



FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF TMR # 1325

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MUE 1325

PS Form 3811, Jan. 1979

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J. Baran
Baker + Hostetler
Wash, DC 20006

3. ARTICLE DESCRIPTION:
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949586
(Always obtain signature of addressee or agent)
I have received the article described above.
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OCC - Convery

GPO : 1979-208-348

31040243370



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 27, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Theodore Waller
Executive Director
Democratic Senatorial Campaign Committee
400 North Capitol Street
Washington, D.C. 20001

Re: MUR 1325

Dear Mr. Waller:

The Federal Election Commission has reviewed the complaint filed by your predecessor, Tom Baker, on behalf of the Democratic Senatorial Campaign Committee. That complaint, dated October 28, 1980, alleged that the National Republican Senatorial Committee violated 2 U.S.C. §441a(d) by making certain expenditures on behalf of Ms. Paula Hawkins, the Republican nominee for the Senate in Florida, before her nomination.

The Commission has found that, although made before the date of the runoff election in Florida, the expenditures complained of were made "in connection with the general election." Accordingly, the Commission found no reason to believe that NRSC violated the Federal Election Campaign Act of 1971, as amended, as alleged in the complaint, and, on March 24, 1981, voted to close its file in this matter.

VSC
3-27-81

Sincerely,


Charles N. Steele
General Counsel

3 1 7 4 9 2 1 1 5 3 1

1325 ✓

REGISTERED MAIL

1. The following service is requested (check one.)

☒ Show to whom and date delivered.

☐ Show to whom, date and address of delivery.

☐ RESTRICTED DELIVERY

Show to whom and date delivered.

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Show to whom, date, and address of delivery. S.

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

T. Waller
DSCE
Wash, DC 20001

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	999587	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

John Wilson Diehl

4. DATE OF DELIVERY

4 1 81

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

OCC - Convery

DATE: March 18, 1981
TO: Federal Election Commission
FROM: National Republican Senatorial Committee
Rodney A. Smith, Treasurer
RE: Appearance of Counsel

Please take notice that the National Republican Senatorial Committee does hereby designate James F. Schoener of the firm of Miller, Canfield, Paddock and Stone as its attorney and counsel for any and all matters, communications, notices, subpoenas and service of process that your Commission may have concerning our Committee.

The present address for Mr. Schoener is Suite 1240, 1015-15th Street, N.W., Washington, D.C. 20005, and the telephone numbers of the firm are 789-8690 and 822-9333.

This notice of representation and appearance shall continue until revoked in writing.

National Republican Senatorial
Committee

By Rodney A. Smith
Rodney A. Smith,
Treasurer

87:018 22001



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 27, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1325

Dear Mr. Baran:

This will acknowledge receipt of your letter, dated October 31, 1980, in the matter noted above.

Based on information contained in that letter, the Commission, on March 24, 1981, determined that there was no reason to believe that your client, the National Republican Senatorial Committee, violated the Federal Election Campaign Act in the manner alleged in the complaint filed by the Democratic Senatorial Campaign Committee. Accordingly, the file has been closed in this matter and will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

UJC
3-27-81

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1325
National Republican Senatorial Committee)

CERTIFICATION

I, Marjorie W. Emmons, Recording Secretary for the Federal Election Commission's Executive Session on March 24, 1981, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 1325:

1. Find no Reason to Believe that the National Republican Senatorial Committee violated 2 U.S.C. §441a(d) as alleged in the complaint.
2. Notify complainant and respondents of the above finding.
3. Take no action with regard to National Republican Senatorial Committee's acting as a "dual agent" for the making of 2 U.S.C. §441a(d) expenditures in the Senate campaign of Paula Hawkins.
4. CLOSE THE FILE.

Commissioners Aikens, McGarry, Reiche, Thomson, and Tiernan voted affirmatively for the decision. Commissioner Harris dissented.

Attest:

3/26/81

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE
FROM: MARJORIE W. EMMONS/JODY CUSTER *jc*
DATE: MARCH 18, 1981
SUBJECT: OBJECTION - MUR 1325, First General Counsel's
Report; Received in OCS, 3-16-81, 4:32

The above-named document was circulated on a 48
hour vote basis at 11:00, March 17, 1981.

Commissioner Harris submitted an objection at 1:56,
March 17, 1981.

This matter will be placed on the Executive Session
Agenda for March 24, 1981.

March 16, 1981

MEMORANDUM TO: Marjorie W. Emmons
FROM: Elissa T. Garr
SUBJECT: MUR 1325

Please have the attached First General Counsel's
Report distributed to the Commission on a 48 hour tally
basis. Thank you.

Attachment

pak

cc: Convery

31710211528

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

MAR 16 P 4: 32

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION 3-12-81

MUR# 1325
DATE COMPLAINT RECEIVED
BY OGC Oct. 28, 1980
STAFF MEMBER Convery

COMPLAINANT'S NAME: Democratic Senatorial Campaign Committee

RESPONDENT'S NAME: National Republican Senatorial Committee

RELEVANT STATUTE: 2 U.S.C. § 441a(d)

INTERNAL REPORTS CHECKED: Reports of Receipts and Expenditures
filed by NRSC

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

In a complaint filed on October 28, 1980, (See Attachment 1), the Democratic Senatorial Campaign Committee (DSCC) alleged that the National Republican Senatorial Committee (NRSC) violated 2 U.S.C. § 441a(d) as follows:

Section 441a(d) provides that: "Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and the State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection."

NRSC, made Section 441a(d) expenditures exceeding \$160,000 1/ on behalf of Paula Hawkins, the Republican nominee for the Senate in Florida, before her nomination.

Thus, NRSC violated the Act, since Section 441a(d) expenditures must be made "in connection with the general election."

FACTUAL AND LEGAL ANALYSIS

The primary election in Florida was conducted on September 9, 1980. As none of the candidates for the Senate nomination received the requisite number of votes, a runoff was held on October 7, 1980, between Paula Hawkins and Louis Frey.

Schedules F (which list "Itemized Coordinated Expenditures Made By Political Party Committees or Designated Agent(s) On Behalf of Candidates For Federal Office (2 U.S.C. § 441a(d))", filed by NRSC contain the following pertinent information: 2/

<u>Payee</u>	<u>Candidate Supported</u>	<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Sisk Mailing Service Inc. Lanham, Md.	Paula Hawkins Florida U.S. Senate	Mailing for nominee after Oct. 8 (Paula Hawkins)	9/29/80	\$2,388.15
Dresner Mercurio, Inc. New York, NY	Paula Hawkins Florida U.S. Senate	Reserved TV time for nominee (Paula Hawkins)	9/29/80	\$80,000.00
Dresner Mercurio, Inc. New York, NY	Paula Hawkins Florida U.S. Senate	TV time buys	10/2/80	\$80,000.00
Sisk Mailing Service Inc. Lanham, Md.	Paula Hawkins Florida U.S. Senate	Postage for direct mail Mailing for nominee after October 8, (Paula Hawkins)	10/6/80	\$5,940.15

1/ The complaint only alleges that the making of the expenditures was unlawful. Assuming the legality of the expenditures, no question is raised that their aggregate total is violative of the Act. See our discussion of the "Additional Issue," at the conclusion of this report.

2/ The two initial expenditures were reported in NRSC's September monthly report, filed on October 20, 1980; the latter two expenditures were reported in NRSC's 12 day pre-General report, filed on October 22, 1980. See Attachments 2a and 2b.

Responding to the complaint by way of an affidavit filed on October 31, 1980, Robert W. Moore, Executive Director of NRSC, stated that:

At the time the NRSC made the payments [to Dresner Mercurio, Inc., and to Sisk Mailing Service, Inc.] the goods and services were not restricted for the use of any single candidate, but were intended to be utilized, subsequent to October 7, on behalf of the winner of the run-off election, either Ms. Hawkins or Mr. Frey, and in fact were not utilized until the winner was determined.

See Attachment 3b, paragraph 7.

Mr. Moore's affidavit also set out the practical reason as to why the questioned expenditures were made prior to October 7:

... There were only four weeks between the dates of the run-off election and the general election. Payments for certain goods and services to be used in connection with the general election campaign had to be made more than four weeks before the general election in order for the goods and services to be available.

See Attachment 3b, paragraph 4.

Additionally, Mr. Moore indicated that the campaigns of both Republican candidates in the run-off election were consulted before the payments were made by NRSC. See Attachment 3b, paragraphs 5 and 6.

ANALYSIS

Neither 2 U.S.C. § 441a(d) nor 11 CFR § 110.7(b) impose time limitations within which Section 441a(d) expenditures must be made. It would appear that the only limitation on the expenditures (other than that governing amount) is that they be made "in connection with the general election."

In view of Mr. Moore's sworn statement that the goods and services were not restricted to the use of any single candidate, but were intended to be utilized on behalf of the winner of the run-off, either Ms. Hawkins or Mr. Frey, it appears that the expenditures were made "in connection with the general election."

It is noted that complainant DSCC has requested that the Commission find that NRSC's alleged violations were made "knowingly and willfully." The basis for this request is that, in July, 1979, NRSC submitted Advisory Opinion Request 1979-45 which, according to DSCC, "sought Commission approval ... of pre-primary expenditures of Section 441a(d) funds." See complaint, page 2. The Commission was

unable to reach agreement on an Advisory Opinion, with two members voting against issuance, one voting in favor, and three abstaining. DSCC argues, therefore, that "if there was any consensus at all, it was unfavorable to the NRSC proposal."

The fact that the Commission failed to issue an Advisory Opinion in AOR 1979-45 should be taken only to mean that the Commission could not reach a resolution pertaining to the facts presented therein. That no definitive, final vote was reached, in our opinion, renders any "consensus" argument inappropriate.

Moreover, the facts presented in AOR 1979-45 are easily distinguishable from those at issue here. AOR 1979-45 sought Commission approval of the establishment in various states of certain State General Election Committees which would solicit contributions, and make expenditures, on behalf of the Republican Party nominees for U.S. Senate in the general election. The operations of the Committees would have commenced prior to the selection of nominees in the primary. After the primary, the Republican nominee would be offered the opportunity to designate the Committee as his or her principal campaign committee for the general election, or could make it an affiliated committee. NRSC suggested that its contributions in kind to such committees should be considered a part of the party's allowed expenditures under Section 441a(d).

Clearly, AOR 1979-45 presented more numerous issues, and more complex issues than does the instant case. Accordingly, the fact that the Commission reached no resolution in the AOR should not be dispositive of this matter.

ADDITIONAL ISSUE

Although the complaint noted that NRSC had been making Section 441a(d) expenditures of up to 4 cents per voter on behalf of Republican candidates for Senate "as 'agent' of both the Republican National Committee and various state committees," it did not specifically challenge the legality of NRSC's acting under such a "dual agency."

That issue was raised in three prior enforcement matters. In each of those cases the Commission found that NRSC did not violate the Act in acting as "Section 441a(d) agent" of both PNC and a Republican State Committee and in making Section 441a(d) expenditures of up to 4 cents times voting age population (V.A.P.) for the particular Senate candidate involved in the case. (If the Commission had determined that NRSC could properly function only as agent of PNC, and not as agent of the State Republican Committee, then NRSC would have been limited by 2 U.S.C. § 441a(d)(3)(A)(i) to making expenditures which equalled 2 cents x V.A.P. in each case).

The Commission's finding in the most recent of these matters, MUR 1234, was challenged by DSCC, the complainant therein, pursuant to 2 U.S.C. § 437g(a)(8).

The Commission's action was upheld at the District Court level. See DSCC v. FEC, C.A. 80-01903, (D.D.C., Aug. 28, 1980). The U.S. Court of Appeals for the D.C. Circuit, however, declared the Commission's dismissal of DSCC's administrative complaint to be contrary to law and directed the Commission to "conform" with the Court's decision "forthwith." See DSCC v. FEC et al., No. 80-2074 (D.C. Cir., Oct. 9, 1980).

On October 16, 1980, NRSC, which had entered the case as an intervenor at the circuit court level, applied to the Chief Justice of the United States, as Circuit Justice for the District of Columbia Circuit, for an order to stay enforcement of the D.C. Circuit's judgment pending disposition of NRSC's petition for writ of certiorari. An order temporarily granting the application for stay was entered on October 17, 1980.

On October 21, 1980, the Commission filed a Memorandum in response to NRSC's application for stay. In that Memorandum we submitted that the Court of Appeals had erred in concluding that the Commission had acted contrary to law in dismissing the administrative complaint against NRSC. We noted that, by dismissing the DSCC complaint, the Commission was acting consistent with its earlier construction of 2 U.S.C. § 441a(d)(3) as not prohibiting state party committees from designating national party committees or national party campaign committee as agents for the purpose of making Section 441a(d)(3) expenditures.

Other than the Section 441a(d) expenditures listed above, NRSC has reported \$164,015 in additional (post-October 7) Section 441a(d) expenditures for Paula Hawkins. Thus NRSC has, as of its most recently filed report, made a grand total of \$332,343.30 in Section 441a(d) expenditures in behalf of Ms. Hawkins.

According to figures which appeared in the March, 1980, edition of the FEC Record, the Republican National Committee, and the State Republican Committee each had a Section 441a(d) expenditure limitation of \$195,275.52 with regard to the 1980 U.S. Senate campaign in Florida, a total of \$390,551.04.

In view of the stay entered by the Chief Justice in DSCC v. FEC, and in consideration of the comments we submitted in our Memorandum in response to the application for that stay, we recommend that, at this point, the Commission take no action with regard to NRSC's acting as a "dual agent" on behalf of Ms. Hawkins, and no action with regard to the aggregate amount of expenditures NRSC has made pursuant to that "dual agency."

RECOMMENDATIONS

1. Find no Reason to Believe that the National Republican Senatorial Committee violated 2 U.S.C. § 441a(d) as alleged in the complaint.
2. Notify complainant and respondent of the above finding.
3. Take no action with regard to National Republican Senatorial Committee's acting as a "dual agent" for the making of 2 U.S.C. 441a(d) expenditures in the Senate campaign of Paula Hawkins.
4. Close the file.

Attachments

1. Complaint dtd 28 Oct 80
- 2a. September, 1980, monthly Schedule F filed by NRSC
- b. Pre-General Election Schedule F filed by NRSC
- 3a. Response of counsel, dtd 31 Oct 80
- b. Affidavit of R. Moore, dtd 31 Oct 80
4. Proposed letter to T. Waller, Exec. Dir., DSCC
5. Proposed letter to J. Baran, counsel to NRSC

317102435002

Before the
FEDERAL ELECTION COMMISSION
Washington, D.C.

Democratic Senatorial
Campaign Committee
Complainant

v.

National Republican
Senatorial Committee
Respondent

MUR No. _____

Introduction

The Democratic Senatorial Campaign Committee ("DSCC") herewith files this complaint addressing a serious violation of Section 441a(d) of the Federal Election Campaign Act of 1971, as amended, by the National Republican Senatorial Committee ("NRSC"). Acting as "agent" of both the Republican National Committee and various State committees around the country, the NRSC has been making Section 441a(d) expenditures up to 4 cents per voter on behalf of Republican candidates for the Senate. Under Section 441a(d), these expenditures may be only made in connection with the general election, but the NRSC has seen fit to make expenditures exceeding \$160,000 on behalf of Paula Hawkins, the Republican nominee in the State of Florida, before her nomination. The NRSC made these pre-primary Section 441a(d) expenditures in the face of a clear Commission refusal to authorize such spending.

Accordingly, the Commission should proceed immediately to take all necessary action to correct this violation through the enforcement process, including a finding that the violation in question constitutes a "knowing and willful" violation within the meaning of Section 437g(a) (1) (5) (B) of the Act.

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Attachment 1

I. Background of the Case

On July 30, 1979, the NRSC submitted AOR 1979-45, which sought Commission approval, through issuance of an Advisory Opinion, of pre-primary expenditures of Section 441a(d) funds. DSCC commented, at length, in strong opposition to this AOR. In those comments, DSCC showed how such pre-primary expenditures cannot be reconciled with the plain language of Section 441a(d). Especially relevant to this complaint, the DSCC also established that these "pre-primary" Section 441a(d) expenditures could not, in fact, be limited in impact to the general election, but would doubtless have a "spillover" effect on the primary races during which such expenditures would be made. A copy of DSCC's comments, dated March 4, 1980, are attached.

On March 6, 1980, the Commission refused to issue an Advisory Opinion authorizing the pre-primary 441a(d) expenditures proposed by NRSC. Two Commissioners voted against the issuance of an Advisory Opinion to this effect; one voted in favor; and three abstained. It was clear from the Commission vote that, if there was any consensus at all, it was unfavorable to the NRSC proposal. At best, it can be said that the Commission viewed the NRSC proposal with extreme skepticism, since five of the six Commissioners either voted against the proposal, or abstained altogether from casting any vote on the merits.

II. NRSC Pre-Primary 441a(d) Expenditures in Florida

In the State of Florida, a primary election held on September 9, 1980 failed to nominate a candidate. As a result, a runoff election was held on October 7, 1980. This runoff election -- heatedly contested by Ms. Paula Hawkins and Congressman Louis Frey -- resulted finally in the nomination of Ms. Hawkins as her party's candidate for the United States Senate this year.

NRSC's October 15 and Pre-General Election Report show, however, that that committee became active in expending Section 441a(d) funds before the October 7 runoff election. The NRSC's reports show two separate expenditures on Schedule F of \$80,000 for media purchases, dated September 29 & October 2, respectively. Also reported were Schedule F

A+ch 1

expenditures of \$2,388.15 and \$5,940.15 for direct mail and postage, dated September 29 & October 6, respectively. At the time the funds were spent, there was no general election in progress since the Republican party had not yet nominated its candidate.

It appears that the NRSC will contend that these expenditures were made at the time for the prospective nominee, whomever it might be, but were not made on behalf of Paula Hawkins in particular. This claim of the NRSC cannot be credited, however. In the first instance, this is precisely the argument which was made in NRSC's AOR 1979-45, and which the Commission refused to accept. It is an argument which cannot justify Section 441a(d) expenditures before a primary, when the provision clearly limits them to the general election only.

Moreover, even if this argument had some legal basis, it could not be sustained on the facts of NRSC's involvement in the Florida Senate race. The Section 441a(d) expenditures at issue were made as part of an overall plan to support Ms. Hawkins specifically in expectation of, and in support of, her nomination. The Republican National Committee, on whose behalf the NRSC made its 441a(d) expenditures as "agent", announced its support for Ms. Hawkins in the runoff election, with the result that Mr. Frey's candidacy was severely damaged. The RNC endorsement of Ms. Hawkins became a matter of considerable controversy before the runoff or campaign. See attached Exhibits marked A through D. Moreover, at the time these expenditures were made, field representatives of the national Republican Party were dispatched to Florida to begin working with Ms. Hawkins to prepare for her post-runoff campaign.

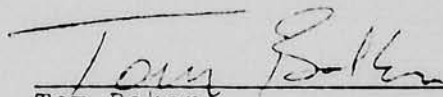
It is evident that the precise evils identified by DSCC in its earlier comments came to pass in the State of Florida this year. The favoritism shown Ms. Hawkins by the national party became a factor in the primary campaign. The open endorsement of Ms. Hawkins by the national party -- which was implemented through both the pre-primary 441a(d) expenditures and the dispatch of Republican field representatives to work with her prior to the runoff campaign -- represented a clear signal to Republican voters that Ms. Hawkins was viewed by her party as the preferable Republican candidate to oppose the Democratic nominee. Moreover, it appears that the NRSC did not consult in any way with Mr. Frey about the making of these expenditures, much less the use of field representatives to work with Ms. Hawkins.

Atch 1

Accordingly, a provision designed to generate additional party funding for its candidates, was converted instead into a vehicle for assisting one Republican over another. Apart from the plain conflict of these pre-primary expenditures with the language of Section 441a(d), it could be readily seen that they also had an intra-party effect, wholly at odds with the purpose of this provision. There was ample time, following the primary, for the NRSC to become involved on behalf of Paula Hawkins through Section 441a(d) expenditures. Instead, in the face of clear Commission doubts that any pre-primary expenditures could be made via this provision, the NRSC used them to generate additional advantages for one Republican candidate over another.

III. Conclusion

An immediate remedy for this violation is required, and the NRSC's refusal to pay any heed whatsoever to the Commission's deliberations on AOR 1979-45 raises the question of whether the violation in question was "knowing and willful" within the meaning of Section 437g(a)(1)(5)(B) of the Act. This disregard for the Commission's Advisory Opinion process must be immediately and appropriately addressed.

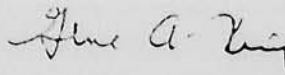


Tom Baker
Executive Director
Democratic Senatorial
Campaign Committee

DISTRICT OF COLUMBIA
CITY OF WASHINGTON, D.C.

Sworn and Subscribed THIS 28TH DAY OF
OCTOBER, 1980

Atch 1



My Commission Expires March 14, 1981

GOP National Committee aids Hawkins, not Frey

By WILLIAM NOTT-CALAM
St. Petersburg Times Staff Writer



PAULA HAWKINS

... potent force.

CLEARWATER — The Republican National Committee cast aside its usual pre primary impartiality last week by sending campaign aid to U.S. Senate hopeful Paula F. Hawkins, though she still faces a party challenge from former congressman Lou Frey.

In the past, such support — coming two weeks before the Oct. 7 primary — has been "absolutely verboten," state GOP official Bill Taylor said Monday.

He said it may represent a signal to Frey that it's time for him to bow out of the race.

"If I were a candidate . . . and this other support was coming down, I think I'd take it as pretty much of a towing in of the towel," Taylor said.

The national committee aid came to Hawkins last Friday in the form of Bill Hart, a committee employee who flew in from Washington to handle press relations for the candidate.

The national committee has not contributed any money to the campaign, though it stands ready to loan over more than \$500,000 to help finance the Democratic nominee in November.

Hart was in Pinellas Monday when Hawkins had lunch with the Clearwater Women's Republican Club. At a press conference he attended, Hawkins announced her support for the proposed state constitutional amendment to increase the contested election term. That issue also will be on the Oct. 7 ballot.

Frey, however, is receiving no similar national party help, his campaign chairman John Casey said Monday. When told of Hart's presence on the Hawkins staff, Casey said, "That's the first I've heard of it."

Later in the day, after apparently speaking with other party officials, Casey shrugged off the matter and said it would "absolutely not" affect — or end — Frey's campaign.

See HAWKINS, D-8

Hawkins turn 1-8

Frey has stubbornly remained on the campaign trail though Hawkins defeated him nearly 2-1 in the first primary on Sept. 8. However, four other candidates scattered enough votes to deny Hawkins a majority and lift second-finisher Frey into a runoff.

The five-term former congressman from Orlando, who was once named by Time magazine as one of 200 rising American leaders, ran for governor against Pinellas businessman Jack Eckerd in 1978, when Hawkins was Eckerd's running mate for lieutenant governor.

At one point in that campaign, in fact, Frey accused state party leaders of favoring Eckerd in the primary.

State GOP Chairman Henry Saylor was touring the state with presidential nominee Ronald Reagan Monday and could not be reached for comment.

Taylor said party officials in Washington told him the decision to aid Hawkins, which "does not carry the weight of an endorsement," was made with the "concurrence" of Saylor and National Committeemen William C. Crum, both of St. Petersburg.

"Paula has friends at the national committee (in fact, she is the state's national committeewoman) and she's a potent force," Taylor said.

EXHIBIT A

Atch 1

—Orlando, Fla., Thursday, September 25, 1980—

GOP puts its money on Hawkins

By ANNE CRONER and JOHN VAN CISION
Continued

The Republican national chairman said Wednesday that he sent three aides to work for U.S. Senate candidate Paula Hawkins against fellow Republican Lee Frey because she has a much better chance of winning.

"They already had a primary and she won 2-1. The very strong inclination is that margin will hold and perhaps improve far her in the runoff, and that shows she has a remarkably strong chance to win in November," said Bill Brock, chairman of the Republican National Committee.

"Florida has, I believe, the latest primary of any state in the union, and we believe it would be extremely difficult to put together a general election campaign in the days following the runoff," Brock said in Washington.

"We are trying to create an organization at this time that can secure the support of independents and Democrats to bar in the final weeks ... to be sure that she can be a winner in November," he said.

Brock called Frey's anger at intervention by the national committee "understandable" but said that such action "is not unusual. We have done it all over the country. We do provide people for special staff work. We do so only after consulting with party officials in the state and only in the circumstances that it is essential to win in November."

But Brock dismissed as "ridiculous" a Frey allegation that the chairman dispatched the aides to return for Hawkins' vote to retain him as party leader in January.

"I haven't even decided to run for re-election. I haven't even discussed this with Paula Hawkins. I haven't discussed her support or her campaign, and I have not and would not consider discussing what would happen after her election. It's irrelevant. It's ridiculous," he said.

Mr. Frey, a longtime Hawkins adversary who was furious that she urged him to leave a runoff because she was so close to winning the primary election, went on the attack last Tuesday and early Wednesday.

GOP

"There's only two reasons why you do things like this," Frey said of the committee's intervention. "You are either panicked or dumb. My theory is Brock is in trouble. The conservatives want to dump him off the committee, and he is losing votes."

Hawkins, Florida's national committeewoman and one of 100 people who would vote for a new party chairman, could not be reached for comment on Frey's allegations.

But press aide Bill Hart, one of the three national committee aides on loan to the campaign, vehemently denied Frey's allegations that Hawkins made a deal to continue supporting Brock. A political moderate, Brock was almost stamped as chairman this summer by Reagan conservatives.

"I am not going to put Paula in the position of fighting Lee Frey. The man is making a statement in an apparent last-ditch effort, trying to muddy up the waters, and it is not very becoming," Hart said.

Hart and scheduler Beth Hollmann will be full-time Hawkins workers, while Nick Marini will work part time in Florida and part time in 26 other states to raise money for GOP candidates.

Hart refused to reveal their salaries, which will continue to come from the national committee and be counted as campaign contributions to Hawkins.

In other campaign developments Wednesday, Frey went to the first day class in Miami, where he had hoped to

THE CHUCK

... Hawkins has hope, she gets out

debate Hawkins, but she did not show. Frey said it was the 10th time that she has refused to debate him for the runoff, which will be on Oct. 7.

He conducted a mock debate without Hawkins, playing the parts of himself, the moderator and Hawkins.

EXHIBIT B

GOP, Page 2-2

A+ch 1

Continued from Page 1

EXHIBIT C

Frey: Hawkins made 'deal' for press aide

By ARNOLD HALLARD
St. Petersburg Times Staff Writer

MIAMI — Republican U.S. Senate candidate Paula Hawkins is being "divided" by involving the national party in her campaign, her runoff opponent Lou Frey charged Wednesday.

Frey also suggested that she has struck a deal with National Party Chairman Bill Brock to support him on the national committee in exchange for providing her with a new press secretary, Bill Hart, who was previously with the national organization.

"That's the only thing I can think of," said Frey to explain Hart's appearance this week in the Hawkins campaign. But Frey admitted he had no proof of his statement. Hawkins could not be reached for comment.

THE FORMER congressman predicted that Hart's presence will

'If she's as far ahead as she says she is, she's stupid. If she isn't, it's panic.'

— GOP U.S. Senate candidate Lou Frey, referring to the arrival of a press aide from the national Republican Party Committee in the Hawkins' camp.

backfire on Hawkins because Republicans voters in Florida will consider it outside interference in the Oct. 7 runoff.

Hawkins either is being "stupid or canny" in involving the national party, Frey said.

"If she's as far ahead as she says she is, she's stupid. If she isn't, it's panic," Frey said.

In a now, no-more-Mrs.-Nice-Gay style, Frey vigorously attacked Hawkins' front-runner Hawkins at a Miami Tiger Bay Club luncheon.

Hawkins had been invited repeatedly to the event but did not answer the invitation, sticking to her resolve not to meet Frey on the campaign trail during the battle for the Republican nomination.

USING SARCASM and ridicule, Frey set up a tough debate, playing both parts.

He read Hawkins' stands on issues from newspaper stories in which she has been quoted.

"We're here for a debate, and we're going to have a debate one way or the other," Frey said.

"I'll be gentle," quipped Frey to the empty chair. "We'll just stick to the issues."

Then he linked off a couple of issues on which they differ.

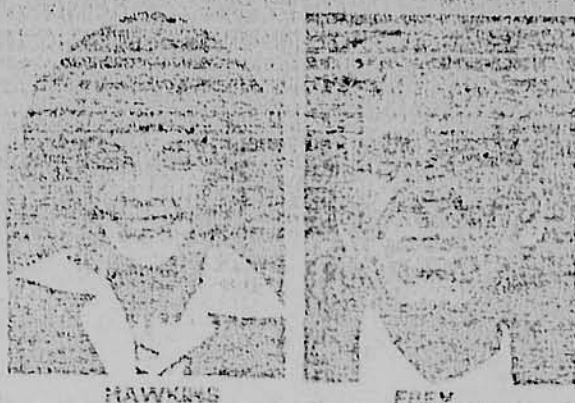
"She opposes nuclear breeder reactors. He favors them as the way out of dependence on foreign oil."

"She supports an all-volunteer army. He says it doesn't work and that a draft is necessary."

Then Frey ridiculed Hawkins for her statement that a federal consumer rights agency that does not exist should be done away with.

"One reason for debating is to educate people. I think I can serve that function within the Republican Party," Frey said.

HE ALSO GOT in a dig about Hawkins' claim to have graduated from the War College when she really only attended a five-day seminar.



HAWKINS

FREY

But Frey's sharp attack fell on few ears.

Perhaps as an indication of Frey's lackluster second place finish in the primary (Hawkins almost won it outright), fewer than 30 members of the politically oriented club showed up at the luncheon in the Dupont Plaza.

Last week, a huge crowd of Tiger Bay members turned out to see incumbent Democrat Richard Stone and challenger Bill Gunter locked in a close race for the U.S. Senate Democratic nomination.

Frey went on from Miami to Sarasota, where he received the endorsement of State Rep. Tom Darnon, R-Sarasota. He then continued on to St. Petersburg, where he made appearances at two local Republican clubs.

Ex-GOP chairman upset

Local Press International

JACKSONVILLE — Former State GOP Chairman Bill Taylor said Wednesday he was upset at the Republican National Committee for siding with Paula Hawkins against former Rep. Lou Frey.

"I am greatly disturbed in fact I am madder than hell, that the national Republican committee and certain Republican Party of Florida officials have seen fit to depart from tradition by openly aiding one primary candidate against another," Taylor said from his Jacksonville home.

Taylor's comments were in reference to the GOP committee's decision to begin funneling money and personnel into Florida to help Mrs. Hawkins before the Oct. 7 runoff and State GOP Chairman Henry Sawyer's statements that Mrs. Hawkins is such a heavy favorite that Frey may withdraw.

Taylor said, "This course of action leads only to divisiveness."

Attach 1

Local

FLORIDA GAZETTE-REPUBLICAN

Frey asks GOP members to stand by him

From the local press

Republican U.S. Senate contender Lou Frey launched an attack on Paula Hawkins Monday, claiming that Republicans are so disappointed over the national party's decision to throw its support to Mrs. Hawkins that they're quitting the party.

Frey, waving a stack of yellow telegrams at a morning news conference in Tallahassee, said the national committee's decision to step in with an endorsement before the Oct. 7 runoff stung party members who have any "sense of fair play."

"I'm here to ask the Republicans in this state not to give up," he said.

Frey has refused to drop his quest for



U.S.
Senate
race

Democrat Richard Stone's Senate seat, although he trailed Mrs. Hawkins in the first primary by a wide margin.

He said he didn't know how many people had left the party, but added: "We talked to some people this morning who quit the party."

At her own press conference later, Mrs. Hawkins said Frey would have accepted

the national committee's help with glad had it been offered to him instead of her.

She also said Frey's loss wouldn't have an impact on either the presidential or Senate race in November, because "nobody is paying any attention to what he is saying."

It is unusual, but not unprecedented, for the national party to get involved in Senate races before the primaries. National GOP Chairman Bill Brock said last week that because Florida has a late runoff primary, the party needs to get a running start on the general election campaign. And he said the executive committee thought that Mrs. Hawkins clearly would defeat Frey.

The former Maitland housewife, who won her first state office in 1972 when she

rode the coattails of former President Richard Nixon to a seat on the Public Service Commission, brought pollster Dick Morris to her news conference.

Morris produced statistics that had Mrs. Hawkins but reason to ignore Frey and direct her campaign against whoever wins the Democratic nomination for the Senate.

Morris said daily polls indicate she will win by at least a 3-1 margin and perhaps a 2-1 margin, depending on the turnout. Polls show Mrs. Hawkins with a 70-percent favorable rating and Frey never more than 24 percent, he said.

(Please see GOP, page 1B)

GOP

(Continued from page 1B)

Morris said the poll was made only among people who said there was a good to excellent chance they would vote Oct. 7.

Though Frey said the national party controversy "could cost us the Senate race and impact on the presidential race," Frey said he would

campaign for Mrs. Hawkins and object to be the GOP nominee.

With characteristic confidence, Mrs. Hawkins said she didn't care which Democrat she faced in November. She charged that both incumbent Stone and former Congressman Bill Gunter cast votes to "weaken this nation's defenses."

EXHIBIT D

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

1. Name of Committee (in Full) National Republican Senatorial Committee-Expenditures

Address (Number and Street) 227 Massachusetts Ave., N. E.
City, State and ZIP Code Washington, D. C. 20002

2. Check if address is different than previously reported. ☐

3. FED Identification Number 000027466

4. TYPE OF REPORT (check appropriate boxes)

(a) ☐ April 15 Quarterly Report ☒ **HAND DELIVERED**

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year End Report

☐ July 31 Mid Year Report (Non-election Year Only)

☒ Monthly Report for September

☐ Twelfth day report preceding _____ (Type of Election)
election on _____ in the State of _____

☐ Thirtieth day report following the General Election
on _____ in the State of _____

☐ Termination Report

5. Is this Report an Amendment?
☐ YES ☒ NO

SUMMARY

	Column A This Period	Column B Calendar Year-to-Date
6. Covering Period <u>September 1</u> Through <u>Sept. 30, 1980</u>		
7. Cash on Hand January 1, 1980		\$ 16,473.02
8. Cash on Hand at Beginning of Reporting Period	\$ (246,973.09)	
9. Total Receipts (from Line 18)	\$ 3,437,605.83	\$ 10,444,980.76
10. Subtotal (add lines 8 and 9 for Column A and lines 8 and 9 for Column B)	\$ 3,190,632.74	\$ 10,461,453.78
11. Total Disbursements (from Line 28)	\$ 3,406,035.54	\$ 10,676,856.58
12. Cash on Hand at Close of Reporting Period (subtract line 11 from line 10)	\$ (215,402.80)	\$ (215,402.80)
13. Debts and Obligations Owed TO the Committee (itemize on Schedule C or Schedule D)	\$	
14. Debts and Obligations Owed BY the Committee (itemize on Schedule C or Schedule D)	\$ 600,000.00	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Rodney A. Smith, Treasurer

Type or Print Name of Treasurer

Rodney A. Smith
SIGNATURE OF TREASURER

10/20/80

John C. Chace, Jr., Treasurer
SIGNATURE OF TREASURER

Signature by Rodney A. Smith by telephone 10/20/80

For further information, contact:

Federal Election Commission,
To: Pm 800-424-9530
Local 202-520-4068

Use previous versions of FED FORM 3 and FED FORM 3-A only. Do not use the previous versions of FED FORM 3 and FED FORM 3-A.

FED FORM 3-A 1-80

Attachment 2a

SCHEDULE F

ITEMIZED COORDINATED EXPENDITURES MADE BY
POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S)
ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. 441c(d))

Page 4 of 10
LINE NUMBER 2

(To be used only by Political Committees in the General Election)

Name of Political Committee (in Full)

National Republican Senatorial Committee-Expenditures

Has your Committee been designated to make coordinated expenditures by a political party committee? YES NO
If YES, name the designating committee: Republican National and State Committees

Full Name, Mailing Address and ZIP Code of Supervising Committee

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Saverin/Aviles/Frankel 410 East 55th St. New York, NY 10022	Jim Betts Ohio U.S. Senate	Crew services, edit/production costs.	9-12-80	26,574.5
Aggregate General Election Expenditure for this Candidate-S				
Aero Plan, Inc. Camp's Flat Road South Kent, CT 06785	Dave O'Mearl Illinois U.S. Senate	Air Travel	9-4-80	4,850.00
Aggregate General Election Expenditure for this Candidate-S				
Quinn Scamahorn & Assoc. 8405 Dixon Ave. Silver Spring, MD 20910	Arlen Specter Pennsylvania U.S. Senate	Telephone fund raising	9-18-80	10,000.
Aggregate General Election Expenditure for this Candidate-S				
Wisk Mailing Service, Inc. 9800 George Palmer Hwy. Lintham, Maryland 20801	Paula Hawkins Florida U. S. Senate	Mailing for nominee after October 3 (Paula Hawkins)	9/29/80	2,388
Aggregate General Election Expenditure for this Candidate-S				

GROSS TOTAL of Expenditures (This Page Section):

Attachment 2a

SCHEDULE F

ITEMIZED COORDINATED EXPENDITURES MADE BY
POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S)
ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. §441a(d))

Page 15 of 12 for
LINE NUMBER 53

(To be used only by Political Committees in the General Election)

Name of Political Committee (in full)

National Republican Senatorial Committee-Expenditures

Has your Committee been designated to make coordinated expenditures by a political party committee? ☒ YES ☐ NO
If YES, name the designating committee: Republican National and State Committees

Full Name, Mailing Address and ZIP Code of Superintending Committee

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Richard Quinn & Assoc. 1703 Gervais St. Columbia, SC 29201	Marshall Mays South Carolina U.S. Senate	Radio time	9-26-80	7,000.00
Aggregate General Election Expenditure for this Candidate—\$				

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Bresner Mercurio, Inc. 105 Madison Ave. New York, NY 10019	Paula Hawkins Florida U.S. Senate	Reserved TV time for nominee. (Paula Hawkins)	9-29-80	80,000.00
Aggregate General Election Expenditure for this Candidate—\$				

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
Bauer Ailes & Assoc., Inc. 230 Central Park West New York, NY 10019	Jim Buckley Connecticut U.S. Senate	TV production advance	9-26-80	20,000.00
Aggregate General Election Expenditure for this Candidate—\$				

Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount
John Jones, Ltd. 101 East 75th St. New York, NY 10021	Al D'Amato New York U.S. Senate	Media time buys	9-26-80	110,000.00
Aggregate General Election Expenditure for this Candidate—\$				

Attachment 2a

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

FD-279 (Rev. 11-1-60)

<p>1. Name of Committee (in full) National Republican Senatorial Committee-Expenditures</p> <p>Address (Number and Street) 127 Massachusetts Ave., N. E.</p> <p>City, State and ZIP Code Washington, D. C. 20002</p> <p>2. Check address to different than previously reported <input type="checkbox"/></p> <p>3. FEC identification number 600027466</p> <p>4. This committee was created on _____</p> <p>5. Introducing this Report during the Reporting Period on _____</p>	<p>4. TYPE OF REPORT (check appropriate boxes) JS</p> <p>(a) <input type="checkbox"/> April 15 Quarterly Report <input checked="" type="checkbox"/> THIRTY DELIVERED</p> <p><input type="checkbox"/> July 15 Quarterly Report</p> <p><input type="checkbox"/> October 15 Quarterly Report</p> <p><input type="checkbox"/> January 31 Year End Report</p> <p><input type="checkbox"/> July 31 Mid Year Report (Non-election Year Only)</p> <p><input type="checkbox"/> Monthly Report for _____</p> <p><input checked="" type="checkbox"/> Twenty day report preceding <u>General</u> election on <u>11/4/80</u> in the State of _____</p> <p><input type="checkbox"/> Twenty day report following the General Election on _____ in the State of _____</p> <p><input type="checkbox"/> Termination Report</p> <p>6. Is this Report an Amendment? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>
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5. SUMMARY	Column A This Period	Column B Calendar Year-to-Date
6. Reporting Period <u>October 1</u> Through <u>October 15, 1980</u>		\$ 16,473.02
7. Cash on hand when created <u>1980</u>		
a. Cash on hand at beginning of Reporting Period	\$ (215,402.80)	
b. Total Receipts from Line 18	\$ 2,141,350.33	\$ 12,406,315.09
c. Disbursements from Line 19 and Schedule C and Schedule D	\$ 1,945,881.53	\$ 12,402,873.11
d. Total Disbursements from Line 20	\$ 2,127,482.29	\$ 12,404,335.87
8. Cash on hand at close of Reporting Period (subtract line 7 from 6c)	\$ (181,530.76)	\$ (181,530.76)
9. Debt and Obligations Owed TO the Committee (Schedule C or Schedule D)	\$	
10. Debt and Obligations Owed BY the Committee (Schedule C or Schedule D)	\$ 600,000.00	

I hereby certify that I have examined this Report and to the best of my knowledge and belief the same is correct and complete.

Rodney A. Smith, Treasurer

Treasurer (Print Name and Title)

Rodney A. Smith
Rodney A. Smith, Treasurer

Oct. 22, 1980

Day

For further information, contact:

Report, Report or Committee
Tel. Area 202-454-9510
Local 002-810-4056

Signature authorized by
Rodney A. Smith by teleph
10/20/80

NOTE: This report is subject to audit and may be subject to the same as the Report for the period ending on the date of this report.

A. This is a summary of the REPORT and the REPORT is not to be used as a basis for any action.

FD-279 (Rev. 11-1-60)

Attachment 2b

FORM 100

ITEMIZED COORDINATED EXPENDITURES MADE BY
POLITICAL PARTY COMMITTEES OR DESIGNATED AGENTS
ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE
(2 U.S.C. § 441a(d))

Page 1 of 30
Line Number

(To be used only by Political Committees in the General Election)

Name of Political Committee (in Full)					
National Republican Senatorial Committee-Expenditures					
Has your Committee been designated to make coordinated expenditures by a political party committee? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO					
If YES, name the designating committee: Republican National and State Committees					
Full Name, Mailing Address and ZIP Code of Subordinate Committee					
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount	
Wheeler Agency, Inc. 5100 N. Brookline Suite 550 Oklahoma City, OK 73112	Don Nickles Oklahoma U.S. Senate	TV time	10-2-80	27,000.	
Aggregate General Election Expenditure for this Candidate-S					
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount	
Ruth Jones, Ltd. 123 East 75th St. New York, NY 10021	Al D'Amato New York U.S. Senate	TV time buys	10-2-80	180,000.	
Aggregate General Election Expenditure for this Candidate-S					
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount	
Dresher Mercurio, Inc. 305 Madison Ave. New York, NY 10019	Paula Hawkins Florida U.S. Senate	TV time buys	10-2-80	30,000.	
Aggregate General Election Expenditure for this Candidate-S					
Full Name, Mailing Address and ZIP Code of Each Payee	Name of Federal Candidate Supported, State, District & Office Sought	Purpose of Expenditure	Date (month, day, year)	Amount	
The American Paper 2023 Castleway West Dr. Indianapolis, IN 46230	Don Rumsfeld Indiana U.S. Senate	TV time buys	10-2-80	28,000.	
Aggregate General Election Expenditure for this Candidate-S					
GROSS TOTAL of Expenditures This Page (add money)					
TOTAL (add money and carry over from other pages)					

Attachment 2b

UNITED STATES GOVERNMENT
 OFFICE OF CAMPAIGN FINANCE
 (2 U.S.C. 5441a(d))

(To be filled only by Political Committee in the General Election)

Name of Political Committee (in full)

Republican National Committee-Expenditures

Political Committee is required to make certain expenditures for a political party committee. YES NO
 It is required to designate committee Republican National and State Committees

Full Name, Mailing Address and ZIP Code of Subordinate Committee

Full Name, Mailing Address and ZIP Code of Subordinate Committee	Name of Person Carrying Expenses (Last, First & Middle Initial)	Purpose of Expenditure	Date (month, day, year)	Amount
State Mailbox Service 1800 North Palmer Ave. Lynchburg, NC 27501	Paul H. Hopkins Florida U.S. Senate	Postage for direct mail Mailing for period after October 8 Daily (10-1-60)	10-8-60	5,000.15

Full Name, Mailing Address and ZIP Code of Subordinate Committee	Name of Person Carrying Expenses (Last, First & Middle Initial)	Purpose of Expenditure	Date (month, day, year)	Amount
Same as above	Sam Doyle Indiana U.S. Senate	Postage for direct mail	10-8-60	2,000.00

Full Name, Mailing Address and ZIP Code of Subordinate Committee	Name of Person Carrying Expenses (Last, First & Middle Initial)	Purpose of Expenditure	Date (month, day, year)	Amount
Same as above	Frank McHenry Missouri U.S. Senate	Postage for direct mail	10-8-60	1,000.50

Full Name, Mailing Address and ZIP Code of Subordinate Committee	Name of Person Carrying Expenses (Last, First & Middle Initial)	Purpose of Expenditure	Date (month, day, year)	Amount
Same as above	Al D'Amato New York U.S. Senate	Postage for direct mail	10-8-60	5,000.40

GLE TOTAL of Expenditures (This Page only)

TO Attachment 2b

00032100400012503

BAKER & HOSTETLER

ATTORNEYS AT LAW

810 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 861-1500

TELECOPIER (202) 857-0010

IN CLEVELAND, OHIO
3000 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 421-0200
TAX 810 421-8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
500 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0800

IN ORLANDO, FLORIDA
850 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

WRITER'S DIRECT DIAL NO.

October 31, 1980

(202) 861-

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, Northwest
Washington, D.C. 20463

RE: MUR 1325

Dear Mr. Steele:

This office represents the National Republican Senatorial Committee ("NRSC") in Federal Election Commission ("FEC") Matter Under Review ("MUR") 1325. For the reasons stated below, NRSC requests that the FEC (1) consider this letter at its meeting of October 31, 1980, (2) find no reason to believe that NRSC has violated the Federal Election Campaign Act ("Act"), and (3) dismiss the complaint in MUR 1325 forthwith.

FACTS

On October 30, 1980, NRSC received a letter from you dated October 29, 1980, notifying NRSC that a complaint had been filed the previous day by the Democratic Senatorial Campaign Committee ("DSCC"). The enclosed complaint alleged that NRSC violated 2 U.S.C. § 441a(d) by making payments for media time and postage on behalf of the 1980 Republican nominee for United States Senator for Florida, Ms. Paula Hawkins, prior to her nomination. Ms. Hawkins gained the nomination by winning a run-off election on October 7, 1980. There are no allegations that NRSC has exceeded any limitation contained in Section 441a(d).

ARGUMENT

Six days before the 1980 general election, DSCC has filed a complaint containing allegations unsupportable by law. The relevant provision of the Act, Section 441a(d),

9
966131
All: 31

Attachment 3a

:

permits limited party expenditures "in connection with the general election campaign of a candidate" for the office of Senator. 2 U.S.C. § 441a(d)(3) (emphasis added); 11 C.F.R. § 110.7(b)(1). DSCC suggests that the cited language prohibits expenditures prior to the time a nominee has been elected by his or her party. Clearly, this is not the case.

Section 441a(d) contains no language, express or implied, that prohibits expenditures before any particular date. For purposes of Section 441a(d), NRSC need only demonstrate that the expenditures cited in the complaint were made "in connection with the general election campaign" of Ms. Hawkins. At the time NRSC made the payments, they were intended for use by whoever subsequently became the nominee of the party. The general election was scheduled only four weeks after the run-off. Understandably, payments were required before the run-off date, merely to reserve time or commence preparation of mailings that would be used during the four weeks preceding the general election.

The attached affidavit from Mr. Robert W. Moore, Executive Director of NRSC, demonstrates that the payments in question purchased postage and media time that were utilized on behalf of Ms. Hawkins after the run-off election, and, therefore, were used solely in connection with the general election campaign. Specifically, Mr. Moore states in his affidavit that payments to Dresner Mercurio, Inc., were for the purpose of reserving broadcast advertising time after the run-off election and prior to the general election. Affidavit of Robert W. Moore ("Moore Affidavit") ¶ 5. Therefore, the time purchased by these payments could not conceivably have been used "in connection with" any campaign other than the general election campaign.

Similarly, the postage purchased by the NRSC was used solely for a mailing which did not occur until after the run-off election. Moore Affidavit ¶ 6. Prior to making any of the pre-run-off election payments, NRSC consulted with both candidates. Moore Affidavit ¶¶ 5 & 6. All payments were made for the benefit of the nominee, which ever candidate that might have been, for use after the run-off. Moore Affidavit ¶ 7.

CONCLUSION

Under the above-described circumstances the payments by NRSC were indisputably "in connection with the general

Atch 3a

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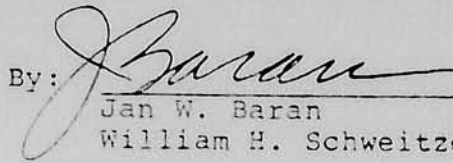
Charles N. Steele, Esquire
October 31, 1980
Page 3

election campaign" of the Florida Senatorial nominee. In light of this factual demonstration the FEC should dismiss the DSCC complaint and find no reason to believe that a violation has occurred. The FEC should consider this matter promptly and take the requested actions at its meeting of October 31, 1980.

Respectfully submitted,

BAKER & HOSTETLER

By:


Jan W. Baran
William H. Schweitzer

cc: Hon. Max Friedersdorf
Hon. John McGarry
Hon. Frank Reiche
Hon. Thomas Harris
Hon. Joan Aikens
Hon. Robert Tiernan
Hon. John Heinz
Mr. Robert W. Moore

Atch 3a

BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of National
Republican Senatorial Committee

)
)
)
)
)

MUR 1325(80)

AFFIDAVIT

District of Columbia) ss:
)

Robert W. Moore for his affidavit deposes and
says:

1. I have personal knowledge of the facts con-
tained herein and am competent to testify thereto.

2. I am the Executive Director of the National
Republican Senatorial Committee ("NRSC").

3. Pursuant to 2 U.S.C. § 441a(d), the NRSC is
the designated agent of the Republican National Committee
and the Republican State Executive Committee of Florida for
purposes of making limited expenditures in connection with
the 1980 general election of the United States Senator from
the State of Florida. In accordance with this designation,
the NRSC has made expenditures in connection with the 1980
Florida senatorial election.

4. No expenditures described in paragraph 3 have
been made by NRSC for goods or services used prior to the
Florida Republican primary election (September 9, 1980) or

Attachment 3b

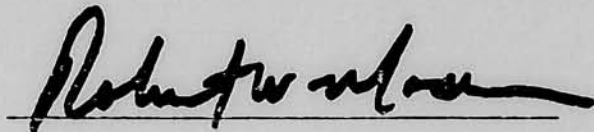
the run-off election (October 7, 1980). All goods and services were used solely in connection with the general election. There were only four weeks between the dates of the run-off election and the general election. Payments for certain goods and services to be used in connection with the general election campaign had to be made more than four weeks before the general election in order for the goods and services to be available.

5. On September 29, 1980 and October 2, 1980, NRSC paid \$80,000 to Dresner Mercurio, Inc., a broadcast media time buyer, for the purpose of reserving broadcast advertising time between October 8, 1980 and November 4, 1980. No time was purchased for use prior to the Florida run-off election. The campaigns of both Republican candidates in the run-off election, Ms. Paula Hawkins and Mr. Louis Frey, were consulted before the payments by NRSC were made.

6. On September 29 and October 6, 1980, NRSC paid \$2,388.15 and \$5,940.15, respectively, to Sisk Mailing Service, Inc., for the purchase of postage. The postage was used for direct mailings that were posted after October 7, 1980. None of this postage was used prior to the Florida run-off election. The campaigns of both Republican candidates in the run-off election were consulted before these payments by NRSC were made.

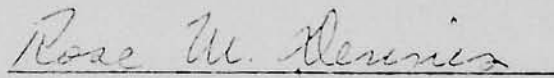
Attach 36

7. At the time the NRSC made the payments described in paragraphs 5 and 6, the goods and services were not restricted for the use of any single candidate, but were intended to be utilized, subsequent to October 7, on behalf of the winner of the run-off election, either Ms. Hawkins or Mr. Frey, and in fact were not utilized until the winner was determined.



Robert W. Moore

Subscribed and sworn to before me this 31st day of October, 1980.



Notary Public

MY COMMISSION EXPIRES
MAY 14 1983

Atch 3b



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Theodore Waller
Executive Director
Democratic Senatorial Campaign Committee
400 North Capitol Street
Washington, D.C. 20001

Re: MUR 1325

Dear Mr. Waller:

The Federal Election Commission has reviewed the complaint filed by your predecessor, Tom Baker, on behalf of the Democratic Senatorial Campaign Committee. That complaint, dated October 28, 1980, alleged that the National Republican Senatorial Committee violated 2 U.S.C. §441a(d) by making certain expenditures on behalf of Ms. Paula Hawkins, the Republican nominee for the Senate in Florida, before her nomination.

The Commission has found that, although made before the date of the runoff election in Florida, the expenditures complained of were made "in connection with the general election." Accordingly, the Commission found no reason to believe that NRSC violated the Federal Election Campaign Act of 1971, as amended, as alleged in the complaint, and, on , 1981, voted to close its file in this matter.

Sincerely,

Charles N. Steele
General Counsel

Attachment 4



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jan W. Baran, Esquire
Baker and Hostetler
818 Connecticut Avenue, N.W.
Washington, D.C. 20006

Re: MUR 1325

Dear Mr. Baran:

This will acknowledge receipt of your letter, dated October 31, 1980, in the matter noted above.

Based on information contained in that letter, the Commission, on , 1981, determined that there was no reason to believe that your client, the National Republican Senatorial Committee, violated the Federal Election Campaign Act in the manner alleged in the complaint filed by the Democratic Senatorial Campaign Committee. Accordingly, the file has been closed in this matter and will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

Attachment 5

1500 #
3179

BAKER & HOSTETLER

ATTORNEYS AT LAW

810 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 861-1500

TELECOPIER (202) 857-0010

IN CLEVELAND, OHIO
3200 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX 810 421-8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
500 CAPITOL LIFE CENTER
DENVER, COLORADO 80203
(303) 861-0800

IN ORLANDO, FLORIDA
850 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

WRITER'S DIRECT DIAL NO.

(202) 861-

October 31, 1980

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, Northwest
Washington, D.C. 20463

RE: MUR 1325

Dear Mr. Steele:

This office represents the National Republican Senatorial Committee ("NRSC") in Federal Election Commission ("FEC") Matter Under Review ("MUR") 1325. For the reasons stated below, NRSC requests that the FEC (1) consider this letter at its meeting of October 31, 1980, (2) find no reason to believe that NRSC has violated the Federal Election Campaign Act ("Act"), and (3) dismiss the complaint in MUR 1325 forthwith.

FACTS

On October 30, 1980, NRSC received a letter from you dated October 29, 1980, notifying NRSC that a complaint had been filed the previous day by the Democratic Senatorial Campaign Committee ("DSCC"). The enclosed complaint alleged that NRSC violated 2 U.S.C. § 441a(d) by making payments for media time and postage on behalf of the 1980 Republican nominee for United States Senator for Florida, Ms. Paula Hawkins, prior to her nomination. Ms. Hawkins gained the nomination by winning a run-off election on October 7, 1980. There are no allegations that NRSC has exceeded any limitation contained in Section 441a(d).

ARGUMENT

Six days before the 1980 general election, DSCC has filed a complaint containing allegations unsupportable by law. The relevant provision of the Act, Section 441a(d),

000131 All: 31

permits limited party expenditures "in connection with the general election campaign of a candidate" for the office of Senator. 2 U.S.C. § 441a(d)(3) (emphasis added); 11 C.F.R. § 110.7(b)(1). DSCC suggests that the cited language prohibits expenditures prior to the time a nominee has been elected by his or her party. Clearly, this is not the case.

Section 441a(d) contains no language, express or implied, that prohibits expenditures before any particular date. For purposes of Section 441a(d), NRSC need only demonstrate that the expenditures cited in the complaint were made "in connection with the general election campaign" of Ms. Hawkins. At the time NRSC made the payments, they were intended for use by whoever subsequently became the nominee of the party. The general election was scheduled only four weeks after the run-off. Understandably, payments were required before the run-off date, merely to reserve time or commence preparation of mailings that would be used during the four weeks preceding the general election.

The attached affidavit from Mr. Robert W. Moore, Executive Director of NRSC, demonstrates that the payments in question purchased postage and media time that were utilized on behalf of Ms. Hawkins after the run-off election, and, therefore, were used solely in connection with the general election campaign. Specifically, Mr. Moore states in his affidavit that payments to Dresner Mercurio, Inc., were for the purpose of reserving broadcast advertising time after the run-off election and prior to the general election. Affidavit of Robert W. Moore ("Moore Affidavit") ¶ 5. Therefore, the time purchased by these payments could not conceivably have been used "in connection with" any campaign other than the general election campaign.

Similarly, the postage purchased by the NRSC was used solely for a mailing which did not occur until after the run-off election. Moore Affidavit ¶ 6. Prior to making any of the pre-run-off election payments, NRSC consulted with both candidates. Moore Affidavit ¶¶ 5 & 6. All payments were made for the benefit of the nominee, which ever candidate that might have been, for use after the run-off. Moore Affidavit ¶ 7.

CONCLUSION

Under the above-described circumstances the payments by NRSC were indisputably "in connection with the general

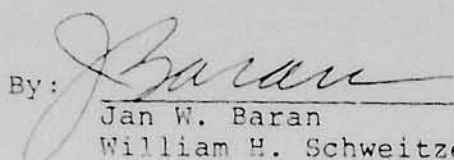
Charles N. Steele, Esquire
October 31, 1980
Page 3

election campaign" of the Florida Senatorial nominee. In light of this factual demonstration the FEC should dismiss the DSCC complaint and find no reason to believe that a violation has occurred. The FEC should consider this matter promptly and take the requested actions at its meeting of October 31, 1980.

Respectfully submitted,

BAKER & HOSTETLER

By:


Jan W. Baran
William H. Schweitzer

cc: Hon. Max Friedersdorf
Hon. John McGarry
Hon. Frank Reiche
Hon. Thomas Harris
Hon. Joan Aikens
Hon. Robert Tiernan
Hon. John Heinz
Mr. Robert W. Moore

BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the Matter of National
Republican Senatorial Committee

)
)
)
)

MUR 1325(80)

AFFIDAVIT

District of Columbia) ss:
)

Robert W. Moore for his affidavit deposes and
says:

1. I have personal knowledge of the facts contained herein and am competent to testify thereto.

2. I am the Executive Director of the National Republican Senatorial Committee ("NRSC").

3. Pursuant to 2 U.S.C. § 441a(d), the NRSC is the designated agent of the Republican National Committee and the Republican State Executive Committee of Florida for purposes of making limited expenditures in connection with the 1980 general election of the United States Senator from the State of Florida. In accordance with this designation, the NRSC has made expenditures in connection with the 1980 Florida senatorial election.

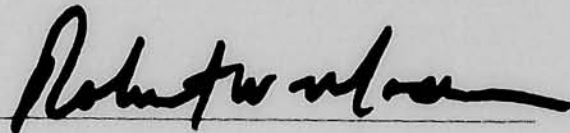
4. No expenditures described in paragraph 3 have been made by NRSC for goods or services used prior to the Florida Republican primary election (September 9, 1980) or

the run-off election (October 7, 1980). All goods and services were used solely in connection with the general election. There were only four weeks between the dates of the run-off election and the general election. Payments for certain goods and services to be used in connection with the general election campaign had to be made more than four weeks before the general election in order for the goods and services to be available.

5. On September 29, 1980 and October 2, 1980, NRSC paid \$80,000 to Dresner Mercurio, Inc., a broadcast media time buyer, for the purpose of reserving broadcast advertising time between October 8, 1980 and November 4, 1980. No time was purchased for use prior to the Florida run-off election. The campaigns of both Republican candidates in the run-off election, Ms. Paula Hawkins and Mr. Louis Frey, were consulted before the payments by NRSC were made.

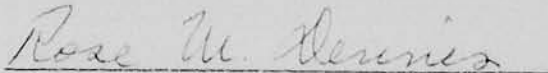
6. On September 29 and October 6, 1980, NRSC paid \$2,388.15 and \$5,940.15, respectively, to Sisk Mailing Service, Inc., for the purchase of postage. The postage was used for direct mailings that were posted after October 7, 1980. None of this postage was used prior to the Florida run-off election. The campaigns of both Republican candidates in the run-off election were consulted before these payments by NRSC were made.

7. At the time the NRSC made the payments described in paragraphs 5 and 6, the goods and services were not restricted for the use of any single candidate, but were intended to be utilized, subsequent to October 7, on behalf of the winner of the run-off election, either Ms. Hawkins or Mr. Frey, and in fact were not utilized until the winner was determined.



Robert W. Moore

Subscribed and sworn to before me this 31st day of
October, 1980.



Notary Public

MY COMMISSION EXPIRES
MAY 14 1986

BAKER & HOSTETLER

818 CONNECTICUT AVE., N. W.

WASHINGTON, D. C. 20006

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, Northwest
Washington, D.C. 20463

Att: Vincent Convery, Esq.

GCC #3175

BAKER & HOSTETLER

ATTORNEYS AT LAW

810 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 861 1500

TELECOPIER (202) 867 0010

IN CLEVELAND, OHIO
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TWX 810 421 8375

IN COLUMBUS, OHIO
100 EAST BROAD STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN DENVER, COLORADO
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DENVER, COLORADO 80203
(303) 661-0600

IN ORLANDO, FLORIDA
850 CNA TOWER
ORLANDO, FLORIDA 32802
(305) 841-1111

October 30, 1980

WRITER'S DIRECT DIAL NO.

(202) 861-1572

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

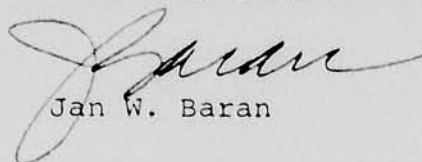
Re: MUR 1325

Dear Mr. Steele:

Please be advised that this office has been retained by the National Republican Senatorial Committee ("NRSC") to represent it in connection with Matter Under Review ("MUR") 1325. Enclosed please find a letter from Robert W. Moore, Executive Director of NRSC, verifying our representation. The complaint filed by the Democratic Senatorial Campaign Committee ("DSCC") and your letter of notification of October 29, 1980, was received by our client today.

I have spoken to Mr. Vincent Convery of your staff today and informed him of the following. We will attempt to provide your office with a response and supporting documents by noon October 31, 1980. We thereafter respectfully request immediate consideration and dismissal of the complaint by the Federal Election Commission ("FEC") in its meeting of October 31, 1980. The DSCC complaint fails to establish any violation of the Act or to give the FEC any reason to believe that a violation has occurred.

Sincerely yours,


Jan W. Baran

JWB:gh

cc: Robert W. Moore

600#3175

GENERAL INVESTIGATIVE DIVISION

000130 P4:50

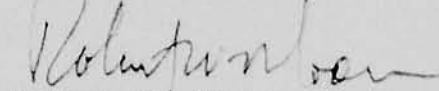
October 30, 1980

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

Dear Mr. Steele:

I hereby notify the Federal Election Commission pursuant to 11 C.F.R. § 111.23 that Jan W. Baran and William H. Schweitzer of the law firm of Baker & Hostetler, 818 Connecticut Avenue N.W., Washington, D.C., will represent the National Republican Senatorial Committee ("NRSC") in Matter Under Review ("MUR") 1325. On behalf of the NRSC I authorize Jan W. Baran to receive all notifications and all communications from the Federal Election Commission to NRSC regarding MUR 1325. Mr. Baran's telephone number is 202/861-1572.

Very truly yours,



Robert W. Moore
Executive Director
National Republican Senatorial
Committee

BAKER & HOSTETTLER
818 CONNECTICUT AVE., N. W.
WASHINGTON, D. C. 20006

3 1 7 4 0 2 4 3 6 2 4

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

ATT: Vincent Convery, Esquire



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 29, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

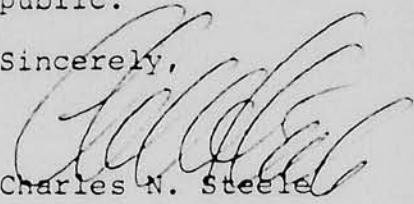
Tom Baker
Executive Director
Democratic Senatorial Campaign
Committee
400 North Capitol Street
Washington, D.C. 20001

Dear Mr. Baker:

This letter is to acknowledge receipt of your complaint of October 28, 1980, against the National Republican Senatorial Committee, which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondent will be notified of this complaint within 24 hours and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondent's notification. You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Please be advised that this matter shall remain confidential in accordance with 2 U.S.C. & 437g(a)(4)(B) and & 437g(a)(12)(A) unless the respondent notifies the Commission in writing that they wish the matter to be made public.

Sincerely,


Charles N. Steele
General Counsel

Enclosure



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 29, 1980

SPECIAL DELIVERY
RETURN RECEIPT REQUESTED

Rodney A. Smith, Treasurer
National Republican Senatorial
Committee
227 Massachusetts Avenue, N.E.
Washington, D.C. 20002

RE: MUR1325(80)

Dear Mr. Smith:

This letter is to notify you that on October 28, 1980 1980, the Federal Election Commission received a complaint which alleges that your Committee has violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1325. Please refer to this number in all future correspondence.

The Commission has adopted special procedures to expedite compliance matters during the pre-General Election period. A summary of these procedures is enclosed. Where possible, within five days after receipt of a complaint, the Commission will determine whether the complaint should be dismissed prior to receipt of your response to this notice. If the Commission dismisses the complaint, you will be so notified by mailgram followed by an explanatory letter. A copy of the Commission's determination to dismiss the complaint may also be picked up in person by you, or your authorized agent, from our Associate General Counsel, Mr. Kenneth A. Gross.

Under the Act, you have the opportunity to demonstrate, in writing, that no further action should be taken against your Committee in connection with this matter. If the Commission is unable to expeditiously dismiss the complaint as outlined above, it will take no further action until we receive your response or 15 days after your receipt of this notification. If the Commission does not receive a response from you within 15 days after your receipt of this letter, it may take further action based on available information.

Letter to Rodney A. Smith
Page Two

You are encouraged to respond to this notification promptly. In order to facilitate an expeditious response to this notification, we have enclosed a pre-addressed, postage paid, special delivery envelope.

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

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Vincent Convery the attorney assigned to this matter at (202) 523-4000.

Sincerely,

Charles N. Steele
Charles N. Steele
General Counsel

Enclosures:

Complaint
Procedures
Envelope

1325 Convery

Form 3811, Jan. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

1. The following service is requested (check one): <input type="checkbox"/> Show to whom and date delivered. <input type="checkbox"/> Show to whom, date and address of delivery. <input type="checkbox"/> RESTRICTED DELIVERY. <input type="checkbox"/> RESTRICTED DELIVERY. Show to whom, date, and address of delivery, \$ ____		2. ARTICLE ADDRESSED TO: (CONSULT POSTMASTER FOR FEES) NR 52	
3. ARTICLE DESCRIPTION: REGISTERED NO. 620246 CERTIFIED NO. _____ INSURED NO. _____ (Always obtain signature of addressee or agent) I have received the article described above. SIGNATURE [Signature] DATE OF DELIVERY 10-30-80 AUTHORIZED agent		4. ADDRESS (Complete only if requested) 303 A 3	
5. UNABLE TO DELIVER BECAUSE:		CLERK'S INITIALS	

GPO : 1979-298-848

Before the
FEDERAL ELECTION COMMISSION
Washington, D.C.

Democratic Senatorial
Campaign Committee
Complainant

v.

National Republican
Senatorial Committee
Respondent

MUR No. 1325

Introduction

The Democratic Senatorial Campaign Committee ("DSCC") herewith files this complaint addressing a serious violation of Section 441a(d) of the Federal Election Campaign Act of 1971, as amended, by the National Republican Senatorial Committee ("NRSC"). Acting as "agent" of both the Republican National Committee and various State committees around the country, the NRSC has been making Section 441a(d) expenditures up to 4 cents per voter on behalf of Republican candidates for the Senate. Under Section 441a(d), these expenditures may be only made in connection with the general election, but the NRSC has seen fit to make expenditures exceeding \$160,000 on behalf of Paula Hawkins, the Republican nominee in the State of Florida, before her nomination. The NRSC made these pre-primary Section 441a(d) expenditures in the face of a clear Commission refusal to authorize such spending.

Accordingly, the Commission should proceed immediately to take all necessary action to correct this violation through the enforcement process, including a finding that the violation in question constitutes a "knowing and willful" violation within the meaning of Section 437g(a)(1)(5)(B) of the Act.

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I. Background of the Case

On July 30, 1979, the NRSC submitted AOR 1979-45, which sought Commission approval, through issuance of an Advisory Opinion, of pre-primary expenditures of Section 441a(d) funds. DSCC commented, at length, in strong opposition to this AOR. In those comments, DSCC showed how such pre-primary expenditures cannot be reconciled with the plain language of Section 441a(d). Especially relevant to this complaint, the DSCC also established that these "pre-primary" Section 441a(d) expenditures could not, in fact, be limited in impact to the general election, but would doubtless have a "spillover" effect on the primary races during which such expenditures would be made. A copy of DSCC's comments, dated March 4, 1980, are attached.

On March 6, 1980, the Commission refused to issue an Advisory Opinion authorizing the pre-primary 441a(d) expenditures proposed by NRSC. Two Commissioners voted against the issuance of an Advisory Opinion to this effect; one voted in favor; and three abstained. It was clear from the Commission vote that, if there was any consensus at all, it was unfavorable to the NRSC proposal. At best, it can be said that the Commission viewed the NRSC proposal with extreme skepticism, since five of the six Commissioners either voted against the proposal, or abstained altogether from casting any vote on the merits.

II. NRSC Pre-Primary 441a(d) Expenditures in Florida

In the State of Florida, a primary election held on September 9, 1980 failed to nominate a candidate. As a result, a runoff election was held on October 7, 1980. This runoff election -- heatedly contested by Ms. Paula Hawkins and Congressman Louis Frey -- resulted finally in the nomination of Ms. Hawkins as her party's candidate for the United States Senate this year.

NRSC's October 15 and Pre-General Election Report show, however, that that committee became active in expending Section 441a(d) funds before the October 7 runoff election. The NRSC's reports show two separate expenditures on Schedule F of \$80,000 for media purchases, dated September 29 & October 2, respectively. Also reported were Schedule F

expenditures of \$2,388.15 and \$5,940.15 for direct mail and postage, dated September 29 & October 6, respectively. At the time the funds were spent, there was no general election in progress since the Republican party had not yet nominated its candidate.

It appears that the NRSC will contend that these expenditures were made at the time for the prospective nominee, whomever it might be, but were not made on behalf of Paula Hawkins in particular. This claim of the NRSC cannot be credited, however. In the first instance, this is precisely the argument which was made in NRSC's AOR 1979-45, and which the Commission refused to accept. It is an argument which cannot justify Section 441a(d) expenditures before a primary, when the provision clearly limits them to the general election only.


Moreover, even if this argument had some legal basis, it could not be sustained on the facts of NRSC's involvement in the Florida Senate race. The Section 441a(d) expenditures at issue were made as part of an overall plan to support Ms. Hawkins specifically in expectation of, and in support of, her nomination. The Republican National Committee, on whose behalf the NRSC made its 441a(d) expenditures as "agent", announced its support for Ms. Hawkins in the runoff election, with the result that Mr. Frey's candidacy was severely damaged. The RNC endorsement of Ms. Hawkins became a matter of considerable controversy before the runoff or campaign. See attached Exhibits marked A through D. Moreover, at the time these expenditures were made, field representatives of the national Republican Party were dispatched to Florida to begin working with Ms. Hawkins to prepare for her post-runoff campaign.

It is evident that the precise evils identified by DSCC in its earlier comments came to pass in the State of Florida this year. The favoritism shown Ms. Hawkins by the national party became a factor in the primary campaign. The open endorsement of Ms. Hawkins by the national party -- which was implemented through both the pre-primary 441a(d) expenditures and the dispatch of Republican field representatives to work with her prior to the runoff campaign -- represented a clear signal to Republican voters that Ms. Hawkins was viewed by her party as the preferable Republican candidate to oppose the Democratic nominee. Moreover, it appears that the NRSC did not consult in any way with Mr. Frey about the making of these expenditures, much less the use of field representatives to work with Ms. Hawkins.

Accordingly, a provision designed to generate additional party funding for its candidates, was converted instead into a vehicle for assisting one Republican over another. Apart from the plain conflict of these pre-primary expenditures with the language of Section 441a(d), it could be readily seen that they also had an intra-party effect, wholly at odds with the purpose of this provision. There was ample time, following the primary, for the NRSC to become involved on behalf of Paula Hawkins through Section 441a(d) expenditures. Instead, in the face of clear Commission doubts that any pre-primary expenditures could be made via this provision, the NRSC used them to generate additional advantages for one Republican candidate over another.

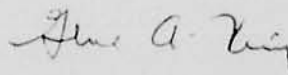
III. Conclusion

An immediate remedy for this violation is required, and the NRSC's refusal to pay any heed whatsoever to the Commission's deliberations on AOR 1979-45 raises the question of whether the violation in question was "knowing and willful" within the meaning of Section 437g(a)(1)(5)(B) of the Act. This disregard for the Commission's Advisory Opinion process must be immediately and appropriately addressed.


Tom Baker
Executive Director
Democratic Senatorial
Campaign Committee

DISTRICT OF COLUMBIA
CITY OF WASHINGTON, D.C.

Sworn and Subscribed THIS 28TH DAY OF
OCTOBER, 1980



My Commission Expires March 14, 1981

GOP National Committee aids Hawkins, not Frey

By WILLIAM NOTTINGHAM
St. Petersburg Times Staff Writer



PAULA HAWKINS

... potent force.

CLEARWATER — The Republican National Committee cast aside its usual pre primary impartiality last week by sending campaign aid to U.S. Senate hopeful Paula F. Hawkins, though she still faces a party challenge from former congresswoman Lou Frey.

In the past, such support — coming two weeks before the Oct. 7 primary — has been "absolutely verboten," state GOP official Bill Taylor said Monday.

He said it may represent a signal to Frey that it's time for him to bow out of the race.

"If I were a candidate... and this other support was coming down, I think I'd take it as pretty much of a tossing in of the towel," Taylor said.

The national committee aid came to Hawkins last Friday in the form of Bill Hart, a committee employee who flew in from Washington to handle press relations for the candidate.

The national committee has not contributed any money to the campaign, though it stands ready to hand over more than \$500,000 to help battle the Democratic nominee in November.

Hart was in Pinellas Monday when Hawkins had lunch with the Clearwater Women's Republican Club. At a press conference he arranged, Hawkins announced her support for the proposed state constitutional amendment to increase the homestead exemption. That issue also will be on the Oct. 7 ballot.

Frey, however, is receiving no similar national party help, his campaign chairman John Casey said Monday. When told of Hart's presence on the Hawkins staff, Casey said, "That's the first I've heard of it."

Later in the day, after apparently speaking with other party officials, Casey shrugged off the matter and said it would "absolutely not" affect — or end — Frey's campaign.

See HAWKINS, C-2

Hawkins from 1-3

Frey has stubbornly remained on the campaign trail though Hawkins defeated him nearly 2-1 in the first primary on Sept. 9. However, four other candidates scattered enough votes to deny Hawkins a majority and left second-finisher Frey into a runoff.

The five-term former congressman from Orlando, who was once named by Time magazine as one of 200 rising American leaders, ran for governor against Pinellas businessman Jack Eckerd in 1978, when Hawkins ran Eckerd's running mate for lieutenant governor.

At one point in that campaign, in fact, Frey accused state party leaders of favoring Eckerd in the primary.

State GOP Chairman Henry Saylor was touring the state with presidential nominee Ronald Reagan Monday and could not be reached for comment.

Taylor said party officials in Washington told him the decision to aid Hawkins, which "does not carry the weight of an endorsement," was made with the "concurrence" of Saylor and National Committeemen William C. Cramer, both of St. Petersburg.

"Paula has friends at the national committee (in fact, she is the state's national committeewoman) and she's a potent force," Taylor said.

EXHIBIT A

Sentinel Star

—Orlando, Florida, Thursday, September 25, 1980—

GOP puts its money on Hawkins

By ANNE GROER and JOHN VAN GIESON
Sentinel Star

The Republican national chairman said Wednesday that he sent three aides to work for U.S. Senate candidate Paula Hawkins against fellow Republican Lou Frey because she has a much better chance of winning.

"They already had a primary and she won 2-1. The very strong indication is that margin will hold and perhaps improve for her in the runoff, and that shows she has a remarkably strong chance to win in November," said Bill Brock, chairman of the Republican National Committee.

"Florida has, I believe, the latest primary of any state in the union, and we believe it would

be extremely difficult to put together a general election campaign in the days following the runoff," Brock said in Washington.

"We are trying to create an organization at this time that can throw the support of independents and Democrats to her in the final weeks... to be sure that she can be a winner in November," he said.

Brock called Frey's anger at intervention by the national committee "understandable" but said that such action "is not unusual. We have done it all over the country. We do provide people for special staff work. We do so only after consulting with party officials in the state and only in the circumstances that it is essential to win in November."

But Brock dismissed as "ridiculous" a Frey allegation that the chairman dispatched the aides to return for Hawkins' vote to retain him as party leader in January.

"I haven't even decided to run for re-election. I haven't even discussed this with Paula Hawkins. I haven't discussed her support or her campaign, and I have not and would not consider discussing what would happen after her election. It's irrelevant. It's ridiculous," he said.

Frei, a longtime Hawkins adversary who was furious that she urged him to forge a runoff because she was so close to winning the primary outright, went on the attack late Tuesday and early Wednesday.

GOP

From 1-A

"There's only two reasons why you do things like this," Frei said of the committee's intervention. "You are either panicked or dumb. My theory is Brock is in trouble. The conservatives want to dump him off the committee, and he is trading votes."

Hawkins, Florida's national committeewoman and one of 150 people who would vote for a new party chairman, could not be reached for comment on Frei's allegations.

But press aide Bill Hart, one of the three national committee aides on loan to the campaign, vehemently denied Frei's allegations that Hawkins made a deal to continue supporting Brock. A political moderate, Brock was almost dumped as chairman this summer by Reagan conservatives.

"I am not going to put Paula in the position of fighting Lou Frei. The man is making a statement in an apparent last-ditch effort, trying to muddy up the waters, and it is not very becoming," Hart said.

Hart and scheduler Beth Holliman will be full-time Hawkins workers, while Nick Mamais will work part time in Florida and part time in 24 other states to raise money for GOP candidates.

Hart refused to reveal their salaries, which will continue to come from the national committee and be counted as campaign contributions to Hawkins.

In other campaign developments Wednesday, Frei went to the Tiger Bay Club in Miami, where he had hoped to



Bill Brock

... Hawkins has edge, she gets aid.

debate Hawkins, but she did not show. Frei said it was the 10th time that she has refused to debate him for the runoff, which will be on Oct. 7.

He conducted a mock debate without Hawkins, playing the parts of himself, the moderator and Hawkins.

EXHIBIT B

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Florida

EXHIBIT C

Frey: Hawkins made 'deal' for press aide

By ARNOLD HILLARD
St. Petersburg Times Staff Writer

MIAMI — Republican U.S. Senate candidate Paula Hawkins is being "divisive" by involving the national party in her campaign, her runoff opponent Lou Frey charged Wednesday.

Frey also suggested that she has struck a deal with National Party Chairman Bill Brock to support him on the national committee in exchange for providing her with a new press secretary, Bill Hart, who was previously with the national organization.

"That's the only thing I can think of," said Frey to explain Hart's appearance this week in the Hawkins campaign. But Frey admitted he had no proof of his statement. Hawkins could not be reached for comment.

THE FORMER congressman predicted that Hart's presence will

"If she's as far ahead as she says she is, she's stupid. If she isn't, it's panic."

— GOP U.S. Senate candidate Lou Frey, referring to the arrival of a press aide from the national Republican Party Committee in the Hawkins' camp.

backfire on Hawkins because Republican voters in Florida will consider it outside interference in the Oct. 7 runoff.

Hawkins either is being "stupid or panicky" in involving the national party, Frey said.

"If she's as far ahead as she says she is, she's stupid. If she isn't, it's panic," Frey said.

In a new, no-more-Mr.-Nice-Guy style, Frey vigorously attacked absentee front-runner Hawkins at a Miami Tiger Bay Club luncheon.

Hawkins had been invited repeatedly to the event but did not answer the invitations, sticking to her resolve not to meet Frey on the campaign trail during the battle for the Republican nomination.

USING SARCASM and ridicule, Frey set up a mock debate, playing both parts.

He read Hawkins' stands on issues from newspaper stories in which she has been quoted.

"We're here for a debate, and we're going to have a debate one way or the other," Frey said.

"I'll be gentle," quipped Frey to the empty chair. "We'll just stick to the issues."

Then he ticked off a couple of issues on which they differ.

She opposes nuclear breeder reactors. He favors them as the way out of dependence on foreign oil.

She supports an all-volunteer army. He says it doesn't work and that a draft is necessary.

Then Frey ridiculed Hawkins for her statement that a federal consumer rights agency that does not exist should be done away with.

"One reason for debates is to educate people. I think I can serve that function within the Republican Party," Frey said.

HE ALSO GOT in a dig about Hawkins' claim to have graduated from the War College when she really only attended a five-day seminar.



HAWKINS



FREY

But Frey's sharp attack fell on few ears.

Perhaps as an indication of Frey's lackluster second place finish in the primary (Hawkins almost won it outright), fewer than 30 members of the politically oriented club showed up at the luncheon in the Dupont Plaza.

Last week, a huge crowd of Tiger Bay members turned out to see incumbent Democrat Richard Stone and challenger Bill Gunter locked in a close race for the U.S. Senate Democratic nomination.

Frey went on from Miami to Sarasota, where he received the endorsement of State Rep. Tom Danson, R-Sarasota. He then continued on to St. Petersburg, where he made appearances at two local Republican clubs.

Ex-GOP chairman upset

United Press International

JACKSONVILLE — Former State GOP Chairman Bill Taylor said Wednesday he was upset at the Republican National Committee for siding with Paula Hawkins against former Rep. Lou Frey.

"I am greatly disturbed, in fact I am madder than hell, that the national Republican committee and certain Republican Party of Florida officials have seen fit to depart from tradition by openly aiding one primary candidate against another," Taylor said from his Jacksonville home.

Taylor's comments were in reference to the GOP committee's decision to begin funneling money and personnel into Florida to help Mrs. Hawkins before the Oct. 7 runoff and State GOP Chairman Henry Saylor's statements that Mrs. Hawkins is such a heavy favorite that Frey may withdraw.

Taylor said, "This course of action leads only to divisiveness."

Frey asks GOP members to stand by him

From Democrat wire

Republican U.S. Senate contender Lou Frey launched another attack at Paula Hawkins Monday, claiming that Republicans are so disgruntled over the national party's decision to throw its support to Mrs. Hawkins that they're quitting the party.

Frey, waving a stack of yellow telegrams at a morning news conference in Tallahassee, said the national committee's decision to step in with an endorsement before the Oct. 7 runoff stung party members who have any "sense of fair play."

"I'm here to ask the Republicans in this state not to give up," he said.

Frey has refused to drop his quest for



U.S.
senate
race

Democrat Richard Stone's Senate seat, although he trailed Mrs. Hawkins in the first primary by a wide margin.

He said he didn't know how many people had left the party, but added: "We talked to some people this morning who quit the party."

At her own press conference later, Mrs. Hawkins said Frey would have accepted

the national committee's help with glee had it been offered to him instead of her.

She also said Frey's fuss wouldn't have an impact on either the presidential or Senate race in November, because "nobody is paying any attention to what he is saying."

It is unusual, but not unprecedented, for the national party to get involved in Senate races before the primaries. National GOP Chairman Bill Brock said last week that because Florida has a late runoff primary, the party needs to get a running start on the general election campaign. And he said the executive committee thought that Mrs. Hawkins clearly would defeat Frey.

The former Maitland homemaker, who won her first state office in 1972 when she

rode the coattails of former President Richard Nixon to a seat on the Public Service Commission, brought pollster Dick Morris to her news conference.

Morris produced statistics that indicated Mrs. Hawkins has reason to ignore Frey and direct her campaign against whoever wins the Democratic nomination for the Senate.

Morris said daily polls indicate she will win by at least a 3-2 margin and perhaps a 2-1 margin, depending on the turnout. Polls show Mrs. Hawkins with a 70-percent favorable rating and Frey never more than 24 percent, he said.

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Morris said the poll was made only among people who said there was a good to excellent chance they would vote Oct. 7.

Though Frey said the national party controversy "could cost us the Senate race and impact on the presidential race," Frey said he would

campaign for Mrs. Hawkins if she is chosen to be the GOP nominee.

With characteristic confidence, Mrs. Hawkins said she didn't care which Democrat she faced in November. She charged that both incumbent Stone and former Congressman Bill Gunter cast votes to "weaken this nation's defenses."

EXHIBIT D

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Federal Election Commission
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Washington, D.C.



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