



FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF TMR # 1394

Date Filmed 3/30/82 Camera No. --- 2

Cameraman DPC

FEDERAL ELECTION COMMISSION

12 Day Report

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

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

Signed John H. Thompson
date 3-22-82

FEC 9-21-77



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Gum file

March 11, 1982

J. Curtis Herge
SEDAM & HERGE
8300 Greensboro Drive
Suite 1100
McLean, Virginia 22101

RE: MUR 1394
Hatch Election Committee

Dear Mr. Herge:

On October 20, 1981, the Commission notified your client, the Hatch Election Committee, of a complaint alleging that it had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegations that the Hatch Election Committee violated 2 U.S.C. §§ 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) with regard to the contribution from Earl K. Cook, and no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J.G. Boswell Company Employees' Political Action Committee.

Accordingly, the Commission has closed its file in this matter. The matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 11, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl K. Cook
3751 Pebble Lane
Provo, Utah 84601

Re: MUR 1394
Earl K. Cook

Dear Mr. Cook:

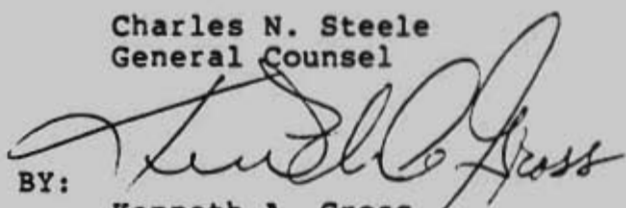
On October 16, 1981, the Commission notified you of a complaint alleging that you had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegation that you violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 11, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Walter C. Bickett, Treasurer
J.G. Boswell Company Employees'
Political Action Committee
Suite 4600
Security Pacific Plaza
333 South Hope Street
Los Angeles, California 90071

Re: MUR 1394
J.G. Boswell Company
Employees' Political Action
Committee

Dear Mr. Bickett:

On October 19, 1981, the Commission notified you of a complaint alleging that J.G. Boswell Company Employees' Political Action Committee had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, there is no reason to believe that J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A). Accordingly the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

The Commission would also like to notify you of the requirements of 2 U.S.C. § 432(e)(5) and 11 C.F.R. § 102.14(c) regarding your Committee's use of the acronym "BOSPAC." (See also Advisory Opinion 1980-10, 1980-23, and 1980-86 enclosed). It appears that "BOSPAC" is not a clearly recognized acronym of J.G. Boswell's Company and does not appear to give notice to the public of the connected organization. Therefore, it is recommended that J.G. Boswell Company Employees' Political Action Committee not use the acronym "BOSPAC" by itself.

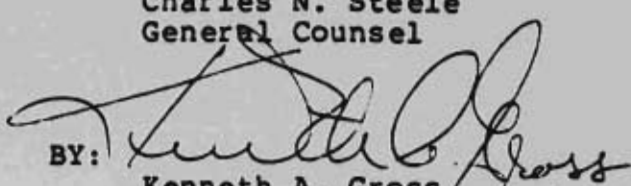
Walter C. Bickett
Page Two

If you have any questions, please contact Judy Thedford at
(202) 523-4057.

Sincerely,

Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel

82040313760



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 11, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael T. Miller, Chairman
Utah State Democratic Committee
849 East 400 South
Salt Lake City, Utah 84102

Re: MUR 1394

Dear Mr. Miller:

The Federal Election Commission has reviewed the allegations of your complaint dated September 30, 1981 along with the amendment dated October 12, 1981 and determined that on the basis of the information provided in your complaint and information provided by the respondents to take no action with regard to the allegations that the Hatch Election Committee violated 2 U.S.C. § 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) regarding the contribution from Earl K. Cook, and found no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J. G. Boswell Company Employees' Political Action Committee. The Commission also determined to take no action against Earl K. Cook and found no reason to believe J.G. Boswell Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A).

Accordingly, the Commission has decided to close the file in the matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

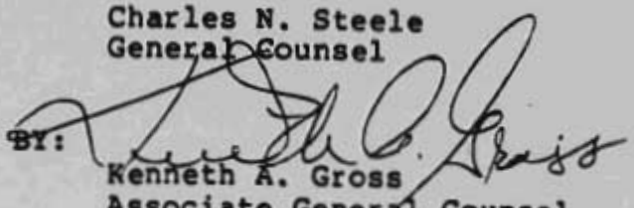
Michael T. Miller
Page Two

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

Sincerely,

Charles N. Steele
General Counsel

By:


Kenneth A. Gross
Associate General Counsel

82040313752



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

J. Curtis Herge
SEDAM & HERGE
8300 Greensboro Drive
Suite 1100
McLean, Virginia 22101

RE: MUR 1394
Hatch Election Committee

Dear Mr. Herge:

On October 20, 1981, the Commission notified your client, the Hatch Election Committee, of a complaint alleging that it had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegations that the Hatch Election Committee violated 2 U.S.C. §§ 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) with regard to the contribution from Earl K. Cook, and no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J.G. Boswell Company Employees' Political Action Committee.

Accordingly, the Commission has closed its file in this matter. The matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY: Kenneth A. Gross
Associate General Counsel

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3-10-82



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl K. Cook
3751 Pebble Lane
Provo, Utah 84601

Re: MUR 1394
Earl K. Cook

Dear Mr. Cook:

On October 16, 1981, the Commission notified you of a complaint alleging that you had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegation that you violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Walter C. Bickett, Treasurer
J.G. Boswell Company Employees'
Political Action Committee
Suite 4600
Security Pacific Plaza
333 South Hope Street
Los Angeles, California 90071

Re: MUR 1394
J.G. Boswell Company
Employees' Political Action
Committee

Dear Mr. Bickett:

On October 19, 1981, the Commission notified you of a complaint alleging that J.G. Boswell Company Employees' Political Action Committee had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on March 9, 1982, determined that on the basis of the information in the complaint and information provided by the respondents, there is no reason to believe that J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A). Accordingly the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

The Commission would also like to notify you of the requirements of 2 U.S.C. § 432(e)(5) and 11 C.F.R. § 102.14(c) regarding your Committee's use of the acronym "BOSPAC." (See also Advisory Opinion 1980-10, 1980-23, and 1980-86 enclosed). It appears that "BOSPAC" is not a clearly recognized acronym of J.G. Boswell's Company and does not appear to give notice to the public of the connected organization. Therefore, it is recommended that J.G. Boswell Company Employees' Political Action Committee not use the acronym "BOSPAC" by itself.

Walter C. Bickett
Page Two

If you have any questions, please contact Judy Thedford at
(202)523-4057.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

82040313766

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael T. Miller, Chairman
Utah State Democratic Committee
849 East 400 South
Salt Lake City, Utah 84102

Re: MUR 1394

Dear Mr. Miller:

The Federal Election Commission has reviewed the allegations of your complaint dated September 30, 1981 along with the amendment dated October 12, 1981 and determined that on the basis of the information provided in your complaint and information provided by the respondents to take no action with regard to the allegations that the Hatch Election Committee violated 2 U.S.C. § 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) regarding the contribution from Earl K. Cook, and found no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J. G. Boswell Company Employees' Political Action Committee. The Commission also determined to take no action against Earl K. Cook and found no reason to believe J.G. Boswell Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A).

Accordingly, the Commission has decided to close the file in the matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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Michael T. Miller
Page Two

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

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

82040313758

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3-10-82



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE
FROM: MARJORIE W. EMMONS/JODY CUSTER *Jc*
DATE: MARCH 9, 1982
SUBJECT: MUR 1394 - WITHDRAWAL OF OBJECTION
First General Counsel's Report signed
February 24, 1982

The above-named report was circulated to the Commission at 4:00, February 25, 1982.

This matter was placed on the Executive Session Agenda for Tuesday, March 9, 1982 following an objection by Commissioner Reiche.

By memorandum this date, Commissioner Reiche withdrew his objection to this matter and cast an affirmative vote.

A copy of Commissioner Reiche's memorandum as well as the certification of this matter have been attached.

Attachments:
Memorandum
Certification



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
82 MAR 9 8:21

TO: COMMISSION SECRETARY
FROM: CHAIRMAN FRANK P. REICHE
DATE: MARCH 8, 1982

I wish to withdraw my objection to the General Counsel's recommendation in MUR 1394. Please record me as voting in favor of that recommendation.

Frank P. Reiche

82040313770

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Hatch Election Committee,) MUR 1394
Earl K. Cook, J.G. Boswell)
Company Employees' Political)
Action Committee)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 9, 1982, the Commission decided by a vote of 6-0 to take the following actions in MUR 1394:

1. Take no action with regard to the allegation that the Hatch Election Committee violated 2 U.S.C. § 434 (b) (3) (A).
2. Take no action with regard to the allegation that the Hatch Election Committee violated 2 U.S.C. § 434 (a) (2) (B) (i).
3. Take no action with regard to the allegation that the Hatch Election Committee violated 2 U.S.C. § 441a(f).
4. Take no action with regard to the allegation that Earl K. Cook violated 2 U.S.C. § 441a(a) (1) (A).
5. Find no reason to believe Hatch Election Committee and J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. §§ 441a(f) and 441a(a), respectively.

(Continued)

6. Send the letter to J.G. Boswell Company Employees' Political Action Committee as submitted with the First General Counsel's Report signed February 24, 1982.
7. Send the notification letters to J. Curtis Herge, counsel for the Hatch Election Committee, Earl K. Cook, W.C. Bickett, treasurer of J.G. Boswell Company Employees' Political Action Committee, Michael T. Miller as attached to the First General Counsel's Report.

Commissioners Aikens, Elliott, Harris, McDonald,
McGarry and Reiche voted affirmatively in this matter.

Attest:

3-9-82

Date

Judy A. Custer

for Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary :
Circulated on 48 hour tally basis:

2-25-82, 9:59
2-25-82, 4:00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/JODY CUSTER *JC*
DATE: MARCH 1, 1982
SUBJECT: OBJECTION - MUR 1394 - First General Counsel's
Report dated 2-24-82

The above-named document was circulated to the Commission on
February 25, 1982 at 4:00.

Commissioner Reiche submitted an objection at 9:43, March 1,
1982.

This matter will be placed on the agenda for the Executive
Session of Tuesday, March 9, 1982.

82040313773

February 25, 1982

MEMORANDUM TO: Marjorie W. Emmons
FROM: Phyllis A. Kayson
SUBJECT: MUR 1394

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

Attachment

cc: Thedford

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SENSITIVE

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

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

82 FEB 25 A 9: 59

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION:

MUR 1394
DATE COMPLAINT RECEIVED
BY OGC: 10/05/81
DATE OF NOTIFICATION TO
RESPONDENT: 10/09/81
STAFF MEMBER: Judy Thedford

COMPLAINANT'S NAME:

Utah State Democratic Committee
Michael T. Miller, Chairman

RESPONDENT'S NAME:

Hatch Election Committee, Earl K. Cook,
J.G. Boswell Company Employees' Political
Action Committee

RELEVANT STATUTE:

2 U.S.C. §§ 434(b)(3)(A), 441a(a)(1)(A)
434(a)(2)(B)(i), 431

INTERNAL REPORTS CHECKED:

1981 Mid-Year Hatch Election
Committee Report & Amendments

FEDERAL AGENCIES CHECKED:

N/A

SUMMARY OF ALLEGATIONS

On October 5, 1981, Michael T. Miller Chairman of the Utah State Democratic Committee filed a complaint with the Commission alleging violations of the FECA by the Hatch Election Committee ("the Committee") (Attachment I). The complaint alleges that the Committee committed the following violations in connection with its 1981 Mid-Year Report: 1) failed to report the employers of 153 out of 311 individual contributors listed in the report in violation of 2 U.S.C. § 434(b)(3)(A); 2) reported the principal job title or position of most contributors as "businessman" in

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violation of 2 U.S.C. § 434(b)(3)(A); 3) failed to file the report in a timely fashion in violation of 2 U.S.C.

§ 434(a)(2)(B)(i); 4) reported the receipt of a \$2,000 contribution from Earl K. Cook in violation of 2 U.S.C.

§ 441a(a)(1)(A); and 5) reported the receipt of a \$5,000 contribution from BOSPAC, an unregistered committee, in violation of 2 U.S.C. § 441a(a)(1)(A). A copy of the complaint was forwarded to Stanley de Waal, treasurer of the Committee, Earl K. Cook, and BOSPAC.

On October 19, 1981, an amendment to the complaint was filed by Mr. Miller (Attachment II). The amendment explained the background and significance of the allegations made against the Committee. In brief, the complainant describes the construction of a large coal burning power plant in Utah known as IPP and the selection of a construction management company as project manager. This was a very controversial issue in Utah. The complainant states that Senator Hatch supported Daniel Construction Company as project manager of IPP. It is then pointed out that thirteen individual contributors listed in the Committee's report are employed by Daniel Construction Company. However, in violation of the reporting provisions of the Act, none of these employees were identified in the Committee's report by job titles. Their occupations were merely listed as "businessman." Further, of the thirteen employees, only two were identified by the Committee as being employed by Daniel Construction Company. The complainant concludes that the missing or incorrect contributor information and the late filing of the

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report was deliberate so as "to withhold information from the public scrutiny until the IPP controversy had blown over."

A copy of the amendment was forwarded to the treasurer and an additional fifteen days was extended to the Committee in which to respond.

The Committee filed a statement with the Commission designating Sedam and Herge as counsel. Mr. Herge responded to the complaint and amendment on November 6, 1981 (Attachment III). Earl Cook responded on his own behalf on October 20, 1981 (Attachment IV). BOSPAC's responded through its treasurer W.C. Bickett on October 20, 1981 (Attachment V).

FACTUAL AND LEGAL ANALYSIS

The original complaint alleged five violations of the Act by the Hatch Election Committee. Each of the five allegations will be described in a separate section. The amendment to the complaint will be discussed with the first three allegations to which it relates.

As the complaint concerns reporting violations, the Office of General Counsel has reviewed the 1981 Mid-Year Report and four amendments filed by the Committee. (See computer run -Attachment VI).^{1/} The 1981 Mid-Year Report was filed on August 31, 1981 consisting of 54 pages. The first amendment was filed

^{1/} The computer run lists two 1981 Mid-Year Reports filed by the Committee. The second report listed, consisting of five pages, is a cover letter from the Hatch Committee and a 3 page Mid-Year Report for Hatch Associates, an authorized committee.

on September 2, 1981 consisting of 94 pages. The second amendment was filed on September 22, 1981 consisting of four pages. The third amendment was filed on October 6, 1981 consisting of 65 pages. The fourth and last amendment was filed on November 4, 1981 consisting of 3 pages.

Allegation I: Failure To Report Contributors' Employers

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The complainant alleges that the Committee failed to report the employers of 153 out of 311 individual contributors on its September 2, 1981 amendment to its 1981 Mid-Year Report. The amendment to the complaint further states that out of the thirteen Daniel International employees listed in the Committee's reports, Daniel International was identified as the employer in only two instances. The complainant states that "the purpose of the campaign disclosure laws is to allow the public to be apprised of possible conflicts of interests, and to be able to compare the actions taken by public officials with the possible influence being exerted by their campaign contributions." The complainant stresses that disclosure is of particular importance in this matter where the Senator had acted to benefit a private contractor and the public is not able to see what contributions are coming from the contractor's employees.

Title 2 United States Code, Section 434(b)(3)(A) requires a committee to disclose the identification of each -

person (other than a political committee) who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of

\$200 within the calendar year, . . . together with the date and amount of any such contribution;

The term identification is defined at 2 U.S.C. § 431(13)(A) to mean -

in the case of any individual, the name, the mailing address, and the occupation of such individual, as well as the name of his or her employer.

The Regulations at 11 C.F.R. § 100.21 clearly defines the term "Employer" as -

the organization or person by whom an individual is employed, and not the name of his or her supervisor.

Mr. Herge on behalf of the Committee claims a best efforts defense pursuant to 2 U.S.C. § 432(i). His response begins with background information concerning the filing of the 1981 Mid-Year Report filed on August 31, 1981. According to the response, the treasurer discovered that contributor data was either non-existent or incomplete approximately a week before the due date of the report. Not being able to file a complete and accurate report by the filing date, the treasurer requested two extensions of time by letters dated July 27, and 28, 1981. On August 6, 1981, the treasurer received a communication from the Commission pointing out the necessity of filing timely. It is asserted that in a conversation with an FEC staff member, Mr. de Waal was told extensions were not granted and that it was advisable to file an incomplete and inaccurate timely report with amendments to follow than to file a late complete and accurate report. Mr. de Waal

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then began preparing the report with the information available to him. Counsel states that after Mr. de Waal filed an incomplete report upon advice of Commission personnel, he set about the task of contacting by phone or writing to every contributor not fully identified.

In direct response to the complainant's allegations, Mr. Herge contends that on the September 2 amendment 413 contributors were itemized and 131 were not identified for a ratio of 31% not a ratio of 49% as alleged by the complainant. In any event, Mr. Herge asserts that the October 2, amendment corrected any problems by identifying 391 out of 413 itemized contributors. He further states that the remaining 23 contributors will be fully identified in an additional amendment.

In response to the allegation contained in the complainant's amendment, that the Hatch Committee purposefully omitted listing employer information for contributors employed by Daniel International, Mr. Herge argues that the statistics do not support "the complainant's politically motivated charges." He states that "only 12 or 2.9% of the 414 itemized contributors are employed by the Daniel International Co. The aggregate of the contributions made to the Committee by these dozen individuals amounted to only 1.2% of the total contributed by itemized contributors." In closing, Mr. Herge states the information required to be reported is of record and the purposes of the Act have been fulfilled.

The Office of General Counsel's review of the relevant reports filed by the Committee resulted in the following conclusions:

1. The original report filed on August 31, 1981 contained 25 pages of itemized individual contributors. One hundred and seventy two individual contributors were listed of which 54 contributors' employers were not identified. This results in a ratio of 31%.

2. The first amendment filed on September 2, 1981 consisted of 60 pages of itemized individual contributors. Four hundred and thirteen individuals were listed of which 154 contributors' employers were not identified. This resulted in a ratio of 37%.

3. The third amendment filed October 6, 1981 consisted of 61 pages of individual contributors. This report lists the same contributors as were identified in the September 2 report, but additional information was provided as to the contributors' employers. Four hundred and fourteen individuals were listed of which 24 contributor's employers were not identified. This resulted in a ratio of 6%.

As reflected by the Office of General Counsel's review, the Hatch Committee has now identified the employers for all but 24 of the 414 contributors. It should be noted, however, that the Committee took approximately two months to provide this information. Nevertheless, public disclosure has now been made. Accordingly, it is recommended that the Commission take no action concerning this allegation.

**Allegation II: Incorrect Reporting Of Contributors' Job
Titles Or Positions**

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The complainant alleges that the committee incorrectly reported the job titles or positions of most contributors. Specifically, the complainant referred to the Committee's repeated use of the word "businessman" in identifying individual contributors' occupation. The amendment to the complaint further alleges that the Committee's failure to identify occupations of contributors made it impossible for the average person to know whether any funds contributed to Senator Hatch were related to Daniel International. The complainant listed thirteen individuals employed by Daniel International who had contributed \$250 each to the Hatch Committee. The amendment states none of the Daniel International employees were identified by position, each was listed as "Businessman."

Title 2 of the United States Code, Section 434(b)(3)(A) requires a Committee to disclose "the identification of each person who makes a contribution ... during the reporting period, whose contribution or contributions have an aggregate or value in excess of \$200 within the calendar year...." Title 2 of the United States Code, Section 431(13)(A) defines identification to mean, in the case of an individual, the name, mailing address and occupation of such individual. Title 11 of the Code of Federal Regulations, Section 100.20 defines the term "occupation" to mean "the principal job title or position of an individual and whether or not self-employed."

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Mr. Herge in his response does not specifically address the allegation that the Committee failed to correctly report job titles or positions. Rather, he treats this allegation as being basically the same as the one concerning the Committee's failure to identify employers of contributors. As such, he relies on the October 2 amended report filed by the Hatch Committee as correcting any reporting problems.

A review of the September 2 amendment reveals that 128 out of the 413 individuals listed were identified as "Businessman." The reporting of the contributors' occupations as businessman does not adequately reflect a job title or position.^{2/} However, the October 2 amendment, which is a refiling of the September 2 report, adequately identified the occupations for all but 63 of the 414 contributors. Further, the occupations of 12 of the Daniel International employees were reported. Accordingly, the Office of General Counsel recommends taking no action concerning this allegation.

Allegation III: Failure to Timely File the Mid-Year Report

The complainant alleged that the Committee failed to file its 1981 Mid-Year Report in a timely fashion in violation of 2 U.S.C. § 434(a)(2)(B)(i). The amendment alleges that the late filing was a willful violation as Senator Hatch did not want the

^{2/} It is our understanding that the Reports Analysis Division views such terms as "Businessman" and "Executive" as not sufficient for the reporting of contributor occupation.

public to be apprised of his association with Daniel International while he was supporting the selection of Daniel International as project manager of IPP.

Title 2 of the United States Code, Section 434(a)(2)(B)(i) requires the principal campaign committee of a Senate candidate to file semi-annual reports in a non-election year. The first report covering January 1 through June 30 of the year is due no later than July 31st. The Committee filed its Mid-Year Report on August 31, 1981, approximately 31 days late.

Responding to this allegation, Mr. Herge reiterated that the treasurer requested an extension of time in which to file the report, was subsequently advised by a Commission staff member that extensions were not granted, and set about the task of filing the report. A sworn statement submitted by treasurer de Waal stated the reason for late filing was that original source information was insufficient and inadequate to file a complete and accurate timely report.

From the facts presented, the Committee is in violation of the Act for failing to file its Mid-Year Report on July 31, 1981. However, as the report and amendments to the report have now been filed it is recommended that the Commission take no action regarding this allegation.

Allegation VI: Receipt Of An Excessive Contribution From
An Individual

The complainant alleged that the Committee accepted a \$2,000 contribution from Earl Cook in violation of 2 U.S.C. § 441a(f).

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The evidence cited by the complainant was the reporting of the contribution by the Committee on the 1981 Mid-Year Report dated August 31, 1981.

Title 2 United States Code, Section 441a(a) limits the amount of money to \$1,000 that an individual may contribute to a federal candidate and his authorized committee(s) with respect to any election. Title 2 United States Code, Section 441a(f) prohibits the candidate or political committee to knowingly accept any contribution in violation of 2 U.S.C. § 441a.

The Office of General Counsel has reviewed the 1981 Mid-Year and amendment reports concerning this allegation. The Mid-Year Report reports a \$2,000 contribution from Earl K. Cook on May 22, 1981. The September 22, 1981 amendment reports the \$2,000 contributions from Earl Cook as a \$1,000 contribution from Earl Cook and a \$1,000 contribution from Yvonne Cook.

Respondent's counsel Mr. Herge, stated that the amendment filed by treasurer de Waal on September 22, 1981 reported 1/2 of the contribution to Yvonne Cook. The response from Herge also indicated that the Committee had secured written confirmation from Mr. and Mrs. Cook that each was responsible for a \$1,000 contribution.

Mr. Cook's response to the complaint stated that "the \$2,000 contribution from Earl K. Cook ... was a joint contribution from Earl K. Cook and Yvonne Cook." Mr. Cook stated that the check sent to the Committee was from a joint checking account with both

contributors name on it and that the invitation soliciting the contribution also had both names on it.

Title 11 of the Code of Federal Regulations, Section 104.8(c) states that a contribution representing contributions by more than one person shall either indicate on the written instrument or on an accompanying written statement signed by all contributors, the amount to be contributed to each contributor. As the Hatch Committee subsequently obtained such a written statement from Mr. and Mrs. Cook and amended its reports to reflect a \$1,000 contribution from each individual, it is recommended that the Commission take no action on this allegation.

Allegation V: Receipt Of An Excessive Contribution From
An Unregistered Committee

The complainant alleged that the Committee accepted an excessive contribution from BOSPAC, an unregistered committee. The evidence submitted by the complainant was the \$5,000 contribution from BOSPAC reported on the Committee's 1981 Mid-Year Report.

Title 2 United States Code, Section 431(4)(A) requires that any committee which receives contributions or makes expenditures in excess of \$1,000 must register and report with the Commission. Unless the committee is a qualified multicandidate committee pursuant to 2 U.S.C. § 441a(a)(4) it has a \$1,000 contribution limitation per election. 2 U.S.C. § 441a(a)(1)(A). Title 2 United States Code, Section 441a(f) prohibits a political

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committee from knowingly accepting any contribution in violation of 2 U.S.C. § 441a.

Mr. Herge responded that BOSPAC's full name is J.G. Boswell Company Employees' Political Action Committee and that is a multi-candidate committee. J.G. Boswell Company Employees' Political Action Committee submitted to the Commission the FEC "Acknowledgement of Receipt of Statement of Organization" dated November 29, 1977.

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An examination of the FEC Alphabetical Index reflects that J.G. Boswell Company Employees' Political Action Committee is a multi-candidate committee and therefore is subject to the \$5,000 per election limitation. Therefore, the Office of General Counsel recommends finding no reason to believe that J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A) and no reason to believe the Committee violated 2 U.S.C. § 441a(f).

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However, 2 U.S.C. § 432(e)(5) states that "the name of any separate segregated fund established pursuant to 2 U.S.C. § 441b(b) shall include the name of its connected organization." Title 11 of the Code of Federal Regulations, Section 102.14(c), however, allows such a committee to use a clearly recognized abbreviation or acronym by which the connected organization is commonly known. Both the full name an abbreviation or acronym must be on the Statement of Organization, reports, and notices. This section also allows the fund to make contributions using its acronym.

As reflected by the Committee's reporting of the contribution and J.G. Boswell Company's Employees' Political Action Committee's letterhead, the Committee appears to have adopted "BOSPAC" as an acronym. The acronym "BOSPAC" does not appear to afford adequate notice to the public of the sponsorship by the J.G. Boswell Company. (See AO's 1980-10, 1980-23 and 1980-86). Accordingly, it is recommended that the Commission notify J.G. Boswell Company Employees' Political Action Committee of the 2 U.S.C. § 432(e)(5) and 11 C.F.R. § 102.14(c) requirements.

RECOMMENDATIONS

The Office of General Counsel recommends:

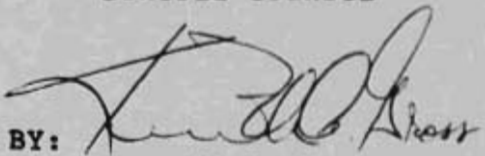
1. To take no action with regard to the allegation that the Hatch Election Committee violated 2 U.S.C. § 434(b)(3)(A).
2. To take no action with regard to the allegation that the Hatch Election Committee violated 2 U.S.C. § 434(a)(2)(B)(i).
3. To take no action with regard to the allegation that Hatch Election Committee violated 2 U.S.C. § 441a(f).
4. To take no action with regard to the allegation that Earl K. Cook violated 2 U.S.C. § 441a(a)(1)(A).
5. Find no reason to believe Hatch Election Committee and J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. §§ 441a(f) and 441a(a), respectively.
6. Send the attached letter to J.G. Boswell Company Employees' Political Action Committee.

7. Send the attached notification letters to J. Curtis Herge, counsel for the Hatch Election Committee, Earl K. Cook, W.C. Bickett, treasurer of J.G. Boswell Company Employees' Political Action Committee, Michael T. Miller.

Feb 24, 1982
Date

Charles N. Steele
General Counsel

BY:


Kenneth A. Gross
Associate General Counsel

ATTACHMENTS:

- I- Complaint (pg. 1)
- II- Amendment (pg. 3)
- III- Herge Response (pg. 10)
- IV- Cook Response (pg. 23)
- V- Bickett Response (pg. 24)
- VI- Computer Run (pg. 26)
- VII- Notification Letters (pg. 27)

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FEDERAL ELECTION COMMISSION

UTAH STATE DEMOCRATIC COMMITTEE
Michael T. Miller, Chairman, complainant

COMPLAINT

HATCH ELECTION COMMITTEE

Respondant

STATE OF UTAH
COUNTY OF SALT LAKE

SS.

Michael T. Miller, upon being first duly sworn, deposes and says,

1. That he is chairman of the Utah State Democratic Committee.
2. That he has examined the August 28, 1981 Federal Election report of the Hatch Election Committee, covering the reporting period of January 1, 1981, to June 30, 1981, due on July 31, 1981, as received by the Secretary of the Senate on September 8, 1981.
3. That the following violations of the Federal Election laws appear.
 - (a) of the 311 individual contributors listed, 153 do not list the employer. Failure to so list the employer of any person who contributes more than \$200 in the calender year is a violation of 2 U.S.C. 434 (b)(3)(A).
 - (b) most of the individuals listed as making contributions are identified by occupation such as "businessman" rather than principal job title or position as required by 2 U.S.C. 431 (13) and 11 C.F.R. 100.20.
 - (c) page 22 of schedule A of the Hatch Election Committee report lists a contribution of \$2,000.00 from Earl K. Cook, president of Telum, Inc., in violation of 2 U.S.C. 441a(a)(1)(A)
 - (d) On page 7 of the Hatch Election Committee report is a \$5,000 contribution from BOSPAC. 333 S. Hope Street, Los Angeles, CA. As far as we are able to determine BOSPAC is not registered with the F.E.C.
 - (e) The report was not filed timely.
4. These statements are not made upon personal knowledge, but are apparent from the face of the report itself.

ATTACHMENT I

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Dated this 30th day of September, 1981

Utah State Democratic Committee

Michael T. Miller

by Michael T. Miller, Chairman

Subscribed and sworn before me this

30

day of September

1981.

My commission expires:

June 15, 1982

NOTARY PUBLIC

Scott Daniel

Residing at

Salt Lake County

address of complainant: 849 East 400 South
Salt Lake City, UT 84102
(801) 3290239.

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CC# 56-2

Michael T. Miller Chairman	Thomas W. dZerega National Committeeman
James Prazan Vice-Chairman	Elizabeth Vance National Committeewoman
Dolly Plumb Treasurer	Scott Davis Administrative Assistant
Beverly White Secretary	Lois Lockhart Office Manager



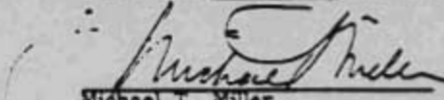
Utah State Democratic Committee

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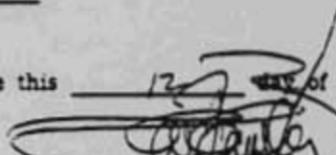
State of Utah } ss.
County of Salt Lake }

Michael T. Miller, upon being first duly sworn, deposes and says that he is chairman of the Utah State Democratic Committee, that the foregoing letter is correct to the best of his knowledge and belief.

Dated this 12 day of October, 1981.


Michael T. Miller

Subscribed and sworn before me this 12 day of October, 1981.


Notary Public
Residing at: Salt Lake City, Utah

My Commission expires:

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Michael T. Miller Chairman	Thomas W. Kilgus National Commissioner
Janet Probst Vice Chairman	Charles Vance National Commissioner
Orin Plumb Treasurer	Sam Davis Administrative Assistant
Beverly White Secretary	Lisa Lockhart Office Manager



Utah State Democratic Committee

October 5, 1981

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

Re: Complaint - Utah State Democratic Committee
Michael T. Miller, Chairman
Respondent - Hatch Election Committee
Date of Complaint - September 30, 1981

Dear Sirs and Mesdames:

On September 30, 1981 we filed a Complaint against the Hatch Election Committee with the Federal Election Commission. Mr. Hatch's spokesman has stated to the press that our charges are merely technical and the violations are trivial.

The purpose of this letter is to more thoroughly explain the context in which the charges are made; the actual background of the charges; and their significance. We are requesting that the Commission make an investigation of the violation, including a field investigation. The facts stated in this letter, for the most part, are not made on personal knowledge, but are taken primarily from news accounts. In the event of a field investigation, we are confident that witnesses can be produced to substantiate the facts contained herein.

BACKGROUND The IPP Controversy

For some years, the construction of a very large coal burning power plant in Utah has been contemplated. After several years of discussions over siting, ownership, environmental impact, water use, and the like, it has been determined to build this power plant in Southern Utah. The plant, when constructed, will generate 3000 megawatts of electricity, and will cost \$8.7 billion to construct. This very large construction project is called the Intermountain Power Project, (hereinafter IPP).

The construction of the IPP was to begin in October of this year. It would be owned by twenty-three municipalities in Utah. It would be financed by municipal bonds issued by these municipalities. The governing body of the IPP is the Intermountain Power Authority (IPA), a seven member board, representing the twenty-three municipalities. The IPA is established by statute and is a subdivision of the State of Utah. Although it has ultimate decision making authority, most of the initial decisions are to be made by a group called the Intermountain Power Project Coordinating Committee, consisting of thirty-six private investors, who will be purchasing the electricity. The thirty-six investors do not have equal voting rights, but have rights according to percentage of power which they have contracted to purchase. Over half of the power will be purchased by California investors. The largest single investor is the Los Angeles Power and Light Board. The second largest single investor is Utah Power and Light, which will purchase twenty-five percent of the power and consequently has twenty-five percent of the vote on the coordinating committee. Any action of the coordinating committee requires an eighty percent vote. Because of this, Utah Power and Light has a veto of essentially any decision made by the coordinating committee. It was agreed early on that the construction manager for the IPP would be selected by the Los Angeles Power and Light Board. This is because Los Angeles Power and Light is the largest investor, and because it has the most experience in the construction of very large fossil fuel burning projects.

Three construction management companies were under serious consideration as the project manager. One of these was Bechtel, a California concern; another was Daniel Construction Company, a South Carolina firm; and the third was Jelco, a Utah construction company. It is significant to note that Utah Senator Orrin Hatch and Utah State Representative C. McClain Haddow publically characterized Bechtel as a "union company" and conversely Daniel Construction as "non-union company".

Daniel Construction Company was considered the front runner to become construction manager of IPP until mid-summer of 1981. At that time it began to become apparent that Los Angeles Power and Light Board was inclined to choose Bechtel as the construction manager.

On August 7, 1981 Senator Hatch, along with Utah Senator Garn and Utah's two congressmen, wrote a letter to Utah Power and Light strongly urging them not to support Bechtel as construction manager. Specifically, the letter says:

In addition, it has come to our attention that U.P. & L. is supporting the California choice for the construction manager, rather than the Utah participant's choice for that construction manager. In doing so, you are placing yourself in a position

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running counter to the public interests of this State and the many, many rate payers whom you serve.

Although it is not clear from the context, it is apparent that the "Utah participant's choice" being referred to is Daniel Construction Company.

On August 10, 1981, Senator Hatch and his campaign coordinator and former administrative assistant, C. McClain Haddow, a Utah State legislator, met with Utah Power and Light officers in an attempt to convince them to block Bechtel as the construction manager. Because Utah Power and Light had veto power in the coordinating committee, it had this power if it chose.

During this period of time Mr. Haddow ran a series of radio ads encouraging rate payers to call Utah Power and Light and ask them to block Bechtel as the construction manager. These ads cost about \$6,000 and it is not clear to us exactly who paid for the ads. It is significant that the Hatch election report shows rather large payments being made from Senator Hatch's election campaign fund to Mr. Haddow's consulting firm.

On August 12, 1981, U.P. & L. asked for a delay in vote to confirm Bechtel as the construction manager. As the Deseret News described this vote:

The U.P. & L. action was seen as a victory of sorts by Haddow and Hatch, who have put tremendous pressure on the Utah utility to fight for a merit shop called Daniel International, instead of Bechtel Power Corp., the apparent choice of the Southern California utility. (Deseret News August 12, 1981)

On August 17, 1981, the coordinating committee finally did meet and approved Bechtel as the construction manager. Utah Power & Light voted to approve Bechtel, despite pressure from Senator Hatch, Representative Haddow, and the telephone campaign directed toward them. This was apparently because Utah Power & Light had agreed previously to support the choice of the Los Angeles Power & Light Board unless its choice was shown to be made in bad faith.

The choice of Bechtel having been made by the coordinating committee, the battle now shifted to the Intermountain Power Authority. On August 20th it met and instructed the Los Angeles Department of Water and Power to submit a proposed contract and IPA would make the final decision as to the construction manager. This was followed by another series of ads sponsored by Representative Haddow.

It is also important to note that throughout this period of time a controversy was raging regarding the propriety of Haddow's actions. In July of that year he, along with three other Utah legislators, had attended a barbecue in South Carolina paid by Mr. Thompson, the attorney for Daniel International.

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Corporation. On August 20th the Utah State A.F.L./C.I.O. demanded an investigation of this trip. On August 23rd, the Utah State Democratic Committee called for an investigation. On August 30, 1981, Common Cause asked Haddow to open his books to the public for scrutiny regarding contributions or contracts with Daniel International. On August 31st the minority leader of the legislature asked for a probe regarding a possible ethical violation by Mr. Haddow accepting this trip. Although these charges do not relate directly to Mr. Hatch, they demonstrate the high level of controversy regarding these issues that was present in the State of Utah during the month of August, 1981.

Finally, on September 2, 1981, the Intermountain Power Coordinating Committee reaffirmed its selection of Bechtel as the construction manager. Also at that meeting were four of the seven IPA members who similarly voted to support Bechtel. At that point it became obvious that Bechtel, rather than Daniel Construction was going to be the project manager.

On that same day Hatch made a reorganization in his campaign and replaced Haddow as campaign manager. On September 7, 1981, Senator Hatch indicated that he would go along with the decision of the IPA.

The Specific Charges

The significance of the charges that we have made in our complaint becomes clear when this background is considered. Three of our five charges are particularly significant. The first of these is that the report was filed late; the second is that the report, when filed, did not include the employers of many of the contributors; the third is that occupation was not listed specifically by position and job title as the law requires.

The purpose of the campaign disclosure law is to allow the public to be apprised of possible conflicts of interest, and to be able to compare the actions taken by public officials with the possible influence being exerted by their campaign contributors. When a public official, such as Senator Hatch, takes actions which inure directly to the benefit of a private contractor, such as Daniel International, the public is entitled to know what contributions are coming directly or indirectly from Daniel International or its employees.

Since almost half of Senator Hatch's contributors were not identified by occupation, it was impossible for the average person to know whether any of the funds contributed to Senator Hatch were related in any way to Daniel International. By checking Dunn and Bradstreet listing for Daniel International Corporation, or its parent Fluor Corp., we were able to identify some of the contributors as employees of Daniel International Corp. The following contributors each donated \$250.00 to Hatch Election Committee on February 28, 1981:

Mr. Buck Mickel is Chairman of the Board and Chief Executive Officer of Daniel International Corporation

Mr. Thomas P. Townsend is Group Vice President for Western Hemisphere
of Daniel Construction Company Division

Mr. T. C. Johnson is Executive Vice President of Construction of
Daniel Construction Company Division

Mr. Gerald M. Glenn is Vice President for Domestic Marketing of
Daniel Construction Company Division

Mr. Ralph L. Ogden is a Group Vice President for Daniel Construction
Company Division

Mr. C. R. Cox is Executive Vice President for Marketing of Daniel
Construction Company Division

Mr. Currie B. Spivey Jr. is President of Daniel Construction Company
Division and Executive Vice President of Daniel
International Corporation

Mr. L. G. McCraw is a Group Vice President for Daniel Construction
Company Division

Mr. R. W. Dean is a Group Vice President for Daniel Construction Company
Division

Mr. Bob L. Banks is Vice President for Industrial Relations of Daniel
International Corporation

Mr. George E. McDougall is a Daniel International Corporation Vice
President and is Chairman of Daniel International,
Saudi Arabia, Ltd.

Mr. Howard W. McCall is President of the Daniel Construction Company
Division

Mr. Clyde T. Green is a Group Vice President of Daniel Construction
Company Division in Richmond, Virginia.

Of these 13 individuals only two are listed as being employed by Daniel
Construction Company, and none of them are identified as to their position.
Rather, each is listed as a "businessman". How many other contributors are
officers or employees of Daniel International Corp., its parent Fluor Corp.,
or some related company, we do not know.

The Hatch Election Committee's failure to file on July 31st, as required by law,
is a willful violation of the Act. It appears that Senator Hatch's committee
did not want the public to become apprised of his connections with Daniel
International while he was exerting pressure on Utah Power & Light to reject
that Corporation in favor of Daniel International. The failure to file on

July 31st, is not a mere technical violation. In this instance, failure to file timely was a direct frustration of the purpose of the Act.

Even when the report was filed, a month late, it was not useful in conveying to the public Senator Hatch's involvement with Daniel International because of the failure to list employers. The cover letter submitted with the report indicated: "We have been unable to complete the information on itemized receipts. We will furnish the information next week and mail to you an amended report at that time."


Insofar as we are aware, no amended report has ever been submitted. Even if it has, or if it is, the Hatch Election Committee has succeeded in evading the law by keeping this contribution information secret until after the IPP construction manager decision had been made. Had the decision been made in favor of Daniel International, it would have been too late for the public to have responded to a disclosure that Senator Hatch was financially beholden to Daniel International. It is impossible for us to believe that the Hatch Election Committee was "unable to furnish the information" concerning the employer of these contributors. They are not low level employees or people who are unknown to Mr. Hatch and his office. In any event, it is clear that the Hatch Election Committee chose to withhold this information from public scrutiny until the IPP controversy had "blown over".

CONCLUSION In our view the charges which we have made against Hatch Election Committee are not trivial, nor are they merely technical. Rather, they go to the heart of the purpose from the campaign contribution disclosure laws. The Hatch Election Committee's evasion of their duties under these laws demonstrates a willful arrogance and disregard of the Federal Election laws, and an attitude of "being above the law".

We urge the Commission to investigate these violations and to impose appropriate sanctions.

Very Truly Yours,

UTAH STATE DEMOCRATIC COMMITTEE


Michael T. Miller, Chairman

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GCH# 5770
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SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22102

(703) 821-1000

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

KAREN LUSSEN BLAIR
JOHN ROBERT CLARK III
B. ERIC SIVERTSEN

November 6, 1981

SUITE 270
1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006
(703) 821-1000

TELEX: 710-831-0886

CABLE: SEDAMHERGE

11/9 9:1:57

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D. C. 20463

Attention of Judy Thedford

Re: MUR 1394

Dear Mr. Gross:

We are writing on behalf of Mr. Stanley R. de Waal, Treasurer of the Hatch Election Committee, to provide a formal response to your letters, dated October 9, 1981 and October 20, 1981, regarding the complaint of the Utah State Democratic Committee which has been designated MUR 1394.*

In this response, we shall demonstrate beyond a reasonable doubt that the Treasurer of the Hatch Election Committee utilized his best efforts to obtain, maintain and submit the information required by the Federal Election Campaign Act of 1971, as amended. As a result, the Mid-Year Report of the Hatch Election Committee, which is the subject of the instant complaint, should be considered in compliance with the Act pursuant to 2 U.S.C. 432(i). Accordingly, the Commission should close the file on this matter.

*By letter dated October 27, 1981, we submitted to you a Statement of Designation of Counsel, signed by Mr. de Waal, designating this firm as the respondent's counsel in this matter.

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ATTACHMENT III

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Kenneth A. Gross, Esq.
Page Two
November 6, 1981

Summary of the Complaint

The Utah State Democratic Committee filed a complaint with the Federal Election Commission on or about October 5, 1981, in which it alleged that the Mid-Year Report of the Hatch Election Committee violated the Federal Election Campaign Act of 1971, as amended, because (1) it failed to provide the full identification of several contributors; (2) it appeared that one individual contributor contributed an excessive amount; (3) it appeared that one political committee contributor was not registered under the Act; and, (4) the report was not filed in a timely manner. On October 19, 1981, the Commission received from the Utah State Democratic Committee an amendment to the complaint. The amendment consisted of a seven page dissertation on a construction project in Utah, the purported purpose being to allege that the Hatch Election Committee purposefully concealed contributor data and delayed filing its report for some nefarious political purpose. In brief, the Utah State Democratic Committee has seized upon some technical reporting problems to make, out of whole cloth, some very serious allegations about a Member of the United States Senate and it is seeking to use the Commission improperly for partisan purposes.

The Facts

During the course of the period preceding June 30, 1981, the Treasurer of the Hatch Election Committee received numerous assurances about the quality of the contributor data which was being assimilated. Upon examination of the data, approximately one week before the due date of the Mid-Year Report, the Treasurer discovered that, in fact, some contributor data was nonexistent or was incomplete. Furthermore, the records were such that it was necessary to match manually deposit receipts and copies of checks with the existent data.

In the realization that it would not be physically possible to file a complete and accurate Mid-Year Report on or before July 31, 1981, the Treasurer wrote to the Commission on July 27, 1981 and on July 28, 1981, requesting an extension of time to file. (Unlike the first letter, the second

Kenneth A. Gross, Esq.
Page Three
November 6, 1981

letter specifically requested an extension to August 31, 1981. A copy of each of the two letters is enclosed.) As stated in the attached affidavit, Mr. de Waal requested the extension in the good faith belief that such extensions could and would be permitted and granted. Notwithstanding his request for an extension, Mr. de Waal received a communication from the Commission on or about August 6, 1981, pointing out the necessity of filing the report promptly. Thereupon, Mr. de Waal telephoned the Commission to report that he had requested an extension. He was then told by a member of the Commission's staff, Ed Ryan, that no procedure exists for granting extensions and that it was far better to file an incomplete and inaccurate report timely, with amendments to follow, than it was to file a complete and accurate report late. Based on that advice, Mr. de Waal postponed his efforts to gather the balance of the contributor data and began to compile the report based upon the data he had available. That report was completed on August 28, 1981 and was sent to the Commission by Federal Express.*

After the report was completed and filed, Mr. de Waal returned to the task of gathering the balance of the contributor data. A temporary employee was engaged and, over the next three weeks, they telephoned every contributor whose identification was missing or incomplete. Letters requesting the information were then mailed to those contributors who could not be reached by telephone. Mr. de Waal advises that, as a result of that program, every contributor whose identification was missing or incomplete was communicated with either by telephone or by letter.

Mr. de Waal filed two amendments to the original report. The first amendment, dated September 22, 1981, corrected two reporting errors. The second amendment, dated October 2, 1981, provided the missing contributor data.

*Mr. de Waal has now been advised that the Committee's reports should be filed with the Secretary of the Senate.

Kenneth A. Gross, Esq.
Page Four
November 6, 1981

Responses to the Allegations

Allegation that the Committee
Failed to Identify Contributors

The Mid-Year Report of the Hatch Election Committee, as amended, includes the full and complete identification of all but 23, or 5.5%, of the itemized contributors. That proportion is well within accepted parameters, particularly when considered against the background that the Hatch Election Committee has made at least one written effort to secure the requisite data from each itemized contributor whose identification is incomplete.

The complainant in this matter has alleged, erroneously, that "of the 311 individual contributors listed, 153 do not list the employer." An examination of first submission by the Committee, dated August 28, 1981, will reveal that 413, not 311, individual contributors were listed on Schedule A. Furthermore, not including contributors identified as being retired, as being housewives, or as being among self-employed professions such as attorneys and physicians, employer identification was not originally supplied for 131, not 153, contributors. This is a ratio of 31%, not 49% as complainants have alleged.

It was because of the lack of contributor data that Mr. de Waal requested the extension of time to file. It was not his wish to file an incomplete report. He did so only upon the advice of personnel at the Commission. Having filed the initial report, he engaged additional staff and set about the task of telephoning and writing to every contributor whose data was incomplete or missing. Given the magnitude of the task, it must be conceded that he acted diligently and expeditiously in filing the amendment on October 2, 1981, an amendment which included the full and complete identification of 391 of the 414 itemized contributors. Mr. de Waal proposes to file an additional amendment when he receives the balance of the data on the remaining 23 contributors.

For the reason stated, the complainant's allegation is without merit.

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Kenneth A. Gross, Esq.
Page Five
November 6, 1981

Allegation that One Contributor
Contributed an Excessive Amount

Complainants alleged, with reference to page 22 of Schedule A of the report dated August 25, 1981, that the Committee received a \$2,000.00 contribution from Earl K. Cook. As evidenced by the first amendment filed by Mr. de Waal on behalf of the Committee on September 22, 1981, one-half of that reported contribution was from Yvonne Cook. The Committee has secured written confirmation from Mr. and Mrs. Cook that each was responsible for a contribution of \$1,000.00 to the Committee.

For the reason stated, the complainant's allegation is without merit.

Allegation that BOSPAC is
Not a Registered Committee

Complainant alleged that BOSPAC is not a political committee registered with the Commission. The formal name of BOSPAC is J. G. Roswell Company Employees Political Action Committee. Its FEC Identification Number is, upon information and belief, C00082677. Furthermore, we are advised by BOSPAC that it is a qualified multi-candidate committee.

For the reason stated, the complainant's allegation is without merit.

Allegation that the Report
Was Not Filed Timely

As noted, when Mr. de Waal originally commenced the preparation of the Mid-Year Report, he discovered that the necessary contributor data was either missing, incomplete or had to be matched against copies of the checks. This problem was due to the procedures followed by the agent of the Committee responsible for the solicitation program, a problem which has now been corrected.

With the realization that a substantial amount of time and effort would be required to compile a complete and

Kenneth A. Gross, Esq.
Page Six
November 6, 1981

accurate report, Mr. de Waal filed a request for an extension of time in the good faith belief that such extensions were permitted. As a certified public accountant, Mr. de Waal believed it to be repugnant professionally to sign his name to an incomplete submission. Upon being advised by a member of the staff of the Commission that no provision exists for extensions and that it was advisable to file something, Mr. de Waal immediately turned from gathering data to compiling a report with the data he had available. After the initial report was filed, he dutifully completed the accumulation of the missing data and filed the requisite amendments. It is submitted that the Mid-Year Report of the Hatch Election Committee, as amended, meets the standards of the Commission and is above reproach.

The Committee totally rejects as absurd the complainant's allegation that contributor information was intentionally withheld in order to conceal the identity of contributors associated with Daniel Construction Co. Because the allegation was made, however, we point out that an examination of the report will reveal that only 12, or 2.9%, of the 414 itemized contributors are employed by Daniel Construction Co. The aggregate of the contributions made to the Committee by those dozen individuals amounted to only 1.2% of the total contributed by itemized contributors. Of the 12, two were identified in the original report. The statistics themselves fail to support the complainant's politically motivated charges. In any event, the information is of record and the purposes of the Act have been fulfilled. Should a person wish to decide whether or not to vote for Senator Hatch in 1982 based upon these disclosures, he has not been penalized in his ability to do so.

It is most significant, however, that Mr. de Waal has provided the enclosed statement, under oath and without equivocation, that no one asked Mr. de Waal or suggested to Mr. de Waal that the report be filed late or incomplete. The sole reason for that which has transpired was that the original source data was insufficient and inadequate to enable him to file timely a complete and accurate report.

For the reasons stated, the complainant's allegation is without merit.

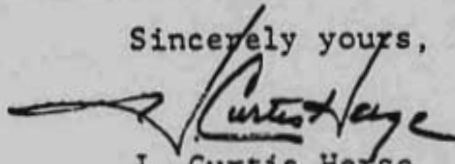
(15)

Kenneth A. Gross, Esq.
Page Seven
November 6, 1981

Conclusion

The Treasurer of the Hatch Election Commission used his best efforts to obtain, maintain and submit the information required by the Federal Election Campaign Act of 1971, as amended. As a result, the Mid-Year Report, as amended, should be considered in compliance with the Act, pursuant to 2 U.S.C. 432(i). Accordingly, it is respectfully submitted that the Commission should find no reason to believe that the complaint of the Utah State Democratic Committee sets forth a possible violation of the Act and the file on this matter should be closed.

Sincerely yours,



J. Curtis Herge
Counsel to the Hatch
Election Committee

enclosures

82040313805

21 NOV 8 09:57

FEDERAL ELECTION COMMISSION

Utah State Democratic Committee,
Complainant,

v.

Hatch Election Committee,

Respondent.

MUR 1394

Affidavit of
Stanley R. de Waal

STATE OF UTAH)
COUNTY OF SALT LAKE) SS:

STANLEY R. DE WAAL, being duly sworn, deposes and
says:

1) That he is a certified public accountant,
having his offices at 405 South Main, Salt Lake
City, Utah; and, that he is the Treasurer of the
Hatch Election Committee, the principal campaign
committee of Senator Orrin G. Hatch;

2) That he is familiar, of his own knowledge,
with the facts and circumstances relevant to the
preparation and filing of the Mid-Year Report
(covering the period January 1, 1981 through
June 30, 1981) of the Hatch Election Committee and
of the amendments thereto.

8204013807

3) That, upon numerous inquiries, he had received assurances from agents of the Committee responsible for the solicitation of contributions to the Committee, that contributor data was being compiled in a manner satisfactory to meet the requirements of the Federal Election Campaign Act of 1971, as amended;

4) That he first discovered deficiencies in the quality and the quantity of the contributor data approximately one week before the Mid-Year Report was due;

5) That, in the good faith belief that an extension of time to file could be and would be granted, he requested an extension of time to file the Mid-Year Report by letters to the Federal Election Commission dated July 27 and July 28, 1981;

6) That, immediately upon discovering the deficient quality of the contributor data, he diligently used his best efforts to obtain any missing or incomplete data.

7) That, on or about August 6, 1981, he was advised for the first time by an individual employed by the Federal Election Commission that no procedure exists for the grant of extensions of time to file

and that an incomplete and/or inaccurate report could and should be filed, subject to being corrected by amendment;

8) That he then commenced the preparation of the Mid-Year Report and signed, dated and filed that Report on August 25, 1981;

9) That he engaged additional staff to assist with the compilation of missing or incomplete contributor data;

10) That every individual who made a contribution to the Hatch Election Committee or its affiliated committee during the reporting period, whose contribution or contributions had an aggregate amount or value in excess of \$200.00 within the calendar year and whose identification was incomplete or missing, was either telephoned or was written to, for the purpose of securing the requisite data;

11) That he filed two amendments to the Mid-Year Report, one dated September 22, 1981, and the second dated October 2, 1981, providing data not included in the original submission; and,

12) That the sole and exclusive reason why the Mid-Year Report was not filed on or before July 31, 1981 was because of the deficient quantity

and quality of the contributor data, a problem which he made every reasonable effort to correct as diligently and promptly as possible; and, that no one asked him, or suggested to him, that the filing of the Mid-Year Report, or the amendments thereto, be delayed or be filed incomplete.

IN WITNESS WHEREOF, this Affidavit has been executed this 4th day of November, 1981.

Stanley R. De Waal
STANLEY R. DE WAAL

Sworn to before me,
a Notary Public, this 4th
day of November, 1981.

John C. [Signature]
Notary Public

Notary Public Commission Expires March 8, 1982

DE WAAL AND KEELER
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
OF THE AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
STANLEY R. DE WAAL
REX KEELER

711 FIRST SECURITY BANK BUILDING
408 SOUTH MAIN
SALT LAKE CITY, UTAH 84111

July 27, 1981

8 2 0 4 0 3 1 3 8 1 0
Federal Election Commission
1325 K Street N.W.
Washington, DC 20463

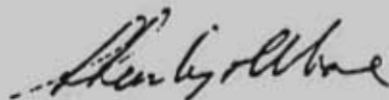
RE: Hatch Election Committee - S6 UT 00063
Hatch Associates - 600044677

Dear Sir:

We request an extension of time to file the semi-annual report due July 30, 1981 for the Hatch Election Committee and Hatch Associates.

We are in the process of converting parts of our system over to the computer and the program is not yet completed.

Very truly yours,



Stanley R. de Waal
Treasurer

SRD/bf

DE WAAL AND KEELER
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
OF THE AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
STANLEY R. DE WAAL
REX KEELER

711 FIRST SECURITY BANK BUILDING
409 SOUTH MAIN
SALT LAKE CITY, UTAH 84111

July 28, 1981

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

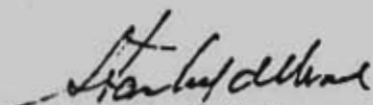
RE: Hatch Election Committee 600044677
Hatch Associates S6 UT 00063

Dear Sir:

We request an extension of time to file the semi-annual report due July 30, 1981 for the Hatch Election Committee and Hatch Associates to August 31, 1981.

We are in the process of concerting parts of our system over to the computer and the program is not yet completed.

Very truly yours,


Stanley R. de Waal
Treasurer

SRD/bf

59

(22)

TELUM, INC.

October 20, 1981

OCT 26 P 3: 48

OCT 23 P 1: 57

Thedford

Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463

Re: MUR 1394

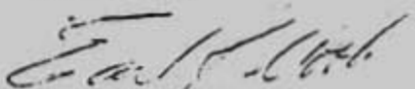
Dear Mr. Gross:

In response to the above matter pertaining to the complaint in paragraph 3 (c) of your letter of October 9, 1981, please accept the following information.

The \$2,000.00 contribution from Earl K. Cook, President of Telum, Inc. was a joint contribution of Earl K. Cook and Yvonne M. Cook. The check which was sent to the Hatch Election Committee was from a joint checking account naming both of the contributors on the check. The invitation for the contribution was made to both of the contributors and apparently there was a reporting error by the Hatch Election Committee by not naming us both as contributors.

If there are any other questions I would be happy to respond immediately upon written request.

Sincerely,



Earl K. Cook
President

EKC:wm

A Political Action Committee
for Stockholders and Employees
of J. G. Boswell Company

BOSPAC

SUITE 4600, SECURITY PACIFIC PLAZA

333 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071

October 20, 1981

OCT 26 3:57

James B. Fisher
Chairman
W. C. Bickett
Treasurer

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Federal Election Commission
Washington, D. C.

Attention: Kenneth A. Gross
Associate General Counsel

Re: MUR 1394

Gentlemen:

We acknowledge receipt of your October 9 letter advising us of a complaint alleging that we may have violated certain sections of the Federal Election Campaign Act of 1971.

Item 3.(d) of the complaint states that the Complainant was unable to determine that BOSPAC is registered with the FEC.

BOSPAC was registered with the FEC in 1977, as evidenced by the enclosed copy of your FEC Form 20, issued under date of 11-29-77, assigning us FEC Identification Number C00082677.

We will be happy to furnish any additional information you may require.

Sincerely,



W. C. Bickett
Treasurer

boc
Enclosure

ATTACHMENT V

(24)



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

600-5698
01448
100723 DEC 57 1977

ACKNOWLEDGEMENT OF RECEIPT
OF

Statement of Organization

Filed pursuant to the Federal Election Campaign Act of 1971, as amended

Mr. Walter C. Bickett, Treasurer
J.G. Boswell Company Employees' Political Action
Committee
333 S. Hope Street
Suite 4600
Los Angeles, California 90071

DATE: 11-29-77

NOTICE REGARDING FILINGS
UNDER THE FEDERAL ELECTION CAMPAIGN ACT OF 1971, AS AMENDED

Your assigned FEC IDENTIFICATION NUMBER is C00082677

In the future this number should be entered on all subsequent reports filed under the Act, as well as on all communications concerning such reports and statements. This acknowledgement will be the only receipt provided directly by the Commission, for documents filed. The Commission recommends that all future filings be mailed Certified or Registered, Return Receipt Requested, in order to insure timeliness of your filings and to provide additional receipts for your records.

FEDERAL ELECTION COMMISSION

FEC FORM 20 (10/12/76)
(Supersedes FEC Forms 13, 14, and 15)
GPO 509-680

82040313814

60

(25)

COVERAGE DATES	# OF PAGES	LOCATION	TYPE OF FILER
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1JAN01	30JUN01	6	015ER/006/2890
1JAN01	30JUN01	67	015ER/006/2741
1JAN01	30JUN01	5	015ER/006/3535
1JUL 01	31DEC01	21	015ER/001/3452
12JAN02		3	015ER/001/0141

1902 STATEMENT OF ORGANIZATION - AMENDMENT

865,015	0	361,805
2,500		0

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1.14HB1 20.00HB1 4 04314/004/2122



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Walter C. Bickett, Treasurer
J.G. Boswell Company Employees'
Political Action Committee
Suite 4600
Security Pacific Plaza
333 South Hope Street
Los Angeles, California 90071

Re: MUR 1394
J.G. Boswell Company
Employees' Political Action
Committee

Dear Mr. Bickett:

On October 19, 1981, the Commission notified you of a complaint alleging that J.G. Boswell Company Employees' Political Action Committee had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on February , 1982, determined that on the basis of the information in the complaint and information provided by the respondents, there is no reason to believe that J.G. Boswell Company Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A). Accordingly the Commission closed its file in this matter. This matter will become a part of the public record within 30 days.

The Commission would also like to notify you of the requirements of 2 U.S.C. § 432(e)(5) and 11 C.F.R. § 102.14(c) regarding your Committee's use of the acronym "BOSPAC." (See also Advisory Opinion 1980-10, 1980-23, and 1980-86 enclosed). It appears that "BOSPAC" is not a clearly recognized acronym of J.G. Boswell's Company and does not appear to give notice to the public of the connected organization. Therefore, it is recommended that J.G. Boswell Company Employees' Political Action Committee not use the acronym "BOSPAC" by itself.

ATTACHMENT VII

(27)

Walter C. Bickett
Page Two

If you have any questions, please contact Judy Thedford at
(202)523-4057.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

82040313817



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl K. Cook
3751 Pebble Lane
Provo, Utah 84601

Re: MUR 1394
Earl K. Cook

Dear Mr. Cook:

On October 16, 1981, the Commission notified you of a complaint alleging that you had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on February , 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegation that you violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the Commission has closed its file in this matter. This matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

64

(29)



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

J. Curtis Herge
SEDAM & HERGE
8300 Greensboro Drive
Suite 1100
McLean, Virginia 22101

RE: MUR 1394
Hatch Election Committee

Dear Mr. Herge:

On October 20, 1981, the Commission notified your client, the Hatch Election Committee, of a complaint alleging that it had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

The Commission, on February , 1982, determined that on the basis of the information in the complaint and information provided by the respondents, to take no action concerning the allegations that the Hatch Election Committee violated 2 U.S.C. §§ 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) with regard to the contribution from Earl K. Cook, and no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J.G. Boswell Company Employees' Political Action Committee.

Accordingly, the Commission has closed its file in this matter. The matter will become a part of the public record within thirty days.

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael T. Miller, Chairman
Utah State Democratic Committee
849 East 400 South
Salt Lake City, Utah 84102

Re: MUR 1394

Dear Mr. Miller:

The Federal Election Commission has reviewed the allegations of your complaint dated September 30, 1981 along with the amendment dated October 12, 1981 and determined that on the basis of the information provided in your complaint and information provided by the respondents to take no action with regard to the allegations that the Hatch Election Committee violated 2 U.S.C. § 434(b)(3)(A), 434(a)(2)(B)(i), 441a(f) regarding the contribution from Earl K. Cook, and found no reason to believe that the Hatch Election Committee violated 2 U.S.C. § 441a(f) with regard to the contribution from J. G. Boswell Company Employees' Political Action Committee. The Commission also determined to take no action against Earl K. Cook and found no reason to believe J.G. Boswell Employees' Political Action Committee violated 2 U.S.C. § 441a(a)(2)(A).

Accordingly, the Commission has decided to close the file in the matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Michael T. Miller
Page Two

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

Sincerely,

Charles N. Steele
General Counsel

BY:

Kenneth A. Gross
Associate General Counsel

32040313821

Michael T. Miller
Chairman

Janel Prazen
Vice-Chairman

Dolly Plumb
Treasurer

Beverly White
Secretary

Thomas W. Gierrega
National Committeeman

Elizabeth Vance
National Committeewoman

Scott Davis
Administrative Assistant

Lois Lockhart
Office Manager




Utah State Democratic Committee

OCT 19 PM 12:09

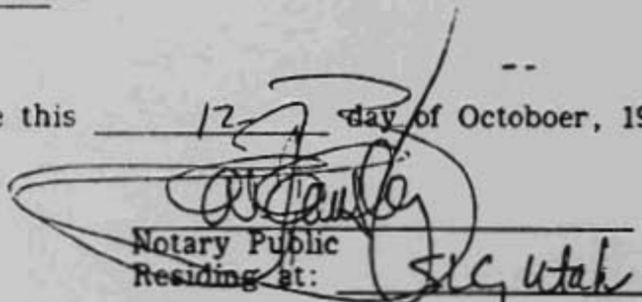
State of Utah }
County of Salt Lake } ss.

Michael T. Miller, upon being first duly sworn, deposes and says that he is chairman of the Utah State Democratic Committee, that the foregoing letter is correct to the best of his knowledge and belief.

Dated this 12 day of October, 1981.


Michael T. Miller

Subscribed and sworn before me this 12 day of October, 1981.


Notary Public
Residing at: Salt Lake City, Utah

My Commission expires:

5-1-85

849 East 400 South • Salt Lake City, Utah 84102 • Telephone (801) 328-0239

(8)

ATTACHMENT II

(3)

Michael T. Miller
Chairman

Janet Prazan
Vice Chairman

Dolly Plumb
Treasurer

Beverly White
Secretary

Thomas W. deZerega
National Committeeman

Elizabeth Vance
National Committeewoman

Scott Davis
Administrative Assistant

Luis Lockhart
Office Manager



Utah State Democratic Committee

October 5, 1981

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

Re: Complaint - Utah State Democratic Committee
Michael T. Miller, Chairman
Respondent - Hatch Election Committee
Date of Complaint - September 30, 1981

Dear Sirs and Mesdames:

On September 30, 1981 we filed a Complaint against the Hatch Election Committee with the Federal Election Commission. Mr. Hatch's spokesman has stated to the press that our charges are merely technical and the violations are trivial.

The purpose of this letter is to more thoroughly explain the context in which the charges are made; the actual background of the charges; and their significance. We are requesting that the Commission make an investigation of the violation, including a field investigation. The facts stated in this letter, for the most part, are not made on personal knowledge, but are taken primarily from news accounts. In the event of a field investigation, we are confident that witnesses can be produced to substantiate the facts contained herein.

BACKGROUND The IPP Controversy

For some years, the construction of a very large coal burning power plant in Utah has been contemplated. After several years of discussions over siting, ownership, environmental impact, water use, and the like, it has been determined to build this power plant in Southern Utah. The plant, when constructed, will generate 3000 megawatts of electricity, and will cost \$8.7 billion to construct. This very large construction project is called the Intermountain Power Project, (hereinafter IPP).

The construction of the IPP was to begin in October of this year. It would be owned by twenty-three municipalities in Utah. It would be financed by municipal bonds issued by these municipalities. The governing body of the IPP is the Intermountain Power Authority (IPA), a seven member board, representing the twenty-three municipalities. The IPA is established by statute and is a subdivision of the State of Utah. Although it has ultimate decision making authority, most of the initial decisions are to be made by a group called the Intermountain Power Project Coordinating Committee, consisting of thirty-six private investors, who will be purchasing the electricity. The thirty-six investors do not have equal voting rights, but have rights according to percentage of power which they have contracted to purchase. Over half of the power will be purchased by California investors. The largest single investor is the Los Angeles Power and Light Board. The second largest single investor is Utah Power and Light, which will purchase twenty-five percent of the power and consequently has twenty-five percent of the vote on the coordinating committee. Any action of the coordinating committee requires an eighty percent vote. Because of this, Utah Power and Light has a veto of essentially any decision made by the coordinating-committee. It was agreed early on that the construction manager for the IPP would be selected by the Los Angeles Power and Light Board. This is because Los Angeles Power and Light is the largest investor, and because it has the most experience in the construction of very large fossil fuel burning projects.

Three construction management companies were under serious consideration as the project manager. One of these was Bechtel, a California concern; another was Daniel Construction Company, a South Carolina firm; and the third was Jelco, a Utah construction company. It is significant to note that Utah Senator Orrin Hatch and Utah State Representative C. McClain Haddow publically characterized Bechtel as a "union company" and conversely Daniel Construction as "non-union company".

Daniel Construction Company was considered the front runner to become construction manager of IPP until mid-summer of 1981. At that time it began to become apparent that Los Angeles Power and Light Board was inclined to choose Bechtel as the construction manager.

On August 7, 1981 Senator Hatch, along with Utah Senator Garn and Utah's two congressmen, wrote a letter to Utah Power and Light strongly urging them not to support Bechtel as construction manager. Specifically, the letter says:

In addition, it has come to our attention that U.P. & L. is supporting the California choice for the construction manager, rather than the Utah participant's choice for that construction manager. In doing so, you are placing yourself in a position

running counter to the public interests of this State and the many, many rate payers whom you serve.

Although it is not clear from the context, it is apparent that the "Utah participant's choice" being referred to is Daniel Construction Company.

On August 10, 1981, Senator Hatch and his campaign coordinator and former administrative assistant, C. McClain Haddow, a Utah State legislator, met with Utah Power and Light officers in an attempt to convince them to block Bechtel as the construction manager. Because Utah Power and Light had veto power in the coordinating committee, it had this power if it chose.

During this period of time Mr. Haddow ran a series of radio ads encouraging rate payers to call Utah Power and Light and ask them to block Bechtel as the construction manager. These ads cost about \$6,000 and it is not clear to us exactly who paid for the ads. It is significant that the Hatch election report shows rather large payments being made from Senator Hatch's election campaign fund to Mr. Haddow's consulting firm.

On August 12, 1981, U.P. & L. asked for a delay in vote to confirm Bechtel as the construction manager. As the Deseret News described this vote:

The U.P. & L. action was seen as a victory of sorts by Haddow and Hatch, who have put tremendous pressure on the Utah utility to fight for a merit shop called Daniel International, instead of Bechtel Power Corp., the apparent choice of the Southern California utility. (Deseret News August 12, 1981)

On August 17, 1981, the coordinating committee finally did meet and approved Bechtel as the construction manager. Utah Power & Light voted to approve Bechtel, despite pressure from Senator Hatch, Representative Haddow, and the telephone campaign directed toward them. This was apparently because Utah Power & Light had agreed previously to support the choice of the Los Angeles Power & Light Board unless its choice was shown to be made in bad faith.

The choice of Bechtel having been made by the coordinating committee, the battle now shifted to the Intermountain Power Authority. On August 20th it met and instructed the Los Angeles Department of Water and Power to submit a proposed contract and IPA would make the final decision as to the construction manager. This was followed by another series of ads sponsored by Representative Haddow.

It is also important to note that throughout this period of time a controversy was raging regarding the propriety of Haddow's actions. In July of that year he, along with three other Utah legislators, had attended a barbecue in South Carolina paid by Mr. Thompson, the attorney for Daniel International

Corporation. On August 20th the Utah State A.F.L./C.I.O. demanded an investigation of this trip. On August 23rd, the Utah State Democratic Committee called for an investigation. On August 30, 1981, Common Cause asked Haddow to open his books to the public for scrutiny regarding contributions or contracts with Daniel International. On August 31st the minority leader of the legislature asked for a probe regarding a possible ethical violation by Mr. Haddow accepting this trip. Although these charges do not relate directly to Mr. Hatch, they demonstrate the high level of controversy regarding these issues that was present in the State of Utah during the month of August, 1981.

Finally, on September 2, 1981, the Intermountain Power Coordinating Committee reaffirmed its selection of Bechtel as the construction manager. Also at that meeting were four of the seven IPA members who similarly voted to support Bechtel. At that point it became obvious that Bechtel, rather than Daniel Construction was going to be the project manager.

On that same day Hatch made a reorganization in his campaign and replaced Haddow as campaign manager. On September 7, 1981, Senator Hatch indicated that he would go along with the decision of the IPA.

The Specific Charges

The significance of the charges that we have made in our complaint becomes clear when this background is considered. Three of our five charges are particularly significant. The first of these is that the report was filed late; the second is that the report, when filed, did not include the employers of many of the contributors; the third is that occupation was not listed specifically by position and job title as the law requires.

The purpose of the campaign disclosure law is to allow the public to be apprised of possible conflicts of interest, and to be able to compare the actions taken by public officials with the possible influence being exerted by their campaign contributors. When a public official, such as Senator Hatch, takes actions which inure directly to the benefit of a private contractor, such as Daniel International, the public is entitled to know what contributions are coming directly or indirectly from Daniel International or its employees.

Since almost half of Senator Hatch's contributors were not identified by occupation, it was impossible for the average person to know whether any of the funds contributed to Senator Hatch were related in any way to Daniel International. By checking Dunn and Bradstreet listing for Daniel International Corporation, or its parent Fluor Corp., we were able to identify some of the contributors as employees of Daniel International Corp. The following contributors each donated \$250.00 to Hatch Election Committee on February 28, 1981:

Mr. Buck Mickel is Chairman of the Board and Chief Executive Officer
of Daniel International Corporation

Mr. Thomas P. Townsend is Group Vice President for Western Hemisphere
of Daniel Construction Company Division

Mr. T. C. Johnson is Executive Vice President of Construction of
Daniel Construction Company Division

Mr. Gerald M. Glenn is Vice President for Domestic Marketing of
Daniel Construction Company Division

Mr. Ralph L. Ogden is a Group Vice President for Daniel Construction
Company Division

Mr. C. R. Cox is Executive Vice President for Marketing of Daniel
Construction Company Division

Mr. Currie B. Spivey Jr. is President of Daniel Construction Company
Division and Executive Vice President of Daniel
International Corporation

Mr. L. G. McCraw is a Group Vice President for Daniel Construction
Company Division

Mr. R. W. Dean is a Group Vice President for Daniel Construction Company
Division

Mr. Bob L. Banks is Vice President for Industrial Relations of Daniel
International Corporation

Mr. George E. McDougall is a Daniel International Corporation Vice
President and is Chairman of Daniel International,
Saudi Arabia, Ltd.

Mr. Howard W. McCall is President of the Daniel Construction Company
Division

Mr. Clyde T. Green is a Group Vice President of Daniel Construction
Company Division in Richmond, Virginia.

Of these 13 individuals only two are listed as being employed by Daniel
Construction Company, and none of them are identified as to their position.
Rather, each is listed as a "businessman". How many other contributors are
officers or employees of Daniel International Corp., its parent Fluor Corp.,
or some related company, we do not know.

The Hatch Election Committee's failure to file on July 31st, as required by law,
is a willful violation of the Act. It appears that Senator Hatch's committee
did not want the public to become apprised of his connections with Daniel
International while he was exerting pressure on Utah Power & Light to reject
that Corporation in favor of Daniel International. The failure to file on

July 31st, is not a mere technical violation. In this instance, failure to file timely was a direct frustration of the purpose of the Act.

Even when the report was filed, a month late, it was not useful in conveying to the public Senator Hatch's involvement with Daniel International because of the failure to list employers. The cover letter submitted with the report indicated: "We have been unable to complete the information on itemized receipts. We will furnish the information next week and mail to you an amended report at that time."

Insofar as we are aware, no amended report has ever been submitted. Even if it has, or if it is, the Hatch Election Committee has succeeded in evading the law by keeping this contribution information secret until after the IPP construction manager decision had been made. Had the decision been made in favor of Daniel International, it would have been too late for the public to have responded to a disclosure that Senator Hatch was financially beholden to Daniel International. It is impossible for us to believe that the Hatch Election Committee was "unable to furnish the information" concerning the employer of these contributors. They are not low level employees or people who are unknown to Mr. Hatch and his office. In any event, it is clear that the Hatch Election Committee chose to withhold this information from public scrutiny until the IPP controversy had "blown over".

CONCLUSION In our view the charges which We have made against Hatch Election Committee are not trivial, nor are they merely technical. Rather, they go to the heart of the purpose from the campaign contribution disclosure laws. The Hatch Election Committee's evasion of their duties under these laws demonstrates a willful arrogance and disregard of the Federal Election laws, and an attitude of "being above the law".

We urge the Commission to investigate these violations and to impose appropriate sanctions.

Very Truly Yours,

UTAH STATE DEMOCRATIC COMMITTEE

By


Michael T. Miller, Chairman

Kenneth A. Gross, Esq.
Page Two
November 6, 1981

Summary of the Complaint

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The Utah State Democratic Committee filed a complaint with the Federal Election Commission on or about October 5, 1981, in which it alleged that the Mid-Year Report of the Hatch Election Committee violated the Federal Election Campaign Act of 1971, as amended, because (1) it failed to provide the full identification of several contributors; (2) it appeared that one individual contributor contributed an excessive amount; (3) it appeared that one political committee contributor was not registered under the Act; and, (4) the report was not filed in a timely manner. On October 19, 1981, the Commission received from the Utah State Democratic Committee an amendment to the complaint. The amendment consisted of a seven page dissertation on a construction project in Utah, the purported purpose being to allege that the Hatch Election Committee purposefully concealed contributor data and delayed filing its report for some nefarious political purpose. In brief, the Utah State Democratic Committee has seized upon some technical reporting problems to make, out of whole cloth, some very serious allegations about a Member of the United States Senate and it is seeking to use the Commission improperly for partisan purposes.

The Facts

During the course of the period preceding June 30, 1981, the Treasurer of the Hatch Election Committee received numerous assurances about the quality of the contributor data which was being assimilated. Upon examination of the data, approximately one week before the due date of the Mid-Year Report, the Treasurer discovered that, in fact, some contributor data was nonexistent or was incomplete. Furthermore, the records were such that it was necessary to match manually deposit receipts and copies of checks with the existent data.

In the realization that it would not be physically possible to file a complete and accurate Mid-Year Report on or before July 31, 1981, the Treasurer wrote to the Commission on July 27, 1981 and on July 28, 1981, requesting an extension of time to file. (Unlike the first letter, the second

Kenneth A. Gross, Esq.
Page Three
November 6, 1981

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letter specifically requested an extension to August 31, 1981. A copy of each of the two letters is enclosed.) As stated in the attached affidavit, Mr. de Waal requested the extension in the good faith belief that such extensions could and would be permitted and granted. Notwithstanding his request for an extension, Mr. de Waal received a communication from the Commission on or about August 6, 1981, pointing out the necessity of filing the report promptly. Thereupon, Mr. de Waal telephoned the Commission to report that he had requested an extension. He was then told by a member of the Commission's staff, Ed Ryan, that no procedure exists for granting extensions and that it was far better to file an incomplete and inaccurate report timely, with amendments to follow, than it was to file a complete and accurate report late. Based on that advice, Mr. de Waal postponed his efforts to gather the balance of the contributor data and began to compile the report based upon the data he had available. That report was completed on August 28, 1981 and was sent to the Commission by Federal Express.*

After the report was completed and filed, Mr. de Waal returned to the task of gathering the balance of the contributor data. A temporary employee was engaged and, over the next three weeks, they telephoned every contributor whose identification was missing or incomplete. Letters requesting the information were then mailed to those contributors who could not be reached by telephone. Mr. de Waal advises that, as a result of that program, every contributor whose identification was missing or incomplete was communicated with either by telephone or by letter.

Mr. de Waal filed two amendments to the original report. The first amendment, dated September 22, 1981, corrected two reporting errors. The second amendment, dated October 2, 1981, provided the missing contributor data.

*Mr. de Waal has now been advised that the Committee's reports should be filed with the Secretary of the Senate.

Kenneth A. Gross, Esq.
Page Four
November 6, 1981

Responses to the Allegations

Allegation that the Committee
Failed to Identify Contributors

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The Mid-Year Report of the Hatch Election Committee, as amended, includes the full and complete identification of all but 23, or 5.5%, of the itemized contributors. That proportion is well within accepted parameters, particularly when considered against the background that the Hatch Election Committee has made at least one written effort to secure the requisite data from each itemized contributor whose identification is incomplete.

The complainant in this matter has alleged, erroneously, that "of the 311 individual contributors listed, 153 do not list the employer." An examination of first submission by the Committee, dated August 28, 1981, will reveal that 413, not 311, individual contributors were listed on Schedule A. Furthermore, not including contributors identified as being retired, as being housewives, or as being among self-employed professions such as attorneys and physicians, employer identification was not originally supplied for 131, not 153, contributors. This is a ratio of 31%, not 49% as complainants have alleged.

It was because of the lack of contributor data that Mr. de Waal requested the extension of time to file. It was not his wish to file an incomplete report. He did so only upon the advice of personnel at the Commission. Having filed the initial report, he engaged additional staff and set about the task of telephoning and writing to every contributor whose data was incomplete or missing. Given the magnitude of the task, it must be conceded that he acted diligently and expeditiously in filing the amendment on October 2, 1981, an amendment which included the full and complete identification of 391 of the 414 itemized contributors. Mr. de Waal proposes to file an additional amendment when he receives the balance of the data on the remaining 23 contributors.

For the reason stated, the complainant's allegation is without merit.

Kenneth A. Gross, Esq.
Page Five
November 6, 1981

Allegation that One Contributor
Contributed an Excessive Amount

Complainants alleged, with reference to page 22 of Schedule A of the report dated August 25, 1981, that the Committee received a \$2,000.00 contribution from Earl K. Cook. As evidenced by the first amendment filed by Mr. de Waal on behalf of the Committee on September 22, 1981, one-half of that reported contribution was from Yvonne Cook. The Committee has secured written confirmation from Mr. and Mrs. Cook that each was responsible for a contribution of \$1,000.00 to the Committee.

For the reason stated, the complainant's allegation is without merit.

Allegation that BOSPAC is
Not a Registered Committee

Complainant alleged that BOSPAC is not a political committee registered with the Commission. The formal name of BOSPAC is J. G. Boswell Company Employees Political Action Committee. Its FEC Identification Number is, upon information and belief, C00082677. Furthermore, we are advised by BOSPAC that it is a qualified multi-candidate committee.

For the reason stated, the complainant's allegation is without merit.

Allegation that the Report
Was Not Filed Timely

As noted, when Mr. de Waal originally commenced the preparation of the Mid-Year Report, he discovered that the necessary contributor data was either missing, incomplete or had to be matched against copies of the checks. This problem was due to the procedures followed by the agent of the Committee responsible for the solicitation program, a problem which has now been corrected.

With the realization that a substantial amount of time and effort would be required to compile a complete and

Kenneth A. Gross, Esq.
Page Six
November 6, 1981

accurate report, Mr. de Waal filed a request for an extension of time in the good faith belief that such extensions were permitted. As a certified public accountant, Mr. de Waal believed it to be repugnant professionally to sign his name to an incomplete submission. Upon being advised by a member of the staff of the Commission that no provision exists for extensions and that it was advisable to file something, Mr. de Waal immediately turned from gathering data to compiling a report with the data he had available. After the initial report was filed, he dutifully completed the accumulation of the missing data and filed the requisite amendments. It is submitted that the Mid-Year Report of the Hatch Election Committee, as amended, meets the standards of the Commission and is above reproach.

The Committee totally rejects as absurd the complainant's allegation that contributor information was intentionally withheld in order to conceal the identity of contributors associated with Daniel Construction Co. Because the allegation was made, however, we point out that an examination of the report will reveal that only 12, or 2.9%, of the 414 itemized contributors are employed by Daniel Construction Co. The aggregate of the contributions made to the Committee by those dozen individuals amounted to only 1.2% of the total contributed by itemized contributors. Of the 12, two were identified in the original report. The statistics themselves fail to support the complainant's politically motivated charges. In any event, the information is of record and the purposes of the Act have been fulfilled. Should a person wish to decide whether or not to vote for Senator Hatch in 1982 based upon these disclosures, he has not been penalized in his ability to do so.

It is most significant, however, that Mr. de Waal has provided the enclosed statement, under oath and without equivocation, that no one asked Mr. de Waal or suggested to Mr. de Waal that the report be filed late or incomplete. The sole reason for that which has transpired was that the original source data was insufficient and inadequate to enable him to file timely a complete and accurate report.

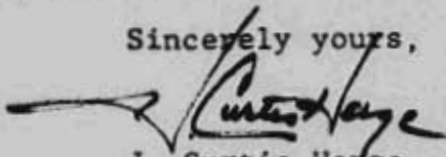
For the reasons stated, the complainant's allegation is without merit.

Kenneth A. Gross, Esq.
Page Seven
November 6, 1981

Conclusion

The Treasurer of the Hatch Election Commission used his best efforts to obtain, maintain and submit the information required by the Federal Election Campaign Act of 1971, as amended. As a result, the Mid-Year Report, as amended, should be considered in compliance with the Act, pursuant to 2 U.S.C. 432(i). Accordingly, it is respectfully submitted that the Commission should find no reason to believe that the complaint of the Utah State Democratic Committee sets forth a possible violation of the Act and the file on this matter should be closed.

Sincerely yours,



J. Curtis Herge
Counsel to the Hatch
Election Committee

enclosures

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FEDERAL ELECTION COMMISSION

Utah State Democratic Committee,

Complainant,

v.

Hatch Election Committee,

Respondent.

MUR 1394

Affidavit of
Stanley R. de Waal

STATE OF UTAH)
COUNTY OF SALT LAKE) SS:

STANLEY R. DE WAAL, being duly sworn, deposes and
says:

1) That he is a certified public accountant,
having his offices at 405 South Main, Salt Lake
City, Utah; and, that he is the Treasurer of the
Hatch Election Committee, the principal campaign
committee of Senator Orrin G. Hatch;

2) That he is familiar, of his own knowledge,
with the facts and circumstances relevant to the
preparation and filing of the Mid-Year Report
(covering the period January 1, 1981 through
June 30, 1981) of the Hatch Election Committee and
of the amendments thereto.

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3) That, upon numerous inquiries, he had received assurances from agents of the Committee responsible for the solicitation of contributions to the Committee, that contributor data was being compiled in a manner satisfactory to meet the requirements of the Federal Election Campaign Act of 1971, as amended;

4) That he first discovered deficiencies in the quality and the quantity of the contributor data approximately one week before the Mid-Year Report was due;

5) That, in the good faith belief that an extension of time to file could be and would be granted, he requested an extension of time to file the Mid-Year Report by letters to the Federal Election Commission dated July 27 and July 28, 1981;

6) That, immediately upon discovering the deficient quality of the contributor data, he diligently used his best efforts to obtain any missing or incomplete data.

7) That, on or about August 6, 1981, he was advised for the first time by an individual employed by the Federal Election Commission that no procedure exists for the grant of extensions of time to file

and that an incomplete and/or inaccurate report could and should be filed, subject to being corrected by amendment;

8) That he then commenced the preparation of the Mid-Year Report and signed, dated and filed that Report on August 25, 1981;

9) That he engaged additional staff to assist with the compilation of missing or incomplete contributor data;

10) That every individual who made a contribution to the Hatch Election Committee or its affiliated committee during the reporting period, whose contribution or contributions had an aggregate amount or value in excess of \$200.00 within the calendar year and whose identification was incomplete or missing, was either telephoned or was written to, for the purpose of securing the requisite data;

11) That he filed two amendments to the Mid-Year Report, one dated September 22, 1981, and the second dated October 2, 1981, providing data not included in the original submission; and,

12) That the sole and exclusive reason why the Mid-Year Report was not filed on or before July 31, 1981 was because of the deficient quantity

and quality of the contributor data, a problem which he made every reasonable effort to correct as diligently and promptly as possible; and, that no one asked him, or suggested to him, that the filing of the Mid-Year Report, or the amendments thereto, be delayed or be filed incomplete.

IN WITNESS WHEREOF, this Affidavit has been executed this 4th day of November, 1981.

Stanley R. de Waal
STANLEY R. DE WAAL

Sworn to before me,
a Notary Public, this 4th
day of November, 1981.

Stanley R. de Waal

Notary Public

DE WAAL AND KEELER
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
OF THE AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
STANLEY R. DE WAAL
DEN KEELER

711 FIRST SECURITY BANK BUILDING
405 SOUTH MAIN
SALT LAKE CITY, UTAH 84111

July 27, 1981

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

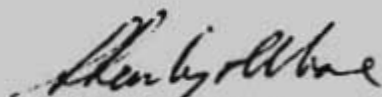
RE: Hatch Election Committee - S6 UT 00063
Hatch Associates - 600044677

Dear Sir:

We request an extension of time to file the semi-annual report due July 30, 1981 for the Hatch Election Committee and Hatch Associates.

We are in the process of converting parts of our system over to the computer and the program is not yet completed.

Very truly yours,



Stanley R. de Waal
Treasurer

SRD/bf

DE WAAL AND KEELER
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
OF THE AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
STANLEY R. DE WAAL
REX KEELER

711 FIRST SECURITY BANK BUILDING
408 SOUTH MAIN
SALT LAKE CITY, UTAH 84111

July 28, 1981

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

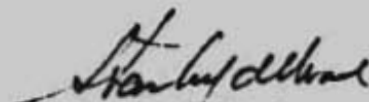
RE: Hatch Election Committee 600044677
Hatch Associates S6 UT 00063

Dear Sir:

We request an extension of time to file the semi-annual report due July 30, 1981 for the Hatch Election Committee and Hatch Associates to August 31, 1981.

We are in the process of concerting parts of our system over to the computer and the program is not yet completed.

Very truly yours,


Stanley R. de Waal
Treasurer

SRD/bf

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92040313842

SEDAM & HERGE, P.C.

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22102

To:

Kenneth A. Gross, Esq.

Associate General Counsel

Federal Election Commission

1325 K Street, N.W.

Washington, D. C. 20463

Attention of Judy Thedford

FIRST CLASS MAIL

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RECEIVED

Oct # 5729

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SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22108

(703) 821-1000

SUITE 270
1700 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D. C. 20006
(703) 821-1000
TELEX: 710-831-0886
CABLE: SEDAMHERGE

GLENN J. SEDAM, JR.
J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER

KAREN LUSSEN BLAIR
JOHN ROBERT CLARK III
B. ERIC SIVERTSEN

October 27, 1981

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention of Judy Thedford

Re: MUR 1394

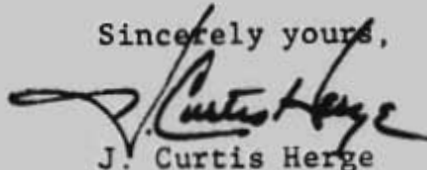
Dear Mr. Gross:

On behalf of Mr. Stanley R. de Waal, Treasurer of the Hatch Election Committee, we are writing to acknowledge receipt of your letters, dated October 9, 1981 and October 20, 1981, regarding the complaint of the Utah State Democratic Committee which has been designated MUR 1394.

Enclosed herewith, for your file, is a Statement of Designation of Counsel, signed by Mr. de Waal, which designates this firm to serve as counsel in this matter. Please note, however, that our mailing address has recently been changed to 8300 Greensboro Drive, McLean, Virginia 22102.

It is our intention to provide you with a substantive response to the allegations on or before November 9, 1981. Should there be any interim communication with respect to this matter, please address it to the attention of the undersigned.

Sincerely yours,


J. Curtis Herge

81 OCT 29 P1:54

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Sedam & Herge

ADDRESS: 7600 Old Springhouse Road, McLean, VA 22102

TELEPHONE: (703) 821-1000

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

October 21, 1981
Date

Signature

NAME: Stanley R. DeWaal

ADDRESS: 405 South Main, Suite 711
Salt Lake City, UT 84111

HOME PHONE:

BUSINESS PHONE: (801) 328-8173

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SEDAM & HERGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

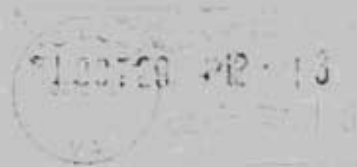
SUITE 1100

8300 GREENSBORO DRIVE

MCLEAN, VIRGINIA 22102

Kenneth A. Gross, Esq.
Associate General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Attention of Judy Thedford



92

101992 RECEIVED
OCT 26 1981
TELUM, INC.

October 20, 1981

OCT 26 P 3: 48

Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463

Re: MUR 1394


Dear Mr. Gross:

In response to the above matter pertaining to the complaint in paragraph 3 (c) of your letter of October 9, 1981, please accept the following information.

The \$2,000.00 contribution from Earl K. Cook, President of Telum, Inc. was a joint contribution of Earl K. Cook and Yvonne M. Cook. The check which was sent to the Hatch Election Committee was from a joint checking account naming both of the contributors on the check. The invitation for the contribution was made to both of the contributors and apparently there was a reporting error by the Hatch Election Committee by not naming us both as contributors.

If there are any other questions I would be happy to respond immediately upon written request.

Sincerely,



Earl K. Cook
President

EKC:wm

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TELUM, INC.

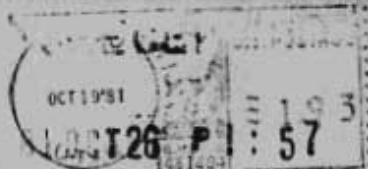
890 EAST 3600 NORTH
PROVO, UTAH 84601

CERTIFIED

P02 2299779

MAIL

RETURN RECEIPT REQUESTED



Mr. Kenneth A. Gross
Associate General Counsel
Federal Election Commission
Washington, D. C. 20463

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FEDERAL ELECTION COMMISSION 50
WASHINGTON, D.C. 20461

REC
OFF
GENERAL

RECEIVED
101990
81 OCT 26 P1:55
6045686

October 9, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley R. DeWaal, Treasurer
Hatch Election Committee
405 South Main Street
Suite 711
Salt Lake City, Utah 84111

Re: MUR 1394

Dear Mr. DeWaal:

This letter is to notify you that on October 5, 1981 the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1394. Please refer to this number in all future correspondence.

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

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

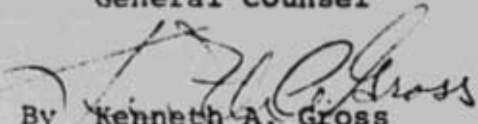
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter, please advise the Commission by 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 Judy Thedford, the staff member assigned to this matter at 202 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By  Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Senator Orrin G. Hatch

82040313849

101815

CC#556

110075 AM:47

FEDERAL ELECTION COMMISSION

UTAH STATE DEMOCRATIC COMMITTEE
Michael T. Miller, Chairman, complainant

COMPLAINT

HATCH ELECTION COMMITTEE

Respondant

STATE OF UTAH
COUNTY OF SALT LAKE

SS.

Michael T. Miller, upon being first duly sworn, deposes and says,

SEP 4 PM 1:46

1. That he is chairman of the Utah State Democratic Committee.
2. That he has examined the August 28, 1981 Federal Election report of the Hatch Election Committee, covering the reporting period of January 1, 1981, to June 30, 1981, due on July 31, 1981, as received by the Secretary of the Senate on September 8, 1981.
3. That the following violations of the Federal Election laws appear.
 - (a) of the 311 individual contributors listed, 153 do not list the employer. Failure to so list the employer of any person who contributes more than \$200 in the calender year is a violation of 2 U.S.C. 434 (b)(3)(A).
 - (b) most of the individuals listed as making contributions are identified by occupation such as "businessman" rather than principal job title or position as required by 2 U.S.C. 431 (13) and 11 C.F.R. 100.20.
 - (c) page 22 of schedule A of the Hatch Election Committee report lists a contribution of \$2,000.00 from Earl K. Cook, president of Telum, Inc., in violation of 2 U.S.C. 441a(a)(1)(A)
 - (d) On page 7 of the Hatch Election Committee report is a \$5,000 contribution from BOSPAC. 333 S. Hope Street, Los Angeles, CA. As far as we are able to determine BOSPAC is not registered with the F.E.C.
 - (e) The report was not filed timely.
4. These statements are not made upon personal knowledge, but are apparent from the face of the report itself.

82040313830

Dated this 30th day of September, 1981

Utah State Democratic Committee

Michael T. Miller

by Michael T. Miller, Chairman

Subscribed and sworn before me this 30 day of September, 1981.

My commission expires:

June 15, 1982

NOTARY PUBLIC

Scott Daniel

Residing at

Salt Lake County

address of complainant: 849 East 400 South
Salt Lake City, UT 84102
(801) 3290239.

82040313851

DESCRIPTION OF PRELIMINARY PROCEDURES
FOR PROCESSING COMPLAINTS FILED WITH THE
FEDERAL ELECTION COMMISSION

Complaints filed with the Federal Election Commission shall be referred to the Enforcement Division of the Office of the General Counsel, where they are assigned a MUR (Matter Under Review) number and assigned to a staff member. Within 5 days of receipt of a complaint, the Commission shall notify, in writing, any respondent listed in the complaint that the complaint has been filed and shall include with such notification a copy of the complaint. Simultaneously, the complainant shall be notified that the complaint has been received and will be acted upon. The respondent(s) shall then have 15 days to demonstrate, in writing, that no action should be taken against him/ her in response to the complaint.

At the end of the 15 days, the Office of General Counsel shall report to the Commission making a recommendation(s) based upon a preliminary legal and factual analysis of the complaint and any submission made by the respondent(s). A copy of respondent's submission shall be attached to the Office of General Counsel's report and forwarded to the Commission. This initial report shall recommend either: (a) that the Commission find reason to believe that the complaint sets forth a possible violation of the Federal Election Campaign Act (FECA) and that the Commission will conduct an investigation of the matter; or (b) that the Commission finds no reason to believe that the complaint sets forth a possible violation of the Federal Election Campaign Act (FECA) and, accordingly, that the Commission close the file on the matter.

If, by an affirmative vote of four (4) Commissioners, the Commission decides that it has reason to believe that a person has committed or is about to commit a violation of the Federal Election Campaign Act (FECA), the Office of the General Counsel shall open an investigation into the matter. During the investigation, the Commission shall have the power to subpoena documents, to subpoena individuals to appear for deposition, and to order answers to interrogatories. The respondent(s) may be contacted more than once by the Commission during its investigation.

If, during this period of investigation, the respondent(s) indicate a desire to enter into conciliation, the Office of General Counsel staff may begin the conciliation process prior to a finding of probable cause to believe a violation has been committed. Conciliation is an informal method of conference and persuasion to endeavor to correct or prevent a violation of the Federal Election Campaign Act (FECA). Most often, the result of conciliation is an agreement signed by the Commission and the respondent(s). The Conciliation Agreement must be adopted by four votes of the Commission before it becomes final. After signature by the Commission and the respondent(s), the Commission shall make public the Conciliation Agreement.

[If the investigation warrants], and no conciliation agreement is entered into prior to a probable cause to believe finding, the General Counsel must notify the respondent(s) of his intent to proceed to a vote on probable cause to believe that a violation of the Federal Election Campaign Act (FECA) has been committed or is about to be committed. Included with the notification to the respondent(s) shall be a brief setting forth the position of the General Counsel on the legal and factual issues of the case. Within 15 days of receipt of such brief, the respondent(s) may submit a brief posing the position of respondent(s) and replying to the brief of the General Counsel. Both briefs will then be filed with the Commission Secretary and will be considered by the Commission. Thereafter, if the Commission determines by an affirmative vote of four (4) Commissioners, that there is probable cause to believe that a violation of the FECA has been committed or is about to be committed conciliation must be undertaken for a period of at least 30 days but not more than 90 days. If the Commission is unable to correct or prevent any violation of the FECA through conciliation the Office of General Counsel may recommend that the Commission file a civil suit against the respondent(s) to enforce the Federal Election Campaign Act (FECA). Thereafter, the Commission may, upon an affirmative vote of four (4) Commissioners, institute civil action for relief in the District Court of the United States.

See 2 U.S.C. § 437g, 11 C.F.R. Part 111.

November 1980

STATEMENT OF DESIGNATION OF COUNSEL

NAME OF COUNSEL: Sedam & Herge

ADDRESS: 7600 Old Springhouse Road, McLean, VA 22102

TELEPHONE: (703) 821-1000

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

October 21, 1981
Date

Signature



NAME: Stanley R. DeWaal

ADDRESS: 405 South Main, Suite 711
Salt Lake City, UT 84111

HOME PHONE: (801) 966-1549

BUSINESS PHONE: (801) 328-8173

82040313854

5 DeWAAL AND KEELER
CERTIFIED PUBLIC ACCOUNTANTS
711 FIRST SECURITY BANK BUILDING
405 SOUTH MAIN STREET
SALT LAKE CITY, UTAH 84111



55

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

102



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

101488
81 OCT 26 P 4 DEC 57 1977

ACKNOWLEDGEMENT OF RECEIPT
OF

Statement of Organization

Filed pursuant to the Federal Election Campaign Act of 1971, as amended

Mr. Walter C. Bickett, Treasurer
J.G. Boswell Company Employees' Political Action
Committee
333 S. Hope Street
Suite 4600
Los Angeles, California 90071

DATE: 11-29-77

NOTICE REGARDING FILINGS
UNDER THE FEDERAL ELECTION CAMPAIGN ACT OF 1971, AS AMENDED

Your assigned FEC IDENTIFICATION NUMBER is C00082677

In the future this number should be entered on all subsequent reports filed under the Act, as well as on all communications concerning such reports and statements. This acknowledgement will be the only receipt provided directly by the Commission, for documents filed. The Commission recommends that all future filings be mailed Certified or Registered, Return Receipt Requested, in order to insure timeliness of your filings and to provide additional receipts for your records.

FEDERAL ELECTION COMMISSION

FEC FORM 20 (10/12/76)
(Supersedes FEC Forms 13, 14, and 15)
GPO 909-680

103

A Political Action Committee
for Stockholders and Employees
of J. G. Sawett Company

BOSPAC

SUITE 4000, SECURITY PACIFIC PLAZA

333 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071

October 20, 1981

6115698
RECEIVED
81 OCT 26 P 4:57

Chairman
W. C. Bickett
Treasurer

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Federal Election Commission
Washington, D. C.

Attention: Kenneth A. Gross
Associate General Counsel

Re: MUR 1394

Gentlemen:

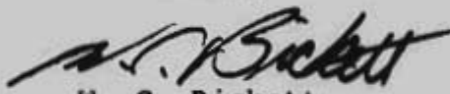
We acknowledge receipt of your October 9 letter advising us of a complaint alleging that we may have violated certain sections of the Federal Election Campaign Act of 1971.

Item 3.(d) of the complaint states that the Complainant was unable to determine that BOSPAC is registered with the FEC.

BOSPAC was registered with the FEC in 1977, as evidenced by the enclosed copy of your FEC Form 20, issued under date of 11-29-77, assigning us FEC Identification Number C00082677.

We will be happy to furnish any additional information you may require.

Sincerely,


W. C. Bickett
Treasurer

boc
Enclosure

BOSPAC

SUITE 4600, SECURITY PACIFIC PLAZA
333 SOUTH HOPE STREET
LOS ANGELES, CALIFORNIA 90071



OCT 29

57

Federal Election Commission
Washington, D. C.

Attention: Kenneth A. Gross
Associate General Counsel

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

CERTIFIED

P25 1689000

MAIL

105



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 20, 1981

SPECIAL DELIVERY
RETURN RECEIPT REQUESTED

Stanley R. deWaal, Treasurer
Hatch Election Committee
405 South Main Street
Suite 711
Salt Lake City, Utah 84111

RE: MUR 1394

Dear Mr. deWaal:

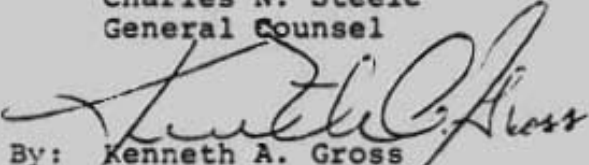
On October 9, 1981, you were notified that the Federal Election Commission received a complaint from Michael T. -- Miller, Chairman of the Utah State Democratic Committee, alleging that your committee has violated certain sections of the Federal Election Campaign Act of 1971, as amended. You were also provided a copy of the complaint and informed that your response to the complaint should be submitted within fifteen days of your receipt of the notification.

On October 19, 1981, the Commission received a letter from the complainant pertaining to the allegations in the complaint. We are enclosing a copy of this letter. As this letter is considered an amendment of the original complaint, you are hereby afforded an additional 15 days in which to respond to the allegations.

If you have any questions, please contact Judy Thedford at (202)523-4057.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure

cc: The Honorable Orrin G. Hatch

Post-154

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

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

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

2. ARTICLE ADDRESSED TO:
 Stanley R. deWaal
 405 South Main St., Suite 711
 Salt Lake City, Utah 84111

3. ARTICLE DESCRIPTION
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 943334

(Always obtain signature of addressee or agent)

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

4. DATE OF DELIVERY
 OCT 23 1981

5. ADDRESS: Complete only if requested.

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

©GPO: 1977 - O-240-596

10-20-81

U S B I U C I U C 6

Michael T. Miller
Chairman

Janet Prazen
Vice-Chairman

Dolly Plumb
Treasurer

Beverly White
Secretary

Thomas W. dZerega
National Committeeman

Elizabeth Vance
National Committeewoman

Scott Davis
Administrative Assistant

Lois Lockhart
Office Manager



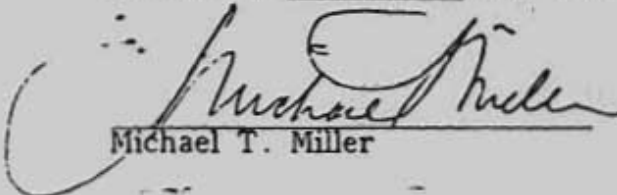
Utah State Democratic Committee

OCT 19 12:09

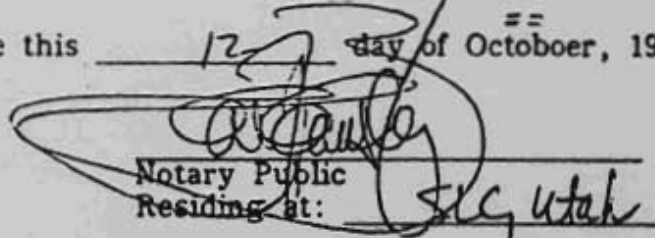
State of Utah]
County of Salt Lake] ss.

Michael T. Miller, upon being first duly sworn, deposes and says that he is chairman of the Utah State Democratic Committee, that the foregoing letter is correct to the best of his knowledge and belief.

Dated this 12 day of October, 1981.


Michael T. Miller

Subscribed and sworn before me this 12 day of October, 1981.


Notary Public
Residing at: Salt Lake City, Utah

My Commission expires:

5-1-85

Michael T. Miller
Chairman

Garet Prazen
Vice Chairman

Dolly Plumb
Treasurer

Beverly White
Secretary

Thomas W. Glezera
National Committeeman

Elizabeth Vance
National Committeewoman

Scott Davis
Administrative Assistant

Luis Lockhart
Office Manager



Utah State Democratic Committee

October 5, 1981

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

Re: Complaint - Utah State Democratic Committee
Michael T. Miller, Chairman
Respondent - Hatch Election Committee
Date of Complaint - September 30, 1981

Dear Sirs and Mesdames:

On September 30, 1981 we filed a Complaint against the Hatch Election Committee with the Federal Election Commission. Mr. Hatch's spokesman has stated to the press that our charges are merely technical and the violations are trivial.

The purpose of this letter is to more thoroughly explain the context in which the charges are made; the actual background of the charges; and their significance. We are requesting that the Commission make an investigation of the violation, including a field investigation. The facts stated in this letter, for the most part, are not made on personal knowledge, but are taken primarily from news accounts. In the event of a field investigation, we are confident that witnesses can be produced to substantiate the facts contained herein.

BACKGROUND The IPP Controversy

For some years, the construction of a very large coal burning power plant in Utah has been contemplated. After several years of discussions over siting, ownership, environmental impact, water use, and the like, it has been determined to build this power plant in Southern Utah. The plant, when constructed, will generate 3000 megawatts of electricity, and will cost \$8.7 billion to construct. This very large construction project is called the Intermountain Power Project, (hereinafter IPP).

The construction of the IPP was to begin in October of this year. It would be owned by twenty-three municipalities in Utah. It would be financed by municipal bonds issued by these municipalities. The governing body of the IPP is the Intermountain Power Authority (IPA), a seven member board, representing the twenty-three municipalities. The IPA is established by statute and is a subdivision of the State of Utah. Although it has ultimate decision making authority, most of the initial decisions are to be made by a group called the Intermountain Power Project Coordinating Committee, consisting of thirty-six private investors, who will be purchasing the electricity. The thirty-six investors do not have equal voting rights, but have rights according to percentage of power which they have contracted to purchase. Over half of the power will be purchased by California investors. The largest single investor is the Los Angeles Power and Light Board. The second largest single investor is Utah Power and Light, which will purchase twenty-five-percent of the power and consequently has twenty-five percent of the vote on the coordinating committee. Any action of the coordinating committee requires an eighty percent vote. Because of this, Utah Power and Light has a veto of essentially any decision made by the coordinating-committee. It was agreed early on that the construction manager for the IPP would be selected by the Los Angeles Power and Light Board. This is because Los Angeles Power and Light is the largest investor, and because it has the most experience in the construction of very large fossil fuel burning projects.

Three construction management companies were under serious consideration as the project manager. One of these was Bechtel, a California concern; another was Daniel Construction Company, a South Carolina firm; and the third was Jelco, a Utah construction company. It is significant to note that Utah Senator Orrin Hatch and Utah State Representative C. McClain Haddow publically characterized Bechtel as a "union company" and conversely Daniel Construction as "non-union company".

Daniel Construction Company was considered the front runner to become construction manager of IPP until mid-summer of 1981. At that time it began to become apparent that Los Angeles Power and Light Board was inclined to choose Bechtel as the construction manager.

On August 7, 1981 Senator Hatch, along with Utah Senator Garn and Utah's two congressmen, wrote a letter to Utah Power and Light strongly urging them not to support Bechtel as construction manager. Specifically, the letter says:

In addition, it has come to our attention that U.P. & L. is supporting the California choice for the construction manager, rather than the Utah participant's choice for that construction manager. In doing so, you are placing yourself in a position

running counter to the public interests of this State and the many, many rate payers whom you serve.

Although it is not clear from the context, it is apparent that the "Utah participant's choice" being referred to is Daniel Construction Company.

On August 10, 1981, Senator Hatch and his campaign coordinator and former administrative assistant, C. McClain Haddow, a Utah State legislator, met with Utah Power and Light officers in an attempt to convince them to block Bechtel as the construction manager. Because Utah Power and Light had veto power in the coordinating committee, it had this power if it chose.

During this period of time Mr. Haddow ran a series of radio ads encouraging rate payers to call Utah Power and Light and ask them to block Bechtel as the construction manager. These ads cost about \$6,000 and it is not clear to us exactly who paid for the ads. It is significant that the Hatch election report shows rather large payments being made from Senator Hatch's election campaign fund to Mr. Haddow's consulting firm.

On August 12, 1981, U.P. & L. asked for a delay in vote to confirm Bechtel as the construction manager.— As the Deseret News described this vote:

The U.P. & L. action was seen as a victory of sorts by Haddow and Hatch, who have put tremendous pressure on the Utah utility to fight for a merit shop called Daniel International, instead of Bechtel Power Corp., the apparent choice of the Southern California utility.
(Deseret News August 12, 1981)

On August 17, 1981, the coordinating committee finally did meet and approved Bechtel as the construction manager. Utah Power & Light voted to approve Bechtel, despite pressure from Senator Hatch, Representative Haddow, and the telephone campaign directed toward them. This was apparently because Utah Power & Light had agreed previously to support the choice of the Los Angeles Power & Light Board unless its choice was shown to be made in bad faith.

The choice of Bechtel having been made by the coordinating committee, the battle now shifted to the Intermountain Power Authority. On August 20th it met and instructed the Los Angeles Department of Water and Power to submit a proposed contract and IPA would make the final decision as to the construction manager. This was followed by another series of ads sponsored by Representative Haddow.

It is also important to note that throughout this period of time a controversy was raging regarding the propriety of Haddow's actions. In July of that year he, along with three other Utah legislators, had attended a barbecue in South Carolina paid by Mr. Thompson, the attorney for Daniel International

Corporation. On August 20th the Utah State A.F.L./C.I.O. demanded an investigation of this trip. On August 23rd, the Utah State Democratic Committee called for an investigation. On August 30, 1981, Common Cause asked Haddow to open his books to the public for scrutiny regarding contributions or contracts with Daniel International. On August 31st the minority leader of the legislature asked for a probe regarding a possible ethical violation by Mr. Haddow accepting this trip. Although these charges do not relate directly to Mr. Hatch, they demonstrate the high level of controversy regarding these issues that was present in the State of Utah during the month of August, 1981.

Finally, on September 2, 1981, the Intermountain Power Coordinating Committee reaffirmed its selection of Bechtel as the construction manager. Also at that meeting were four of the seven IPA members who similarly voted to support Bechtel. At that point it became obvious that Bechtel, rather than Daniel Construction was going to be the project manager.

On that same day Hatch made a reorganization in his campaign and replaced Haddow as campaign manager. On September 7, 1981, Senator Hatch indicated that he would go along with the decision of the IPA.

The Specific Charges

The significance of the charges that we have made in our complaint becomes clear when this background is considered. Three of our five charges are particularly significant. The first of these is that the report was filed late; the second is that the report, when filed, did not include the employers of many of the contributors; the third is that occupation was not listed specifically by position and job title as the law requires.

The purpose of the campaign disclosure law is to allow the public to be apprised of possible conflicts of interest, and to be able to compare the actions taken by public officials with the possible influence being exerted by their campaign contributors. When a public official, such as Senator Hatch, takes actions which inure directly to the benefit of a private contractor, such as Daniel International, the public is entitled to know what contributions are coming directly or indirectly from Daniel International or its employees.

Since almost half of Senator Hatch's contributors were not identified by occupation, it was impossible for the average person to know whether any of the funds contributed to Senator Hatch were related in any way to Daniel International. By checking Dunn and Bradstreet listing for Daniel International Corporation, or its parent Fluor Corp., we were able to identify some of the contributors as employees of Daniel International Corp. The following contributors each donated \$250.00 to Hatch Election Committee on February 28, 1981:

Mr. Buck Mickel is Chairman of the Board and Chief Executive Officer
of Daniel International Corporation

Mr. Thomas P. Townsend is Group Vice President for Western Hemisphere of Daniel Construction Company Division

Mr. T. C. Johnson is Executive Vice President of Construction of Daniel Construction Company Division

Mr. Gerald M. Glenn is Vice President for Domestic Marketing of Daniel Construction Company Division

Mr. Ralph L. Ogden is a Group Vice President for Daniel Construction Company Division

Mr. C. R. Cox is Executive Vice President for Marketing of Daniel Construction Company Division

Mr. Currie B. Spivey Jr. is President of Daniel Construction Company Division and Executive Vice President of Daniel International Corporation

Mr. L. G. McCraw is a Group Vice President for Daniel Construction Company Division

Mr. R. W. Dean is a Group Vice President for Daniel Construction Company Division

Mr. Bob L. Banks is Vice President for Industrial Relations of Daniel International Corporation

Mr. George E. McDougall is a Daniel International Corporation Vice President and is Chairman of Daniel International, Saudi Arabia, Ltd.

Mr. Howard W. McCall is President of the Daniel Construction Company Division

Mr. Clyde T. Green is a Group Vice President of Daniel Construction Company Division in Richmond, Virginia.

Of these 13 individuals only two are listed as being employed by Daniel Construction Company, and none of them are identified as to their position. Rather, each is listed as a "businessman". How many other contributors are officers or employees of Daniel International Corp., its parent Fluor Corp., or some related company, we do not know.

The Hatch Election Committee's failure to file on July 31st, as required by law, is a willful violation of the Act. It appears that Senator Hatch's committee did not want the public to become apprised of his connections with Daniel International while he was exerting pressure on Utah Power & Light to reject the Corporation in favor of Daniel International. The failure to file on

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July 31st, is not a mere technical violation. In this instance, failure to file timely was a direct frustration of the purpose of the Act.

Even when the report was filed, a month late, it was not useful in conveying to the public Senator Hatch's involvement with Daniel International because of the failure to list employers. The cover letter submitted with the report indicated: "We have been unable to complete the information on itemized receipts. We will furnish the information next week and mail to you an amended report at that time."

Insofar as we are aware, no amended report has ever been submitted. Even if it has, or if it is, the Hatch Election Committee has succeeded in evading the law by keeping this contribution information secret until after the IPP construction manager decision had been made. Had the decision been made in favor of Daniel International, it would have been too late for the public to have responded to a disclosure that Senator Hatch was financially beholden to Daniel International. It is impossible for us to believe that the Hatch Election Committee was "unable to furnish the information" concerning the employer of these contributors. They are not low level employees or people who are unknown to Mr. Hatch and his office. In any event, it is clear that the Hatch Election Committee chose to withhold this information from public scrutiny until the IPP controversy had "blown over".

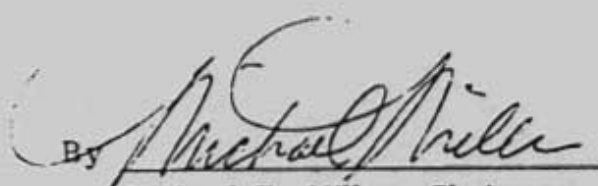
CONCLUSION In our view the charges which We have made against Hatch Election Committee are not trivial, nor are they merely technical. Rather, they go to the heart of the purpose from the campaign contribution disclosure laws. The Hatch Election Committee's evasion of their duties under these laws demonstrates a willful arrogance and disregard of the Federal Election laws, and an attitude of "being above the law".

We urge the Commission to investigate these violations and to impose appropriate sanctions.

Very Truly Yours,

UTAH STATE DEMOCRATIC COMMITTEE

By


Michael T. Miller, Chairman

101922
OCT 19 10:40
CCH#5666



Utah State Democratic Committee

Michael T. Miller Chairman	Thomas W. diZerega National Committeeman
Janet Prazen Vice-chairman	Elizabeth Vance National Committeewoman
Dolly Plumb Treasurer	Scott Davis Administrative Assistant
Beverly White Secretary	Lois Lockhart Office Manager

OCT 19 12:09

State of Utah }
County of Salt Lake } ss.

127112
1394

Michael T. Miller, upon being first duly sworn, deposes and says that he is chairman of the Utah State Democratic Committee, that the foregoing letter is correct to the best of his knowledge and belief.

Dated this 12 day of October, 1981.

Michael T. Miller

Subscribed and sworn before me this 12 day of Octoboe, 1981.

Notary Public
Residing at: SLC, Utah

My Commission expires:

5-1-85

115

Michael T. Miller
Chairman

Janet Prazan
Vice Chairman

Dolly Plumb
Treasurer

Beverly White
Secretary

Thomas W. deVerege
National Committeeman

Elizabeth Vance
National Committeewoman

Scott Davis
Administrative Assistant

Lou Lockhart
Office Manager



Utah State Democratic Committee

October 5, 1981

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

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During this period of time Mr. Haddow ran a series of radio ads encouraging rate payers to call Utah Power and Light and ask them to block Bechtel as the construction manager. These ads cost about \$6,000 and it is not clear to us exactly who paid for the ads. It is significant that the Hatch election report shows rather large payments being made from Senator Hatch's election campaign fund to Mr. Haddow's consulting firm.

On August 12, 1981, U.P. & L. asked for a delay in vote to confirm Bechtel as the construction manager. As the Deseret News described this vote:

The U.P. & L. action was seen as a victory of sorts by Haddow and Hatch, who have put tremendous pressure on the Utah utility to fight for a merit shop called Daniel International, instead of Bechtel Power Corp., the apparent choice of the Southern California utility.
(Deseret News August 12, 1981)

On August 17, 1981, the coordinating committee finally did meet and approved Bechtel as the construction manager. Utah Power & Light voted to approve Bechtel, despite pressure from Senator Hatch, Representative Haddow, and the telephone campaign directed toward them. This was apparently because Utah Power & Light had agreed previously to support the choice of the Los Angeles Power & Light Board unless its choice was shown to be made in bad faith.

The choice of Bechtel having been made by the coordinating committee, the battle now shifted to the Intermountain Power Authority. On August 20th it met and instructed the Los Angeles Department of Water and Power to submit a proposed contract and IPA would make the final decision as to the construction manager. This was followed by another series of ads sponsored by Representative Haddow.

It is also important to note that throughout this period of time a controversy was raging regarding the propriety of Haddow's actions. In July of that year he, along with three other Utah legislators, had attended a barbecue in South Carolina paid by Mr. Thompson, the attorney for Daniel International

Corporation. On August 20th the Utah State A.F.L./C.I.O. demanded an investigation of this trip. On August 23rd, the Utah State Democratic Committee called for an investigation. On August 30, 1981, Common Cause asked Haddow to open his books to the public for scrutiny regarding contributions or contracts with Daniel International. On August 31st the minority leader of the legislature asked for a probe regarding a possible ethical violation by Mr. Haddow accepting this trip. Although these charges do not relate directly to Mr. Hatch, they demonstrate the high level of controversy regarding these issues that was present in the State of Utah during the month of August, 1981.

Finally, on September 2, 1981, the Intermountain Power Coordinating Committee reaffirmed its selection of Bechtel as the construction manager. Also at that meeting were four of the seven IPA members who similarly voted to support Bechtel. At that point it became obvious that Bechtel, rather than Daniel Construction was going to be the project manager.

On that same day Hatch made a reorganization in his campaign and replaced Haddow as campaign manager. On September 7, 1981, Senator Hatch indicated that he would go along with the decision of the IPA.

The Specific Charges

The significance of the charges that we have made in our complaint becomes clear when this background is considered. Three of our five charges are particularly significant. The first of these is that the report was filed late; the second is that the report, when filed, did not include the employers of many of the contributors; the third is that occupation was not listed specifically by position and job title as the law requires.

The purpose of the campaign disclosure law is to allow the public to be apprised of possible conflicts of interest, and to be able to compare the actions taken by public officials with the possible influence being exerted by their campaign contributors. When a public official, such as Senator Hatch, takes actions which inure directly to the benefit of a private contractor, such as Daniel International, the public is entitled to know what contributions are coming directly or indirectly from Daniel International or its employees.

Since almost half of Senator Hatch's contributors were not identified by occupation, it was impossible for the average person to know whether any of the funds contributed to Senator Hatch were related in any way to Daniel International. By checking Dunn and Bradstreet listing for Daniel International Corporation, or its parent Fluor Corp., we were able to identify some of the contributors as employees of Daniel International Corp. The following contributors each donated \$250.00 to Hatch Election Committee on February 28, 1981:

Mr. Buck Mickel is Chairman of the Board and Chief Executive Officer
of Daniel International Corporation

Mr. Thomas P. Townsend is Group Vice President for Western Hemisphere of Daniel Construction Company Division

Mr. T. C. Johnson is Executive Vice President of Construction of Daniel Construction Company Division

Mr. Gerald M. Glenn is Vice President for Domestic Marketing of Daniel Construction Company Division

Mr. Ralph L. Ogden is a Group Vice President for Daniel Construction Company Division

Mr. C. R. Cox is Executive Vice President for Marketing of Daniel Construction Company Division

Mr. Currie B. Spivey Jr. is President of Daniel Construction Company Division and Executive Vice President of Daniel International Corporation

Mr. L. G. McCraw is a Group Vice President for Daniel Construction Company Division

Mr. R. W. Dean is a Group Vice President for Daniel Construction Company Division

Mr. Bob L. Banks is Vice President for Industrial Relations of Daniel International Corporation

Mr. George E. McDougall is a Daniel International Corporation Vice President and is Chairman of Daniel International, Saudi Arabia, Ltd.

Mr. Howard W. McCall is President of the Daniel Construction Company Division

Mr. Clyde T. Green is a Group Vice President of Daniel Construction Company Division in Richmond, Virginia.

Of these 13 individuals only two are listed as being employed by Daniel Construction Company, and none of them are identified as to their position. Rather, each is listed as a "businessman". How many other contributors are officers or employees of Daniel International Corp., its parent Fluor Corp., or some related company, we do not know.

The Hatch Election Committee's failure to file on July 31st, as required by law, is a willful violation of the Act. It appears that Senator Hatch's committee did not want the public to become apprised of his connections with Daniel International while he was exerting pressure on Utah Power & Light to reject Bechtel Corporation in favor of Daniel International. The failure to file on

July 31st, is not a mere technical violation. In this instance, failure to file timely was a direct frustration of the purpose of the Act.

Even when the report was filed, a month late, it was not useful in conveying to the public Senator Hatch's involvement with Daniel International because of the failure to list employers. The cover letter submitted with the report indicated: "We have been unable to complete the information on itemized receipts. We will furnish the information next week and mail to you an amended report at that time."


Insofar as we are aware, no amended report has ever been submitted. Even if it has, or if it is, the Hatch Election Committee has succeeded in evading the law by keeping this contribution information secret until after the IPP construction manager decision had been made. Had the decision been made in favor of Daniel International, it would have been too late for the public to have responded to a disclosure that Senator Hatch was financially beholden to Daniel International. It is impossible for us to believe that the Hatch Election Committee was "unable to furnish the information" concerning the employer of these contributors. They are not low level employees or people who are unknown to Mr. Hatch and his office. In any event, it is clear that the Hatch Election Committee chose to withhold this information from public scrutiny until the IPP controversy had "blown over".

CONCLUSION In our view the charges which We have made against Hatch Election Committee are not trivial, nor are they merely technical. Rather, they go to the heart of the purpose from the campaign contribution disclosure laws. The Hatch Election Committee's evasion of their duties under these laws demonstrates a willful arrogance and disregard of the Federal Election laws, and an attitude of "being above the law".

We urge the Commission to investigate these violations and to impose appropriate sanctions.

Very Truly Yours,

UTAH STATE DEMOCRATIC COMMITTEE

By 
Michael T. Miller, Chairman



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 9, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stanley R. DeWaal, Treasurer
Hatch Election Committee
405 South Main Street
Suite 711
Salt Lake City, Utah 84111

Re: MUR 1394

Dear Mr. DeWaal:

This letter is to notify you that on October 5, 1981 the Federal Election Commission received a complaint which alleges that your Committee may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1394. Please refer to this number in all future correspondence.

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

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

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

If you intend to be represented by counsel in this matter, please advise the Commission by 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.

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If you have any questions, please contact Judy Thedford, the staff member assigned to this matter at 202 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By *Kenneth A. Gross*
Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

cc: Senator Orrin G. Hatch

1394 *thedford*

Form 3811, Jan. 1979

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.
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery.

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ASSIGNED TO:
*Stanley R. DeWaal, Presr.
Hatch Election Cmte.*

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
993304

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE *m Barber* ADDRESS (Authenticated agent)

4. DATE OF DELIVERY
10-20-81

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

10-9-81

☆ GPO : 1979-285-048

122



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 9, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl K. Cook
3751 Pebble Lane
Provo, Utah 84601

Re: MUR 1394

Dear Mr. Cook:

This letter is to notify you that on October 5, 1981 the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1394. Please refer to this number if all future correspondence.

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

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

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

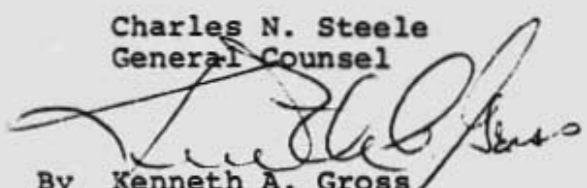
If you intend to be represented by counsel in this matter, please advise the Commission by sending a letter of representation stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

Letter to Mr. Cook
Page 2

If you have any questions, please contact Judy Thedford, the staff member assigned to this matter at 202 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By 
Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

1394 Thedford

10-9-81

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED 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.....
☐ RESTRICTED DELIVERY
Show to whom, date, and address of delivery.....

(CONSULT POSTMASTER FOR FEES)

2. ARTICLES ACCOMPANYING TO:
Earl K. Cook
3251 Ridge Lane
P.O. Box 84601

3. ARTICLE'S DESCRIPTION:
REGISTERED NO. 943302 INSURED NO.

(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE: [Signature] DATE: [Date]

4. ADDRESS OF DELIVERY
Oct 18 1981

5. UNABLE TO DELIVER REASON:
CLIENT'S INITIALS

100

12.5



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 9, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

BOSPAC
333 S. Hope Street
Los Angeles, California

Re: MUR 1394

Dear Sir or Madam:

This letter is to notify you that on October 5, 1981 the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act") or Chapters 95 and 96 of Title 26, U.S. Code. A copy of this complaint is enclosed. We have numbered this matter MUR 1394. Please refer to this number if all future correspondence.

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

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

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

If you intend to be represented by counsel in this matter, please advise the Commission by 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.

Letter to BOSPAC
Page 2

If you have any questions, please contact Judy Thedford, the staff member assigned to this matter at 202 523-4057. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele
General Counsel

By *Kenneth A. Gross*
Kenneth A. Gross
Associate General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

1394 R Thedford

PS Form 3811, Jan. 1978

1. The following information is required for delivery of this article: <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"/> Show to whom and date delivered..... <input type="checkbox"/> RESTRICTED DELIVERY <input type="checkbox"/> Show to whom, date, and address of delivery.....		2. ARTICLES ADDRESSED TO: BOSPAC 333 South Hope St. Los Angeles, Calif.		3. ARTICLE DESCRIPTION: REGISTERED NO. 505540 CERTIFIED NO. 505540 INSURED NO.		4. DATE DELIVERED OCT 19 1981 SIGNATURE: <i>CH Gross</i>		5. ADDRESS (Complete only if required) 111		6. UNABLE TO DELIVER BECAUSE: 10-9-81	
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RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 9, 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael T. Miller, Chairman
Utah State Democratic Committee
849 East 400 South
Salt Lake City, Utah 84102

Dear Mr. Miller:

This letter is to acknowledge receipt of your complaint of September 30, 1981, against the Hatch Election Committee, Earl K. Cook and BOSPAC which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within 5 days and a recommendation to the Federal Election Commission as to how this matter should be initially handled will be made 15 days after the respondents' 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 procedures for handling complaints.

Sincerely,

Elissa T. Garr

Elissa T. Garr
Docket Chief

Enclosure

MUR 1394 Laidlaw

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.....
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery.....

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
Michael F. Miller,
Chairman, Utah State
Dem Comm

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 805546

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Address Authorized agent

[Signature]

4. DATE OF DELIVERY POSTMARK
OCT 16 1981 *OCT 16 1981*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS
MC

101815 RECEIVED
GCC#5569
21 OCT 5 AM: 47

FEDERAL ELECTION COMMISSION

UTAH STATE DEMOCRATIC COMMITTEE
Michael T. Miller, Chairman, complainant

COMPLAINT

HATCH ELECTION COMMITTEE

Respondant

STATE OF UTAH
COUNTY OF SALT LAKE

SS.

Michael T. Miller, upon being first duly sworn, deposes and says,

1. That he is chairman of the Utah State Democratic Committee.
2. That he has examined the August 28, 1981 Federal Election report of the Hatch Election Committee, covering the reporting period of January 1, 1981, to June 30, 1981, due on July 31, 1981, as received by the Secretary of the Senate on September 8, 1981.
3. That the following violations of the Federal Election laws appear.
 - (a) of the 311 individual contributors listed, 153 do not list the employer. Failure to so list the employer of any person who contributes more than \$200 in the calender year is a violation of 2 U.S.C. 434 (b)(3)(A).
 - (b) most of the individuals listed as making contributions are identified by occupation such as "businessman" rather than principal job title or position as required by 2 U.S.C. 431 (13) and 11 C.F.R. 100.20.
 - (c) page 22 of schedule A of the Hatch Election Committee report lists a contribution of \$2,000.00 from Earl K. Cook, president of Telum, Inc., in violation of 2 U.S.C. 441a(a)(1)(A)
 - (d) On page 7 of the Hatch Election Committee report is a \$5,000 contribution from BOSPAC. 333 S. Hope Street, Los Angeles, CA. As far as we are able to determine BOSPAC is not registered with the F.E.C.
 - (e) The report was not filed timely.
4. These statements are not made upon personal knowledge, but are apparent from the face of the report itself.

SEP 4 PM 1:46

GENERAL

82010313991

Dated this 30th day of September, 1981

Utah State Democratic Committee

Michael T. Miller

by Michael T. Miller, Chairman

Subscribed and sworn before me this 30 day of September, 1981.

My commission expires:

June 15, 1982

NOTARY PUBLIC

Scott Daniel

Residing at

Salt Lake County

address of complainant: 849 East 400 South
Salt Lake City, UT 84102
(801) 3290239.

82010313895

Utah State Democratic Committee

847 E 400 South

Salt Lake City, Ut 84102



Federal Election Commission

1325 K Street, N.W.

Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF TUCR # 1394

Date Filmed 3/30/82 Camera No. --- 2

Cameraman APC