→	○
			WILLIAM WILSON, Democrat	114→	○
1014 A-E	JUDICIAL	Office No. 2 Vote for One	WILLIAM WILSON, Democrat	115→	○
			WILLIAM WILSON, Democrat	116→	○
			WILLIAM WILSON, Democrat	117→	○
			WILLIAM WILSON, Democrat	118→	○

6

JUDGE OF THE SUPERIOR COURT

1014 B-E	JUDICIAL	Office No. 3 Vote for One	CARLOS F. BORDA, JR., Democrat	121→	○
			WILLIAM DRAKE, Democrat	122→	○
			JOHN A. LARSEN, Democrat	123→	○
			WILLIAM D. SPENCER, Democrat	124→	○
			WILLIAM D. SPENCER, Democrat	125→	○
			CLARENCE A. BRIDGEMAN, Democrat	126→	○
			CLARENCE A. BRIDGEMAN, Democrat	127→	○
			LARA ALFRED BORDA, Democrat	128→	○
			JOSEPH P. LARSEN, Democrat	129→	○

7

TO
CONTINUE
VOTING

8

1014 C-E	SCHOOL	SUPERINTENDENT OF PUBLIC INSTRUCTION Vote for One	LARA ALFRED BORDA, Democrat	131→	○
			WILLIAM DRAKE, Democrat	132→	○
			JOHN A. LARSEN, Democrat	133→	○
			WILLIAM D. SPENCER, Democrat	134→	○
			WILLIAM D. SPENCER, Democrat	135→	○
			CLARENCE A. BRIDGEMAN, Democrat	136→	○
			CLARENCE A. BRIDGEMAN, Democrat	137→	○
			LARA ALFRED BORDA, Democrat	138→	○
			JOSEPH P. LARSEN, Democrat	139→	○
1014 C-E	SCHOOL	ALTERNATE Vote for One	FRANK A. BORDA, Democrat	141→	○
			PETER BAXTER, Democrat	142→	○
			WILLIAM D. SPENCER, Democrat	143→	○
			WILLIAM D. SPENCER, Democrat	144→	○
			WILLIAM D. SPENCER, Democrat	145→	○
			WILLIAM D. SPENCER, Democrat	146→	○
			WILLIAM D. SPENCER, Democrat	147→	○
			WILLIAM D. SPENCER, Democrat	148→	○
			WILLIAM D. SPENCER, Democrat	149→	○
			WILLIAM D. SPENCER, Democrat	150→	○

Office No. 12 Vote for One	STEWART E. MOORE Judge, District Court	113 →
Office No. 13 Vote for One	WILLIAM J. SCHAEFER Judge of the Superior Court	120 →
Office No. 14 Vote for One	JOHN H. PENNITZER Judge, District Court	121 →
Office No. 15 Vote for One	MILTON L. MOORE Judge, District Court	122 →
Office No. 16 Vote for One	EDWARD W. SALUTE Judge, District Court	123 →
Office No. 17 Vote for One	LEONARD G. SAMONCE Judge of the Superior Court	124 →
Office No. 18 Vote for One	JAMES H. KILBANE Judge, District Court	125 →
Office No. 19 Vote for One	FRANK J. KELLY Judge of the Superior Court	126 →
Office No. 20 Vote for One	ELIAS H. ARAGON Judge, District Court	127 →

The United Citizens for Good Government Committee

For the convenience of the voter The United Citizens for
Good Government Committee is recommending the most
qualified candidates for public office as listed below.

Those specifically recommended are highlighted in red.

GO
TO NEXT
PAGE

Office No. 21 Vote for One	JOHN TURNER Judge, District Court	187 →
Office No. 22 Vote for One	PETER J. WICKES Judge	192 →
Office No. 23 Vote for One	PETER QUINN Judge, District Court	193 →
Office No. 24 Vote for One	HARVEY A. BALZ Judge	200 →
Office No. 25 Vote for One	JOHN H. MOROJA Judge, District Court	201 →
Office No. 26 Vote for One	ROBERT A. FUSKLER Judge, District Court	202 →

10	STATE MEASURES	FOR	AGAINST
1	STATE SCHOOL BUILDING AND BOND LAW. Provide that the State School Building Board may issue bonds for the purpose of constructing school buildings.	235	236
2	CLEAN WATER AND WATER CONSERVATION BOND LAW. Provide that the State Water Board may issue bonds for the purpose of constructing water conservation projects.	237	238
3	LEGISLATIVE COMPENSATION ALTERNATIVE PAYMENT SYSTEM. Provide that the Legislature may establish an alternative payment system for its members. This measure is recommended by the United Citizens for Good Government Committee.	239	240
4	CITY EXISTING BONDING OF LEGISLATION. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	243	244
5	ADMINISTRATIVE REFORMS-LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials.	246	247
6	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	249	250
7	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	251	252
8	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	254	255
9	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	257	258

11	STATE MEASURES	FOR	AGAINST
10	TAXATION-REVENUE-PROPERTY-LEGISLATION. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	261	262
11	TAXATION-REVENUE-PROPERTY-LEGISLATION. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	264	265
12	TAXATION-REVENUE-PROPERTY-LEGISLATION. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	266	267
13	TAXATION-REVENUE-PROPERTY-LEGISLATION. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	269	270
A	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	274	275
B	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	277	278
C	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	281	282
D	LEGISLATIVE CONSTITUTIONAL AMENDMENT. Provide that the Legislature may establish a system for bonding city officials. This measure is recommended by the United Citizens for Good Government Committee.	284	285

END OF BALLOT

NOTICE TO VOTERS

The Enforcement Bureau is by An Unofficial Political
Group. Official Organizations of the Democratic Party
Are Prohibited by Law from Endorsing Candidates in
Primary Election.

GROUP 86

POLLING PLACE INSTRUCTIONS TO VOTERS PREPARE TO VOTE:

STEP 1 - Insert the ballot card into the Vote Recorder.



STEP 2 - Be sure the holes at the top of the ballot card fit over the red pins.



STEP 3 - Punch voting slip through the hole next to the arrow to record your vote.

DO NOT use pen or pencil.

NO VOTER SHALL PLACE ANY MARK UPON A BALLOT THAT WILL MAKE THAT BALLOT IDENTIFIABLE.

TO VOTE FOR: A CANDIDATE

Punch the ballot card through the hole next to the candidate's name.

JOHN DOE	Cattlemen	500 →	<input type="radio"/>
Engineer			

TWO OR MORE CANDIDATES FOR ONE OFFICE

Punch the ballot through the holes next to the names of all the candidates for whom you wish to vote. DO NOT VOTE FOR MORE CANDIDATES THAN IS INDICATED.

A MEASURE

Punch the ballot card through the hole next to the word "FOR" or "AGAINST", or "YES" or "NO".

A SHALL Los Angeles County be declared the sun and future capital of the world?	600 YES →	<input type="radio"/>
	601 NO →	<input type="radio"/>

A PERSON NOT LISTED ON BALLOT

Vote the qualified within candidate's office file and name on the spaces provided inside the gray envelope (White votes are valid for qualified candidates only.)

If you tear, mark or punch the error, return the ballot card to precinct board member and request another one.

AFTER YOU VOTE:

STEP 1
REMOVE BALLOT CARD FROM THE VOTE-RECORDER

STEP 2
IMPORTANT!
REMOVE ANY HANGING CHIPS FROM THE BACK OF YOUR BALLOT CARD

STEP 3
PLACE BALLOT CARD INSIDE GRAY ENVELOPE

STEP 4
HAND ENVELOPE TO A MEMBER OF THE PRECINCT BOARD

STEP 5
RECEIVE YOUR BALLOT RECEIPT STUB

SAMPLE BALLOT CONSOLIDATED PRIMARY ELECTION

**COUNTY OF LOS ANGELES
JUNE 6, 1978**

PREPARE FOR VOTING

1. Read the enclosed material.
2. Mark your choices in this Sample Ballot.
3. To minimize waiting at the polling place, take your marked sample ballot and the enclosed address slip to your polling place.

POLLING PLACE LOCATION

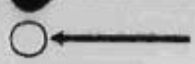
The location of your polling place is on the enclosed address slip. If you lose the address slip, call one of the following numbers for your polling place location.

If your last name begins with:

A - E	(213) 685-1251
F - K	(213) 488-0541
L - Q	(213) 485-9851
R - Z	(213) 626-2431

8 0 0 0 0 0 0 0 0 0

"A"



DEMOCR

NATE HOLDEN
California State Senate

VOTE
JUNE 6, 1978

THE UNITED CITIZENS FOR
GOOD GOVERNMENT COMMITTEE
3925 Crenshaw Boulevard, Los Angeles, CA 90008



SAMPLE BALLOT

POLLING PLACE LOCATION



See inside!

"IMPORTANT LAST NOTICE"
PLEASE TAKE TO THE POLLS

NOTICE TO VOTERS

The Endorsement Hereon Is By An Unofficial Political
Group. Official Organizations of the Democratic Party
Are Prohibited by Law From Endorsing Candidates in
Primary Election.

A

300100222424

ELECT

SENATOR

Nate Holden TO CONGRESS

DEMOCRAT • 28th CONGRESSIONAL DISTRICT



"Senator Nate Holden has been an outstanding State Senator. He will make a great Congressman."

—Governor Pat Brown



"Senator Nate Holden loves serving the people and his legislative record proves it. People in government today need legislators to be their friends, to be honest and to be effective."

—Supervisor Kenneth Hahn



"I am making it perfectly clear that Nate Holden is a man of integrity and dedication and has proven that he is committed to public and community service. We all must agree that he has served us well in Sacramento."

—MAYOR TOM BRADLEY



Senator Nate Holden being greeted by President Jimmy Carter on his recent visit to the White House.

"Nate, you're a good friend of mine and a good friend of the people. You were with me when times were tough. The White House doors are always open to you." —Jimmy Carter, President



The Working Team

Congresswoman Yvonne Brathwaite Burke and State Senator Nate Holden have always worked closely together to solve the people's problems.

WHY NOT SEND OUR BEST TO CONGRESS!

(Attachment A)

30040222425

ELECT SENATOR

**Nate
HOLDEN**

DEMOCRAT • 28th CONGRESSIONAL DISTRICT

TO CONGRESS



[Handwritten signature]

attachment B

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

**DO NOT BE
MISLEAD FOR
TRUE
PROPERTY
TAX RELIEF**

**VOTE YES
ON PROPOSITION 8** ☒

**VOTE NO
ON PROPOSITION 13** ☒



NATE HOLDEN
Former California State Senator

3229 West Adams Boulevard, Los Angeles, Calif. 90018

(213) 734-5672 MAR 24 AM 10:09

March 17, 1980

Mr. Bill Taylor
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Dear Mr. Taylor:

I am in receipt of the political campaign material which does not comply with 2 U.S.C. SS 44ld. During my campaign, every campaign worker, the majority of whom were volunteers, were explicitly notified by the campaign manager and myself that all printed material supporting my campaign "shall be in compliance with 2 U.S.C. SS 44ld." However, evidently it was possible that an omission occurred. I must state that every effort was made to be in compliance 100%. Sometimes volunteers don't always follow through.

Total money spent during the campaign was approximately \$150,000 and the campaign sent out approximately six district mailers approximating a million pieces of material. Comparatively speaking, the campaign material that was not in compliance was a very small portion of the material printed to support the overall campaign. The campaign committee nor I did not in any way intend to violate the Commission's guidelines. I speak for myself and the entire campaign committee "that the violations were inadvertent."

I hope I have satisfied all of your concerns. If you have any further questions do not hesitate to contact me. Thanking you in advance.

Sincerely yours,

Nate Holden

NATE HOLDEN
Former State Senator

NH:tg

(Attachment 'C')

Taylor

Postmarked July 28, 1980



NATE HOLDEN

Former California State Senator

5328 West 57th Street, Los Angeles, CA 90056
(213) 776-8270

July 22, 1980

Mr. Charles N. Steele,
General Counsel
Federal Election Commission
Washington, D.C. 20463

Dear Mr. Steele:

In the Matter of)

The Nate Holden for Congress)
Committee)

MUR 976

I am in receipt of your correspondence date May 2, 1980 RE: MUR 976, and the General Counsel's brief dated May 8, 1980. In your "STATEMENT OF THE CASE", you correctly stated that the No on 13 Committee (N.O.C.) paid for space on a joint mailer to defeat Proposition 13 and to promote Proposition 8, both state measures in California.

In March, 1979 I submitted a complete report to your office explaining exactly how the N.O.C. contribution was made. Please check your file and review that report. It would clarify many of the points that are raised in your brief.

For example, I stated that my campaign committee made every effort to avoid commingling campaign contributions. Therefore, we set up a separate committee known as United Citizens for Good Government (U.C.G.G.). My secretary, Rosemary Spriggs, had already contacted the Federal Election Commission for approval of this procedure. You will also find in that report, March 1979, that the \$5,000 check written by N.O.C. to the U.C.G.G. was returned to N.O.C. for insufficient funds. The notice of insufficient funds disrupted my campaign just prior to the election. The campaign material referred to as Attachment A & B, had already been printed and we had no choice but to follow through with the mailing. The N.O.C. contacted my campaign committee and requested to share space on the mailing. We did not contact them. Then the N.O.C. sent us a bad check. You have a copy of all this information in your file. My campaign committee informed the N.O.C. that the bad check they had contributed to the U.C.G.G. had an adverse effect on my overall campaign strategy. Hence, my campaign committee demanded that the N.O.C.

Mr. Charles N. Steele

Page 2

July 22, 1980

make the \$5,000 check a certified check and make it payable to the U. S. Postmaster. We could no longer take the chance of having another check returned because of mailing deadlines. The N.O.C. complied with my campaign committee's request.

The General Counsel's finding of probable cause that the Nate Holden for Congress Committee violated the 2 U.S.C. § 441d(a)(1) would not be under consideration if the N.O.C. check made payable to the U.C.G.G. was good. Because Ms. Spriggs would have been given the federal number and the reporting would have been made in the name of U.C.G.G. At the last minute, in an effort to get the mail out, it did not occur to the committee that the material did not include the name of my treasurer which obviously was not in compliance with 2 U.S.C. § 441d(a)(1).

Please bear in mind that members of my campaign committee were always required to keep every activity of the campaign open and above board. A full disclosure of all political activities and the collecting and expending of funds were made available to your office. In fact, Attachment A & B, the material in question, was made available to your office by my campaign committee. In fact, my treasurer included in my campaign statement the fact that the N.O.C. made a check of \$5,000 payable to the U. S. Postmaster which defrayed a partial cost of the mailing. Certainly that is open and above board and is a full disclosure of the committee's activities.

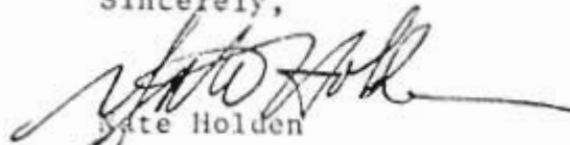
In the footnote of Page 2 it was stated in the STATEMENT OF THE CASE, "Furthermore, there is no evidence the U.C.G.G. accepted any contributions and made any expenditure of its own". NOT TRUE, you have evidence in your file, see March 1979 report, that the U.C.G.G. received a check of \$5,000 from N.O.C. -- it just turned out to be a bad check. It cannot be denied that my campaign committee (Nate Holden for Congress Committee) did not make every effort to comply with the law as amended -- every activity by the Nate Holden for Congress Committee was done in good faith. However, once the omission of the treasurer's name in the printing of the material was made, it was not concealed, the facts were made known to all parties concerned.

I am sure you are aware that this was a poor man's campaign. I am still troubled with an outstanding debt of \$35,000 which appears to be virtually impossible to raise after a losing campaign.

Mr. Charles N. Deele
Page 3
July 22, 1980

I hope this explanation with the series of events will satisfy the concerns of the General Counsel. I thank you in advance for your understanding and consideration.

Sincerely,



Nate Holden

NH:djl

NOTE: Notwithstanding the fact that the Federal Election Commission previously alleged probable cause that the Nate Holden for Congress Committee violated 2 U.S.C. § 441 a(f). Following an investigation by the Commission, the Commission determined that there was no reasonable cause to believe that the Nate Holden for Congress Committee violated 2 U.S.C. § 441 a(f).

1546601000



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: CHARLES STEELE *mwe*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *me*
DATE: JULY 30, 1980
SUBJECT: MUR 976 - Interim Investigative Report #8,
dated 7-25-80; Signed 7-28-80; Received
in OCS 7-28-80, 4:46

The above-named document was circulated to the
Commission on a 24 hour no-objection basis at 11:00,
July 29, 1980.

There were no objections to the Interim Investigative
Report at the time of the deadline.

July 28, 1980

MEMORANDUM TO: Marjorie W. Emons
FROM: Jane Colgrove
SUBJECT: MUR 976

9 2 7 1 0 2 2 4 3 3
Pahama have the attached Interim Investigative Report on MUR 976 distributed to the Commission on a 24 hour no-objection basis.

Thank you.

BEFORE THE FEDERAL ELECTION COMMISSION
July 25, 1980


In the Matter of)
) MUR 976
The Nate Holden for Congress)
Committee)

INTERIM INVESTIGATIVE REPORT #8

Mr. Nate Holden called on July 24, 1980, to determine whether the Commission had received his responsive brief which he states was sent to the Commission by first class mail on the 22nd of July. Mr. Holden was informed that as of July 24th the brief had not been received. He urged this office to allow a few additional days for the arrival of the brief before proceeding.

The Office of General Counsel recommends that the Commission give Mr. Holden five (5) additional days to await the arrival of his responsive brief before proceeding.

28 July 1980
Date


Charles N. Steele
General Counsel

80 JUL 28 P 4:46

107
107



cc# 2161

RECEIVED

20 JUL 32 AM 0 01

NATE HOLDEN

Former California State Senator

5328 West 57th Street, Los Angeles, CA 90056
(213) 776-8270

July 22, 1980

Mr. Charles N. Steele,
General Counsel
Federal Election Commission
Washington, D.C. 20463

Dear Mr. Steele:

In the Matter of)
The Nate Holden for Congress) MUR 976
Committee)

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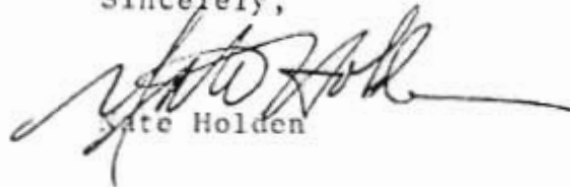
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3071022187

NATE HOLDEN

Former California State Senator

532 West 57th Street

Los Angeles, CA 90056



Attorney William Taylor
1525 K Street, Northwest
Federal Election Commission
Washington, D.C. 20463

NOT PRINTED OR MAILED AT PUBLIC EXPENSE



COUNTY OF LOS ANGELES

July 22, 1980

W/TO THE DESK OF

NATE HOLDEN

CONSTANT CHIEF DEPUTY TO
THE CLERK
SUPERVISOR SECOND DISTRICT

Please find enclosed five
copies of my brief.

Nate Holden

909367

RECEIVED



NATE HOLDEN

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5328 West 57th Street, Los Angeles, CA 90056

(213) 776-8270

July 22, 1980

JUL 31 PM 2

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Federal Election Commission
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70 JUL 31 PM 4:40

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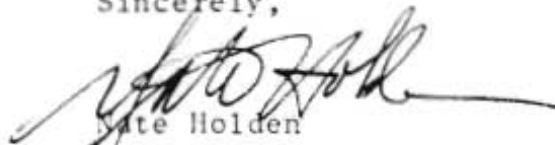
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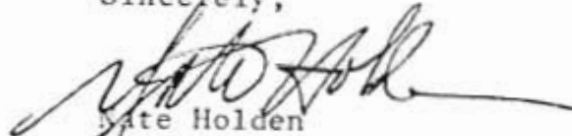
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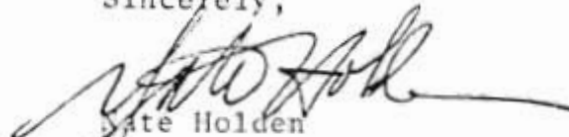
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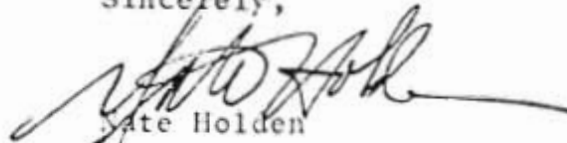
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LOS ANGELES
JUL 28
PM

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COUNTY OF LOS ANGELES

July 22, 1980

FROM THE DESK OF

NATE HOLDEN

ASSISTANT CHIEF DEPUTY TO

KEVIN T. HAHN

DEPUTY, SECOND DISTRICT

Please find enclosed
twelve copies of my brief.

Nate Holden



NATE HOLDEN

Former California State Senator

5328 West 57th Street, Los Angeles, CA 90056
(213) 776-8270

July 22, 1980

Mr. Charles N. Steele,
General Counsel
Federal Election Commission
Washington, D.C. 20463

Dear Mr. Steele:

In the Matter of)

The Nate Holden for Congress) MUR 976
Committee)

I am in receipt of your correspondence date May 2, 1980
RE: MUR 976, and the General Counsel's brief dated May
8, 1980. In your "STATEMENT OF THE CASE", you correctly
stated that the No on 13 Committee (N.O.C.) paid for space
on a joint mailer to defeat Proposition 13 and to promote
Proposition 8, both state measures in California.

In March, 1979 I submitted a complete report to your office
explaining exactly how the N.O.C. contribution was made.
Please check your file and review that report. It would
clarify many of the points that are raised in your brief.

For example, I stated that my campaign committee made every
effort to avoid commingling campaign contributions. There-
fore, we set up a separate committee known as United Citi-
zens for Good Government (U.C.G.G.). My secretary, Rosemary
Spriggs, had already contacted the Federal Election Commis-
sion for approval of this procedure. You will also find
in that report, March 1979, that the \$5,000 check written
by N.O.C. to the U.C.G.G. was returned to N.O.C. for insuf-
ficient funds. The notice of insufficient funds disrupted
my campaign just prior to the election. The campaign mater-
ial referred to as Attachment A & B, had already been printed
and we had no choice but to follow through with the mailing.
The N.O.C. contacted my campaign committee and requested to
share space on the mailing. We did not contact them. Then
the N.O.C. sent us a bad check. You have a copy of all this
information in your file. My campaign committee informed
the N.O.C. that the bad check they had contributed to the
U.C.G.G. had an adverse effect on my overall campaign stra-
tegy. Hence, my campaign committee demanded that the N.O.C.

800#

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80 JUL 31 AM 11:41

GENERAL

Mr. Charles N. Steele
Page 2
July 22, 1980

make the \$5,000 check a certified check and make it payable to the U. S. Postmaster. We could no longer take the chance of having another check returned because of mailing deadlines. The N.O.C. complied with my campaign committee's request.

The General Counsel's finding of probable cause that the Nate Holden for Congress Committee violated the 2 U.S.C. § 441d(a)(1) would not be under consideration if the N.O.C. check made payable to the U.C.G.G. was good. Because Ms. Spriggs would have been given the federal number and the reporting would have been made in the name of U.C.G.G. At the last minute, in an effort to get the mail out, it did not occur to the committee that the material did not include the name of my treasurer which obviously was not in compliance with 2 U.S.C. § 441d(a)(1).


Please bear in mind that members of my campaign committee were always required to keep every activity of the campaign open and above board. A full disclosure of all political activities and the collecting and expending of funds were made available to your office. In fact, Attachment A & B, the material in question, was made available to your office by my campaign committee. In fact, my treasurer included in my campaign statement the fact that the N.O.C. made a check of \$5,000 payable to the U. S. Postmaster which defrayed a partial cost of the mailing. Certainly that is open and above board and is a full disclosure of the committee's activities.

In the footnote of Page 2 it was stated in the STATEMENT OF THE CASE, "Furthermore, there is no evidence the U.C.G.G. accepted any contributions and made any expenditure of its own". NOT TRUE, you have evidence in your file, see March 1979 report, that the U.C.G.G. received a check of \$5,000 from N.O.C.--it just turned out to be a bad check. It cannot be denied that my campaign committee (Nate Holden for Congress Committee) did not make every effort to comply with the law as amended--every activity by the Nate Holden for Congress Committee was done in good faith. However, once the omission of the treasurer's name in the printing of the material was made, it was not concealed, the facts were made known to all parties concerned.

I am sure you are aware that this was a poor man's campaign. I am still troubled with an outstanding debt of \$35,000 which appears to be virtually impossible to raise after a losing campaign.

July 22, 1980

Sincerely,

Sincerely,

Kate Holden

NH: dj 1

NOTE: Notwithstanding the fact that the Federal Election Commission previously alleged probable cause that the Nate Holden for Congress Committee violated 2 U.S.C. § 441 a(f). Following an investigation by the Commission, the Commission determined that there was no reasonable cause to believe that the Nate Holden for Congress Committee violated 2 U.S.C. § 441 a(f).

61119



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

MEMORANDUM TO: CHARLES STEELE *mwe*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*
DATE: JUNE 30, 1980
SUBJECT: MUP 976 - Interim Investigative Report #7,
dated 6-23-80; Signed 6-26-80; Received
in OCS 6-27-80, 7:37

The above-named document was circulated to the
Commission on a 24 hour no-objection basis at 2:00,
June 27, 1980.

There were no objections to the Interim Investigative
Report at the time of the deadline.

June 26, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 976

Please have the attached Interim Invest Report
distributed to the Commission. Thank you.

8007102000

BEFORE THE FEDERAL ELECTION COMMISSION
June 23, 1980

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 JUN 27 A7: 37

In the Matter of)
)
Nate Holden for Congress) MUR 976
Committee)

INTERIM INVESTIGATIVE REPORT #7

On May 27, 1980, the Office of General Counsel mailed to Mr. Nate Holden a covering letter and brief recommending probable cause to 3229 West Adams Blvd., Los Angeles, California, the address listed on the last correspondence sent by Mr. Holden.

Mr. Holden was phoned on June 18, 1980, concerning his committee's failure to respond to the Office of General Counsel's recommendation. Mr. Holden said that he did not receive any correspondence from the Commission. (The letter was returned on June 20th marked unclaimed). When informed of the address that the correspondence was sent, Mr. Holden responded that he no longer maintained an office there. He asked if we would mail a copy of the brief to his home address at 5328 W. 57th, Los Angeles, California; a copy of the May 27th correspondence with enclosed brief was mailed on June 18, 1980.

This office intends to wait an additional 21 days before filing its General Counsel's Report with the Commission.

6/26/80
Date

Charles N. Steele
Charles N. Steele
General Counsel
1980

MUR 976 - The Nate Holden For
Congress Committee

Memo to file: Remailing of Probable
Cause Brief

date: July 15, 1980

The first copy of our Probable
Cause brief mailed to Mr
Holden, was returned unclaimed.

Mr Holden has received another
copy of this brief. Please
do not remail the returned
brief.



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 27, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
3229 West Adams Boulevard
Los Angeles, California 90018

Re: MUR 976

Dear Mr. Holden:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, and information supplied by your committee the Federal Election Commission, on August 30, 1979, found reason to believe that your committee may have violated section 441d(a)(1) of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

Should you have any questions, please contact William E. Taylor, at 202-523-5071.

Charles N. Steele
General Counsel

Enclosure
Brief

1. **STANDARD** - Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on **REVERSE**.

2. **ARTICLE ADDRESSED TO:**
 Mr. Peter Halden
 6328 W. 514 St
 Los Angeles, Cal 90056

3. **ARTICLE DESCRIPTION:**
 REGISTERED NO. **POC-576** INSURED NO.

4. **ARTICLE DELIVERY:**
 1. (Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]
 DATE OF DELIVERY

5. **ADDRESS:** **LOS ANGELES, CALIF.**
 (Only if required)

6. **UNABLE TO DELIVER (REASON):**

7. **POSTMASTER:**

8. **POSTAGE:**

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MUR 976

Memo to file: June 18, 1980

Re; In the Matter of The Nate Holden For Congress Committee

Respondent in a phone conversation with W. Taylor claims that he never received the original General Counsel's Brief. This brief was mailed to him on May 29, 1980, but as of this date, we have not received the green card.

On 6/18/80 a copy of the General's brief was mailed to the respondent at his request to 5328 W. 57th Street. Los Angeles, Cal. 90056

Nate Holden

3771000157



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

80 MAY 27 P12: 38

May 27, 1980

MEMORANDUM TO: The Commission

FROM: Charles N. Steele *CNS*
General Counsel

SUBJECT: MUR 976

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondent of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe was mailed on May 27, 1980. Following receipt of the Respondent's reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to Respondent

May 27, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 976

Please have the attached Memo & Brief distributed
to the Commission on an informational basis. Thank you.

3177022152



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

3 7 7 1 0 2 2 1 7 0
MEMORANDUM TO : THE COMMISSION
FROM: MARJORIE W. EMMONS/MARGARET CHANEY
DATE: May 27, 1980
SUBJECT: MUR 976

The attached documents are circulated for your information.

ATTACHMENTS:

1) Memo; 2) Brief; 3) Letter

8001022471

MUR 976

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

A review of the 1978 reports filed by the Nate Holden Campaign Committee (Holden Committee) listed a \$5,000 contribution from NO on 13 Committee (N.O.C.), a committee not registered with the Commission. N.O.C. was organized to defeat Proposition 13 and promote Proposition 8, both state measures in California.

The Commission sent both parties a notice of a surface violation by letter dated December 11, 1978 (The Holden Committee for its acceptance of a contribution in excess of \$1,000. N.O.C. for its failure to register as a political committee pursuant to 2 U.S.C. §433 and failing to file reports of receipts and expenditures pursuant to 2 U.S.C. §434.); it then found reason to believe against N.O.C. on February 6, 1979 for failing to file a statement of organization pursuant to 2 U.S.C. §433 and found reason to believe on March 15, 1979 for the Holden Committee's acceptance of an excessive contribution in violation of 2 U.S.C. §441a(f).

Investigation shows that \$5,000 was not intended as a contribution but as payment by N.O.C. for space in Holden's campaign literature to advance N.O.C.'s position on the state propositions. It is asserted by N.O.C. that "[N.O.C.] was aware

that a portion of the space it did not purchase would be utilized to promote Mr. Holden's candidacy" and that N.O.C made similar space arrangements with Mr. Holden's opponents in the primary election, and, further, that N.O.C. "terminated its operations immediately following the June, 1978 election."

Under the terms of a written agreement between N.O.C. and the United Citizens for Good Government (U.C.G.G.), a Holden Committee conduit apparently set up for the purposes of accepting N.O.C.'s check, N.O.C. paid \$5,000 for the placing of its message on proposition 13 in the Holden campaign literature.^{1/}

The literature produced as a result of N.O.C.'s agreement with U.C.G.G. contained both N.O.C.'s message on proposition 13 and a message which expressly advocated the election of Nate Holden to Congress by using the term "Elect Holden" (See attachment "A"). This literature did not contain any statement that the communication had been paid for by Nate Holden or the Nate Holden For Congress Committee, as required by §441d of the Act.

On August 30, 1979 the Commission determined there was reason to believe that the Holden Committee violated §441d of the Act by failing to include a §441d notification on campaign literature which expressly advocated the election of a federal candidate, Nate Holden. The Commission also

^{1/} It is the Holden Committee's contention that U.C.G.G. was set up so the Holden Committee would not commingle N.O.C. funds with other campaign funds "until such time as the [check] could be verified." Furthermore, there is no evidence that U.C.G.G. accepted any contributions or made any expenditures of its own.

determined that there was no reasonable cause to believe that the Holden Committee violated 2 U.S.C. §441a(f) and that N.O.C. violated 2 U.S.C. §433. 2/

Due to a change in address on the part of the Holden Committee, the Commission's notification of its finding was not received by the Holden Committee until late December of 1979.

Mr. Holden responded, on behalf of his committee, to the Commission's findings by letter dated January 24, 1980 and contended that, to the best of his knowledge, all political advertisements used by his committee contained a 44ld notification. At his request, copies of the advertisements in question were mailed to him (Attachment A & B). (These advertisements were originally sent to the Commission by the Holden Committee.)

Mr. Holden by letter dated March 17, 1980 (Attachment C) acknowledged receipt of the advertisements in question and set forth certain facts, not as a defense, but as mitigation of his committee's failure to include a 44ld notice. He contends that the literature in question represents but a small portion of the material printed to support the overall campaign, and that the violation was inadvertent.

2/ The basis for the no reasonable cause to believe findings was that the Commission found that the \$5,000 was not a contribution but the payment on the fair market value of N.O.C.'s placing its message in the Holden campaign literature.

8004022473

II. FACTUAL AND LEGAL ANALYSIS

§441d(a)(1) of the Act holds that "whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate ..., such communication if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee." 3/

The communications in question (Attachment A & B) were handbills distributed by the Holden Committee during Mr. Holden's campaign for Congress and were expressly authorized by the Holden Committee. They clearly identify the candidate as "Nate Holden" and expressly advocate his election by using the words "elect." Finally, these advertisements do not contain any statement that they were paid for by the Nate Holden For Congress Committee, as expressly required by §441d(a)(1). Thus the Nate Holden For Congress Committee violated 2 U.S.C. §441d(a)(1).

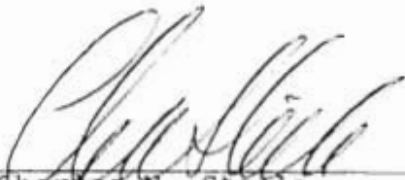
3/ The language of 2 U.S.C. §441d has been changed slightly by the 1979 amendments. One of the changes has resulted in citing 2 U.S.C. §441d(a)(1) for the Holden Committee's failure to contain the required statement on the literature in question rather than citing this violation as 2 U.S.C. §441d(1), as would have been done prior to the 1979 amendments. The actions of the Holden Committee are in violation of the newly amended Act as well as the old Act.

8001022474

III. GENERAL COUNSEL'S RECOMMENDATION

Find probable cause that the Nate Holden for Congress Committee violated 2 U.S.C. §441d(a)(1).

23 May 1980
Date


Charles N. Steele
General Counsel

Attachments

1. Political advertisement - A
2. Political advertisement - B
3. Letter of Nate Holden - March 17, 1980 - C

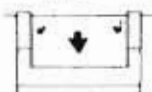
80010022475

**POLLING PLACE
INSTRUCTIONS TO VOTERS
PREPARE TO VOTE:**

STEP 1 - Insert the ballot card into the Vote-Recorder



STEP 2 - Be sure the holes at the top of the ballot card fit over the red points



STEP 3 - Punch voting stylus through the hole next to the arrow to record your vote

DO NOT use pen or pencil

NO VOTER SHALL PLACE ANY MARK UPON A BALLOT THAT WILL MAKE THAT BALLOT IDENTIFIABLE.

TO VOTE FOR:

A CANDIDATE

Punch the ballot card through the hole next to the candidate's name.

JOHN DOE Engineer	Californian	500 →
-----------------------------	-------------	-------

TWO OR MORE CANDIDATES FOR ONE OFFICE

Punch the ballot through the holes next to the names of all the candidates for whom you wish to vote. **DO NOT VOTE FOR MORE CANDIDATES THAN IS INDICATED**

A MEASURE

Punch the ballot card through the hole next to the word "FOR" or "AGAINST" or "YES" or "NO"

A SHALL Los Angeles County be declared the sun and leisure capital of the world?	600 YES →
	601 NO →

A PERSON NOT LISTED ON BALLOT

Write the qualified write-in candidate's office, title, and name on the spaces provided inside the gray envelope (Write-in votes are valid for qualified candidates only.)

If you tear, mark or punch in error, return the ballot card to precinct board member and request another one.

AFTER YOU VOTE:

STEP 1
REMOVE BALLOT CARD FROM THE VOTE-RECORDER

STEP 2
IMPORTANT!
REMOVE ANY HANGING CHIPS FROM THE BACK OF YOUR BALLOT CARD

STEP 3
PLACE BALLOT CARD INSIDE GRAY ENVELOPE

STEP 4
HAND ENVELOPE TO A MEMBER OF THE PRECINCT BOARD

STEP 5
RECEIVE YOUR BALLOT RECEIPT STUB

**SAMPLE BALLOT
CONSOLIDATED PRIMARY ELECTION**

**COUNTY OF LOS ANGELES
JUNE 6, 1978**

PREPARE FOR VOTING

1. Read the enclosed material.
2. Mark your choices on this Sample Ballot.
3. To minimize waiting at the polling place, take your marked sample ballot and the enclosed address slip to your polling place.

POLLING PLACE LOCATION

The location of your polling place is on the enclosed address slip. If you lose the address slip, call one of the following numbers for your polling place location.

If your last name begins with

A - E	(213) 683 1251
F - K	(213) 488 0361
L - Q	(213) 485 9851
R - Z	(213) 626 2411

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1		DEMOCRATIC	
STATE	GOVERNOR Vote for One	JOHN HANCOCK ABBOTT Democrat	1→
		JOHN HANCOCK ABBOTT Democrat	2→
		DAVID ROCK Democrat	3→
		GEORGE S. HODEN Democrat	4→
		EDWARD G. BROWN JR. Democrat	5→
		LOWELL CARLSON Democrat	6→
		RAYMOND V. LIEBOWITZ Democrat	7→
		JOHN HANCOCK ABBOTT Democrat	8→
		ALLEN D. ALLEN Democrat	9→
	LEUTENANT GOVERNOR Vote for One	PATRICK BATHWELL PETERSEN Democrat	11→
		JOHN HANCOCK ABBOTT Democrat	12→
		JOHN HANCOCK ABBOTT Democrat	13→
		JOHN HANCOCK ABBOTT Democrat	14→
	SECRETARY OF STATE Vote for One	MARION FORD JR. Democrat	16→
	CONTROLLER Vote for One	BENNETT CORY Democrat	18→
		JOHN HANCOCK ABBOTT Democrat	19→
	TREASURER Vote for One	WILLIAM A. BURNETT Democrat	21→
		JOHN HANCOCK ABBOTT Democrat	22→
	ATTORNEY GENERAL Vote for One	JOHN HANCOCK ABBOTT Democrat	23→
		JOHN HANCOCK ABBOTT Democrat	24→

5		NONPARTISAN JUDGE OF THE SUPERIOR COURT	
JUDICIAL	Office No. 1 Vote for One	REINHOLD S. BUCKLEY Democrat	105→
		LAWRENCE WASHINGTON Democrat	106→
		SARAH H. STOWITZ Democrat	107→
		WILLIAM A. BURNETT Democrat	108→
		BENNETT CORY Democrat	109→
		JOHN HANCOCK ABBOTT Democrat	110→
		DAVID A. BURNETT Democrat	111→
		JOHN HANCOCK ABBOTT Democrat	112→
		JOHN HANCOCK ABBOTT Democrat	113→
		JOHN HANCOCK ABBOTT Democrat	114→
	Office No. 2 Vote for One	JOHN HANCOCK ABBOTT Democrat	115→
		JOHN HANCOCK ABBOTT Democrat	116→
		JOHN HANCOCK ABBOTT Democrat	117→

2		DEMOCRATIC	
STATE	MEMBER STATE BOARD OF EQUALIZATION Vote for One	REINHOLD S. BUCKLEY Democrat	77→
CONGRESSIONAL	REPRESENTATIVE IN CONGRESS Vote for One	LEON E. LOFTON JR. Democrat	33→
		JOHN HANCOCK ABBOTT Democrat	34→
		JOHN HANCOCK ABBOTT Democrat	35→
		JOHN HANCOCK ABBOTT Democrat	36→
		JOHN HANCOCK ABBOTT Democrat	37→
		JOHN HANCOCK ABBOTT Democrat	38→
		JOHN HANCOCK ABBOTT Democrat	39→
		JOHN HANCOCK ABBOTT Democrat	40→

6		JUDGE OF THE SUPERIOR COURT	
JUDICIAL	Office No. 3 Vote for One	CARLOS F. BORJA JR. Democrat	131→
		WILLIAM A. BURNETT Democrat	132→
		JAY A. LIPMAN Democrat	133→
		JOHN HANCOCK ABBOTT Democrat	134→
		JOHN HANCOCK ABBOTT Democrat	135→
		JOHN HANCOCK ABBOTT Democrat	136→
		JOHN HANCOCK ABBOTT Democrat	137→
		JOHN HANCOCK ABBOTT Democrat	138→
		JOHN HANCOCK ABBOTT Democrat	139→
JUDICIAL	Office No. 4 Vote for One	JOHN HANCOCK ABBOTT Democrat	140→
		JOHN HANCOCK ABBOTT Democrat	141→
		JOHN HANCOCK ABBOTT Democrat	142→
		JOHN HANCOCK ABBOTT Democrat	143→
		JOHN HANCOCK ABBOTT Democrat	144→
		JOHN HANCOCK ABBOTT Democrat	145→
		JOHN HANCOCK ABBOTT Democrat	146→
		JOHN HANCOCK ABBOTT Democrat	147→
		JOHN HANCOCK ABBOTT Democrat	148→

3		DEMOCRATIC	
STATE	STATE SENATOR Vote for One	JOHN HANCOCK ABBOTT Democrat	53→
		JOHN HANCOCK ABBOTT Democrat	54→
		JOHN HANCOCK ABBOTT Democrat	55→
		JOHN HANCOCK ABBOTT Democrat	56→
		JOHN HANCOCK ABBOTT Democrat	57→
		JOHN HANCOCK ABBOTT Democrat	58→
LEGISLATURE	MEMBER OF THE ASSEMBLY Vote for One	ALBERT J. CRAWFORD Democrat	62→
		JOHN HANCOCK ABBOTT Democrat	63→
		JOHN HANCOCK ABBOTT Democrat	64→
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		JOHN HANCOCK ABBOTT Democrat	66→
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		JOHN HANCOCK ABBOTT Democrat	69→
		JOHN HANCOCK ABBOTT Democrat	70→

7		JUDGE OF THE SUPERIOR COURT	
JUDICIAL	Office No. 5 Vote for One	JOHN HANCOCK ABBOTT Democrat	149→
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		JOHN HANCOCK ABBOTT Democrat	156→
		JOHN HANCOCK ABBOTT Democrat	157→
JUDICIAL	Office No. 6 Vote for One	JOHN HANCOCK ABBOTT Democrat	158→
		JOHN HANCOCK ABBOTT Democrat	159→
		JOHN HANCOCK ABBOTT Democrat	160→
		JOHN HANCOCK ABBOTT Democrat	161→
		JOHN HANCOCK ABBOTT Democrat	162→
		JOHN HANCOCK ABBOTT Democrat	163→
		JOHN HANCOCK ABBOTT Democrat	164→
		JOHN HANCOCK ABBOTT Democrat	165→
		JOHN HANCOCK ABBOTT Democrat	166→

4		DEMOCRATIC	
COUNTY	MEMBER COUNTY CENTRAL COMMITTEE Vote for No More Than Seven	AL FISHBEIN Democrat	81→
		JOHN HANCOCK ABBOTT Democrat	82→
		JOHN HANCOCK ABBOTT Democrat	83→
		JOHN HANCOCK ABBOTT Democrat	84→
		JOHN HANCOCK ABBOTT Democrat	85→
		JOHN HANCOCK ABBOTT Democrat	86→
		JOHN HANCOCK ABBOTT Democrat	87→
		JOHN HANCOCK ABBOTT Democrat	88→
		JOHN HANCOCK ABBOTT Democrat	89→
		JOHN HANCOCK ABBOTT Democrat	90→
SCHOOL	MEMBER SCHOOL INSTRUCTION Vote for One	JOHN HANCOCK ABBOTT Democrat	167→
		JOHN HANCOCK ABBOTT Democrat	168→
		JOHN HANCOCK ABBOTT Democrat	169→
		JOHN HANCOCK ABBOTT Democrat	170→
		JOHN HANCOCK ABBOTT Democrat	171→
		JOHN HANCOCK ABBOTT Democrat	172→
		JOHN HANCOCK ABBOTT Democrat	173→
		JOHN HANCOCK ABBOTT Democrat	174→
		JOHN HANCOCK ABBOTT Democrat	175→

8		JUDGE OF THE SUPERIOR COURT	
JUDICIAL	Office No. 7 Vote for One	JOHN HANCOCK ABBOTT Democrat	176→
		JOHN HANCOCK ABBOTT Democrat	177→
		JOHN HANCOCK ABBOTT Democrat	178→
		JOHN HANCOCK ABBOTT Democrat	179→
		JOHN HANCOCK ABBOTT Democrat	180→
		JOHN HANCOCK ABBOTT Democrat	181→
		JOHN HANCOCK ABBOTT Democrat	182→
		JOHN HANCOCK ABBOTT Democrat	183→
		JOHN HANCOCK ABBOTT Democrat	184→
JUDICIAL	Office No. 8 Vote for One	JOHN HANCOCK ABBOTT Democrat	185→
		JOHN HANCOCK ABBOTT Democrat	186→
		JOHN HANCOCK ABBOTT Democrat	187→
		JOHN HANCOCK ABBOTT Democrat	188→
		JOHN HANCOCK ABBOTT Democrat	189→
		JOHN HANCOCK ABBOTT Democrat	190→
		JOHN HANCOCK ABBOTT Democrat	191→
		JOHN HANCOCK ABBOTT Democrat	192→
		JOHN HANCOCK ABBOTT Democrat	193→

TO
CONTINUE
VOTING
→

Office No. 12 Vote for One	STERLING E. HARRIS Judge, District Court	118	→	○
	WILLIAM SCHAEFER Judge of the Superior Court	120	→	○
	JOHN H. PENNITZ Judge, District Court	121	→	○
Office No. 13 Vote for One	WILTON G. MOIST Superior Court Commissioner	122	→	○
	EUGENE H. SALLITS Judge, District Court	123	→	○
	LEOPOLDO G. SANCHEZ Judge of the Superior Court	124	→	○
	JAMES H. DEANAN Judge, District Court	125	→	○
Office No. 14 Vote for One	FRANK E. KELLY Judge of the Superior Court	126	→	○
	ADAM H. BRADSON Judge, District Court	127	→	○

The United Citizens for Good Government Committee

For the convenience of the voter The United Citizens for
Good Government Committee is recommending the most
qualified candidates for public office as listed below.
Those specifically recommended are highlighted in red *

TO NEXT
PAGE

COUNTY	CITY		
SHERRY Vote for One	JOHN TURNER Judge, District Court	187	→
	PETER J. WITNESS Judge	190	→
	PETER DUMM Judge, District Court	199	→
	HARVEY A. BARTY Judge	200	→
	JOHN D. KOBOTA Judge, District Court	201	→
	RICHARD SAM FLENER Judge, District Court	202	→

TO
CONTINUE
VOTING

GO
TO NEXT
PAGE

10	STATE MEASURES			
1	STATE SCHOOL BUILDING AND BOND LAW: Provide that any school building project for public school system may be authorized by the board of education.	235	FOR →	X
		236	AGAINST →	○
2	CLEAN WATER AND WATER CONSERVATION BOND LAW: Provide that bonds may be issued for water supply and water conservation projects.	237	FOR →	○
		238	AGAINST →	○
3	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Legislation shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	239	YES →	X
		240	NO →	○
4	CONSTITUTIONAL AMENDMENT: LEGISLATION: EXEMPTION- INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	243	YES →	X
		244	NO →	○
5	ADMINISTRATIVE: BUSINESS LEGISLATION: EXEMPTION- INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	245	YES →	X
		247	NO →	○
6	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	249	YES →	X
		250	NO →	○
7	LOCAL: BUSINESS: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	251	YES →	X
		252	NO →	○
8	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	254	YES →	○
		255	NO →	○
9	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	257	YES →	X
		258	NO →	○

11	STATE MEASURES			
10	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	261	YES →	X
		262	NO →	○
11	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	264	YES →	X
		265	NO →	○
12	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	266	YES →	○
		267	NO →	○
13	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	269	YES →	○
		270	NO →	○
COUNTY QUESTIONS				
A	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	274	YES →	○
		275	NO →	X
B	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	277	YES →	○
		278	NO →	X
CREATION OF SOUTH BAY COUNTY				
C	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	281	YES →	○
		282	NO →	○
CREATION OF PENINSULA COUNTY				
D	LEGISLATION: EXEMPTION-INTEREST EARNINGS SYSTEM: Provide that the legislature shall exempt interest earnings from taxation for the purpose of providing a source of funds for the state treasury.	284	YES →	○
		285	NO →	○

END OF BALLOT

NOTICE TO VOTERS

The Endorsement Hereon is By An Unofficial Political
Group Official Organizations of the Democratic Party
Are Prohibited By Law From Endorsing Candidates in
Primary Election

GROUP 86

8211101006

ELECT

SENATOR

Nate Holden TO CONGRESS

DEMOCRAT • 28th CONGRESSIONAL DISTRICT



"Senator Nate Holden has been an outstanding State Senator. He will make a great Congressman."

—Governor Pat Brown



"Senator Nate Holden loves serving the people and his legislative record proves it. People in government today need legislators to be their friends, to be honest and to be effective."

—Supervisor Kenneth Hahn



"I am making it perfectly clear that Nate Holden is a man of integrity and dedication and has proven that he is committed to public and community service. We all must agree that he has served us well in Sacramento."

—MAYOR TOM BRADLEY



Senator Nate Holden being greeted by President Jimmy Carter on his recent visit to the White House.

"Nate, you're a good friend of mine and a good friend of the people. You were with me when times were tough. The White House doors are always open to you." —Jimmy Carter, President



The Working Team

Congresswoman Yvonne Brathwaite Burke and State Senator Nate Holden have always worked closely together to solve the people's problems.

WHY NOT SEND OUR BEST TO CONGRESS!

(Handwritten signature)

30040000079



DEMOCR

NATE HOLDEN
California State Senate

VOTE
JUNE 6, 1978

THE UNITED CITIZENS FOR
GOOD GOVERNMENT COMMITTEE
3925 Crenshaw Boulevard, Los Angeles, CA 90008



SAMPLE BALLOT

POLLING PLACE LOCATION



See inside!

"IMPORTANT LAST NOTICE"
PLEASE TAKE TO THE POLLS

NOTICE TO VOTERS

The Endorsement Hereon Is By An Unofficial Political Group. Official Organizations of the Democratic Party Are Prohibited by Law From Endorsing Candidates in Primary Election.

30011130

A

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

**DO NOT BE
MISLEAD FOR
TRUE
PROPERTY
TAX RELIEF**

**VOTE YES
ON PROPOSITION 8**



**VOTE NO
ON PROPOSITION 13**



© 1993 by the California Taxpayers Federation, 1227 N. Highland Ave., Hollywood, CA

ELECT SENATOR

**Nate
HOLDEN**

DEMOCRAT • 28th CONGRESSIONAL DISTRICT

TO CONGRESS



Nate Holden



NATE HOLDEN

Former California State Senator

3229 West Adams Boulevard, Los Angeles, Calif. 90018

(213) 734-5672

RECEIVED
FEDERAL ELECTION
COMMISSION

MAR 24 AM 10:09

Taylor

March 17, 1980

Mr. Bill Taylor
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Dear Mr. Taylor:

I am in receipt of the political campaign material which does not comply with 2 U.S.C. SS 441d. During my campaign, every campaign worker, the majority of whom were volunteers, were explicitly notified by the campaign manager and myself that all printed material supporting my campaign "shall be in compliance with 2 U.S.C. SS 441d." However, evidently it was possible that an omission occurred. I must state that every effort was made to be in compliance 100%. Sometimes volunteers don't always follow through.

Total money spent during the campaign was approximately \$150,000 and the campaign sent out approximately six district mailers approximating a million pieces of material. Comparatively speaking, the campaign material that was not in compliance was a very small portion of the material printed to support the overall campaign. The campaign committee nor I did not in any way intend to violate the Commission's guidelines. I speak for myself and the entire campaign committee "that the violations were inadvertent."

I hope I have satisfied all of your concerns. If you have any further questions do not hesitate to contact me. Thanking you in advance.

Sincerely yours,

Nate Holden

NATE HOLDEN

Former State Senator

NH:tg

(all attached)



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 27, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
3229 West Adams Boulevard
Los Angeles, California 90018

Re: MUR 976

Dear Mr. Holden:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, and information supplied by your committee the Federal Election Commission, on August 30, 1979, found reason to believe that your committee may have violated section 441d(a)(1) of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a violation has occurred.


Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of General Counsel.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of probable cause to believe a violation has occurred.

Page Two
Ltr. to Nate Holden

A finding of probable cause to believe requires that the Office of General Counsel attempt for a period of not less than thirty, but not more than ninety days to settle this matter through a conciliation agreement. This does not preclude settlement of this matter through informal conciliation prior to a finding of probable cause to believe, if you so desire.

Should you have any questions, please contact William E. Taylor, at 202-523-5071.

Sincerely,


Charles N. Steele
General Counsel

Enclosure
Brief

300102135



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY *me*

DATE: MARCH 31, 1980

SUBJECT: MUR 976 - Interim Investigative Report #6,
dated 3-21-80; Signed 3-23-80;
Received in OCS 3-28-80, 1:46

3007020495

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 11:00, March 31, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline.

March 28, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 976

Please have the attached Intern Invest Report
distributed to the Commission. Thank you.

330102:137

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

March 21, 1980 80 MAR 28 P 1: 46

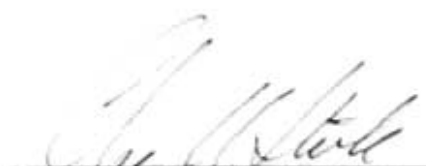
In the Matter of)
) MUR 976
The Nate Holden for)
Congress Committee)

INTERIM INVESTIGATIVE REPORT #6

On March 14, 1980, Mr. Holden the candidate, was contacted by phone to determine whether he had received copies of the two campaign advertisements the Commission contends failed to include a 44ld notification. He acknowledged receipt and added that until now he was unaware of the fact that any of his advertisements failed to have a section 44ld notification. He asked for an opportunity to address the issue of his committee's failure to include a 44ld notification and apologized for not have responded to the Commission. He added that his failure to answer was due to ill health.

We are currently awaiting Mr. Holden's answer. If the answer is not received within 10 days, we will recommend the Commission take further action.

28 March 1980
Date


Charles N. Steele
General Counsel



NATE HOLDEN

Former California State Senator

3229 West Adams Boulevard, Los Angeles, Calif. 90018

(213) 734-5672

RECEIVED
FEDERAL ELECTION
COMMISSION
MAR 24 AM 10:09

March 17, 1980

Mr. Bill Taylor
Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Dear Mr. Taylor:

I am in receipt of the political campaign material which does not comply with 2 U.S.C. SS 44ld. During my campaign, every campaign worker, the majority of whom were volunteers, were explicitly notified by the campaign manager and myself that all printed material supporting my campaign "shall be in compliance with 2 U.S.C. SS 44ld." However, evidently it was possible that an omission occurred. I must state that every effort was made to be in compliance 100%. Sometimes volunteers don't always follow through.

Total money spent during the campaign was approximately \$150,000 and the campaign sent out approximately six district mailers approximating a million pieces of material. Comparatively speaking, the campaign material that was not in compliance was a very small portion of the material printed to support the overall campaign. The campaign committee nor I did not in any way intend to violate the Commission's guidelines. I speak for myself and the entire campaign committee "that the violations were inadvertent."

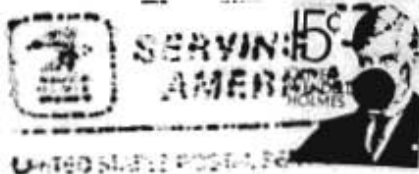
I hope I have satisfied all of your concerns. If you have any further questions do not hesitate to contact me. Thanking you in advance.

Sincerely yours,

NATE HOLDEN
Former State Senator

NH:tg

NATE HOLDEN
Former California State Senator
3229 West Adams Boulevard
Los Angeles, CA 90018



Mr. Bill Taylor
Federal Election Commission
500 5th Street N.W.
Washington, D.C. 20463

01:01 W h2

NOV 13 1980
FEDERAL ELECTION
COMMISSION

NOT PRINTED OR MAILED AT PUBLIC EXPENSE



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

MEMORANDUM TO: CHARLES STEELE *YMU*

FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*

DATE: FEBRUARY 27, 1980

SUBJECT: MUR 976 - Interim Investigative Report
dated 2-25-80; Received in OCS
2-26-80, 7:41

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 11:00, February 26, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline.

February 25, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Jane Colgrove
SUBJECT: MUR 976

PLEASE have the attached Interim Investigative
Report on MUR 976 distributed to the Commission on
a 24 hour no-objection basis.

Thank you.

87710222172

BEFORE THE FEDERAL ELECTION COMMISSION

84 FEB 26 A7:41

In the Matter of)
Nate Holden for Congress)

MUR 976

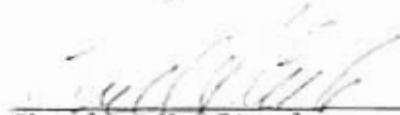
Interim Investigative Report #5

Mr. Nate Holden, by letter dated January 24, 1980, informed us that he had received the Commission's reason to believe notice which alleged that his principal campaign committee, Nate Holden for Congress, violated 2 U.S.C. § 441d.

In his letter Mr. Holden contends that to the best of his knowledge all his campaign material had the proper information printed on it. He further asked that if we had any material that did not contain the proper information please send him a copy of said material.

We have sent Mr. Holden copies of campaign material used by the Nate Holden for Congress committee which do not have the required § 441d information and we are awaiting his response.

25 February 1980
Date



Charles N. Steele
General Counsel



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *CS*
FROM: MARJOPIE W. EMMONS/MARGARET CHANEY *MC*
DATE: FEBRUARY 1, 1980
SUBJECT: MUP 976 - Interim Investigative
Report #4 dated 1-30-80.
Received in OCS 1-31-80, 11:40

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 4:00, January 31, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline.

3774912:01

January 31, 1980

MEMORANDUM TO: Marjorie W. Emmons
FROM: Jane Colgrove
SUBJECT: MUR 976

Please have the attached Interim Investigative Report on MUR 976 distributed to the Commission on a 24 hour no-objection basis.

Thank you.

8001022195

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Nate Holden for Congress

)
)
)

MUR 976

80 JAN 31 11:40

Interim Investigative Report #4

This matter concerns a possible violation of 2 U.S.C. § 44ld. A certified letter of notification was returned unclaimed on November 26, 1979. The Office of General Counsel prepared another letter to the respondent, sent regular mail on December 6, 1979.

On January 7, 1980, the committee treasurer, Louis White, contacted the Office of General Counsel at a time when the staff member handling the case was out of the office. After several attempts to reach Mr. White, we reached him by phone on January 22, 1980.

Mr. White stated that the Committee had only recently received the Commission's notification, due to a change in their mailing address. At the time, he was informed that he, as treasurer, was primarily responsible for any violation of 2 U.S.C. § 44ld that may have occurred. He replied he would call Mr. Holden and that an answer would be forthcoming.

Mr. Holden was also contacted on January 22, 1980, and informed that his committee had failed to respond to the Commission's notification. He apologized for the delay and stated that the person who was working on this matter was sick thus causing the delay. He

30 June 1980
Date

[Handwritten signature]



NATE HOLDEN

Former California State Senator

3229 West Adams Boulevard, Los Angeles, Calif. 90018

(213) 734-5672

ACK #
225

Mr Bill Taylor
Fed Election Commission

4/24/80 12:42

Case: MUR 976

AS per your request I am responding!

Dear Sir,

I am in receipt of the correspondence of Dec 6, 1979 to Mr Janis White (NHCC) Treasurer. you stated that the NHCC for Congress had failed to contain a 2 U.S.C. SS 441d notification - "requiring direct mailing and and other type of public political advertising to contain a statement regarding the person or persons authorizing the communication."

~~THE~~ THE NHCC did not authorize or have any knowledge of any material printed or mailed to support the NHCC. ~~That~~ which did not include the proper information, include in the treasurer's name etc. If you have any such material in your possession, please send me a copy. All material to support the NHCC, ~~contained~~ was in compliance with 2 U.S.C. SS 441d.

Please send copy to
Nate Holden
5328 W. 57th St.
Los Angeles 90056

Thank you for your help
Sincerely

Nate Holden

NATE HOLDEN
Former California State Senator
3229 West Adams Boulevard
Los Angeles, CA 90018



Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Re MUR 976

ATTENTION:

MR BILL TAYLOR (Private)

NOT PRINTED OR MAILED AT PUBLIC EXPENSE

661661666



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *g*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mm*
DATE: DECEMBER 18, 1979
SUBJECT: MUR 976 - Interim Investigative Report
dated 12-12-79; Signed 12-13-79;
Received in OCS 12-14-79, 11:23

The above-named document was circulated to
the Commission on a 24-hour no-objection basis
at 11:00, December 17, 1979.

There were no objections to the Interim Investigative
Report at the time of the deadline.

3004022370

December 14, 1979

MEMORANDUM TO: Marjorie W. Emmons
FROM: Jane Colgrove
SUBJECT: MUR 976

Please have the attached Interim Investigative Report on MUR 976 distributed to the Commission on a 24 hour no-objection basis.

Thank you.


30040201501

79 DEC 14 AM: 23

MUR 976

33776378

13 December 1979
Date


Charles W. Steele
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 6, 1979

Mr. Louis White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Re: MUR 976

Dear Mr. White:

Enclosed is a letter dated October 17, 1979 which was returned to the Commission on November 26, 1979 upon your failure to claim the correspondence. The Commission again extends to you an opportunity to demonstrate that no action should be taken against the Nate Holden for Congress Committee in connection with the Committee's preparation and distribution of campaign literature expressly advocating the election of Nate Holden to Congress in 1978, which literature failed to contain a 2 U.S.C. § 441d notification. Your continued failure to respond to the Commission's original letter of notification dated August 31, 1979 which you received in September 1979, will force the Commission to decide whether to take further action in this matter solely on the information presently available.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at 202-523-4060.

Sincerely,

A handwritten signature in dark ink, appearing to read "C. Steele", is written over the typed name.

Charles N. Steele
Acting General Counsel

Enclosure



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20461

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS/MARGARET CHANEY

DATE: NOVEMBER 9, 1979

SUBJECT: MUR 976 - Interim Investigative Report:
dated 11-7-79; Received in OCS
11-8-79, 11:28

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 4:00, November 8, 1979.

There were no objections to the Interim Investigative Report at the time of the deadline.

BEFORE THE FEDERAL ELECTION COMMISSION
November 7, 1979

79 NOV 8 AM: 20


In the Matter of)
) MUR 976
Nate Holden for Congress)
Committee)

INTERIM INVESTIGATIVE REPORT

30040122505
This matter concerns a possible violation of 2 U.S.C. §441d. The Holden Committee received the Commission's August 31, 1979 letter of notification on September 28, 1979. As no response was received, the Office of General Counsel mailed a second letter of notification to the respondent on October 18, 1979. We are unable to determine whether this letter has been received, as the green certification card has not been returned. Attempts to contact Mr. Nate Holden and the Committee by phone have also been unsuccessful.

The Office of General Counsel will allow the Respondent two additional weeks in which to respond to the Commission's second letter of notification. At the same time, we will prepare a full report and recommendation to the Commission.

7 November 1979
Date



Charles N. Steele
Acting General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

October 17, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Re: MUR 976

Dear Mr. White:

On September 28, 1979 you received notification that the Commission was conducting an investigation of alleged violations of the Federal Election Campaign Act of 1971, as amended, by your committee. You were also notified that you had a reasonable opportunity to demonstrate why no action should be taken against the Nate Holden for Congress Committee.

As of this date, we have received no written response. The Commission intends to conclude its investigation shortly. In the absence of any material from you, the Commission will have to decide whether to take further action solely on the basis of information available from other sources.

If you have any questions regarding this matter, please contact Miriam Aguiar, the attorney assigned to this case at 202-523-4057.

Sincerely,

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

October 17, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Re: MUR 976

Dear Mr. White:

On September 28, 1979 you received notification that the Commission was conducting an investigation of alleged violations of the Federal Election Campaign Act of 1971, as amended, by your committee. You were also notified that you had a reasonable opportunity to demonstrate why no action should be taken against the Nate Holden for Congress Committee.

As of this date, we have received no written response. The Commission intends to conclude its investigation shortly. In the absence of any material from you, the Commission will have to decide whether to take further action solely on the basis of information available from other sources.

If you have any questions regarding this matter, please contact Miriam Aguiar, the attorney assigned to this case at 202-523-4057.

Sincerely,

A handwritten signature in dark ink, appearing to read "William C. Oldaker", is written over the typed name.

William C. Oldaker
General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *me*
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *me*
DATE: SEPTEMBER 25, 1979
SUBJECT: MUR 976 - Interim Investigative Report
dated 9-21-79; Signed 9-24-79;
Received in OCS 9-24-79, 12:19

The above-named document was circulated to the Commission on a 24-hour no-objection basis at 4:00, September 24, 1979.

There were no objections to the Interim Investigative Report at the time of the deadline.

September 24~~4~~ 1979

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 976

Please have the attached Interim INvest Report on
MUR 976 distributed to the Commission.

Thankyou.

3 7 7 1 3 1 0 1 0

BEFORE THE FEDERAL ELECTION COMMISSION
September 21, 1979

In the Matter of)
Nate Holden for Congress)
Committee)

79 SEP 24 P12:19
MUR 976

INTERIM INVESTIGATIVE REPORT

On August 30, 1979 the Commission determined there was reason to believe that the Nate Holden for Congress Committee may have violated 2 U.S.C. §441d by failing to include a §441d notification on campaign literature which expressly advocated the election of then federal candidate Nate Holden. The Commission also determined that there was no reasonable cause to believe that the Holden Committee violated 2 U.S.C. §441a(f) and no reasonable cause to believe that the No On 13 Committee ("NOC") violated 2 U.S.C. §433(a) regarding an apparent contribution from NOC. Letters of notification were sent to respondents on August 31, 1979. While NOC received its letter of notification on September 10, 1979, we are unable to determine whether Mr. Holden or the Holden Committee received the notice as the certification cards attached thereto have not yet been returned to us. Therefore it appears that the time in which respondent must submit a response has not run, and that the Holden Committee may not have received a notice of the violation. We are attempting to

MEMORANDUM

TO: FILE

FROM: MIRIAM AGUIAR

SUBJECT: October 17, 1979 Letter to Louis White -
mur 976

Said letter will be attached to a
new letter addressed to Mr. White which will be
sent by regular mail.

Letter sent 12-10-79.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLAIM CHECK NO.

858766

☐ HOLD

DATE

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1ST NOTICE

2ND NOTICE

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Detached from
PS Form 3685-A
Feb. 1978

OEC

Mr. Louis White, Treasurer
Nate Golden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

HSH408 12227 JAL 10/24/79
ASHLEY W. DELORD
7304 SUMMERTIME LANE #304
CULVER CITY CA 90230



POSTAGE AND FEES

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1ST NOTICE

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Detached from
PS Form 3685-A
Feb. 1978



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

August 31, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis A. White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, California 90043

Re: MUR 976

Dear Mr. White:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Nate Holden for Congress Committee (NHCC) may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in 1978 the NHCC prepared and distributed campaign literature expressly advocating the election of Nate Holden to Congress which failed to contain a 2 U.S.C. § 441d notification. Section 441d requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

We note that you were notified by letter dated February 6, 1979, that the Commission determined there was reason to believe that NHCC violated 2 U.S.C. § 441a regarding the acceptance of an apparent contribution from the No on 13 Committee. The Commission reviewed this matter and on August 30, 1979, determined there was no reasonable cause to believe that NHCC violated § 441a of the Act in connection with its dealings with NOC. The Commission does request that NHCC amend its 30 day post-primary report to disclose the receipt of \$5,000 from NOC as a reimbursement for advertisement services.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. 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.

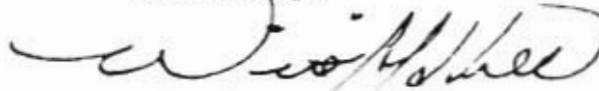
The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057.

This matter will remain confidential in accordance with 2 U.S.C. Section 437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,



William C. Oldaker
General Counsel

PS Form 3811, Apr 1977

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

1. SENDER Complete items 1, 2, and 3. Add your address in the **RETURN TO** space on reverse.

2. The following service is requested (check one):

- ☒ Show to whom and date delivered
- ☐ Show to whom, date, and address of delivery
- ☐ RESTRICTED DELIVERY
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- ☐ Show to whom and date delivered
- ☐ RESTRICTED DELIVERY
- ☐ Show to whom, date, and address of delivery \$
- (CONSULT POSTMASTER FOR FEES.)

3. ARTICLE ADDRESSED TO
Louis A. White

4. ARTICLE DESCRIPTION
REGISTERED NO. *943754* INSURED NO.

5. I have received the article described above:

☒ Addressee
SIGNATURE *[Signature]* AUTHORIZED AGENT

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9-28-79

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CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis A. White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, California 90043

Re: MUR 9761

Dear Mr. White:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Nate Holden for Congress Committee (NHCC) may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in 1978 the NHCC prepared and distributed campaign literature expressly advocating the election of Nate Holden to Congress which failed to contain a 2 U.S.C. § 441d notification. Section 441d requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

We note that you were notified by letter dated February 6, 1979, that the Commission determined there was reason to believe that NHCC violated 2 U.S.C. § 441a regarding the acceptance of an apparent contribution from the No on 13 Committee. The Commission reviewed this matter and on ~~September~~ ^{August} 20, 1979, determined there was no reasonable cause to believe that NHCC violated § 441a of the Act in connection with its dealings with NOC. The Commission does request that NHCC amend its 30 day post-primary report to disclose the receipt of \$5,000 from NOC as a reimbursement for advertisement services.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. 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.

- 2 -

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057)

This matter will remain confidential in accordance with 2 U.S.C. Section 437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

M. Aguiar
8/30/74

80010222318



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 31, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stephen Reinhardt
Fogel, Julber, Reinhardt,
Rothschild & Feldman
5900 Wilshire Boulevard, Suite 2600
Los Angeles, California 90036

Re: MUR 976

Dear Mr. Reinhardt:

On August 30, 1979, the Commission found no reasonable cause to believe that your client, the No On 13 Committee, violated 2 U.S.C. § 433(a) regarding your contract to purchase advertisement space in campaign literature distributed by the Nate Holden for Congress Committee. We note that you received a reason to believe notice on this matter dated March 15, 1979.

Should you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter at (202) 523-4057.

Sincerely,

William C. Oldaker
General Counsel

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stephen Reinhardt
Fogel, Julber, Reinhardt,
Rothschild & Feldman
5900 Wilshire Boulevard, Suite 2600
Los Angeles, California 90036

Re: MUR 976

Dear Mr. Reinhardt:

On _____, 1979,
reasonable cause to believe
13 Committee, violated 2 U.S.
contract to purchase adverti
literature distributed by th
Committee. We note that you
notice on this matter dated

Should you have any que
Miriam Aguiar, the attorney
(202) 523-4057.

MA Aguiar
elaborate

MUR 976

PS Form 3811, Apr 1977

RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.		
1. The following service is requested (check one): <input type="checkbox"/> Show to whom and date delivered C <input type="checkbox"/> Show to whom, date, and address of delivery C <input type="checkbox"/> RESTRICTED DELIVERY Show to whom and date delivered C <input type="checkbox"/> RESTRICTED DELIVERY Show to whom, date, and address of delivery \$ (CONSULT POSTMASTER FOR FEES)		
2. ARTICLE ADDRESSED TO <i>Stephen Reinhardt</i>		
3. ARTICLE DESCRIPTION: REGISTERED NO. CERTIFIED NO. INSURED NO. (Always obtain signature of addressee or agent)		
I have received the article described above SIGNATURE <input type="checkbox"/> Addressee <input type="checkbox"/> Authorized agent <i>[Signature]</i>		
4. DATE OF DELIVERY <i>SEP 10 1979</i>	POSTMARK <i>SEP 10 1979</i>	
5. ADDRESS: (Complete only if requested)		
6. UNABLE TO DELIVER BECAUSE		CLERK'S INITIALS



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

August 31, 1979

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
4401 Crenshaw Blvd., Suite 300
Los Angeles, California 90043

Re: MUR 976

Dear Mr. Holden:

This is to advise you that on August 30, 1979, the Federal Election Commission found reason to believe that your committee, the Nate Holden for Congress Committee, may have violated 2 U.S.C. § 441d by distributing campaign literature expressly advocating your election without a 2 U.S.C. § 441d notification. This section of the Federal Election Campaign Act of 1971, as amended, requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

While the Committee Treasurer is responsible for the campaign literature distributed by the committee, we believe that you, as the candidate, should be made aware of this development. A copy of our letter to your Committee Treasurer is enclosed.

Under 2 U.S.C. § 437g(a)(3)(B), this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057. We have numbered this matter MUR 976.

Sincerely,

William C. Oldaker
General Counsel

Enclosure



PS Form 3811 Apr 1977 RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

MUR 976

SENDER Complete items 1, 2, and 3
Add your address in the RETURN TO space on reverse

1. The following service is requested (check one).
☒ Show to whom and date delivered. _____ c
☐ Show to whom, date, and address of delivery. _____ c
☐ RESTRICTED DELIVERY
Show to whom and date delivered. _____ c
☐ RESTRICTED DELIVERY
Show to whom, date, and address of delivery \$ _____
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
NATE Holden

3. ARTICLE DESCRIPTION:
REGISTERED NO. _____ CERTIFIED NO. 943756 INSURED NO. _____
(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☒ Addressee ☐ Authorized agent
N. Holden

4. DATE OF DELIVERY
9-28-79

5. ADDRESS: Complete only if requested

6. UNABLE TO DELIVER BECAUSE _____ CLERK'S INITIALS _____



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
4401 Crenshaw Boulevard, Suite 300
Los Angeles, California 90043

Re: MUR 976

Dear Mr. Holden:

This is to advise you that on ^{August 30 1979} ~~September~~, 1979, the Federal Election Commission found reason to believe that your committee, the Nate Holden for Congress Committee, may have violated 2 U.S.C. § 441d by distributing campaign literature expressly advocating your election without a 2 U.S.C. § 441d notification. This section of the Federal Election Campaign Act of 1971, as amended, requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

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Under 2 U.S.C. § 437g(a)(3)(B), this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057. We have numbered this matter MUR 976.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Nate Holden for Congress) MUR 976
Committee, CA)
No On 13 Committee)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on August 30, 1979, the Commission determined by a vote of 4-0 to adopt the following recommendations, as set forth in First General Counsel's Report dated August 27, 1979, regarding the above-captioned matter:

1. Find no reasonable cause to believe that the Nate Holden Campaign Committee violated 2 U.S.C. §441a(f).
2. Find no reasonable cause to believe that the No On 13 Committee violated 2 U.S.C. §433(a) and send the letter attached to the above-named report.
3. Find reason to believe that the Nate Holden Campaign Committee may have violated 2 U.S.C. §441d and send the letter attached to the above-named report.
4. Direct the Nate Holden Campaign Committee to amend its reports in accord with the Commission's determination.

Voting for this determination were Commissioners Aikens, Harris, McGarry, and Tiernan.

Attest:

8-30-79

Date

for Margaret E. Chaney

Marjorie W. Emmons, Secretary to the Commission

Received in Office of Commission Secretary: 4:47, 8-27-79

Circulated on 48 hour vote basis:

11:00, 8-28-79

87777777

MEMORANDUM TO: Marge Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 976

Please have the attacheddFirst General Counsel's Report on MUR 976 distributed to the Commission on a 48 hour tally basis.

Than kyou.

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION 8/27/79

MUR NO. 976

STAFF
MEMBER Aguilar

SOURCE:

I N T E R N A L L Y G E N E R A T E D

RESPONDENT'S NAME: Nate Holden for Congress Committee, CA
No On 13 Committee

RELEVANT STATUTE: 2 U.S.C. §§ 441a(a), 441a(f), 433(a), 441d;
AO 76-43; OC 803

INTERNAL REPORTS CHECKED: Holden Committee Reports

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

On May 14, 1979, the Reports Analysis Division referred this matter to the Office of General Counsel which concerned the apparent acceptance of an excessive contribution from an unregistered committee in violation of 2 U.S.C. §§ 441a and 433. (See Attachment I).

EVIDENCE

A review of 1978 reports filed by the Nate Holden Campaign Committee (Holden Committee) disclosed that on May 31, 1978, it received a \$5,000 contribution from the No On 13 Committee ("NOC"), a committee not registered with the Commission. NOC was organized to defeat Proposition 13 and promote Proposition 8, state measures in California.

The Commission notified both Committees of their respective violations by letter on December 11, 1978, and later found reason to believe that the Holden Committee violated § 441a (notification mailed February 6, 1979) and the NOC violated § 433(a) (notification mailed March 15, 1979).

Mr. Holden responded for his committee and Stephen Reinhardt, counsel for NOC, responded on their behalf. The information they supplied indicated that the \$5,000 was not intended as a contribution but as payment by NOC for space in Holden's campaign literature to advance NOC's position

on the state propositions. Mr. Rinehardt added that "[NOC] was aware that a portion of the space it did not purchase would be utilized to promote Mr. Holden's candidacy" and that NOC made similar space arrangements with Mr. Holden's opponents in the primary election. He said that NOC "terminated its functions immediately following the June 1978 election.

Under the terms of the agreement, NOC was to pay the United Citizens Committee for Good Government (UCCGG) a percentage of the production and mailing expense of the Holden literature in return for the space it received in this literature. The UCCGG was set up by Holden to receive these funds. (See attachment 1 for agreement). We note that Holden has stated that the NOC assured him that the transaction had been cleared by the State Campaign Commission and by the FEC. As NOC's original \$5,000 check could not be negotiated by UCCGG because of insufficient funds and as Holden's Committee had already prepared and published the material which contained NOC's message, NOC issued a \$5,000 cashier's check directly to the U.S. Postmaster to cover the mailing expense.

The literature which contained NOC's message expressly advocated the election of Nate Holden to Congress by using the term "Elect" Holden. (See attachment 1 for copies). Furthermore, it did not contain a § 441d authorization statement.

PRELIMINARY LEGAL ANALYSIS

The situation presented in this referral has not been previously addressed directly by the Commission. The Commission has, however, addressed other situations involving reimbursement to federal committees for services rendered and joint federal-state political activities. Based on the conclusions made there, we are able to recommend a course of action in this matter.

Under 2 U.S.C. § 441a(a)(1)(A) a person, defined in § 431(h) to mean an individual, committee, association or any other organization or group of persons, may not make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000. 2 U.S.C. § 441b also prohibits contributions by national banks, corporations and labor organizations to federal campaigns. The Regulations do take notice that Committees may contract for services and that these contracts or agreements and the proceeds therefrom are to appear not as contributions but as debts and/or obligations and must be continuously reported until extinguished. 11 CFR 104.2(b)(11) and 104.8.

Reimbursements

The Commission considered reimbursement situations in AO 1976-43, which involved the use of a federal committee's facilities and staff by a non-federal committee. The federal committee would be reimbursed by the non-federal committee once a determination as to the allocated share of the administrative expenses had been made. In this AO, the Commission

stated that reimbursements made to federal committees for services rendered are not contributions under the FECA to the extent that the payments are not in excess of the amount the committee would be required to pay if it obtained similar services from another source. This standard was premised on the Commission's concern that such reimbursement arrangements for services performed not be a device to provide additional funds to federal political committees by circumventing the contribution limitation.

The Commission also expressed the concern that corporate, labor organization or other impermissible funds not be indirectly routed to a federal committee in reimbursement arrangements between state and federal committees. Therefore the Commission suggested that, as between these committees, repayments should be made with funds held in a separate account which contained contributions from permissible sources only.

In the present matter, unrefuted statements indicate that pursuant to an agreement, NOC paid, as its allocated share of the aggregate expenses, one-fifth of space on Holden Committee mailers devoted entirely to advocating the defeat of Proposition 13 and passage of Proposition 8. Therefore, the arrangement would be akin to a "reimbursement for service situation" and not within the FECA definition of a contribution. Furthermore, NOC, in an effort to comply with all federal campaign finance regulations, established a special account to which voluntary individual contributions were deposited. NOC withdrew funds from this segregated account to pay Holden's committee for its allocated share of the aggregate publication costs.

Therefore the \$5,000 in question was not a contribution under the Act, but rather an allowable reimbursement for advertisement services. As the Holden committee inadvertently disclosed the receipt of the \$5,000 on their reports for the relevant period as a contribution rather than a reimbursement for an outstanding obligation, we recommend that the Holden Committee be requested to amend its reports to disclose the receipt of the \$5,000 as a reimbursement for advertisement services.

Joint Fundraisers/Communications

The Commission has also permitted joint fundraisers and joint media presentations between federal and state candidates. In these reimbursement arrangements, the state candidate's payment must represent no more than reasonable consideration for a service previously provided by the federal candidate. (OC #803). Undisputed facts presently available indicate that NOC paid "reasonable consideration" for services it received from Holden's Committee. When the contract was entered into, NOC's share of production expenses was premised on the percentage of space to be reserved exclusively for NOC's message in relation to the total cost of production. (See Attachment I).

The §44ld Violation

The campaign literature distributed by Holden's committee "expressly advocated" the election of Nate Holden. A finding of "express advocacy" is consistent with the Buckley opinion, as the communication contained the actual words of advocacy of a clearly identified federal candidate ("Elect Nate Holden"). As the communication expressly advocating Mr. Holden's election was a "general public political advertisement," the Holden Committee may have violated § 44ld by failing to include a clear statement of authorization.

RECOMMENDATIONS

1. Find no reasonable cause to believe that the Nate Holden Campaign Committee violated 2 U.S.C. § 441a(f).

2. Find no reasonable cause to believe that the No on 13 Committee violated 2 U.S.C. § 433(a); send attached letter.

3. Find reason to believe that the Nate Holden Campaign Committee may have violated 2 U.S.C. § 44ld; send attached letter.

4. Direct the Nate Holden Campaign Committee to amend its reports in accord with the Commission's determination.

Attachments

1. Referral
2. Letters to: Holden Committee
NOC
Nate Holden

REFER TO INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING

REPORTS ANALYSIS REFERRAL SHEET

DATE 5-14-79 ANALYST Ron Krouse RK
 TO: Office of General Counsel TEAM CHIEF Peter Kell, Jr. PK
 THROUGH: STAFF DIRECTOR AP COMPLIANCE REVIEW Carroll Bowen CB
 FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS TH

CANDIDATE/COMMITTEE: Nate Holden Campaign Committee CA/28TREASURER: Louis WhiteADDRESS: 4401 Crenshaw Blvd.
Los Angeles, CA 90043AFFILIATE(S):
NONEALLEGATION(S): Committee received a contribution in excess of the limits.CITE: 2 U.S.C. 441aATTACHMENT(S):
#2MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: 12/11/78

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment I.

PERIOD COVERED FROM 5/23/78 TO 6/26/78
 TOTAL RECEIPTS \$ 41,145 TOTAL EXPENDITURES \$ 30,622
 CASH ON HAND \$ 6,851 DEBTS \$ 47,396

HISTORY:

RESULTS OF REVIEW: An S.V. letter was mailed to the committee on 12/11/78. An inadequate response, along with campaign literature, was received by the Commission on 1/2/79. The RTB letter was mailed to the committee on 2/6/79. A response was received by the Commission on 3/5/79.

ATTACHMENT
 #3
 #4
 #5
 #6

COMMUNICATIONS WITH CANDIDATE COMMITTEE.

Candidate Nate Holden spoke with Ron Krouse on 12/18/78, 1/4/79 and 1/23/79.

ATTACHMENT
 #7
 #8
 #9

REASONS FOR REFERRAL:

Committee received a contribution from an unregistered political committee in excess of the limits as per 2 U.S.C. 441a. There has been no refund to date.

ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD:

ATTACHMENT

Please find attached the concomitant referral to OGC for the "No on 13" committee.

#10

OTHER RELEVANT INFORMATION:

A review of the files of the FCC's of Julian Dixon and David Cunningham does not disclose the \$5,000 contribution from "No on 13", as alleged by State Senator Holden in his letter of 3/5/79, see attachment #6, paragraph 3).
 "The United Citizens Committee For Good Government" referred to in Attachment #6, paragraph #4 is not a registered political committee.

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (10)

DATE 11/26/87
PAGE 1

HOUSE

COMMITTEE	DOCUMENT	RECEIPTS		EXPENDITURES		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION			
		PRIMARY	GENERAL	PRIMARY	GENERAL						
DATE HELDEN FOR CONGRESS											
1978 STATEMENT OF ORGANIZATION						27FEB78	3	ID# 000000003 70HSE/130/266			
STATEMENT OF ORGANIZATION- AMENDMENT						6MAR78	3	70HSE/130/4135			
MISCELLANEOUS TRANSACTION TO F.E.C.						29MAY78	2	70HSE/135/1656			
48 HOUR CONTRIBUTION NOTICE						1JUL78	1	70HSE/137/1679			
48 HOUR CONTRIBUTION NOTICE						2JUL78	1	70HSE/137/2061			
48 HOUR CONTRIBUTION NOTICE						3JUL78	1	70HSE/137/2207			
48 HOUR CONTRIBUTION NOTICE						3JUL78	3	70HSE/137/3546			
48 HOUR CONTRIBUTION NOTICE						5JUL78	1	70HSE/137/3586			
48 HOUR CONTRIBUTION NOTICE						5JUL78	1	70HSE/137/3123			
48 HOUR CONTRIBUTION NOTICE						5JUL78	3	70HSE/137/3154			
48 HOUR CONTRIBUTION NOTICE						5JUL78	2	70HSE/137/3162			
48 HOUR CONTRIBUTION NOTICE						9JUL78	3	70HSE/137/4455			
MISCELLANEOUS TRANSACTION TO F.E.C.						26SEP78	1	70HSE/146/1657			
APRIL 10 QUARTERLY							2	70HSE/136/1528			
APRIL 10 QUARTERLY						25,839	16,517	17FEB78 -31MAR78	19	70HSE/132/0535	
APRIL 10 QUARTERLY - AMENDMENT									5	70HSE/136/0535	
REQUEST FOR ADDITIONAL INFORMATION								17FEB78 -31MAR78	3	70FEC/975/2012	
10 DAY PRE-PRIMARY						73,325	80,316	16PR78 -22MAY78	45	70HSE/137/1611	
10 DAY PRE-PRIMARY - AMENDMENT									3	70HSE/137/2685	
10 DAY PRE-PRIMARY - AMENDMENT									4	70HSE/137/2972	
REQUEST FOR ADDITIONAL INFORMATION								16MAY78 -22MAY78	3	70FEC/977/3731	
30 DAY POST-PRIMARY						41,143	36,622	23MAY78 -26JUL78	18	70HSE/137/2420	
30 DAY POST-PRIMARY - AMENDMENT									3	70HSE/146/1145	
REQUEST FOR ADDITIONAL INFORMATION								23MAY78 -26JUL78	2	70HSE/051/2517	
OCTOBER 10 QUARTERLY						9,961	13,003	1JUL78 -30SEP78	15	70HSE/150/4132	
OCTOBER 10 QUARTERLY - AMENDMENT						8,961	14,003	1JUL78 -30SEP78	3	70HSE/154/4256	
YEAR END REPORT						251	2,024	30SEP78 -31DEC78	5	70HSE/150/4554	
TOTAL						149,519	0	149,482	0	156	TOTAL PAGES

ALL REPORTS HAVE RECEIVED INITIAL REVIEW

1 2 5 2 2 0 4 0 0 8

FD-204
REVISED
January, 1973
Political Election Committee
1005 H Street, N.W.
Washington, D.C. 20543

FINANCED RECEIPTS

(Contributions, Transfers, Contributions In-Kind,
Gifts, Income, Loans, Refunds)

Supporting Lines 14a, 15a, 16a, 17a, 18a, 19a, and/or 20a
of FEC FORM 2

Page 1 of 1

File Number 777

(See Separate Instructions for
each numbered line)

Name of Candidate or Committee in Full		Principal Place of Business	Date received, day, month, year	Amount of cash received this month
Kate Holden Campaign Committee Full Name, Mailing Address and ZIP Code Attorney's Congressional Campaign Trust Acct. 1050 - 51st St., N.W. Washington, D. C. 20007		Leonard Rice, Chairman <input checked="" type="checkbox"/> Check if Contributor is a foreign agent Amount Due To Date \$ 500.00	6-5-78	500.00
Committee to Re-Elect Judge Mr. Drake 80 S. Lake Ave., Ste 310 Pasadena, Ca. 91101		L.A. County Superior Ct. <input checked="" type="checkbox"/> Check if Contributor is a foreign agent Amount Due To Date \$ 400.00	5-30-78	400.00
HOUSE PAC 3200 Prudential Plaza Chicago, Ill. 60601		D. R. Buckey, Asst. V.P. <input checked="" type="checkbox"/> Check if Contributor is a foreign agent Amount Due To Date \$ 100.00	4-16-78	100.00
No on 13 Committee 8535 Wilshire Blvd. Los Angeles, Ca. 90048		<input checked="" type="checkbox"/> Check if Contributor is a foreign agent Amount Due To Date \$ 5000.00	5-31-78	5000.00
Full Name, Mailing Address and ZIP Code		Principal Place of Business	Date received, day, month, year	Amount of cash received this month
Full Name, Mailing Address and ZIP Code		Principal Place of Business	Date received, day, month, year	Amount of cash received this month
Full Name, Mailing Address and ZIP Code		Principal Place of Business	Date received, day, month, year	Amount of cash received this month
Full Name, Mailing Address and ZIP Code		Principal Place of Business	Date received, day, month, year	Amount of cash received this month
Full Name, Mailing Address and ZIP Code		Principal Place of Business	Date received, day, month, year	Amount of cash received this month

3001022332
7041302126



FEDERAL ELECTION COMMISSION

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

11 DEC 1978

Mr. Louis A. White, Treasurer
Kate Holden Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, California 90043

Dear Mr. White:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 30 Day Post-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals and political committees, other than multicandidate committees, from making political contributions to a candidate for Federal election in excess of \$1,000 per election. The Act defines a multicandidate committee as one which has been registered for a period of not less than six months; has received contributions from more than fifty persons; and has made contributions to five or more candidates for Federal office. The committee listed as the source of the contribution in question does not presently qualify as a multicandidate committee and we have notified them accordingly. We have recommended that the source committee notify you if it is confirmed that the contribution was in excess of the limits.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

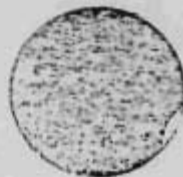
Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Ron Krouse (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4172.

Sincerely,

Orlando B. Potter

Orlando B. Potter
Staff Director

80040222335



ELECT SENATOR

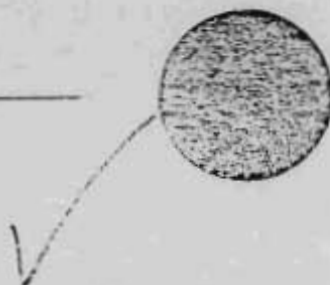
LINATE HOLDEN

DEMOCRAT • 29th CONGRESSIONAL DISTRICT

TO CONGRESS



Linate Holden



GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

**DO NOT BE
MISLEAD FOR
TRUE
PROPERTY
TAX RELIEF**

**VOTE YES
ON PROPOSITION 8** ☒

**VOTE NO
ON PROPOSITION 13** ☒

© 1990 The Norman Potts - 1237 N. Hollywood Ave., Hollywood, CA

ELECT

SENATOR

Nate HOLDEN

DEMOCRAT • 23th CONGRESSIONAL DISTRICT

TO CONGRESS

✓
**ELECTED
OFFICIALS
SPEAK ON THE
ISSUE OF
PROPERTY TAXES**

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH WAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

**"DO NOT BE
MISLEAD!"
"FOR TRUE
PROPERTY
TAX RELIEF!"**

VOTE YES
ON PROPOSITION 8 ☒

VOTE NO
ON PROPOSITION 13 ☒

4401 CRYSTAL BOULEVARD
SUITE 300
LOS ANGELES 90043
(213) 293-6655

Hand Delivered

California State Senate

ROOM 4075
STATE CAPITOL
SACRAMENTO 95834
(916) 445-6215

NATE HOLDEN

Senator

THIRTIETH DISTRICT
LOS ANGELES COUNTY

December 21, 1978

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SVL/78-SSRK

Dear Mr. Potter:

As per your request I have talked to Mr. Ron Krouse regarding the Proposition 13 Campaign contribution. My campaign staff made every effort to comply with not only the letter of the law but also the spirit of the law. In doing so, they were instructed to report all monies associated with my campaign whether it was direct or indirect. At Mr. Krouse's request I am attaching all the pertinent information that I believe will resolve this issue. You will find a copy of the Cashier's check which was paid to the order of the Postmaster for partial payment of postage associated with my campaign mailers.

The No on 13 Committee made no direct campaign contribution to my campaign for Congress. The agreement was made whereby they could piggyback their position on some of the campaign material which indicated support for me. The agreement was that my campaign was to appropriate at least \$25,000 and Proposition 13 Committee was to appropriate \$5,000 for their percentage of the coverage. Every effort was made not to co-mingle the funds.

Mr. Orlando B. Potter
December 21, 1978
Page 2

In order to guarantee that the No on 13 Committee could not be accused of making a campaign contribution in any amount or in-kind to the Nate Holden for Congress Campaign it was decided to give the No on 13 Committee more coverage than they had negotiated for.

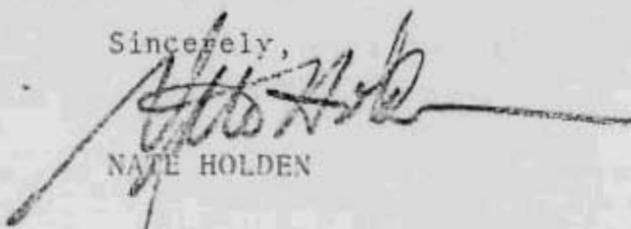
The No on 13 position was included on the following materials:

1. a slate card
2. a slate mailer
3. a door hanger
4. an additional district mailer.

The cost of printing and mailing of these materials was in excess of \$30,000.

I believe this additional information clearly indicates that the campaign committee bent over backwards to be in compliance with the law. If there are any questions still left unanswered please do not hesitate to call on me for additional information.

Sincerely,



NATE HOLDEN

NH:rms

In reply please refer to 45V2/78-85RK



FEDERAL ELECTION COMMISSION

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

February 6, 1979

Louis A. White, Treasurer
Nate ~~Holden~~ Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Dear Mr. White:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434. *Accepted*

We received a response from you on January 2, 1979, however, we found your response to be inadequate. Your failure to provide an adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 441(a).

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Ronald Krouse our Reports Analyst assigned to you on our toll free number number (800)424-9530. Our local number is 523-4172.

Sincerely,

Jean Aikens

Commissioner

Certified Mail:
Return Receipt Requested

79 MAR 5 AM 10:43
901216

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SV1/78-85RK

Dear Mr. Potter:

I am in receipt of correspondence from Commissioner Joan Aikens dated February 6, 1979. Commissioner Aikens stated that my correspondence of December 21, 1978, received by her office on January 2, 1979, was found to be inadequate. Recently, I spoke with Mr. Ron Krouse of your office regarding your concern and what might be considered an adequate response. Mr. Krouse suggested that I detail, in writing, the facts surrounding the campaign contribution as stated to him.

Approximately mid May, 1978, my office received a telephone call from Ms. Pat McLoren who identified herself as an employee of Winner/Wagner Associates Inc. Winner/Wagner Assoc. Inc. was in charge of the "No On 13 Campaign Committee" for the June primary election. Ms. McLoren offered to participate in my campaign mailing program by contributing \$5,000.00 of contributions received from the "No On 13 Committee". I contacted Mr. Chuck Winner, an officer of the association for additional information. Mr. Winner assured me that the contributions received had been cleared by the State Campaign Commission and the Federal Election Commission. He further stated that the portion of the contributions to the "No On 13 Committee" that could be contributed to a federal campaign were set aside in a special bank account. He stated that all persons contributing to that account, authorized him to make contributions to federal campaigns for "slate mailings" on their behalf. I was further assured by Mr. Winner that those persons making contributions to the special account met the federal guidelines.

Mr. Winner suggested that I accept their portion of \$5,000.00 for the "slate mailings" as he had already given \$5,000.00 to Willard Murray to be used for Julian C. Dixon For Congress Campaign. He also stated that he would give \$5,000.00 to the David C. Cunningham for Congress Campaign. In closing, he stated he was only being fair by giving us an equal amount.

The check issued by the "No On 13 Committee's" special account was returned for insufficient funds.

When Mr. Winner's office was informed that the check was returned for insufficient funds, he replaced it with a cashiers check in the amount of \$5,000.00. This check, made payable to the U. S. Postmaster was to cover his portion of the cost for "slate mailers". A copy of the cashiers check is included with the correspondence submitted to your office on December 21, 1978.

Mr. Winner has repeatedly stated that he has a listing of those persons contributing to the committee's special account. This list also includes the amounts of individual contributions.

This correspondence represents a complete and accurate accounting of the events as they occurred. I hope the information provided is an adequate response to your concerns.

Respectfully submitted,

Nate Holden
State Senator (retired)

Enclosure: Crocker National Bank Deposit Record
Photostat copy check #6 dated 5/22/78


CROCKER NATIONAL BANK

DEPOSIT RECORD
FOR CREDIT OF

PRINT NAME HERE

DATE 5-30-78 AMOUNT 5000-

3 2 2 2 2 2 5 4 3

 CROCKER NATIONAL BANK	
PAY TO THE ORDER OF LEWIS PARK OFFICE 3423 WEST 43RD PLACE LOS ANGELES CALIFORNIA 90008	
19 78	92 16 8 1220 DOLLARS

30040222544

Pat the Lion

Best of luck.
Sorry for the delay -- but I'm assuming
you can still use the funds.
The copy is for your files.
Please sign the original and return it to
us via our messenger.
Lewis:

PAT McLAREN

Winner/Wagner & Associates, Inc.

on 13 Committee Special Account
15 Wiltshire Blvd Suite 2000 -
Angelen 50048

United Citizens Committee for Good Government

Five thousand dollars and no cents

Pat McLaren

First Los Angeles Bank

ate Mailing

No. 6

May 22

1978

\$5,000.00

TELECON

FROM: Nate Holden to Ron Krouse

DATE: 12/18/78

COMMITTEE/CANDIDATE: Nate Holden Campaign Cmte. Ca/28 (213) 776-8270

Mr. Holden received the S.V. letter regarding the contribution of \$5,000 from the "No on 13 Committee" on the 30P report. State Senator Holden said that was not a contribution, but actually their share of a mailer during the campaign. The cmte. never received the \$5,000, but that money was paid directly to the printer. He said that they had already verified that the \$5,000 does not include any union or corporate funds.

I told Mr. Holden that there appeared to be some gray area and that I would not make a judgment until we could see a copy of the mailer. He will forward that information with an outline of the facts set forth in this telecon.

3001022345

TELECON

DATE: 1/4/79

TIME:

COMMITTEE: Nate Holden Campaign Committee

PERSON SPOKEN TO: Nate Holden (213) 291-7928

FEC'R: Ron Krouse

SUBJECT:

Senator Holden returned my call re. more information on the reported \$5,000 contribution from the "No on 13 Committee". He had sent in copies of the literature that he used along with "13", but no letter of explanation accompanied the material. He said that he will send a letter explaining that the "13" cmte. deposited \$5,000 with each candidate in the 28th (Dixon, Cunningham), and he was the only one reporting the contribution. Actually, the money was deposited in a post office box and the candidates were draw on that money when they needed to print literature that included a "No on 13" message. I told Mr. Holden that he should file a formal nortarized complaint, but he said that he doesn't want to make enemies with Congressman-elect Dixon, and is not worth the trouble. I informed him that the Commission might tell him to refund the \$5,000 plus fine him. He said that he will write a letter with the facts, as he knows them, and let us determine if further action is necessary.

80010022516

RE: TELECON

FROM: State Senator Nate Holden

DATE: 1/25/79

NAME OF COMMITTEE: Nate Holden Campaign Committee CA/28

Senator Holden called to inform us that his secretary is very ill with Tuberculosis, and he has been unable to complete the information required by the Commission. Holden went on to clarify the circumstances of the reported \$5,000 contribution from No on 13 Committee. He said that it was originally from the United Citizens Committee for Good Government (a state committee set up to defeat Prop 13), but their first check to Holden bounced. This was to be used to cover the cost of some Holden literature that would include the no on Prop 13 message. Due to the bouncing check, Holden felt he couldn't trust their finances, and went ahead and printed several thousand dollars of his literature with his own money, that also included the No on 13 message. The mailing of the literature cost \$24,000, with \$5,000 of the postage being reimbursed the United Citizens. The \$5,000 was not deposited in the Holden committee, but put in a P.O. Box. Holden put it there because the first time United Citizens gave him the \$5,000; he opened up a checking account in their name, and then had to close it when the check bounced. This time he figured he'd put it in the P.O. Box to save himself the trouble of opening up another account, that he saw as being separate from his Federal campaign.

United Citizens has explained to Holden that they feel that it was not a campaign contribution from them, because they accepted the money from several individuals, and they feel that the "contribution" should be attributed to those individuals. I asked Holden if they gave to United Citizens in order to expressly help the Holden Campaign, and he said that they did not. The money was given only to defeat Prop 13. This deal was set up by a firm called Winner / Wagner and Assoc, INC., who according to Holden helped run his opponent's, David Cunningham, campaign. Holden said he is reluctant to approach Winner/Wagner now for the the names of the contributors, because Holden is now running against Cunningham for a seat on the City Council.

I informed Senator Holden that he should detail the circumstances of this \$5,000 "transfer" from "No on 13" (as reported by the Holden Committee) in a letter to the Commission ASAP. He asked for the possible consequences, and I informed him that the Commission could tell him to reimburse the United Citizens Committee, as well as levy a civil fine against him and his committee. Holden protested that he did nothing wrong, and complained that his opponents did the same thing, but just didn't report the information. He said that he is broke and doesn't have the money to reimburse United Citizens or pay any fine. I told him to make sure he carefully explains his side of the story in the letter, because all we officially have to go on now is the Holden's cmte. reporting of a \$5,000 contribution from an unregistered political committee - a violation of Federal law. He understood and will try to get the letter ASAP.

REPORTS ANALYSIS REFERRAL SHEET

DATE _____ ANALYST Mark Kleinman
 TO: William Oldaker TEAM CHIEF Steve Niles
 THROUGH: STAFF DIRECTOR COMPLIANCE REVIEW Carroll Bowen
 FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS

CANDIDATE/COMMITTEE: No On 13 Committee

TREASURER: Stephen D. Gavin

ADDRESS: 6535 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90048

AFFILIATE(S): None.

ALLEGATION(S): Failure to register. CITE: 2 U.S.C. 433a ATTACHMENT(S) _____
Excessive contribution by a non multi-candidate committee to a candidate. 2 U.S.C. 441a #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE.

Normal Review initiated 12-11-78.

ATTACHMENT _____

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM _____ TO _____

TOTAL RECEIPTS \$ _____ TOTAL EXPENDITURES \$ _____

CASH ON HAND \$ _____ DEBTS \$ _____

HISTORY:

RESULTS OF REVIEW: Surface Violation letter sent 12-11-78. ATTACHMENT #3
Reason To Believe letter sent 3-15-79. #4
Response to Surface Violation letter 1-11-79. #5
Response to Reason To Believe letter 4-9-79. #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE:

ATTACHMENT _____

Telecon 1-11-79. #4

Telecon 3-20-79. #5

REASON(S) FOR REFERRAL: Failure to register. ATTACHMENT _____
Expenditures made by committee are in-kind contributions.

OTHER PENDING ACTIONS INITIATED BY RAD: None.

ATTACHMENT _____

OTHER RELEVANT INFORMATION: Concomitant Referral of
Nate Holden Campaign Committee for receipt of
Excessive contribution (2 U.S.C. 441a).

ATTACHMENT #8

REFER TO INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING

REPORTS ANALYSIS REFERRAL SHEET

DATE 5-14-79 ANALYST Mark Kleinman MK
TO: William Oldaker TEAM CHIEF Steve Hims SM
THROUGH: STAFF DIRECTOR ABP COMPLIANCE REVIEW Carroll Bowen CB
FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS MDH

CANDIDATE/COMMITTEE: No On 13 Committee

TREASURER: Stephen D. Gavin

ADDRESS: 6535 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90048

AFFILIATE(S): None.

ALLEGATION(S): Failure to register.

CITE: 2 U.S.C. 433a

ATTACHMENT(S)

Excessive contribution by a non multi-candidate committee to a candidate.

2 U.S.C. 441a

#2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE:

Normal Review initiated 12-11-78.

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1. (Not applicable)

PERIOD COVERED FROM n/a TO n/a

TOTAL RECEIPTS \$ n/a TOTAL EXPENDITURES \$ n/a

CASH ON HAND \$ n/a DEBTS \$ n/a

HISTORY:

RESULTS OF REVIEW: Surface Violation letter sent 12-11-78. ATTACHMENT #3
Reason To Believe letter sent 3-15-79. #6
Response to Surface Violation letter 1-11-79. #5
Response to Reason To Believe letter 4-9-79. #8

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: ATTACHMENT

Telecon 1-11-79. #4
Telecon 3-20-79. #7

REASON(S) FOR REFERRAL: Failure to register. ATTACHMENT
Expenditures made by committee are in-kind contributions.

OTHER PENDING ACTIONS INITIATED BY RAD: None. ATTACHMENT

OTHER RELEVANT INFORMATION: Concomittant Referral of ATTACHMENT #9
Nate Holden Campaign Committee for Receipt of Excessive contribution (2 U.S.C. 441a).

<p>1. Name of the person or organization: Dr. B. D. Boyer, Jr., M.D.</p> <p>2. Address: 3200 Grand Central Plaza, Chicago, Ill. 60641</p> <p>3. City: Chicago</p> <p>4. State: Ill.</p> <p>5. Zip: 60641</p> <p>6. Date: 10-10-68</p> <p>7. Signature: [Signature]</p> <p>8. Title: President</p> <p>9. Organization: Chicago</p> <p>10. Remarks: See attached letter to Dr. B. D. Boyer, Jr., M.D., dated 10-10-68.</p>	<p>1. Name of the person or organization: Dr. B. D. Boyer, Jr., M.D.</p> <p>2. Address: 3200 Grand Central Plaza, Chicago, Ill. 60641</p> <p>3. City: Chicago</p> <p>4. State: Ill.</p> <p>5. Zip: 60641</p> <p>6. Date: 10-10-68</p> <p>7. Signature: [Signature]</p> <p>8. Title: President</p> <p>9. Organization: Chicago</p> <p>10. Remarks: See attached letter to Dr. B. D. Boyer, Jr., M.D., dated 10-10-68.</p>
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1325 K STREET NW
WASHINGTON, DC 20004

December 11, 1978

This letter is prompted by the Commission's interest in assisting committees who wish to comply with the Federal Election Campaign Act. Our review of the receipts reported by Nate Holden Campaign Committee indicates that your organization may have made contributions which total in excess of \$1,000 during the calendar year. Enclosed is a copy(s) of the report(s) in which your contribution(s) is listed.

The act defines "political committee" to mean any organization, or other group of persons which receives contributions or makes expenditures (which includes contributions to Federal candidates and committees supporting Federal candidates), aggregating in excess of \$1,000 during a calendar year. It would appear that your organization may qualify as a "political committee" subject to registration, reporting, and contribution limitation requirements of the Act.

If you agree that your organization is a political committee, please submit a Statement of Organization on FEC Form 1, in accordance with 2 U.S.C. 433. In addition, your committee will be required to file disclosure reports in accordance with 2 U.S.C. 434 on FEC Form 3.

If you agree that your organization has made contributions or expenditures which qualify you as a "political committee", but you do not wish to be considered as a "political committee", you must request refund(s) from the candidate(s) and/or political committee(s) to which you have contributed. As an alternative, political committees to which you made contributions may transfer all or part of the contributions to accounts which are not used to influence Federal elections. Refunds or transfers must be made in such amounts that the total remaining contributions made by you do not exceed \$1,000 during a calendar year.

If you believe that your organization is not a political committee, or that the Commission is otherwise in error, please submit a statement which would clarify this matter for the public record. We have also enclosed relevant informational materials and forms for the registration of and reporting by the political committee. Please examine the enclosed materials.

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: BERNARD BROWN

DATE: 1-11-79

RE: Surface Violation --- failure to file FEC Form 1

Spoke with Mr. Steven Reinhardt in regards to the un-registered committee letter for excess of \$1000 contribution to federal candidates. He indicated that the committee did not make the contribution but it did make contributions to various other groups namely the United Citizens For Good Government under a contract agreement for publication space on a percentage basis. I instructed him to send all literature on that subject and based on the response will determine the Commission's action. Also, a two week extension was granted.

(213) 937-6250

800102223

19 JAN 16 AM 10:20

COUNCIL
ARTHUR STEPHENS

January 11, 1979

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: James B. Brown, Jr.

Re: Your Reference 2 SV1/78-156

Dear Mr. Brown:

We are the attorneys for the No on 13 Committee. In accordance with our telephone conversation of today, the following will constitute our reply to your letter to the Committee dated December 11, 1978.

The No on 13 Committee did not make any contribution to the Nate Holden Campaign Committee, nor to Mr. Holden's campaign. Furthermore, the No on 13 Committee did not make any contribution for the purpose of influencing any federal election.

It is the belief of the No on 13 Committee that the \$5,000 contribution which the Nate Holden Campaign Committee report shows as being received from the No on 13 Committee is in fact a \$5,000 contribution which the No on 13 Committee made to United Citizens Committee for Good Government. That contribution was made to the latter committee pursuant to a specific agreement that the funds contributed would be used solely for the purpose of paying the proportionate cost of a mailing which would in appropriate part be devoted to attempting to persuade the voters to vote in opposition to Proposition 13. Under the agreement, the funds contributed were to be used solely for that purpose -- i.e., persuading the voters to vote against that proposition. If in fact the funds contributed by the No on 13 Committee to United Citizens

Federal Election Commission
January 11, 1972
Page Two

Committee for Good Government were used for the purpose of influencing any federal election. Such use was in direct violation of the written agreement pursuant to which the funds were disbursed by the No on 13 Committee. We are enclosing a copy of the executed written agreement referred to above.

In view of the above, it is the position of the No on 13 Committee that it did not make any contribution which qualifies it as a "political committee" under the Federal Election Campaign Act. The No on 13 Committee, therefore, cannot properly file a report showing that it made any contribution to a federal campaign. We, of course, take no position with respect to whether any other parties involved may have failed to file proper reports or otherwise violated any applicable laws or regulations.

We would appreciate your notifying us of any determinations you make regarding this matter. In the event you consider reaching any conclusion other than that the No on 13 Committee has fully complied with all of its legal obligations, I would appreciate your telephoning me at the number listed above so that we may discuss this matter further or provide you with any additional information you may require.

Very truly yours,

STEPHEN REINHARDT
of
FOGEL, JULBER, REINHARDT,
ROTHSCHILD & FELEMAN

SR:ah
Enclosure

cc: Charles Winner

Stephen L. Gavin

United Citizens Committee for
Good Government --
3526 Crenshaw Boulevard
Los Angeles, California 90008

The No on 13 Committee has agreed to pay its proportionate share of the actual cost of the mailing which your committee is publishing and distributing in connection with the 1978 Primary Election. You have advised us that the total cost of publication and distribution will be a minimum of \$25,000. You have further advised us that the publication will be distributed to all registered Democratic households in the 28th Congressional District.

You have agreed that not less than one-fifth of the content of your mailing will be devoted to material designed to persuade the voters to cast their ballots in opposition to Proposition 13 and in support of Proposition 8.

You have assured us that you will comply with all applicable state and federal laws including without limitation all laws governing campaign contributions and the use of funds in connection with state and federal elections.

Based upon the above understandings and commitments, the No on 13 Committee has agreed to pay \$5,000 for the purposes described above. The enclosed check for \$5,000 is drawn on the No on 13 Committee Special Account which is made up only of contributions received from individuals. No corporate funds nor union or association funds are deposited into the No on 13 Committee Special Account.

If the foregoing is in accordance with your understanding of our agreement, please indicate your acceptance and approval in the space provided for that purpose below.

Yours truly,

James Harrison
No on 13 Committee

ACCEPTED AND APPROVED

Lee White
Date 5/23/78

VOTE NO ON JUNE 6

In reply please refer to 2SV2/78-156



FEDERAL ELECTION COMMISSION

1224 SEVENTH AVE.
WASHINGTON, D.C. 20543

March 15, 1979

Stephen Reinhardt, Treasurer
NO CA 13 Committee
6635 Wilshire Blvd.
Los Angeles, CA 90048

Dear Mr. Reinhardt:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434.

We received a response from you on January 11, 1979, however, we found your response to be inadequate. Statements on file with the Commission indicate that the United Citizens Committee for Good Government operates under the aegis of the Harte Hadden Campaign Committee. Your failure to provide an adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 433.

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Mark Kleiman, our Reports Analyst assigned to you on our toll free number (800)424-9530. Our local number is (202)523-4048.

Sincerely,

Thomas E. Harris

Commissioner

Certified Mail:
Return Receipt Requested

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: MARK KLEIMAN

DATE: 3-20-79

RE: M letter --- failure to register

Received call from Mr. Steven Rhinehart, an attorney for the committee, who stated that the Committee was not aware that the United Citizens Committee for Good Government was an agent of Nate Holden. He further stated that it was not the intention of No On 13 Committee to make any contributions to Federal candidates. He still contended that the payments were not contributions. He stated that the intent was for the money to be sent on mailings. When I told him that the Nate Holden Committee through United Citizens had apparently (as shown in the response by Nate Holden) used the money for campaign flyers, palm cards etc. he stated that if that was the case that it was a violation of the contract agreement reached. Mr. Rhinehart stated that the Treasurer of No On 13 was in Europe and that he would send a letter to the Commission asking for an extension of a little time. He stated that he would send in something no later than around April 10th.

(21.5) 937-6250

DAVID L. FORD
KIM T. KELLY
ROBERT H. KENNEDY
JAMES M. KENNEDY
LESLIE K. KENNEDY
LARRY K. KENNEDY
JOHN K. KENNEDY
ROBERT M. KENNEDY
PATRICIA K. KENNEDY
JEROME K. KENNEDY
JAMES K. KENNEDY
J. CLARE ARTHUR

LAW OFFICES
FOGEL, CERNICHOWITZ, ROYTSCHNID & FELL
5500 WILSHIRE BOULEVARD, SUITE 2500, LOS ANGELES, CALIFORNIA 90036
TELEPHONE: (213) 947-9220 CABLE ADDRESS: DESLAW

73 APR 14 PM 12:55

OF COURTESY
H. ARTHUR KENNEDY

April 9, 1979

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: Mr. Mark Kleinman

Re: Your Reference: 2SV2/78-156

Dear Mr. Kleinman:

As you know, we were the attorneys for the No on 13 Committee during the 1978 election campaign which ended in early June of that year.

On January 11, 1979, we wrote you explaining why it was the position of the No on 13 Committee that it did not make any contribution to a federal election campaign. I am enclosing another copy of that letter with another copy of the agreement dated May 23, 1978 which governed the transaction in question.

Perhaps a fuller explanation of the facts will assist you in concluding that no violation of 2 U.S.C. Section 433 occurred. The No on 13 Committee was formed in late 1977 or early 1978 to combat an initiative measure to revise the state and local tax system. This measure was perhaps the most controversial in California's history, and was clearly the most significant matter on the June 1978 ballot. It received nationwide attention. The proponents and opponents of the measure spent several million dollars in the election campaign.

The No on 13 Committee was a wholly nonpartisan group composed in part of the most prominent business and labor leaders in California. Some of the leaders of the No on 13 Committee were prominent in the Republican Party, some in the Democratic Party, and some in nonpartisan political activity, e.g., the representative of the League of Women Voters. For

this reason, at the outset a rule was adopted prohibiting the Committee from endorsing or supporting any candidate for public office. The sole purpose of the No on 13 Committee was to oppose the Jarvis Initiative and to support the competing measure--Proposition 2. No activity was undertaken by the Committee for any other purpose--and the Committee terminated its functions immediately following the June 1978 election.

The No on 13 Committee spent somewhere in the neighborhood of \$2 million, the principal expenditures being for media, including television, radio, newspaper, tabloid and direct mail. The mailing techniques were selective. Targeted mail was utilized--in some cases based on occupation, in some on membership or other affiliation, in some on ethnic status, and in some on residential area. In each case, the most appropriate technique for reaching the group involved was sought.

The Committee concluded that a large potential favorable vote for its position existed in the congressional district in which Congresswoman Yvonne Burke was vacating her seat. The reason was twofold. First, there was a hotly contested three-way primary contest in that district and the primary nomination was tantamount to election in the general; therefore, a large voter turnout was assured. Second, the district was largely populated by blacks; that ethnic group was most adversely affected by the passage of Proposition 13 and all prominent black leaders were actively opposed to it.

Traditionally, mail and tabloid campaigns constituted the principal technique utilized by groups supporting various candidates in the district involved. Some of those groups remain in existence on a permanent basis, and some are ad hoc groups formed for a particular campaign. The No on 13 Committee determined that the most effective way to conduct its campaign in that district was to purchase space in various tabloid and mail pieces being distributed by various groups throughout the district. In implementing this decision it did not distinguish between permanent and ad hoc groups. There was no reason for such distinction since the Committee decided that it would pay only the actual cost of its proportionate share of the total cost of the tabloid or mail piece. Under the rule implemented by the Committee and contained in the written agreements it secured, none of its funds were to be used by or for the benefit of any candidate.

The Committee was aware at the time that it entered into the contract to purchase space with the United Citizens for Good Government that it had previously purchased space in other tabloids and mailings in which the remaining portions would be used in part by persons supporting Mr. Holden's opponents. In fact, the No on 13 Committee purchased space in all of the principal district-wide mailings brought to its attention in the congressional district involved. In every instance, under its agreements it paid only for the actual cost of the portion of the space devoted to the message in opposition to Proposition 13 and in support of Proposition 3.

Under the facts here involved, it is clear that the Committee did not intend to and did not in fact make any contribution to Mr. Holden or his campaign. Neither the Committee nor its principal members were in favor of Mr. Holden's candidacy. The Committee's sole purpose and intent was to get its message to the voters in the district by purchasing space in all of the principal mailings being directed to the voters. Nor could the voters in the district have been led to believe that the No on 13 Committee was supporting Mr. Holden's candidacy. The principal mailings supporting all of the principal candidates running for the seat Mr. Holden was running for carried messages urging a No vote on Proposition 13. Any inference that the Committee

United Citizens Committee
April 3, 1979
Page Four

was supporting Mr. Holden's candidacy because his message was included in a letter which also supported Mr. Holden would have been received by the voters' receipt of materials which included the candidacy of Mr. Holden's opponent and which also carried messages from the Committee.

Moreover, the No on 13 Committee was concerned solely with the passage of a state measure. It had no reason to have any interest in whether a candidate was elected in a federal election. Furthermore, since the Committee's sole reason for existence was to prevent adoption of that state measure, the Committee had no reason to have any interest in the outcome of any other matter (other than the companion measure, Proposition 3) which appeared on the election ballot.

We direct your attention again to the specific, unambiguous terms of the agreement between the No on 13 Committee and the United Citizens for Good Government in the May 23, 1978 letter included herewith. If United Citizens failed to comply with the requirements of that agreement, they have violated their contract with the No on 13 Committee and may well be guilty of other offenses. From the standpoint of the No on 13 Committee, however, the Committee did not intend to nor did it in fact make any contribution to any candidate for public office.

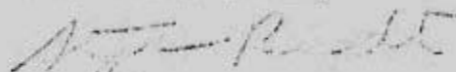
Under the circumstances described above, we do not believe that an arms length contract to purchase space at actual cost for a message relating to a state ballot measure constitutes the making of a contribution to a candidate for federal office. Certainly the No on 13 Committee did not desire to make a contribution or intend to make a contribution. Nor does it believe it made a contribution or intended to make a contribution in this matter as constituting a contribution. If the Commission disagrees with the Committee's view, or believes there is reason to conclude that a violation may have occurred, I request that you notify me before taking any action. In such event, we would

1 6 5 2 2 2 5 3 1

Federal Election Commission
April 9, 1979
Page Five

appreciate the opportunity to discuss informally possible actions that might be taken to remedy the situation before formal proceedings are instituted.

Very truly yours,



STEPHEN REINHARDT
of
FOGEL, JULDER, REINHARDT,
ROTHSCHILD & FELDMAN

SR:ah
Enclosures

30010222552



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis A. White, Treasurer
Nate Holden for Congress Committee
4401 Crenshaw Boulevard
Los Angeles, California 90043

Re: MUR 976

Dear Mr. White:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Nate Holden for Congress Committee (NHCC) may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in 1978 the NHCC prepared and distributed campaign literature expressly advocating the election of Nate Holden to Congress which failed to contain a 2 U.S.C. § 441d notification. Section 441d requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

We note that you were notified by letter dated February 6, 1979, that the Commission determined there was reason to believe that NHCC violated 2 U.S.C. § 441a regarding the acceptance of an apparent contribution from the No on 13 Committee. The Commission reviewed this matter and on September , 1979, determined there was no reasonable cause to believe that NHCC violated § 441a of the Act in connection with its dealings with NOC. The Commission does request that NHCC amend its 30 day post-primary report to disclose the receipt of \$5,000 from NOC as a reimbursement for advertisement services.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. 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.

- 2 -

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057.

This matter will remain confidential in accordance with 2 U.S.C. Section 437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

30010222551



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Stephen Reinhardt
Fogel, Julber, Reinhardt,
Rothschild & Feldman
5900 Wilshire Boulevard, Suite 2600
Los Angeles, California 90036

Re: MUR 976

Dear Mr. Reinhardt:

On , 1979, the Commission found no reasonable cause to believe that your client, the No On 13 Committee, violated 2 U.S.C. § 433(a) regarding your contract to purchase advertisement space in campaign literature distributed by the Nate Holden for Congress Committee. We note that you received a reason to believe notice on this matter dated March 15, 1979.

Should you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter at (202) 523-4057.

Sincerely,

William C. Oldaker
General Counsel

30010222555



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Nate Holden
4401 Crenshaw Boulevard, Suite 300
Los Angeles, California 90043

Re: MUR 976

Dear Mr. Holden:

This is to advise you that on September , 1979, the Federal Election Commission found reason to believe that your committee, the Nate Holden for Congress Committee, may have violated 2 U.S.C. § 44ld by distributing campaign literature expressly advocating your election without a 2 U.S.C. § 44ld notification. This section of the Federal Election Campaign Act of 1971, as amended, requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication.

While the Committee Treasurer is responsible for the campaign literature distributed by the committee, we believe that you, as the candidate, should be made aware of this development. A copy of our letter to your Committee Treasurer is enclosed.

Under 2 U.S.C. § 437g(a)(3)(B), this matter will remain confidential unless the Committee notifies the Commission in writing that it wishes the investigation to be made public.

If you have any questions, please contact Miriam Aguiar, the attorney assigned to this matter, at (202) 523-4057. We have numbered this matter MUR 976.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

REPORTS ANALYSIS REFERRAL SHEET

MUR97b

DATE 5-14-79

ANALYST Ron Krouse RK

TO: Office of General Counsel

TEAM CHIEF Peter Kell, Jr. PKJ

THROUGH: STAFF DIRECTOR ABP

COMPLIANCE REVIEW Carroll Bowen CB

FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS JH

CANDIDATE/COMMITTEE: Nate Holden Campaign Committee CA/28

TREASURER: Louis White

ADDRESS: 4401 Crenshaw Blvd.
Los Angeles, CA 90043

AFFILIATE(S): NONE

ALLEGATION(S): Committee received a contribution in excess of the limits.
CITE: 2 U.S.C. 441a
ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: 12/11/78

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM 5/23/78 TO 6/26/78

TOTAL RECEIPTS \$ 41,143 TOTAL EXPENDITURES \$ 36,622

CASH ON HAND \$ 6,851 DEBTS \$ 47,896

HISTORY:

RESULTS OF REVIEW: An S.V. letter was mailed to the committee on 12/11/78. An inadequate response, along with campaign literature, was received by the Commission on 1/2/79. The RTB letter was mailed to the committee on 2/6/79. A response was received by the Commission on 3/5/79. ATTACHMENT #3 #4 #5 #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: Candidate Nate Holden spoke with Ron Krouse on 12/18/78, 1/4/79 and 1/25/79. ATTACHMENT #7 #8 #9

REASON(S) FOR REFERRAL: Committee received a contribution from an unregistered political committee in excess of the limits as per 2 U.S.C. 441a. There has been no refund to date. ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD: Please find attached the concomitant referral to OGC for the "No on 13 Committee". ATTACHMENT #10

OTHER RELEVANT INFORMATION: A review of the files of the PCC's of Julian Dixon and David Cunningham does not disclose the \$5,000 contribution from "No on 13", as alleged by State Senator Holden in his letter of 3/5/79 (see attachment #6, paragraph 3). "The United Citizens Committee For Good Government" referred to in Attachment #6, paragraph #4 is not a registered political committee.



ELECT SENATOR

**Nate
HOLDEN**

DEMOCRAT • 23rd CONGRESSIONAL DISTRICT

TO CONGRESS



Nate Holden

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

DO NOT BE
MISLEAD FOR
TRUE
PROPERTY
TAX RELIEF

VOTE YES
ON PROPOSITION 8 ☒

VOTE NO
ON PROPOSITION 13 ☒

ELECT

SENATOR

Nate HOLDEN

DEMOCRAT - 28th CONGRESSIONAL DISTRICT

TO CONGRESS

✓
ELECTED
OFFICIALS
SPEAK ON THE
ISSUE OF
PROPERTY TAXES

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH MAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

"DO NOT BE
MISLEAD!"
"FOR TRUE
PROPERTY
TAX RELIEF:"

VOTE YES
ON PROPOSITION 8 ☒

VOTE NO
ON PROPOSITION 13 ☒

REPORTS ANALYSIS REFERRAL SHEET

DATE 5-14-79 ANALYST Mark Kleinman MC

TO: William Oldaker TEAM CHIEF Steve Hims SM

THROUGH: STAFF DIRECTOR ABP: COMPLIANCE REVIEW Carroll Bowen CB

FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS 11/11

CANDIDATE/COMMITTEE: No On 13 Committee

TREASURER: Stephen D. Gavin

ADDRESS: 6535 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90048

AFFILIATE(S): None.

ALLEGATION(S): Failure to register. CITE: 2 U.S.C. 433a ATTACHMENT(S)

Excessive contribution by a non multi-candidate committee to a candidate. 2 U.S.C. 441a #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE:

Normal Review initiated 12-11-78.

ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1. (Not applicable)

PERIOD COVERED FROM n/a TO n/a

TOTAL RECEIPTS \$ n/a TOTAL EXPENDITURES \$ n/a

CASH ON HAND \$ n/a DEBTS \$ n/a

HISTORY:

RESULTS OF REVIEW: Surface Violation letter sent 12-11-78. ATTACHMENT #3
Reason To Believe letter sent 3-15-79. #6
Response to Surface Violation letter 1-11-79. #5
Response to Reason To Believe letter 4-9-79. #8

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: ATTACHMENT

Telecon 1-11-79. #4
Telecon 3-20-79. #7

REASON(S) FOR REFERRAL: Failure to register. ATTACHMENT
Expenditures made by committee are in-kind contributions.

OTHER PENDING ACTIONS INITIATED BY RAD: None. ATTACHMENT

OTHER RELEVANT INFORMATION: Concomittant Referral of Nate Holden Campaign Committee for Receipt of Excessive contribution (2 U.S.C. 441a). ATTACHMENT #9



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE

FROM: MARJORIE W. EMMONS

DATE: JULY 2, 1979

SUBJECT: OBJECTION - MUR 976 - First General Counsel's
Report dated 6-28-79; Received
in OCS 6-29-79, 7:40

The above-named document was circulated on a 48 hour vote basis at 2:00, June 29, 1979.

Commissioner Tiernan submitted an objection at close of business June 29, 1979, thereby placing MUR 976 on the Executive Session Agenda for July 11, 1979.

June 28, 1979

MEMORANDUM TO: Marge Emmons
FROM: EWRs976T. Garr
SUBJECT: MUR 976

Please have the attached First GC Report on MUR 976 distributed to the Commission on a 48 hour tally basis.

Thank you.

30010001373

FEDERAL ELECTION COMMISSION

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL

BY OGC TO COMMISSION

JUN 28 1979

MUR NO. 976

STAFF MEMBER(S)

Aguilar

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENT'S NAME: Nate Holden for Congress Committee, CA
No On 13 Committee

RELEVANT STATUTE: 2 U.S.C. §§441a(a), 441a(f), 433(a), 441d

INTERNAL REPORTS CHECKED: Holden Committee Reports

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

On 14 May 1979, the Reports Analysis Division referred this matter to the Office of General Counsel which concerned the apparent acceptance of an excessive contribution from an unregistered committee in violation of 2 U.S.C. §§441a and 433. (See attachment I).

EVIDENCE

A review of 1978 reports filed by the Nate Holden Campaign Committee (Holden Committee) disclosed that on 31 May 1978 it received a \$5,000 contribution from the No On 13 Committee ("NOC"), a committee not registered with the Commission. NOC was organized to defeat Proposition 13 and promote Proposition 8, state measures in California.

The Commission notified both Committees of their respective violations by letter on 11 December 1978 and later found reason to believe that the Holden Committee violated §441a (notification mailed 6 February 1979) and the NOC violated §433(a) (notification mailed 15 March 1979).

Mr. Holden responded for his committee and Stephen Reinhardt, counsel for NOC, responded on their behalf. The information they supplied indicated that the \$5,000 was not intended as a contribution but as payment by NOC for space in Holden's campaign literature to advance NOC's position on the state propositions. Mr. Reinhardt added that "[NOC] was aware that a portion of the space it did not purchase would be utilized to promote

Mr. Holden's candidacy" and that NOC made similar space arrangements with Mr. Holden's opponents in the primary election. He said that NOC "terminated its functions immediately following the June, 1978 election.

Under the terms of the agreement, NOC was to pay the United Citizens Committee for Good Government (UCCGG) a percentage of the production and mailing expense of the Holden literature in return for the space it received in this literature. The UCCGG was set up by Holden to receive these funds. (See attachment 1 for agreement). We note that Holden has stated that the NOC assured him that the transaction had been cleared by the State Campaign Commission and by the FEC. As NOC's original \$5,000 check could not be negotiated by UCCGG because of insufficient funds and as Holden's Committee had already prepared and published the material which contained NOC's message, NOC issued a \$5,000 cashier's check directly to the U.S. Postmaster to cover the mailing expense.

The literature which contained NOC's message expressly advocated the election of Nate Holden to Congress by using the term "Elect" Holden. (See attachment 1 for copies). Furthermore, it did not contain a §441d authorization statement.

PRELIMINARY LEGAL ANALYSIS

The payment by NOC for space in Holden's campaign literature is not simply a reimbursement for services which would be excluded from the §431(e) and (f) definition of contributions and expenditures. (See MUR 413 and AO 1976-43). The issue advanced by NOC was a state issue which could have been separated from Holden's federal campaign. However, the Holden literature in which the issue was presented did not satisfy the criteria set forth by the Commission to have such instances avoid the appearance of a contribution. The criteria are: 1) Absence of candidate control over, or role in, deciding on how the literature would be distributed; 2) Absence of solicitation or receipt of political contributions in conjunction with the literature; and 3) Absence of any communications in the literature expressly advocating the candidate's election. (AO's 1978-15, 1978-4, 1977-54).

Here, Holden had complete control over the method of presentation and distribution of the campaign material containing NOC's message. Further, the literature "expressly advocated" the election of Nate Holden giving the appearance of a "contribution." A finding of "express advocacy" is consistent with the Buckley opinion, as the communication contained the actual words of advocacy of a clearly identified federal candidate ("elect Nate Holden"). As the communication expressly advocating Mr. Holden's election was a "general public political advertisement," the Holden Committee may have violated §441d by failing to include a clear statement of authorization.

Therefore, as NOC's payment cannot be considered merely a repayment for services received, it appears that NOC contributed \$5,000 to the Holden Committee. In making a contribution in excess of \$1,000, NOC was in violation of §441a(a). Further, the making of a contribution by NOC in excess of \$1,000 triggered the requirement that NOC register as a political committee with the Commission. By failing to register, NOC is also in violation of §433(a).

As previously stated, reason to believe has already been found that NOC violated §433(a) and that the Holden Committee violated §441a. At this time we recommend that the Commission find there is reason to believe that NOC violated §441a(a)(1)(A) with regard to its transfer to the Holden Committee. While it appears that NOC may have entered into similar agreements with other federal committees or candidates, we think any findings against NOC for such transfers ought to be deferred until additional information is obtained. Accordingly, we propose a notice letter with questions.

The Holden Committee may have violated §441a(f) by accepting a \$5,000 contribution from NOC and §441d by distributing literature expressly advocating Mr. Holden's nomination without an authorization notice. Since the §441d issue involves the publication in question here, we recommend that the Commission find there is reason to believe the Holden Committee violated §441d and defer any further findings with respect to the §441a(f) issue until the Holden Committee has the opportunity to respond. We propose sending the attached letter with questions.

RECOMMENDATION


1. Find reason to believe that the Nate Holden Campaign Committee violated 2 U.S.C. §441d; send letter and attached questions.
2. Find reason to believe that the No On 13 Committee violated 2 U.S.C. §441a(a)(1)(A).

ATTACHMENTS

1. RAD referral
Proposed Letter and Questions to Holden Committee
2. Proposed Letter and Questions to NOC

MUR97b

ANALYST Ron Krouse RK

TEAM CHIEF Peter Kell, Jr. 

COMPLIANCE REVIEW Carroll Bowen *CP*

IS *WTH*

RAD Form 1
August 1978

3001022373

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 19APR79
PAGE 1

HOUSE

COMMITTEE	DOCUMENT	RECEIPTS		EXPENDITURES		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
		PRIMARY	GENERAL	PRIMARY	GENERAL			
NATE HOLDEN FOR CONGRESS 1978 STATEMENT OF ORGANIZATION	STATEMENT OF ORGANIZATION - AMENDMENT							
	MISCELLANEOUS TRANSACTION TO F.E.C.							
	48 HOUR CONTRIBUTION NOTICE					27FEB78	3	78HSE/130/2666
	48 HOUR CONTRIBUTION NOTICE					6MAR78	3	78HSE/130/4139
	48 HOUR CONTRIBUTION NOTICE					20MAY78	2	78HSE/136/1056
	48 HOUR CONTRIBUTION NOTICE					1JUN78	1	78HSE/137/1678
	48 HOUR CONTRIBUTION NOTICE					2JUN78	1	78HSE/137/2061
	48 HOUR CONTRIBUTION NOTICE					3JUN78	1	78HSE/137/2227
	48 HOUR CONTRIBUTION NOTICE					3JUN78	3	78HSE/137/3546
	48 HOUR CONTRIBUTION NOTICE					5JUN78	1	78HSE/137/2666
	48 HOUR CONTRIBUTION NOTICE					5JUN78	1	78HSE/137/3122
	48 HOUR CONTRIBUTION NOTICE					5JUN78	3	78HSE/137/3154
	48 HOUR CONTRIBUTION NOTICE					5JUN78	2	78HSE/137/3162
	48 HOUR CONTRIBUTION NOTICE					9JUN78	3	78HSE/137/4455
	48 HOUR CONTRIBUTION NOTICE					25SEP78	1	78HSE/144/1667
	MISCELLANEOUS TRANSACTION TO F.E.C.						3	78HSE/136/1538
	APRIL 10 QUARTERLY	25,839		16,517		17FEB78 - 31MAR78	19	78HSE/132/0135
	MAY 10 QUARTERLY						5	78HSE/136/0036
	REQUEST FOR ADDITIONAL INFORMATION					17FEB78 - 31MAR78	3	78FEC/073/2018
	10 DAY PRE-PRIMARY	73,325		80,316		1APR78 - 22MAY78	45	78HSE/137/1611
	10 DAY PRE-PRIMARY						3	78HSE/138/2685
	10 DAY POST-PRIMARY						4	78HSE/139/2872
	REQUEST FOR ADDITIONAL INFORMATION					1APR78 - 22MAY78	3	78FEC/077/3931
	30 DAY POST-PRIMARY	41,143		36,622		23MAY78 - 26JUN78	18	78HSE/139/2420
	30 DAY POST-PRIMARY						3	78HSE/146/1146
	REQUEST FOR ADDITIONAL INFORMATION					23MAY78 - 26JUN78	2	78FEC/084/3517
	OCTOBER 10 QUARTERLY	9,961		13,003		1JUL78 - 30SEP78	15	78HSE/150/0132
	YEAR END REPORT	8,961		14,003		1JUL78 - 30SEP78	3	78HSE/154/4856
		251		2,024		30SEP78 - 31DEC78	5	78HSE/162/4554
	TOTAL	149,519	0	149,482	0		156	TOTAL PAGES

All Reports Have Received Initial Review

ACKNOWLEDGMENTS

சென்னை, 19.05.2019

CLAUDEU CERNILIN

— 120 —

Name of Candidate or Committee in Full	Full Name, Address, Occupation and ZIP Code	Business Office of Business	Date Received (M, Y, Year)	Amount of Cash Received This Period	Amount of Cash Paid This Period	Source of Funds
Nate Holden Campaign Committee						
Attorney's Congressional Campaign Trust Acct.	1050 - 31st St., N.W. Washington, D.C. 20007	Leonard Rine, Chairman	6-5-78	500.00		Other
		<input type="checkbox"/> Check if Contribution is self-reported <input type="checkbox"/> Check if Contribution is self-reported				
Committee to Re-Elect Judge	Mr. Dyke 80 S. Lake Ave., Ste 310 Chicago, Ill. 60601	L.V. County Superior Ct.	5-30-78	400.00		Other
		Financial Office of Business				
		Approved by: _____ Date: _____				
Honorable Jay	3200 Prudential Plaza Chicago, Ill. 60601	D. R. Buckey, Asst. Sec.	4-16-78	200.00		Other
		Financial Office of Business				
		Approved by: _____ Date: _____				
No on 13 Committee	6335 Wilshire Blvd. Los Angeles, Ca. 90048		5-31-78	5000.00		Other
		Financial Office of Business				
		Approved by: _____ Date: _____				

11 DEC 1978



Mr. Louis A. White, Treasurer
Nate Holden Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, California 90013

Dear Mr. White:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 30 Day Post-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals and political committees, other than multicandidate committees, from making political contributions to a candidate for federal election in excess of \$1,000 per election. The Act defines a multicandidate committee as one which has been registered for a period of not less than six months; has received contributions from more than fifty persons; and has made contributions to five or more candidates for federal office. The committee listed as the source of the contribution in question does not presently qualify as a multicandidate committee and we have notified them accordingly. We have recommended that the source committee notify you if it is confirmed that the contribution was in excess of the limits.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

letter.

9071922787

11/1

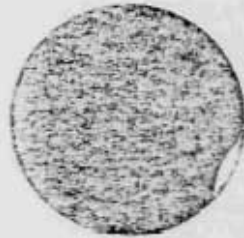
Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Ron Krouse (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4172.

Sincerely,

Orlando B. Potter

Orlando B. Potter
Staff Director

30010221331



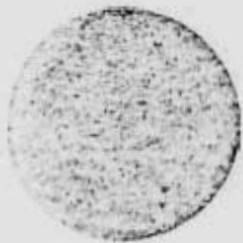
ELECT SENATOR

**Nate
HOLDEN**

DEMOCRAT • 28th CONGRESSIONAL DISTRICT

TO CONGRESS





GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR HATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

DO NOT BE
MISLEAD FOR
TRUE
PROPERTY
TAX RELIEF

VOTE YES
ON PROPOSITION 8 ☒

VOTE NO
ON PROPOSITION 13 ☒

ELECT

SENATOR

**Nate
Holden**

DEMOCRAT • 28th CONGRESSIONAL DISTRICT

TO CONGRESS



✓ **ELECTED
OFFICIALS
SPEAK ON THE
ISSUE OF
PROPERTY TAXES**

GOVERNOR EDMUND G. BROWN, JR.

MAYOR TOM BRADLEY

SUPERVISOR KENNETH HAHN

CONGRESSWOMAN YVONNE BURKE

SENATOR JAMES R. MILLS
President, Pro Tem

SENATOR NATE HOLDEN

SENATOR DAVID A. ROBERTI
Majority Floor Leader

COUNCILMAN GILBERT LINDSAY

DIANE WATSON
Member, Los Angeles School Board

**"DO NOT BE
MISLEAD!"
"FOR TRUE
PROPERTY
TAX RELIEF:"**

**VOTE YES
ON PROPOSITION 8**



**VOTE NO
ON PROPOSITION 13**



Hand Delivered

4401 CRYSTAL SHAW BOULEVARD
SUITE 300
LOS ANGELES 90043
(213) 295-6655

California State Senate

ROOM 4076
STATE CAPITOL
SACRAMENTO 95814
(916) 445-0215



70 JAN 2 AM 9:47

NATE HOLDEN

Senator

THIRTIETH DISTRICT
LOS ANGELES COUNTY

December 21, 1978

1979 JAN 2 PM 3:38
U.S. HOUSE OF REPRESENTATIVES
CLERK

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SV1/78-85RK

Dear Mr. Potter:

As per your request I have talked to Mr. Ron Krouse regarding the Proposition 13 Campaign contribution. My campaign staff made every effort to comply with not only the letter of the law but also the spirit of the law. In doing so, they were instructed to report all monies associated with my campaign whether it was direct or indirect. At Mr. Krouse's request I am attaching all the pertinent information that I believe will resolve this issue. You will find a copy of the Cashier's check which was paid to the order of the Postmaster for partial payment of postage associated with my campaign mailers.

The No on 13 Committee made no direct campaign contribution to my campaign for Congress. The agreement was made whereby they could piggyback their position on some of the campaign material which indicated support for me. The agreement was that my campaign was to appropriate at least \$25,000 and Proposition 13 Committee was to appropriate \$5,000 for their percentage of the coverage. Every effort was made not to co-mingle the funds.

Mr. Orlando B. Potter
December 21, 1978
Page 2

In order to guarantee that the No on 13 Committee could not be accused of making a campaign contribution in any amount or in-kind to the Nate Holden for Congress Campaign it was decided to give the No on 13 Committee more coverage than they had negotiated for.

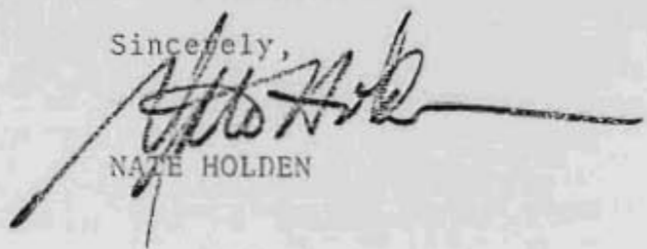
The No on 13 position was included on the following materials:

1. a slate card
2. a slate mailer
3. a door hanger
4. an additional district mailer.

The cost of printing and mailing of these materials was in excess of \$30,000.

I believe this additional information clearly indicates that the campaign committee bent over backwards to be in compliance with the law. If there are any questions still left unanswered please do not hesitate to call on me for additional information.

Sincerely,



NATE HOLDEN

NH:rms

In reply please refer to 4SV2/78-85RK



FEDERAL ELECTION COMMISSION

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

February 6, 1979

Louis A. White, Treasurer
Nate Holden Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Dear Mr. White:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434. ACCEPTED

We received a response from you on January 2, 1979, however, we found your response to be inadequate. Your failure to provide an adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 441(a).

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Ronald Krouse our Reports Analyst assigned to you on our toll free number number (800)424-9530. Our local number is 523-4172.

Sincerely,

Jean Aikens

Commissioner

Certified Mail:
Return Receipt Requested

8004249530

SECTION
COMMISSION

79 MAR 5 AM 10:43
901216

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SV1/78-85RK

Dear Mr. Potter:

I am in receipt of correspondence from Commissioner Joan Aikens dated February 6, 1979. Commissioner Aikens stated that my correspondence of December 21, 1978, received by her office on January 2, 1979, was found to be inadequate. Recently, I spoke with Mr. Ron Krouse of your office regarding your concern and what might be considered an adequate response. Mr. Krouse suggested that I detail, in writing, the facts surrounding the campaign contribution as stated to him.

Approximately mid May, 1978, my office received a telephone call from Ms. Pat McLoren who identified herself as an employee of Winner/Wagner Associates Inc. Winner/Wagner Assoc. Inc. was in charge of the "No On 13 Campaign Committee" for the June primary election. Ms. McLoren offered to participate in my campaign mailing program by contributing \$5,000.00 of contributions received from the "No On 13 Committee". I contacted Mr. Chuck Winner, an officer of the association for additional information. Mr. Winner assured me that the contributions received had been cleared by the State Campaign Commission and the Federal Election Commission. He further stated that the portion of the contributions to the "No On 13 Committee" that could be contributed to a federal campaign were set aside in a special bank account. He stated that all persons contributing to that account, authorized him to make contributions to federal campaigns for "slate mailings" on their behalf. I was further assured by Mr. Winner that those persons making contributions to the special account met the federal guidelines.

Mr. Winner suggested that I accept their portion of \$5,000.00 for the "slate mailings" as he had already given \$5,000.00 to Willard Murray to be used for Julian C. Dixon For Congress Campaign. He also stated that he would give \$5,000.00 to the David C. Cunningham for Congress Campaign. In closing, he stated he was only being fair by giving us an equal amount.

9001002133

I had some concerns about the contribution and suggested that the check be issued to the United Citizens Committee for Good Government. My intent was not to co-mingle "No On 13 Committee" funds with my campaign committee funds until such time as it could be verified. A special checking account was opened on May 30, 1978, this account was opened in the name of United Citizens Committee for Good Government at the Leimert Part Branch of Crocker National Bank. The account number is 431-3333.

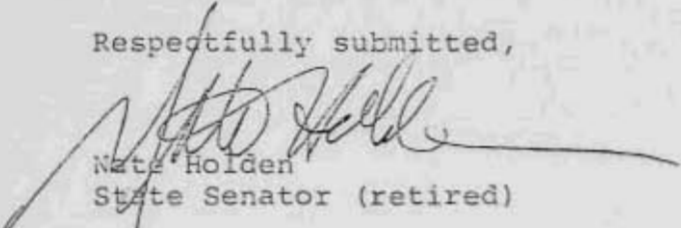
The check issued by the "No On 13 Committee's" special account was returned for in-sufficient funds.

When Mr. Winner's office was informed that the check was returned for in-sufficient funds, he replaced it with a cashiers check in the amount of \$5,000.00. This check, made payable to the U. S. Postmaster was to cover his portion of the cost for "slate mailers". A copy of the cashiers check is included with the correspondence submitted to your office on December 21, 1978.

Mr. Winner has repeatedly stated that he has a listing of those persons contributing to the committee's special account. This list also includes the amounts of individual contributions.

This correspondence represents a complete and accurate accounting of the events as they occurred. I hope the information provided is an adequate response to your concerns.

Respectfully submitted,


Nate Holden
State Senator (retired)

Enclosure: Crocker National Bank Deposit Record
Photostat copy check #6 dated 5/22/78

90010222339

3 0 0 1 0 2 2 5 9 0

on 13 Committee Special Account
35 Wilshire Blvd Suite 2000
Angeles 90048

No. 6

May 22, 1978 90-3578
1222

\$5,000.00

BY THE United Citizens Committee for Good Government

Five thousand dollars and no cents



First Los Angeles Bank

BRANCHES: LOS ANGELES, CALIFORNIA

ate Mailing

Pat McLaren
Pat Williams

Winner/Wagner & Associates, Inc.

PAT McLAREN

Lewis:

Please sign the original and return it to
us via our messenger.

The copy is for your files.

Sorry for the delay -- but I'm assuming
you can still use the funds!

Best of luck,

Pat McLaren

FROM: Nate Holden to Ron Krouse

DATE: 12/18/78

COMMITTEE/CANDIDATE: Nate Holden Campaign Cmte. Ca/28 (213) 776-8270

Mr. Holden received the S.V. letter regarding the contribution of \$5,000 from the "No on 13 Committee" on the 30P report. State Senator Holden said that was not a contribution, but actually their share of a mailer during the campaign. The cmte. never received the \$5,000, but that money was paid directly to the printer. He said that they had already verified that the \$5,000 does not include any union or corporate funds.

I told Mr. Holden that there appeared to be some gray area and that I would not make a judgment until we could see a copy of the mailer. He will forward that information with an outline of the facts set forth in this telecon.

30717372

TELECON

DATE: 1/4/79

TIME:

COMMITTEE: Nate Holden Campaign Committee

PERSON SPOKEN TO: Nate Holden (213) 291-7928

FEC'R: Ron Krouse

SUBJECT:

307100203

Senator Holden returned my call re. more information on the reported \$5,000 contribution from the "No on 13 Committee". He had sent in copies of the literature that he used along with "13", but no letter of explanation accompanied the material. He said that he will send a letter explaining that the "13" cmte. deposited \$5,000 with each candidate in the 28th (Dixon, Cunningham), and he was the only one reporting the contribution. Actually, the money was deposited in a post office box and the candidates were draw on that money when they needed to print literature that included a "No on 13" message. I told Mr. Holden that he should file a formal nortarized complaint, but he said that he doesn't want to make enemies with Congressman-elect Dixon, and is not worth the trouble. I informed him that the Commission might tell him to refund the \$5,000 plus fine him. He said that he will write a letter with the facts, as he knows them, and let us determine if further action is necessary.

RE: TELECON

FROM: State Senator Nate Holden

DATE: 1/25/79

NAME OF COMMITTEE: Nate Holden Campaign Committee CA/28

Senator Holden called to inform us that his secretary is very ill with lupus, and he has been unable to complete the information required by the Commission. Holden went on to clarify the circumstances of the reported \$5,000 contribution from No on 13 Committee. He said that it was originally from the United Citizens Committee for Good Government (a state committee set up to defeat Prop 13), but their first check to Holden bounced. This was to be used to cover the cost of some Holden literature that would include the no on Prop 13 message. Due to the bouncing check, Holden felt he couldn't trust their finances, and went ahead and printed several thousand dollars of his literature with his own money, that also included the No on 13 message. The mailing of the literature cost \$24,000, with \$5,000 of the postage being reimbursed the United Citizens. The \$5,000 was not deposited in the Holden committee, but put in a P.O. Box. Holden put it there because the first time United Citizens gave him the \$5,000; he opened up checking account in their name, and then had to close it when the check bounced. This time he figured he'd put it in the P.O. Box to save himself the trouble of opening up another account, that he saw as being separate from his Federal campaign.

United Citizens has explained to Holden that they feel that it was not a campaign contribution from them, because they accepted the money from several individuals, and they feel that the "contribution" should be attributed to those individuals. I asked Holden if they gave to United Citizens in order to expressly help the Holden Campaign, and he said that they did not. The money was given only to defeat Prop 13. This deal was set up by a firm called Winner / Wagner and Assoc, INC., who according to Holden helped run his opponent's, David Cunningham, campaign. Holden said he is reluctant to approach Winner/Wagner now for the the names of the contributors, because Holden is now running against Cunningham for a seat on the City Council.

I informed Senator Holden that he should detail the circumstances of this \$5,000 "transfer" from "No on 13" (as reported by the Holden Committee) in a letter to the Commission ASAP. He asked for the possible consequences, and I informed him that the Commission could tell him to reimburse the United Citizens Committee, as well as levy a civil fine against him and his committee. Holden protested that he did nothing wrong, and complained that his opponents did the same thing, but just didn't report the information. He said that he is broke and doesn't have the money to reimburse United Citizens or pay any fine. I told him to make sure he carefully explains his side of the story in the letter, because all we officially have to go on now is the Holden's cmte. reporting of a \$5,000 contribution from an unregistered political committee - a violation of Federal law. He understood and will try to get the letter ASAP.

мил? 76

[illegible]



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20541

No On 13 Committee
6535 Wilshire Blvd.
Los Angeles, CA 90048

December 11, 1978

Dear Treasurer:

This letter is prompted by the Commission's interest in assisting committees who wish to comply with the Federal Election Campaign Act. Our review of the receipts reported by Nate Holden Campaign Committee indicates that your organization may have made contributions which total in excess of \$1,000 during the calendar year. Enclosed is a copy(s) of the report(s) in which your contribution(s) is listed.

The act defines "political committee" to mean any organization, or other group of persons which receives contributions or makes expenditures (which includes contributions to Federal candidates and committees supporting Federal candidates), aggregating in excess of \$1,000 during a calendar year. It would appear that your organization may qualify as a "political committee" subject to registration, reporting, and contribution limitation requirements of the Act.

If you agree that your organization is a political committee, please submit a Statement of Organization on FEC Form 1, in accordance with 2 U.S.C. 433. In addition, your committee will be required to file disclosure reports in accordance with 2 U.S.C. 434 on FEC Form 3.

If you agree that your organization has made contributions or expenditures which qualify you as a "political committee", but you do not wish to be considered as a "political committee", you must request refund(s) from the candidate(s) and/or political committee(s) to which you have contributed. As an alternative, political committees to which you made contributions may transfer all or part of the contributions to accounts which are not used to influence Federal elections. Refunds or transfers must be made in such amounts that the total remaining contributions made by you do not exceed \$1,000 during a calendar year.

If you believe that your organization is not a political committee, or that the Commission is otherwise in error, please submit a statement which would clarify this matter for the public record. We have also enclosed relevant informational materials and forms for the registration of and reporting by the political committee. Please examine the enclosed materials.

9709901390292823-40676

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: BERNARD BROWN

DATE: 1-11-79

RE: Surface Violation --- failure to file FEC Form 1

Spoke with Mr. Steven Reinhardt in regards to the un-registered committee letter for excess of \$1000 contribution to federal candidates. He indicated that the committee did not make the contribution but it did make contributions to various other groups namely the United Citizens For Good Government under a contract agreement for publication space on a percentage basis. I instructed him to send all literature on that subject and based on the response will determine the Commission's action. Also, a two week extension was granted.

(213) 937-6250

ARTHUR H. STEINBERG
JOEL H. KATZMAN
ROBERT D. YAMM
DAVID S. SCHWARTZ
PATRICIA R. SCHWARTZ
JEROME L. COHLEN
JAMES A. MADARIE
J. CLARK ARISTE

2900 WILSHIRE BOULEVARD, SUITE 2600, LOS ANGELES, CALIFORNIA 90036

TELEPHONE (213) 927-0250

CABLE ADDRESS: DESV

79 JAN 16 AM 10:26

OF COUNSEL:
H. ARTHUR STEINBERG

January 11, 1979

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: James B. Brown, Jr.

Re: Your Reference 2 SV/78-156

Dear Mr. Brown:

We are the attorneys for the No on 13 Committee. In accordance with our telephone conversation of today, the following will constitute our reply to your letter to the Committee dated December 11, 1978.

The No on 13 Committee did not make any contribution to the Nate Holden Campaign Committee, nor to Mr. Holden's campaign. Furthermore, the No on 13 Committee did not make any contribution for the purpose of influencing any federal election.

It is the belief of the No on 13 Committee that the \$5,000 contribution which the Nate Holden Campaign Committee report shows as being received from the No on 13 Committee is in fact a \$5,000 contribution which the No on 13 Committee made to United Citizens Committee for Good Government. That contribution was made to the latter committee pursuant to a specific agreement that the funds contributed would be used solely for the purpose of paying the proportionate cost of a mailing which would in appropriate part be devoted to attempting to persuade the voters to vote in opposition to Proposition 13. Under the agreement, the funds contributed were to be used solely for that purpose -- e.g., persuading the voters to vote against that proposition. If in fact the funds contributed by the No on 13 Committee to United Citizens

Federal Election Commission
January 11, 1979
Page Two

Committee for Good Government were used for the purpose of influencing any federal election. Such use was in direct violation of the written agreement pursuant to which the funds were disbursed by the No on 13 Committee. We are enclosing a copy of the executed written agreement referred to above.

In view of the above, it is the position of the No on 13 Committee that it did not make any contribution which qualifies it as a "political committee" under the Federal Election Campaign Act. The No on 13 Committee, therefore, cannot properly file a report showing that it made any contribution to a federal campaign. We, of course, take no position with respect to whether any other parties involved may have failed to file proper reports or otherwise violated any applicable laws or regulations.

We would appreciate your notifying us of any determinations you make regarding this matter. In the event you consider reaching any conclusion other than that the No on 13 Committee has fully complied with all of its legal obligations, I would appreciate your telephoning me at the number listed above so that we may discuss this matter further or provide you with any additional information you may require.

Very truly yours,

STEPHEN REINHARDT
of
FOGEL, JULBER, REINHARDT,
ROTHSCHILD & FELDMAN

SR:ah
Enclosure

bcc: Charles Winner

NO ON 13 COMMITTEE

1535 Wilshire Boulevard, Suite 2000, Los Angeles, California 90048 (213) 653-1214

May 23, 1978

President
Jeanette Turk
Vice President
Stephen D. Gavin

United Citizens Committee for
Good Government
3925 Crenshaw Boulevard
Los Angeles, California 90008

Gentlemen:

The No on 13 Committee has agreed to pay its proportionate share of the actual cost of the mailing which your committee is publishing and distributing in connection with the 1978 Primary Election. You have advised us that the total cost of publication and distribution will be a minimum of \$25,000. You have further advised us that the publication will be distributed to all registered Democratic households in the 28th Congressional District.

You have agreed that not less than one-fifth of the content of your mailing will be devoted to material designed to persuade the voters to cast their ballots in opposition to Proposition 13 and in support of Proposition 8.

You have assured us that you will comply with all applicable state and federal laws including without limitation all laws governing campaign contributions and the use of funds in connection with state and federal elections.

Based upon the above understandings and commitments, the No on 13 Committee has agreed to pay \$5,000 for the purposes described above. The enclosed check for \$5,000 is drawn on the No on 13 Committee Special Account which is made up only of contributions received from individuals. No corporate funds nor union or association funds are deposited into the No on 13 Committee Special Account.

If the foregoing is in accordance with your understanding of our agreement, please indicate your acceptance and approval in the space provided for that purpose below.

Yours truly,

Glenn Harrison
No on 13 Committee

ACCEPTED AND APPROVED

Lon White

Date 5/23/78

VOTE NO ON JUNE 6

Supporters:
League of Women Voters of California
Calif. Taxpayers Council
Calif. Tax Reform Assn.
Calif. State PTA
Los Angeles County Teachers Assn.
Inland Empire Assn.
Imperial Valley Assn.
Calif. Assn. For the Handicapped
Tall Pines & Herbs Assn.
Society
Calif. Teachers Assn.
Calif. Federation of Labor
AFL-CIO
Los Angeles Area Chapter of Calif. Teachers Assn.
San Diego Chapter of California Teachers Assn.
Calif. Assn. of Professional Educators
Service Employees Int'l Union
Los Angeles County Teachers Assn.
Women for
Calif. Assn. of Sanitation
Agencies
AFSCME
Assn. of Calif. Water Agencies
CIPEC
Calif. School Boards Assn.
Calif. School Health Assn., Inc.
Calif. Teachers Assn.
Calif. State Employees Assn.
Advisers International Union
Assn. of Calif. School Administrators
Assn. of Low Income Schools
Calif. Democratic Council
Educational Congress of Calif.
Mental Health Assn. of Calif.
United Teachers of Los Angeles
Calif. Federation of Teachers, AFT
Board of Governors, Calif. Community Colleges
Calif. School Employees Assn.
San Francisco Federation of Teachers
San Francisco Assn. of Retired Teachers
Calif. Confederation of the Arts
State Assn. of Social Workers
Calif. Council for Educational and Professional Relations
Common Cause
National

In reply please refer to 25V2/78-156



FEDERAL ELECTION COMMISSION

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

March 15, 1979

Stephen Reinhardt, Treasurer
HO CA 13 Committee
6535 Wilshire Blvd.
Los Angeles, CA 90048

Dear Mr. Reinhardt:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434.

We received a response from you on January 11, 1979, however, we found your response to be inadequate. Statements on file with the Commission indicate that the United Citizens Committee for Good Government operates under the aegis of the Kate Holden Campaign Committee. Your failure to provide adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 433.

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Mark Kleinman, our Reports Analyst assigned to you on our toll free number (800)424-9530. Our local number is (202)523-4046.

Sincerely,

Thomas E. Harris

Commissioner

Certified Mail:
Return Receipt Requested

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: MARK KLEINMAN

DATE: 3-20-79

RE: M letter --- failure to register

Received call from Mr. Steven Rhinehart, an attorney for the committee, who stated that the Committee was not aware that the United Citizens Committee for Good Government was an agent of Nate Holden. He further stated that it was not the intention of No On 13 Committee to make any contributions to Federal candidates. He still contended that the payments were not contributions. He stated that the intent was for the money to be sent on mailings. When I told him that the Nate Holden Committee through United Citizens had apparently (as shown in the response by Nate Holden) used the money for campaign flyers, palm cards etc. he stated that if that was the case that it was a violation of the contract agreement reached. Mr. Rhinehart stated that the Treasurer of No On 13 was in Europe and that he would send a letter to the Commission asking for an extension of a little time. He stated that he would send in something no later than around April 10th.

(215) 937-6250

3031022303

MICHAEL FOGEL
FREDERICK REINHARDT
ROTHSCHILD & FELDMAN
5000 WILSHIRE BOULEVARD, SUITE 2000, LOS ANGELES, CALIFORNIA 90030
TELEPHONE: (213) 937-6250
CABLE ADDRESS: DECEALAW

FOGEL, REINHARDT, ROTHSCCHILD & FELDMAN

5000 WILSHIRE BOULEVARD, SUITE 2000, LOS ANGELES, CALIFORNIA 90030

TELEPHONE: (213) 937-6250

CABLE ADDRESS: DECEALAW

APR 14 PM 12:35

OF COURTESY
H. ARTHUR GYERHARDT

April 9, 1979

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: Mr. Mark Kleinman

Re: Your Reference: 2SV2/78-156

Dear Mr. Kleinman:

As you know, we were the attorneys for the No on 13 Committee during the 1978 election campaign which ended in early June of that year.

On January 11, 1979, we wrote you explaining why it was the position of the No on 13 Committee that it did not make any contribution to a federal election campaign. I am enclosing another copy of that letter with another copy of the agreement dated May 23, 1978 which governed the transaction in question.

Perhaps a fuller explanation of the facts will assist you in concluding that no violation of 2 U.S.C. Section 433 occurred. The No on 13 Committee was formed in late 1977 or early 1978 to combat an initiative measure to revise the state and local tax system. This measure was perhaps the most controversial in California's history, and was clearly the most significant matter on the June 1978 ballot. It received nationwide attention. The proponents and opponents of the measure spent several million dollars in the election campaign.

The No on 13 Committee was a wholly nonpartisan group composed in part of the most prominent business and labor leaders in California. Some of the leaders of the No on 13 Committee were prominent in the Republican Party, some in the Democratic Party, and some in nonpartisan political activity, e.g., the representative of the League of Women Voters. For

this reason, at the outset a rule was adopted prohibiting the Committee from endorsing or supporting any candidate for public office. The sole purpose of the No on 13 Committee was to oppose the Jarvis Initiative and to support the competing measure--Proposition 3. No activity was undertaken by the Committee for any other purpose--and the Committee terminated its functions immediately following the June 1978 election.

The No on 13 Committee spent somewhere in the neighborhood of \$2 million, the principal expenditures being for media, including television, radio, newspaper, tabloid and direct mail. The mailing techniques were selective. Targeted mail was utilized--in some cases based on occupation, in some on membership or other affiliation, in some on ethnic status, and in some on residential area. In each case, the most appropriate technique for reaching the group involved was sought.

The Committee concluded that a large potential favorable vote for its position existed in the congressional district in which Congresswoman Yvonne Burke was vacating her seat. The reason was twofold. First, there was a hotly contested three-way primary contest in that district and the prime nomination was tantamount election in the general; therefore, a large voter turnout was assured. Second, the district was largely populated by blacks; that ethnic group was most adversely affected by the passage of Proposition 13 and all prominent black leaders were actively opposed to it.

Traditionally, mail and tabloid campaigns constituted the principal technique utilized by groups supporting various candidates in the district involved. Some of those groups remain in existence on a permanent basis, and some are ad hoc groups formed for a particular campaign. The No on 13 Committee determined that the most effective way to conduct its campaign in that district was to purchase space in various tabloid and mail pieces being distributed by various groups throughout the district. In implementing this decision it did not distinguish between permanent and ad hoc groups. There was no reason for such distinction since the Committee decided that it would pay only the actual cost of its proportionate share of the total cost of the tabloid or mail piece. Under the rule implemented by the Committee and contained in the written agreements it secured, none of its funds were to be used by or for the benefit of any candidate.

Under the facts here involved, it is clear that the Committee did not intend to and did not in fact make any contribution to Mr. Holden or his campaign. Neither the Committee nor its principal members were in favor of Mr. Holden's candidacy. The Committee's sole purpose and intent was to get its message to the voters in the district by purchasing space in all of the principal mailings being directed to the voters. Nor could the voters in the district have been led to believe that the No on 13 Committee was supporting Mr. Holden's candidacy. The principal mailings supporting all of the principal candidates running for the seat Mr. Holden was running for carried messages urging a No vote on Proposition 13. Any inference that the Committee

Federal Election Commission
April 9, 1979
Page Four

was supporting Mr. Holden's candidacy because its message was included in a mailing which also supported Mr. Holden would have been immediately negated by the voters' receipt of materials which supported the candidacy of Mr. Holden's opponents and which also carried messages from the Committee.

Moreover, the No on 13 Committee was concerned solely with the passage of a state measure. It had no reason to have any interest in which candidate was elected in a federal election. Furthermore, since the Committee's sole reason for existence was to prevent adoption of that state measure, the Committee had no reason to have any interest in the outcome of any other matter (other than the companion measure, Proposition 8) which appeared on the election ballot.

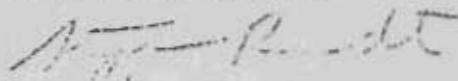
We direct your attention again to the specific, unambiguous terms of the agreement between the No on 13 Committee and the United Citizens for Good Government in the May 23, 1978 letter included herewith. If United Citizens failed to comply with the requirements of that agreement, they have violated their contract with the No on 13 Committee and may well be guilty of other offenses. From the standpoint of the No on 13 Committee, however, the Committee did not intend to nor did it in fact make any contribution to any candidate for public office.

Under the circumstances described above, we do not believe that an arms length contract to purchase space at actual cost for a message relating to a state ballot measure constitutes the making of a contribution to a candidate for federal office. Certainly the No on 13 Committee did not desire to make a contribution or intend to make a contribution, nor does it believe it made a contribution nor interpret the law as defining its actions in this matter as constituting a contribution. If the Commission disagrees with the Committee's view, or believes there is reason to conclude that a violation may have occurred, I request that you notify me before taking any action. In such event, we would

Federal Election Commission
April 9, 1979
Page Five

appreciate the opportunity to discuss informally possible actions that might be taken to remedy the situation before formal proceedings are instituted.

Very truly yours,



STEPHEN REINHARDT
of
FOGEL, JULIEN, REINHARDT,
ROTHSCHILD & FELDMAN

SR:ah
Enclosures

30010221503



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Steven Reinhardt, Esquire
No on 13 Committee
6535 Wilshire Blvd.
Los Angeles, CA 90048

Re: MUR 976

Dear Mr. Reinhardt:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the No on 13 Committee ("NOC") may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that NOC may have violated 2 U.S.C. §441a(a) when it contributed \$5000 to the Nate Holden for Congress Committee for space to promote NOC's message in mailers distributed by Holden's Committee. Although we recognize that by the terms of a written agreement NOC paid for a percentage of the mailing costs in return for space on Holden's campaign literature, the literature, as distributed gave the appearance of a contribution. It appears that the candidate had control over the presentation and distribution of the literature and that the communications contained the language "Elect Nate Holden to Congress," thereby expressly advocating the candidate's election to federal office. (Copies of the relevant campaign literature are enclosed.) We note that you were notified by letter dated March 15, 1979 that the Commission determined there was reason to believe that NOC violated 2 U.S.C. §433 regarding the contribution to the Holden Committee.

We have numbered this matter MUR 976.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are



relevant to the Commission's analysis of this matter. In addition to any material you wish to submit, please provide the information requested in the attached questions. Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar, the attorney now assigned to this matter, at 202-523-4057.

This matter will remain confidential in accordance with 2 U.S.C. Section 437g(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

Sincerely,

William C. Oldaker
General Counsel

Enclosure

FEDERAL ELECTION COMMISSION

TO: No On 13 Committee

MUR 976 (79)

QUESTIONS

1. In earlier correspondence with the Commission, you stated that, pursuant to an agreement, NOC issued a \$5,000 check to the United Citizens Committee for a Good Government. Please provide copies of both sides of the check.
2. Mr. Nate Holden has stated that the check referred to in #1 was returned for insufficient funds and that NOC subsequently issued a \$5,000 cashier's check to the U.S. Postmaster to cover a percentage of the cost of mailing the campaign literature.

Is this correct? If so, provide a copy of both sides of this check.

3. In your April 9, 1979 letter to the Commission, you stated that NOC entered into contracts with various groups in the 28th Congressional District supporting all three of the Congressional candidates in the primary. List all federal candidates and the names and addresses and officer's name of all committees supporting or affiliated with federal candidates with whom NOC entered into agreements whereby NOC would pay for and receive ad space to promote the defeat of Proposition 13 and passage of Proposition 8. Provide copies of both sides of the checks used to effectuate these agreements. If available, provide copies of all literature published by such candidates and committees which contain the NOC message.



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Louis A. White, Treasurer
Nate Holden Campaign Committee
4401 Crenshaw Blvd.
Los Angeles, CA 90043

Re: MUR 976

Dear Mr. White:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission has found reason to believe that the Nate Holden Campaign Committee (NHCC) may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically it appears that in 1978 the NHCC prepared and distributed campaign literature expressly advocating the election of Nate Holden to Congress which failed to contain a 2 U.S.C. §441d notification. Section 441d requires direct mailings and any other type of public political advertising to contain a statement regarding the person or persons authorizing the communication. We note that you were notified by letter dated February 6, 1979 that the Commission determined there was reason to believe that NHCC violated 2 U.S.C. §441d(a) regarding the acceptance of an apparent contribution from the No On 13 Committee (NOC). We recognize that, pursuant to the terms of a written agreement, NOC paid a percentage of the mailing costs of Mr. Holden's campaign literature which contained space allocated for NOC's message. However, the literature gave the appearance of a contribution, for it seems the candidate had control over the presentation and distribution of the literature and the communication contained the language "Elect Nate Holden to Congress," thereby expressly advocating the candidate's election to federal office.



We have numbered this matter MUR 976.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Additionally, please submit answers to the enclosed questions. Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously. Therefore, your response should be submitted within ten days after your receipt of this notification.

If you have any questions, please contact Miriam Aguiar the attorney now assigned to this matter, at 202-523-4057.

This matter will remain confidential in accordance with 2 U.S.C. Section 437a(a)(3)(B) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

FEDERAL ELECTION COMMISSION

TO: Holden for Congress Committee

MUR 976

QUESTIONS

1. Attached to these questions are copies of campaign literature distributed in connection with Nate Holden's 1978 campaign for federal office. State who authorized, prepared, and distributed this literature.
2. When was the literature distributed? State the cost of producing and distributing the literature. If the Committee did not bear the entire cost of production and distribution, provide the names and addresses of persons and/or committees who assisted in handling the cost.
3. Although Mr. Holden stated in his December 21, 1978 letter that he attached a \$5,000 cashiers check from the No On 13 Committee (NOC) written to a U.S. Postmaster to cover mailing costs of the literature, he failed to include the document. Provide a copy of both sides of the \$5,000 check, and state who directed the NOC to provide payment in this matter.
4. State your connection, if any, with the United Citizens Committee for Good Government. State the purposes for and function of this committee and include the name and address of its treasurer.

MEMORANDUM

TO: WILLIAM OLDAKER
THROUGH: ORLANDO B. POTTER *gdp.*
FROM: TOM HASELHORST *TH*
SUBJECT: Referrals for Nate Holden Campaign Committee and
"No on 13 Committee"

Please note that the attached referrals for the above mentioned committees are concerned with the same transaction and should be reviewed and handled simultaneously.

30010222615

REPORTS ANALYSIS REFERRAL SHEET

DATE 5-14-79 ANALYST Ron Krouse RK
TO: Office of General Counsel TEAM CHIEF Peter Kell, Jr. PKJ
THROUGH: STAFF DIRECTOR ABP COMPLIANCE REVIEW Carroll Bowen CB
FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS AAH

CANDIDATE/COMMITTEE: Nate Holden Campaign Committee CA/28

TREASURER: Louis White

ADDRESS: 4401 Crenshaw Blvd.
Los Angeles, CA 90043

AFFILIATE(S):
NONE

ALLEGATION(S): Committee received a contribution in excess of the limits. CITE: 2 U.S.C. 441a ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: 12/11/78
ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM 5/23/78 TO 6/26/78
TOTAL RECEIPTS \$ 41,143 TOTAL EXPENDITURES \$ 36,622
CASH ON HAND \$ 6,851 DEBTS \$ 47,896

HISTORY:

RESULTS OF REVIEW: An S.V. letter was mailed to the committee on ATTACHMENT
12/11/78. An inadequate response, along with campaign literature, #3
was received by the Commission on 1/2/79. The RFB letter was mailed #4
to the committee on 2/6/79. A response was received by the Commission #5
on 3/5/79. #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: ATTACHMENT
Candidate Nate Holden spoke with Ron Krouse on 12/18/78, 1/4/79 #7
and 1/25/79. #8
#9

REASON(S) FOR REFERRAL: ATTACHMENT
Committee received a contribution from an unregistered political #10
committee in excess of the limits as per 2 U.S.C. 441a. There has
been no refund to date.

OTHER PENDING ACTIONS INITIATED BY RAD: ATTACHMENT
Please find attached the concomitant referral to OGC for #10
the "No on 13 Committee".

OTHER RELEVANT INFORMATION:
A review of the files of the PCC's of Julian Dixon and David Cunningham does not disclose the \$5,000 contribution from "No on 13", as alleged by State Senator Holden in his letter of 3/5/79 (see attachment #6, paragraph 3).
"The United Citizens Committee For Good Government" referred to in Attachment #6, paragraph #4 is not a registered political committee.

30010222517

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)DATE 19APR79
PAGE 1

HOUSE

COMMITTEE	DOCUMENT	RECEIPTS		EXPENDITURES		COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
		PRIMARY	GENERAL	PRIMARY	GENERAL			
NATE HOLDEN FOR CONGRESS								
	1978 STATEMENT OF ORGANIZATION					27FEB78	3	78HSE/130/2666
	STATEMENT OF ORGANIZATION- AMENDMENT					6MAR78	3	78HSE/130/4139
	MISCELLANEOUS TRANSACTION TO F.E.C.					20MAY78	2	78HSE/136/1856
	48 HOUR CONTRIBUTION NOTICE					1JUN78	1	78HSE/137/1678
	48 HOUR CONTRIBUTION NOTICE					2JUN78	1	78HSE/137/2061
	48 HOUR CONTRIBUTION NOTICE					3JUN78	1	78HSE/137/2227
	48 HOUR CONTRIBUTION NOTICE					3JUN78	3	78HSE/137/3546
	48 HOUR CONTRIBUTION NOTICE					5JUN78	1	78HSE/137/2666
	48 HOUR CONTRIBUTION NOTICE					5JUN78	1	78HSE/137/3122
	48 HOUR CONTRIBUTION NOTICE					5JUN78	3	78HSE/137/3154
	48 HOUR CONTRIBUTION NOTICE					5JUN78	2	78HSE/137/3162
	48 HOUR CONTRIBUTION NOTICE					9JUN78	3	78HSE/137/4455
	MISCELLANEOUS TRANSACTION TO F.E.C.					25SEP78	1	78HSE/144/1667
	APRIL 10 QUARTERLY						3	78HSE/136/1538
	APRIL 10 QUARTERLY	25,839		16,517		17FEB78 -31MAR78	19	78HSE/132/0335
	APRIL 10 QUARTERLY - AMENDMENT						5	78HSE/136/0036
	REQUEST FOR ADDITIONAL INFORMATION					17FEB79 -31MAR78	3	78FEC/073/2018
	10 DAY PRE-PRIMARY	73,325		80,316		1APR78 -22MAY78	45	78HSE/137/1611
	10 DAY PRE-PRIMARY - AMENDMENT						3	78HSE/138/2685
	10 DAY PRE-PRIMARY - AMENDMENT						4	78HSE/139/2872
	REQUEST FOR ADDITIONAL INFORMATION					1APR78 -22MAY78	3	78FEC/077/3931
	30 DAY POST-PRIMARY	41,143		36,622		23MAY78 -26JUN78	18	78HSE/139/2420
	30 DAY POST-PRIMARY - AMENDMENT						3	78HSE/146/1146
	REQUEST FOR ADDITIONAL INFORMATION					23MAY78 -26JUN78	2	78FEC/084/3517
	OCTOBER 10 QUARTERLY	9,961		13,003		1JUL78 -30SEP78	15	78HSE/150/0132
	OCTOBER 10 QUARTERLY - AMENDMENT	8,961		14,003		1JUL78 -30SEP78	3	78HSE/154/4856
	YEAR END REPORT	251		2,024		30SEP78 -31DEC78	5	78HSE/162/4554
	TOTAL	149,519	0	149,482	0		156	TOTAL PAGES

ALL REPORTS HAVE RECEIVED INITIAL REVIEW

CONTINUATION A
 FORM 2780
 January, 1978
 Federal Election Commission
 1225 K Street, N.W.
 Washington, D.C. 20543

ITEMIZED RECEIPTS

(Contributions, Transfers, Contribution in-Kind,
 Other Income, Loans, Refunds)

Supporting Lines 10a, 16a, 16b, 16c, 16d, 17a, and/or 10a
 of FEC FORM 3

Page 1 of 1 for

Line Number 177

(Use Separate Schedule for
 each numbered line)

Name of Candidate or Committee in Full			
Nate Holden Campaign Committee			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
Attorney's Congressional Campaign Trust Acct. 1050 - 51st St., N.W. Washington, D. C. 20007	Occupation Leonard Rine, Chairman	6-5-78	500.00
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$ 500.00			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
Committee to Re-Elect Judge Wm. Drake 30 S. Lake Ave, Ste 510 Brea, Calif. 92611	Occupation Judge	5-30-78	400.00
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$ 400.00			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
HOUSE PAC 3200 Prudential Plaza Chicago, Ill. 60601	Occupation D. R. Buckner, Asst. V.P.	6-16-78	200.00
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$ 200.00			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
No on 13 Committee 6535 Wilshire Blvd. Los Angeles, Ca. 90048	Occupation	5-31-78	5000.00
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$ 5000.00			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
	Occupation		
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
	Occupation		
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$			
Full Name, Mailing Address and ZIP Code	Principal Place of Business	Date received, day, year	Amount of cash received this Period
	Occupation		
Receipt for <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other		<input type="checkbox"/> Check of Contributor is still unmailed	
Aggregates Year To Date \$			

73001023513
 10011592402



FEDERAL ELECTION COMMISSION

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

11 DEC 1978

Mr. Louis A. White, Treasurer
Mate Holden Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, California 90043

Dear Mr. White:

This letter is prompted by the Commission's interest in assisting candidates and committees who wish to comply with the Federal Election Campaign Act, as amended. During review of the 30 Day Post-Primary Report of Receipts and Expenditures, we noticed an entry indicating that you may have received a contribution which exceeds the limits set forth in the Act. A copy of that portion of your report is attached so that a review of your records can be made.

The Act precludes individuals and political committees, other than multicandidate committees, from making political contributions to a candidate for Federal election in excess of \$1,000 per election. The Act defines a multicandidate committee as one which has been registered for a period of not less than six months; has received contributions from more than fifty persons; and has made contributions to five or more candidates for Federal office. The committee listed as the source of the contribution in question does not presently qualify as a multicandidate committee and we have notified them accordingly. We have recommended that the source committee notify you if it is confirmed that the contribution was in excess of the limits.

The Commission recommends that if you find the contribution you received was in excess of the limits set forth in the Act you return the amount in excess of \$1,000 to the donor. This return should be reported immediately by letter and should be reflected as a contribution refund on your next report of receipts and expenditures. If you find that the entry in question is incomplete or incorrect, please submit a statement which would clarify this particular matter for the public record. You may do so by amending your original report by letter.

Please notify the Commission within fifteen (15) days from the date of this letter of the determination made on this matter. If you have any questions concerning this matter, please do not hesitate to contact Ron Krouse (800)424-9530, our Reports Analyst assigned to you. Our local telephone number is 523-4172.

Sincerely,

Orlando B. Potter

Orlando B. Potter
Staff Director

TELECON

FROM: Nate Holden to Ron Krouse

DATE: 12/18/78

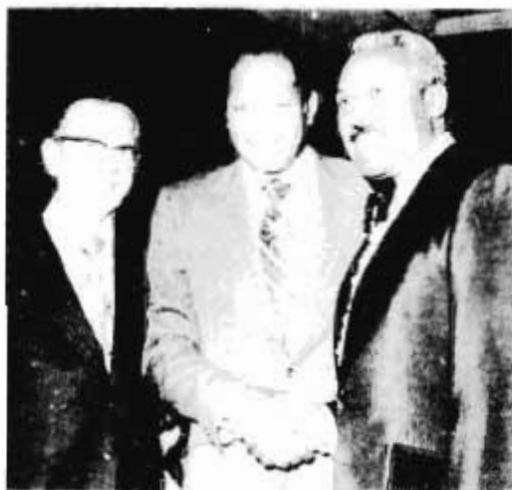
COMMITTEE/CANDIDATE: Nate Holden Campaign Cmte. Ca/28 (213) 776-8270

Mr. Holden received the S.V. letter regarding the contribution of \$5,000 from the "No on 13 Committee" on the 30P report. State Senator Holden said that was not a contribution, but actually their share of a mailer during the campaign. The cmte. never received the \$5,000, but that money was paid directly to the printer. He said that they had already verified that the \$5,000 does not include any union or corporate funds.

I told Mr. Holden that there appeared to be some gray area and that I would not make a judgment until we could see a copy of the mailer. He will forward that information with an outline of the facts set forth in this telecon.

300402521

FOR CONGRESSMAN
NATE HOLDEN



MAYOR
TOM BRADLEY
and
SUPERVISOR
KENNETH HAHN
ENDORSES
NATE HOLDEN'S

OUTSTANDING LEGISLATIVE RECORD

- HEALTH PROGRAMS • EDUCATIONAL PROGRAMS
- ANTI-REDLING ACT • WELFARE PROGRAMS
- REPEAL OF THE NOX DEVICE PROGRAM
 - LIQUOR STORE CONTROL
- SENIOR CITIZENS PROGRAMS
- OBSERVATION OF DR. MARTIN LUTHER KING'S BIRTHDAY

**WE WILL SEND OUR VERY
BEST PERSON TO CONGRESS**

9 3 7 1 0 2 2 3 5 2 2

Hand Delivered

4401 CRYSTAL SHAW BOULEVARD
SUITE 300
LOS ANGELES 90043
(213) 293-6655

California State Senate

ROOM 4075
STATE CAPITOL
SACRAMENTO 95814
(916) 445-5215



70 JAN 2 AM 9:47

NATE HOLDEN

Senator

THIRTIETH DISTRICT
LOS ANGELES COUNTY

December 21, 1978

U.S. HOUSE OF REPRESENTATIVES
1379 JAN 2 PM 3:53

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SV1/78-85RK

Dear Mr. Potter:

As per your request I have talked to Mr. Ron Krouse regarding the Proposition 13 Campaign contribution. My campaign staff made every effort to comply with not only the letter of the law but also the spirit of the law. In doing so, they were instructed to report all monies associated with my campaign whether it was direct or indirect. At Mr. Krouse's request I am attaching all the pertinent information that I believe will resolve this issue. You will find a copy of the Cashier's check which was paid to the order of the Postmaster for partial payment of postage associated with my campaign mailers.

The No on 13 Committee made no direct campaign contribution to my campaign for Congress. The agreement was made whereby they could piggyback their position on some of the campaign material which indicated support for me. The agreement was that my campaign was to appropriate at least \$25,000 and Proposition 13 Committee was to appropriate \$5,000 for their percentage of the coverage. Every effort was made not to co-mingle the funds.

Mr. Orlando B. Potter
December 21, 1978
Page 2

In order to guarantee that the No on 13 Committee could not be accused of making a campaign contribution in any amount or in-kind to the Nate Holden for Congress Campaign it was decided to give the No on 13 Committee more coverage than they had negotiated for.

The No on 13 position was included on the following materials:

1. a slate card
2. a slate mailer
3. a door hanger
4. an additional district mailer.

The cost of printing and mailing of these materials was in excess of \$30,000.

I believe this additional information clearly indicates that the campaign committee bent over backwards to be in compliance with the law. If there are any questions still left unanswered please do not hesitate to call on me for additional information.

Sincerely,



NATE HOLDEN

NH:rms

TELECON

DATE: 1/4/79

TIME:

COMMITTEE: Nate Holden Campaign Committee

PERSON SPOKEN TO: Nate Holden (213) 291-7928

FEC'R: Ron Krouse

SUBJECT:

3071022525

Senator Holden returned my call re. more information on the reported \$5,000 contribution from the "No on 13 Committee". He had sent in copies of the literature that he used along with "13", but no letter of explanation accompanied the material. He said that he will send a letter explaining that the "13" cmte. deposited \$5,000 with each candidate in the 28th (Dixon, Cunningham), and he was the only one reporting the contribution. Actually, the money was deposited in a post office box and the candidates were draw on that money when they needed to print literature that included a "No on 13" message. I told Mr. Holden that he should file a formal nortarized complaint, but he said that he doesn't want to make enemies with Congressman-elect Dixon, and is not worth the trouble. I informed him that the Commission might tell him to refund the \$5,000 plus fine him. He said that he will write a letter with the facts, as he knows them, and let us determine if further action is necessary.

RE: TELECON

FROM: State Senator Nate Holden

DATE: 1/25/79

NAME OF COMMITTEE: Nate Holden Campaign Committee CA/28

Senator Holden called to inform us that his secretary is very ill with lupus, and he has been unable to complete the information required by the Commission. Holden went on to clarify the circumstances of the reported \$5,000 contribution from No on 13 Committee. He said that it was originally from the United Citizens Committee for Good Government (a state committee set up to defeat Prop 13), but their first check to Holden bounced. This was to be used to cover the cost of some Holden literature that would include the no on Prop 13 message. Due to the bouncing check, Holden felt he couldn't trust their finances, and went ahead and printed several thousand dollars of his literature with his own money, that also included the No on 13 message. The mailing of the literature cost \$24,000, with \$5,000 of the postage being reimbursed the United Citizens. The \$5,000 was not deposited in the Holden committee, but put in a P.O. Box. Holden put it there because the first time United Citizens gave him the \$5,000; he opened up checking account in their name, and then had to close it when the check bounced. This time he figured he'd put it in the P.O. Box to save himself the trouble of opening up another account, that he saw as being separate from his Federal campaign.

United Citizens has explained to Holden that they feel that it was not a campaign contribution from them, because they accepted the money from several individuals, and they feel that the "contribution" should be attributed to those individuals. I asked Holden if they gave to United Citizens in order to expressly help the Holden Campaign, and he said that they did not. The money was given only to defeat Prop 13. This deal was set up by a firm called Winner / Wagner and Assoc, Inc., who according to Holden helped run his opponent's, David Cunningham, campaign. Holden said he is reluctant to approach Winner/Wagner now for the the names of the contributors, because Holden is now running against Cunningham for a seat on the City Council.

I informed Senator Holden that he should detail the circumstances of this \$5,000 "transfer" from "No on 13" (as reported by the Holden Committee) in a letter to the Commission ASAP. He asked for the possible consequences, and I informed him that the Commission could tell him to reimburse the United Citizens Committee, as well as levy a civil fine against him and his committee. Holden protested that he did nothing wrong, and complained that his opponents did the same thing, but just didn't report the information. He said that he is broke and doesn't have the money to reimburse United Citizens or pay any fine. I told him to make sure he carefully explains his side of the story in the letter, because all we officially have to go on now is the Holden's cmte. reporting of a \$5,000 contribution from an unregistered political committee - a violation of Federal law. He understood and will try to get the letter ASAP.

In reply please refer to 4SV2/78-85RK



FEDERAL ELECTION COMMISSION

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

February 6, 1979

Louis A. White, Treasurer
Nate Holden Campaign Committee
4401 Crenshaw Boulevard
Los Angeles, CA 90043

Dear Mr. White:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434. Accepted

We received a response from you on January 2, 1979, however, we found your response to be inadequate. Your failure to provide an adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 441(a).

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Ronald Krouse our Reports Analyst assigned to you on our toll free number number (800)424-9530. Our local number is 523-4172.

Sincerely,

Jean Peters

Commissioner

Certified Mail:
Return Receipt Requested

8001322527

156164
79 MAR 5 AM 10:43
901216

Mr. Orlando B. Potter
Staff Director
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

REF. NO. 4SV1/78-85RK

Dear Mr. Potter:

I am in receipt of correspondence from Commissioner Joan Aikens dated February 6, 1979. Commissioner Aikens stated that my correspondence of December 21, 1978, received by her office on January 2, 1979, was found to be inadequate. Recently, I spoke with Mr. Ron Krouse of your office regarding your concern and what might be considered an adequate response. Mr. Krouse suggested that I detail, in writing, the facts surrounding the campaign contribution as stated to him.

Approximately mid May, 1978, my office received a telephone call from Ms. Pat McLoren who identified herself as an employee of Winner/Wagner Associates Inc. Winner/Wagner Assoc. Inc. was in charge of the "No On 13 Campaign Committee" for the June primary election. Ms. McLoren offered to participate in my campaign mailing program by contributing \$5,000.00 of contributions received from the "No On 13 Committee". I contacted Mr. Chuck Winner, an officer of the association for additional information. Mr. Winner assured me that the contributions received had been cleared by the State Campaign Commission and the Federal Election Commission. He further stated that the portion of the contributions to the "No On 13 Committee" that could be contributed to a federal campaign were set aside in a special bank account. He stated that all persons contributing to that account, authorized him to make contributions to federal campaigns for "slate mailings" on their behalf. I was further assured by Mr. Winner that those persons making contributions to the special account met the federal guidelines.

Mr. Winner suggested that I accept their portion of \$5,000.00 for the "slate mailings" as he had already given \$5,000.00 to Willard Murray to be used for Julian C. Dixon For Congress Campaign. He also stated that he would give \$5,000.00 to the David C. Cunningham for Congress Campaign. In closing, he stated he was only being fair by giving us an equal amount.

3004022523

I had some concerns about the contribution and suggested that the check be issued to the United Citizens Committee for Good Government. My intent was not to co-mingle "No On 13 Committee" funds with my campaign committee funds until such time as it could be verified. A special checking account was opened on May 30, 1978, this account was opened in the name of United Citizens Committee for Good Government at the Leimert Part Branch of Crocker National Bank. The account number is 431-3333.

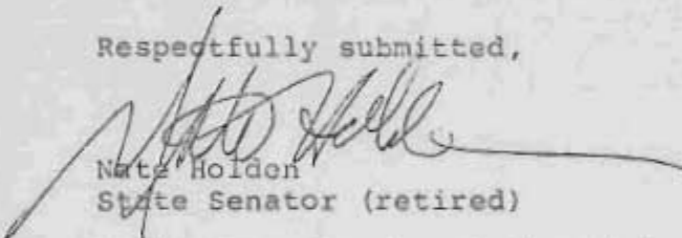
The check issued by the "No On 13 Committee's" special account was returned for in-sufficient funds.

When Mr. Winner's office was informed that the check was returned for in-sufficient funds, he replaced it with a cashiers check in the amount of \$5,000.00. This check, made payable to the U. S. Postmaster was to cover his portion of the cost for "slate mailers". A copy of the cashiers check is included with the correspondence submitted to your office on December 21, 1978.

Mr. Winner has repeatedly stated that he has a listing of those persons contributing to the committee's special account. This list also includes the amounts of individual contributions.

This correspondence represents a complete and accurate accounting of the events as they occurred. I hope the information provided is an adequate response to your concerns.

Respectfully submitted,


Nate Holden
State Senator (retired)

Enclosure: Crocker National Bank Deposit Record
Photostat copy check #6 dated 5/22/78

90040222522

30040222530

on 13 Committee Special Account
35 Wilshire Blvd Suite 2000
Angeles 90048

No. 6

May 22, 1978 90-3538
1222

BY ORDER OF United Citizens Committee for Good Government

\$5,000.00

five thousand dollars and no cents

DOLLARS

 FIRST LOS ANGELES BANK
3500 WILSHIRE BLVD
BEVERLY HILLS, CALIFORNIA 90210

Pat McLaren
Pat Williams

Rate Mailing

Winner/Wagner & Associates, Inc.

PAT McLAREN

Lewis:

Please sign the original and return it to
us via our messenger.

The copy is for your files.

Sorry for the delay -- but I'm assuming
you can still use the funds!

Best of luck,

Pat McLaren

3004022231

CROCKER NATIONAL BANK

DEPOSIT RECORD
FOR CREDIT OF

PRINT NAME HERE

DATE 5-30-78 DEBIT 5000.00

92
16 8
1220

92

19

5

DOLLARS

LEIMERT PARK OFFICE
3423 WEST 43RD PLACE
LOS ANGELES CALIFORNIA 90008

CROCKER NATIONAL BANK

PAID TO THE
CREDIT OF

REPORTS ANALYSIS REFERRAL SHEET

DATE _____ ANALYST Mark Kleiman
TO: William Oldaker TEAM CHIEF Steve Hiss
THROUGH: STAFF DIRECTOR COMPLIANCE REVIEW Carroll Bowen
FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS

CANDIDATE/COMMITTEE: No On 13 Committee

TREASURER: Stephen D. Gavin

ADDRESS: 6535 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90048

AFFILIATE(S): None.

ALLEGATION(S): Failure to register.	- CITE: 2 U.S.C. 433a	ATTACHMENT(S)
Excessive contribution by a non multi-candidate committee to a candidate.	2 U.S.C. 441a	#2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE:

Normal Review initiated 12-11-78. ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment I.

PERIOD COVERED FROM _____ TO _____

TOTAL RECEIPTS \$ _____ TOTAL EXPENDITURES \$ _____

CASH ON HAND \$ _____ DEBTS \$ _____

HISTORY:

RESULTS OF REVIEW:	Surface Violation letter sent 12-11-78.	ATTACHMENT	#3
	Reason To Believe letter sent 3-15-79.		#6
	Response to Surface Violation letter 1-11-79.		#5
	Response to Reason To Believe letter 4-9-79.		#8

COMMUNICATIONS WITH CANDIDATE/COMMITTEE:	ATTACHMENT
Telecon 1-11-79.	#4
Telecon 3-20-79.	#7

REASON(S) FOR REFERRAL: Failure to register.
Expenditures made by committee are
in-kind contributions.

ATTACHMENT

OTHER PENDING ACTIONS INITIATED BY RAD: None. ATTACHMENT

OTHER RELEVANT INFORMATION: Concomitant Referral of
Nate Holden Campaign Committee for Receipt of
Excessive contribution (2 U.S.C. 441a). ATTACHMENT #9

REFER TO INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING

REPORTS ANALYSIS REFERRAL SHEET

MUR 776

DATE 5-14-79 ANALYST Mark Kleinman MK
TO: William Oldaker TEAM CHIEF Steve Mims SM
THROUGH: STAFF DIRECTOR ABP: COMPLIANCE REVIEW Carroll Bowen CB
FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS WJH

CANDIDATE/COMMITTEE: No On 13 Committee
TREASURER: Stephen D. Gavin
ADDRESS: 6535 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90048
AFFILIATE(S): None.

ALLEGATION(S): Failure to register. CITE: 2 U.S.C. 433a ATTACHMENT(S)
Excessive contribution by a non multi- 2 U.S.C. 441a #2
candidate committee to a candidate.

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE:
Normal Review initiated 12-11-78. ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1. (Not applicable)

PERIOD COVERED FROM nla TO nla
TOTAL RECEIPTS \$ nla TOTAL EXPENDITURES \$ nla
CASH ON HAND \$ nla DEBTS \$ nla

HISTORY:

RESULTS OF REVIEW: Surface Violation letter sent 12-11-78. ATTACHMENT #3
Reason To Believe letter sent 3-15-79. #6
Response to Surface Violation letter 1-11-79. #5
Response to Reason To Believe letter 4-9-79. #8

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: ATTACHMENT
Telecon 1-11-79. #4
Telecon 3-20-79. #7

REASON(S) FOR REFERRAL: Failure to register. ATTACHMENT
Expenditures made by committee are
in-kind contributions.

OTHER PENDING ACTIONS INITIATED BY RAD: None. ATTACHMENT

OTHER RELEVANT INFORMATION: Concomittant Referral of ATTACHMENT #9
Nate Holden Campaign Committee for Receipt of
Excessive contribution (2 U.S.C. 441a).

ATTACHMENT #2

ATTACHMENT #3



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20044

No On 13 Committee
6535 Wilshire Blvd.
Los Angeles, CA 90048

December 11, 1978

Dear Treasurer:

This letter is prompted by the Commission's interest in assisting committees who wish to comply with the Federal Election Campaign Act. Our review of the receipts reported by Nate Holden Campaign Committee indicates that your organization may have made contributions which total in excess of \$1,000 during the calendar year. Enclosed is a copy(s) of the report(s) in which your contribution(s) is listed.

The act defines "political committee" to mean any organization, or other group of persons which receives contributions or makes expenditures (which includes contributions to Federal candidates and committees supporting Federal candidates), aggregating in excess of \$1,000 during a calendar year. It would appear that your organization may qualify as a "political committee" subject to registration, reporting, and contribution limitation requirements of the Act.

If you agree that your organization is a political committee, please submit a Statement of Organization on FEC Form 1, in accordance with 2 U.S.C. 433. In addition, your committee will be required to file disclosure reports in accordance with 2 U.S.C. 434 on FEC Form 3.

If you agree that your organization has made contributions or expenditures which qualify you as a "political committee", but you do not wish to be considered as a "political committee", you must request refund(s) from the candidate(s) and/or political committee(s) to which you have contributed. As an alternative, political committees to which you made contributions may transfer all or part of the contributions to accounts which are not used to influence Federal elections. Refunds or transfers must be made in such amounts that the total remaining contributions made by you do not exceed \$1,000 during a calendar year.

If you believe that your organization is not a political committee, or that the Commission is otherwise in error, please submit a statement which would clarify this matter for the public record. We have also enclosed relevant informational materials and forms for the registration of and reporting by the political committee. Please examine the enclosed materials.

87090015002028235 43670

ATTACHMENT #4

30010222638

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: BERNARD BROWN

DATE: 1-11-79

RE: Surface Violation --- failure to file FEC Form 1

Spoke with Mr. Steven Reinhardt in regards to the un-registered committee letter for excess of \$1000 contribution to federal candidates. He indicated that the committee did not make the contribution but it did make contributions to various other groups namely the United Citizens For Good Government under a contract agreement for publication space on a percentage basis. I instructed him to send all literature on that subject and based on the response will determine the Commission's action. Also, a two week extension was granted.

(213) 937-6250

3001022539

ATTACHMENT #5

30010222510

ANDREW H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG
JAMES H. STEINBERG

5700 WILSHIRE BOULEVARD, SUITE 2600, LOS ANGELES, CALIFORNIA 90034

TELEPHONE (213) 907-6250

CABLE ADDRESS: BERLA

(12)

79 JAN 16 AM 10:26

OF COUNSEL:
A. ARTHUR STEINBERG

January 11, 1979

Federal Election Commission
1325 K Street N.W.
Washington, D.C. 20463

Attention: James B. Brown, Jr.

Re: Your Reference 2 SV1/78-156

Dear Mr. Brown:

We are the attorneys for the No on 13 Committee. In accordance with our telephone conversation of today, the following will constitute our reply to your letter to the Committee dated December 11, 1978.

The No on 13 Committee did not make any contribution to the Nate Holden Campaign Committee, nor to Mr. Holden's campaign. Furthermore, the No on 13 Committee did not make any contribution for the purpose of influencing any federal election.

It is the belief of the No on 13 Committee that the \$5,000 contribution which the Nate Holden Campaign Committee report shows as being received from the No on 13 Committee is in fact a \$5,000 contribution which the No on 13 Committee made to United Citizens Committee for Good Government. That contribution was made to the latter committee pursuant to a specific agreement that the funds contributed would be used solely for the purpose of paying the proportionate cost of a mailing which would in appropriate part be devoted to attempting to persuade the voters to vote in opposition to Proposition 13. Under the agreement, the funds contributed were to be used solely for that purpose -- e.g., persuading the voters to vote against that proposition. If in fact the funds contributed by the No on 13 Committee to United Citizens

30010022512

Federal Election Commission
January 11, 1972
Page Two

Committee for Good Government were used for the purpose of influencing any federal election. Such use was in direct violation of the written agreement pursuant to which the funds were disbursed by the Ho on 13 Committee. We are enclosing a copy of the executed written agreement referred to above.

In view of the above, it is the position of the Ho on 13 Committee that it did not make any contribution which qualifies it as a "political committee" under the Federal Election Campaign Act. The Ho on 13 Committee, therefore, cannot properly file a report showing that it made any contribution to a federal campaign. We, of course, take no position with respect to whether any other parties involved may have failed to file proper reports or otherwise violated any applicable laws or regulations.

We would appreciate your notifying us of any determinations you make regarding this matter. In the event you consider reaching any conclusion other than that the Ho on 13 Committee has fully complied with all of its legal obligations, I would appreciate your telephoning me at the number listed above so that we may discuss this matter further or provide you with any additional information you may require.

Very truly yours,

STEPHEN REINHARDT
of
FOGEL, JULBER, REINHARDT,
ROTHSCHILD & FELDMAN

SR:ah
Enclosure

bcc: Charles Winner

VOTE NO ON JUNE 6

ATTACHMENT #6

30010222644

In reply please refer to 2SV2/78-156



FEDERAL ELECTION COMMISSION

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

March 15, 1979

Stephen Reinhardt, Treasurer
NO CM 13 Committee
6535 Wilshire Blvd.
Los Angeles, CA 90048

Dear Mr. Reinhardt:

On December 11, 1978, you were notified that you may have made contributions to a political committee which raised problems under 2 U.S.C. 433 and 434.

We received a response from you on January 11, 1979, however, we found your response to be inadequate. Statements on file with the Commission indicate that the United Citizens Committee for Good Government operates under the aegis of the Nate Holden Campaign Committee. Your failure to provide adequate response gives the Commission reason to believe that you may have committed a violation of 2 U.S.C. 433.

The Commission will take no action against you until you have had a reasonable opportunity to respond to this letter. This response should be mailed to the Commission within fifteen (15) days from the date of this letter.

If you have responded to the above or you require additional information, please contact Mark Kleinman, our Reports Analyst assigned to you on our toll free number (800)424-9530. Our local number is (202)523-4048.

Sincerely,

Thomas E. Harris

Commissioner

Certified Mail:
Return Receipt Requested

ATTACHMENT #7

3001022546

TELECON TO THE FILES: NO ON 13 COMMITTEE

FROM: MARK KLEINMAN

DATE: 3-20-79

RE: M letter --- failure to register

Received call from Mr. Steven Rhinehart, an attorney for the committee, who stated that the Committee was not aware that the United Citizens Committee for Good Government was an agent of Nate Holden. He further stated that it was not the intention of No On 13 Committee to make any contributions to Federal candidates. He still contended that the payments were not contributions. He stated that the intent was for the money to be sent on mailings. When I told him that the Nate Holden Committee through United Citizens had apparently (as shown in the response by Nate Holden) used the money for campaign flyers, palm cards etc. he stated that if that was the case that it was a violation of the contract agreement reached. Mr. Rhinehart stated that the Treasurer of No On 13 was in Europe and that he would send a letter to the Commission asking for an extension of a little time. He stated that he would send in something no later than around April 10th.

(213) 937-6250

30010322517

ATTACHMENT #8

80010222510

The No on 13 Committee was a wholly nonpartisan group composed in part of the most prominent business and labor leaders in California. Some of the leaders of the No on 13 Committee were prominent in the Republican Party, some in the Democratic Party, and some in nonpartisan political activity, e.g., the representative of the League of Women Voters. For

Federal Election Commission

April 9, 1979

Page Two

this reason, at the outset a rule was adopted prohibiting the Committee from endorsing or supporting any candidate for public office. The sole purpose of the No on 13 Committee was to oppose the Jarvis Initiative and to support the competing measure--Proposition 3. No activity was undertaken by the Committee for any other purpose--and the Committee terminated its functions immediately following the June 1978 election.

The No on 13 Committee spent somewhere in the neighborhood of \$2 million, the principal expenditures being for media, including television, radio, newspaper, tabloid and direct mail. The mailing techniques were selective. Targeted mail was utilized--in some cases based on occupation, in some on membership or other affiliation, in some on ethnic status, and in some on residential area. In each case, the most appropriate technique for reaching the group involved was sought.

The Committee concluded that a large potential favorable vote for its position existed in the congressional district in which Congresswoman Yvonne Burke was vacating her seat. The reason was twofold. First, there was a hotly contested three-way primary contest in that district and the primary nomination was tantamount election in the general; therefore, a large voter turnout was assured. Second, the district was largely populated by blacks; that ethnic group was most adversely affected by the passage of Proposition 13 and all prominent black leaders were actively opposed to it.

Traditionally, mail and tabloid campaigns constituted the principal technique utilized by groups supporting various candidates in the district involved. Some of those groups remain in existence on a permanent basis, and some are ad hoc groups formed for a particular campaign. The No on 13 Committee determined that the most effective way to conduct its campaign in that district was to purchase space in various tabloid and mail pieces being distributed by various groups throughout the district. In implementing this decision it did not distinguish between permanent and ad hoc groups. There was no reason for such distinction since the Committee decided that it would pay only the actual cost of its proportionate share of the total cost of the tabloid or mail piece. Under the rule implemented by the Committee and contained in the written agreements it secured, none of its funds were to be used by or for the benefit of any candidate.

30071002051

The Committee entered into contracts with various groups in the district to purchase space in materials being distributed, and in each instance obtained a written agreement that it would be charged no more than the actual cost of the portion of the mailing devoted to its message in opposition to Proposition 13 and in support of Proposition 8. In some of the mailings the remainder of the space was divided between various other candidates and various other ballot measures. In the case of the contract with United Citizens Committee for Good Government, the Committee was aware that a portion of the space it did not purchase would be utilized to promote Mr. Holden's candidacy, but it did not know how that remaining space would otherwise be utilized. The Committee had no reason to inquire as to, or to care, how the eighty percent portion of the piece it did not pay for would be used. Its sole interest was in purchasing the space it purchased and in obtaining a written contract guaranteeing that the Committee's funds would be used solely to pay for its fair share of the costs.

The Committee was aware at the time that it entered into the contract to purchase space with the United Citizens for Good Government that it had previously purchased space in other tabloids and mailings in which the remaining portions would be used in part by persons supporting Mr. Holden's opponents. In fact, the No on 13 Committee purchased space in all of the principal district-wide mailings brought to its attention in the congressional district involved. In every instance, under its agreements it paid only for the actual cost of the portion of the space devoted to the message in opposition to Proposition 13 and in support of Proposition 8.

Under the facts here involved, it is clear that the Committee did not intend to and did not in fact make any contribution to Mr. Holden or his campaign. Neither the Committee nor its principal members were in favor of Mr. Holden's candidacy. The Committee's sole purpose and intent was to get its message to the voters in the district by purchasing space in all of the principal mailings being directed to the voters. Nor could the voters in the district have been led to believe that the No on 13 Committee was supporting Mr. Holden's candidacy. The principal mailings supporting all of the principal candidates running for the seat Mr. Holden was running for carried messages urging a No vote on Proposition 13. Any inference that the Committee

Federal Election Commission
April 9, 1979
Page Four

was supporting Mr. Holden's candidacy because its message was included in a mailing which also supported Mr. Holden would have been immediately negated by the voters' receipt of materials which supported the candidacy of Mr. Holden's opponents and which also carried messages from the Committee.

Moreover, the No on 13 Committee was concerned solely with the passage of a state measure. It had no reason to have any interest in which candidate was elected in a federal election. Furthermore, since the Committee's sole reason for existence was to prevent adoption of that state measure, the Committee had no reason to have any interest in the outcome of any other matter (other than the companion measure, Proposition 8) which appeared on the election ballot.

We direct your attention again to the specific, unambiguous terms of the agreement between the No on 13 Committee and the United Citizens for Good Government in the May 23, 1978 letter included herewith. If United Citizens failed to comply with the requirements of that agreement, they have violated their contract with the No on 13 Committee and may well be guilty of other offenses. From the standpoint of the No on 13 Committee, however, the Committee did not intend to nor did it in fact make any contribution to any candidate for public office.

Under the circumstances described above, we do not believe that an arms length contract to purchase space at actual cost for a message relating to a state ballot measure constitutes the making of a contribution to a candidate for federal office. Certainly the No on 13 Committee did not desire to make a contribution or intend to make a contribution, nor does it believe it made a contribution nor interpret the law as defining its actions in this matter as constituting a contribution. If the Commission disagrees with the Committee's view, or believes there is reason to conclude that a violation may have occurred, I request that you notify me before taking any action. In such event, we would

Federal Election Commission
April 9, 1979
Page Five

appreciate the opportunity to discuss informally possible actions that might be taken to remedy the situation before formal proceedings are instituted.

Very truly yours,



STEPHEN REINHARDT
of
FOGEL, JULDER, REINHARDT,
ROTHSCHILD & FELDMAN

SR:ah
Enclosures

80040222653

ATTACHMENT #9

3001022654

REFER TO INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING

REPORTS ANALYSIS REFERRAL SHEET

DATE _____ ANALYST Ron Krouse RK
TO: Office of General Counsel TEAM CHIEF Peter Kell, Jr. PK
THROUGH: STAFF DIRECTOR COMPLIANCE REVIEW Carroll Bowen
FROM: ASSISTANT STAFF DIRECTOR FOR REPORTS ANALYSIS

CANDIDATE/COMMITTEE: Nate Holden Campaign Committee CA/28

TREASURER: Louis White

ADDRESS: 4401 Crenshaw Blvd.
Los Angeles, CA 90043

AFFILIATE(S): NONE

ALLEGATION(S): Committee received a contribution in excess of the limits. CITE: 2 U.S.C. 441a ATTACHMENT(S) #2

MANNER IN WHICH REVIEW WAS INITIATED if other than normal review, AND DATE: 12/11/78
ATTACHMENT

REPORTS: All reports within the dates listed below have received initial basic review. For all reports reviewed, see Attachment 1.

PERIOD COVERED FROM 5/23/78 TO 6/26/78
TOTAL RECEIPTS \$ 41,143 TOTAL EXPENDITURES \$ 36,622
CASH ON HAND \$ 6,851 DEBTS \$ 47,896

HISTORY:

RESULTS OF REVIEW: An S.V. letter was mailed to the committee on 12/11/78. An inadequate response, along with campaign literature, was received by the Commission on 1/2/79. The RTB letter was mailed to the committee on 2/6/79. A response was received by the Commission on 3/5/79. ATTACHMENT #3 #4 #5 #6

COMMUNICATIONS WITH CANDIDATE/COMMITTEE: ATTACHMENT #7
Candidate Nate Holden spoke with Ron Krouse on 12/18/78, 1/4/79 and 1/25/79.

REASON(S) FOR REFERRAL: ATTACHMENT
Committee received a contribution from an unregistered political committee in excess of the limits as per 2 U.S.C. 441a. There has been no refund to date.

OTHER PENDING ACTIONS INITIATED BY RAD: ATTACHMENT
Please find attached the concomitant referral to OGC for the "No on 13 Committee". #8

OTHER RELEVANT INFORMATION:
A review of the files of the PCC's of Julian Dixon and David Cunningham does not disclose the \$5,000 contribution from "No on 13", as alleged by State Senator Holden in his letter of 3/5/79 (see attachment #6, paragraph 3).
"The United Citizens Committee For Good Government" referred to in Attachment #6, paragraph #4 is not a registered political committee.

3001022255



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.
WASHINGTON, D.C. 20461

THIS IS THE BEGINNING OF MUR # 976

Date Filmed 10/30/80 Camera No. --- 2

Cameraman GPC