



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4429

DATE FILMED 6-5-57 CAMERA NO. 4

CAMERAMAN JMN

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Massachusetts
Republican Party



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COMMISSION
MAIL ROOM

AUG 5 11 48 AM '96 17-725-1996
800-622-VOTE
617-367-7342 FAX

Jim Rappaport
Chairman

114 State Street • Boston, Massachusetts • 02109

MUR 4429

July 31, 1996

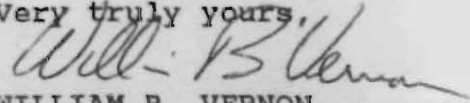
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Complaint against Delahunt for Congress Committee

Dear Sirs:

I have enclosed a complaint regarding the above-entitled
campaign committee. Thank you for your attention.

Very truly yours,


WILLIAM B. VERNON
Executive Director

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OFFICE OF GENERAL
COUNSEL
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OFFICE OF GENERAL
COUNSEL

July 31, 1996

BEFORE THE FEDERAL ELECTION COMMISSION

Delahunt for Congress Committee)
Blaine, the Beauty Career Schools)
Henri R. Blaine)

MUR # 4429

COMPLAINT

I. SUMMARY

Democratic Congressional candidate Bill Delahunt has violated federal law in organizing an event planned for Wednesday, July 31, 1996. Specifically, Delahunt accepted corporate contributions from Blaine, the Beauty Career Schools. Corporations may not contribute to federal campaigns -- donations of stationery and/or corporate endorsements to the general public are unlawful. 2 U.S.C. Section 441b(a) (1994). The FEC should investigate these activities and take appropriate action.

II. JURISDICTION

The Massachusetts Republican State Committee (MRSC), by and through its Executive Director, William B. Vernon, brings this complaint pursuant to 2 U.S.C. Section 437g(a)(1) (1994). The MRSC is located at 114 State Street, Boston, MA 02109.

III. FACTS & DISCUSSION

Blaine Corporation's July 17, 1996 Letter Violated
FEC Prohibitions Against Corporate Contributions

Blaine, The Beauty Career Schools is a Massachusetts corporation specializing in hair design, nail care, and make-up. On July 17, 1996, Henri R. Blaine -- president of this corporation -- drafted a letter endorsing Bill Delahunt and inviting "Cape Cod's big and small business owners" to a campaign event on Delahunt's behalf. See Blaine 7/17/96 Letter (Exh. I). This letter was written on Blaine Corporate Stationery and mailed in an envelope with a Delahunt for Congress Committee return address.

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This invitation violates several laws. First, corporations may NOT make contributions to candidates, such as providing corporate stationery or office administrative services. See 2 U.S.C. Section 441b (a) (1996); see also MUR 3540, Prudential Securities fined \$550,000 in 1995 for extensive corporate contributions and facilitation of fundraising. It is likewise inappropriate for a corporation to expressly advocate the election of a clearly identified candidate to the general public. 11 CFR Section 114.4(c)(1) (1996). Considering the fact that this mailing was made listing Delahunt's campaign office as the return address, one may safely conclude that Blaine Corp. coordinated with the Delahunt Committee.

The event to which Blaine Corporation invites other businessmen appears to be a fundraising event, for which corporate sponsorship is certainly inappropriate. This event is scheduled for Wednesday, July 31, 1996 at "Baxter's Boat House."

IV. PRAYER FOR RELIEF

The Commission should investigate the campaign practices of the Delahunt for Congress Campaign, particularly with respect to its disregard for prohibited corporate contributions. The Commission should further take appropriate actions to deter future violations.

Respectfully Submitted,

William B. Vernon
William B. Vernon
Executive Director

Commonwealth of Massachusetts
Suffolk, SS.

Signed and sworn to before me this 31st day of July, 1996

[Signature]
NOTARY PUBLIC

My commission expires: 6/28/02

Blaine!

THE BEAUTY CAREER SCHOOLS

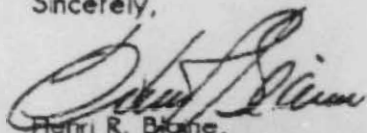
July 17, 1996

Dear Colleague:

As a Cape Cod businessman, I feel it is very important for us to know who represents us in Congress. The Cape needs to have a voice on economic as well as social issues that affect us.

I happen to know and have the highest regard for William Delahunt, who is running to fill the retired seat of Congressman Gerry Studds, and I would like to introduce him to you. Please join Cape Cod's big and small business owners at Baxter's Boat House on Wednesday July 31, 1996.

Sincerely,



Henri R. Blaine,
President and Dean
Blaine, The Beauty Career Schools
18 Center Street
Hyannis, MA 02601



FEDERAL ELECTION COMMISSION

Washington, DC 20463

August 7, 1996

William B. Vernon, Executive Director
Massachusetts Republican Party
114 State Street
Boston, MA 02109

RE: MUR 4429

Dear Mr. Vernon:

This letter acknowledges receipt on August 5, 1996, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4429. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

A handwritten signature in dark ink, appearing to read "Colleen T. Sealander", is written over the typed name.

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosure
Procedures

97043820161



FEDERAL ELECTION COMMISSION

Washington, DC 20463

August 7, 1996

Thomas R. Kiley, Treasurer
Delahunt for Congress Committee
500 Victory Road
Quincy, MA 02171

RE: MUR 4429

Dear Mr. Kiley:

The Federal Election Commission received a complaint which indicates that the Delahunt for Congress Committee ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4429. Please refer to this number in all future correspondence.

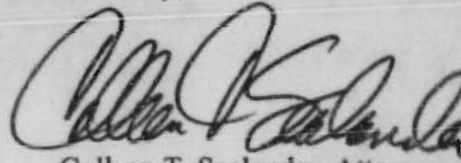
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, 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.

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

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If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

cc: William Delahunt

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FEDERAL ELECTION COMMISSION

Washington, DC 20463

August 7, 1996

Henri R. Blaine, President
Blaine, the Beauty Career Schools
18 Center Street
Hyannis, MA 02601

RE: MUR 4429

Dear Mr. Blaine:

The Federal Election Commission received a complaint which indicates that Blaine, the Beauty Career Schools and you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4429. 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 Blaine, the Beauty Career Schools and you in this matter. 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. Your response, which should be addressed to the General Counsel's Office, 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.

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

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If you have any questions, please contact a member of the Central Enforcement Docket at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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COSGROVE, EISENBERG AND KILEY, P.C.
COUNSELORS AT LAW

MARTIN S. COSGROVE
LEWIS C. EISENBERG
THOMAS R. KILEY
PETER M. McELROY
CARL VALVO

PAUL R. MATTHEWS
PETER P. HARRINGTON, JR.
SUZANNE B. MATTHEWS
STEVEN H. GOLDBERG
MATTHEW L. SCHEMME
MARTHA E. KRACHE
WILLIAM J. CINTOLO
THOMAS B. DROHAN

August 22, 1996

General Counsel's Office
Federal Election Commission
Washington, DC 20463

Re: MUR 4429 - Response to Complaint

Dear Sirs:

On July 31, 1996, William B. Vernon, subscribed and swore to a Complaint brought by the Massachusetts Republican State Committee against the Delahunt for Congress Committee, et al. concerning an alleged corporate contribution from Blaine, the Beauty Career Schools. Its central premise is articulated in the opening paragraph of the section headed "Blaine Corporation's July 17, 1996 letter violated FEC Prohibitions Against Corporate Contributions." That paragraph reads:

"Blaine, The Beauty Career Schools is a Massachusetts corporation in hair design, nail care and make up. On July 17, 1996, Henri R. Blaine -- president of this corporation -- drafted a letter endorsing Bill Delahunt and inviting 'Cape Cod's big and small business owners' to a campaign event on Delahunt's behalf. See Blaine 7/17/96 Letter (Exh. I). This letter was written on Blaine Corporate Stationery and mailed in an envelope with a Delahunt for Congress Committee return address."

Contrary to those allegations, "Blaine, the Beauty Career Schools" is not a Massachusetts corporation. There is no "Blaine Corporation" or "Blaine Corp."¹

Had Mr. Vernon or another of the complainants bothered to walk the few blocks up State Street that separate his office from that of the Corporations Division of the Secretary of State, he could have known the falsity of the facts to which he swore on the 31st of July. Indeed, the Secretary's Corporations Division is located in the room next door to the Secretary's Public Records Division

¹ While there once was a "Blaine Coiffeurs, Inc.", it merged into "The Mary Lentine School of Hair Design, Inc." more than five years ago.

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COMMISSION
OFFICE OF GENERAL
COUNSEL

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August 22, 1996
Page 2.

where federal campaign records are maintained. (Room 1717 and 1719 respectively.) In candor, however, he still probably would have filed a complaint of some sorts in connection with the entity identified in footnote 1.

Enclosed you will find the following documents, which would have been available to the complainants prior to their submission of their complaint and which conclusively demonstrate the falsity thereof:

1. A Certificate of Non-Existence for "Blaine, the Beauty Career Schools," the entity Complainants specifically identify as a Massachusetts corporation.

2. A Certificate of Non-Existence for "Blaine Corporation" also identified in the Complaint²

3. A true copy (attested by the Secretary of State's Office) of the Articles of Merger of Parent and Subsidiary Corporations dated June 28, 1991, involving Blaine Coiffures, Inc., the last Massachusetts corporation to utilize the name "Blaine" in its title.

The complainants could not have ascertained with a simple visit to Room 1717 whether the Pstationery in question is utilized by the Mary Lentine School of Hair Design, Inc., or anyone associated with it. (It is. Henri R. Blaine, who is president of the corporation uses the stationery.) Similarly, they would not have been able to determine whether the slogan is a registered corporate service mark. (It is not.) Frankly, it never occurred to our committee staffers to ask those questions either. Thus while one can, in retrospect, argue both sides of the legal question whether the stationery and slogan in question belonged to the Mary Lentine School of Hair Design, Inc., the document had the reasonable practical appearance of being Henri Blaine's stationery to our staffers. These facts stand in stark contrast to the Prudential Securities matter cited by Mr. Vernon. For that reason, no action should be taken against the Committee or me. When the

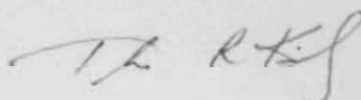
² You may confirm with the Office of the Secretary of State that the Certificate applies as well to all other potential words of label that might follow "Blaine" - i.e., "Inc.", "Ltd.", "Co.", etc. The person with whom I first dealt in securing this information was the Secretary's Chief Legal Counsel and Director of Corporations, Laurie T. Flynn (617) 727-2853.

August 22, 1996
Page 3.

Commission evaluates this MUR for purposes of prioritizing it, it should also be aware that all expenses connected with Mr. Blaine's solicitation are being paid by the Committee.

Focusing on Henri R. Blaine, individually, I respectfully submit that he has every right to participate in the electoral activity of the type complained of here. The chilling effect of complaints such as this against individuals who may or may not hold corporate office and may or may not make use of a corporate service mark should not be countenanced by the Commission.

Very truly yours,



Thomas R. Kiley, Treasurer
Delahunt for Congress Committee

TRK:dn

Enclosures

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William Francis Galvin
Secretary of the
Commonwealth

The Commonwealth of Massachusetts

Secretary of the Commonwealth

State House, Boston, Massachusetts 02133

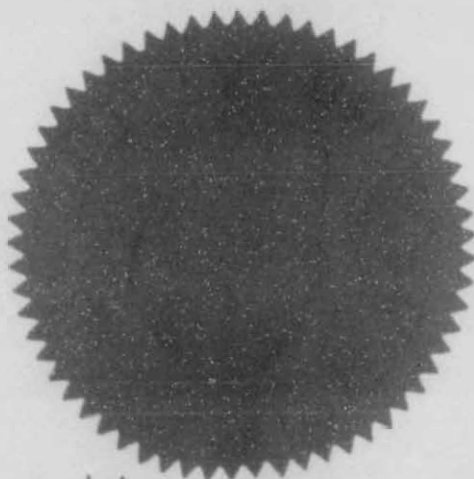
August 14, 1996

TO WHOM IT MAY CONCERN:

I hereby certify that we fail to find a record of an existing or dissolved Massachusetts corporation by the name of

Blaine, the Beauty Career Schools

I further certify that no foreign corporation by the above name is registered to do business in Massachusetts.



kmt

In testimony of which,
I have hereunto affixed the
Great Seal of the Commonwealth
on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

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William Francis Galvin
Secretary of the
Commonwealth

The Commonwealth of Massachusetts

Secretary of the Commonwealth

State House, Boston, Massachusetts 02133

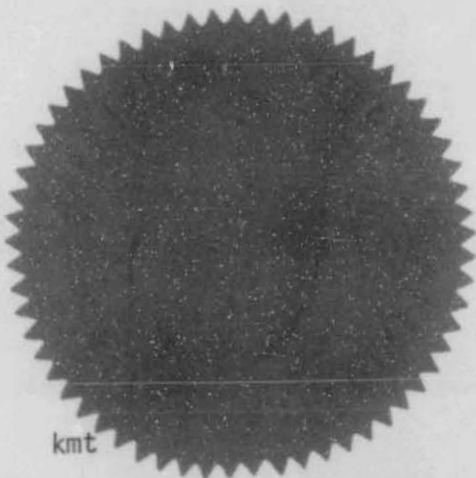
August 14, 1996

TO WHOM IT MAY CONCERN:

I hereby certify that we fail to find a record of an existing or dissolved Massachusetts corporation by the name of

Blaine Corporation

I further certify that no foreign corporation by the above name is registered to do business in Massachusetts.



kmt

In testimony of which,
I have hereunto affixed the
Great Seal of the Commonwealth
on the date first above written.

William Francis Galvin

Secretary of the Commonwealth

9704382017C

The Commonwealth of Massachusetts

MICHAEL JOSEPH CONNOLLY

Secretary of State

ONE ASHBURTON PLACE

BOSTON, MASS. 02108

FEDERAL IDENTIFICATION

NO 04-2381240

Examiner

ARTICLES OF
MERGER OF PARENT AND SUBSIDIARY CORPORATIONS

PURSUANT TO GENERAL LAWS, CHAPTER 156B, SECTION 82

The fee for filing this certificate is prescribed by General Laws, Chapter 156B, Section 114.
Make check payable to the Commonwealth of Massachusetts.

.

I, Henri Blain President* ~~Vice-President*~~
and Clerk* ~~Secretary~~ of Mary Lentine School of Hair Design, Inc.
name of corporation
organized under the laws of Massachusetts and herein
called the parent corporation, do hereby certify as follows:

1. That the subsidiary corporation(s) to be merged into the parent corporations are ~~as~~ follows:

Name	State of Organization	Date of Organization
Blaine Coiffures, Inc.	Massachusetts	7/5/67
Franchise Development Systems of Boston, Inc.	Massachusetts	7/13/80

2. That the parent corporation owns at least ninety per cent of the outstanding shares of each class of the stock of each subsidiary corporation to be merged into the parent corporation.

3. That in the case of each of the above-named corporations the laws of the state of its organization, if other than Massachusetts, permit the merger herein provided for and that all action required under the laws of each such state in connection with this merger has been duly taken. (If all the corporations are organized under the laws of Massachusetts and if General Laws, Chapter 156B is applicable to them, then Paragraph 3 may be deleted.)

P.C.

*Delete the inapplicable words. In case the parent corporation is organized under the laws of a state other than Massachusetts these articles are to be signed by officers having corresponding powers and duties.

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4. That at a meeting of the directors of the parent corporation the following vote, pursuant to subsection (a) of General Laws, Chapter 156B, Section 82, was duly adopted:

VOTED: That Blaine Coiffures, Inc. and Franchise Development Systems of Boston, Inc., wholly owned subsidiaries of this Corporation merge with and into this Corporation pursuant to Section 82 of Chapter 156B of the Massachusetts General Laws, said merger to be effective as of the date of filing Articles of Merger with the Secretary of State of the Commonwealth of Massachusetts.

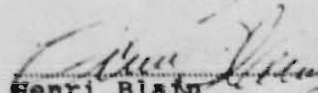
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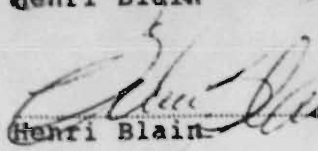
NOTE: Votes for which the space provided above is not sufficient should be set out on continuation sheets to be numbered 2A, 2B, etc. Continuation sheets must have a left-hand margin 1 inch wide for binding. Only one side should be used.

5. The effective date of the merger as specified in the vote set out under Paragraph 4 is
The date of filing Articles of Merger with the Secretary of State.

6. (This Paragraph 6 may be deleted if the parent corporation is organized under the laws of Massachusetts.) The parent corporation hereby agrees that it may be sued in the Commonwealth of Massachusetts for any prior obligation of any subsidiary corporation organized under the laws of Massachusetts with which it has merged, and any obligation hereafter incurred by the parent corporation, including the obligation created by subsection (c) of General Laws, Chapter 156B, Section 82, so long as any liability remains outstanding against the parent corporation in the Commonwealth of Massachusetts and it hereby irrevocably appoints the Secretary of the Commonwealth as its agent to accept service of process for the enforcement of any such obligations, including taxes, in the same manner as provided in Chapter 181.

IN WITNESS WHEREOF and under the penalties of perjury we have hereto signed our names this
27th day of June, 1991.


Henri Blain President*
Vice President x


Henri Blain Clerk*
Assistant Clerk x

*Delete the inapplicable words. In case the parent corporation is organized under the laws of a state other than Massachusetts these articles are to be signed by officers having corresponding powers and duties.

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COMMONWEALTH OF MASSACHUSETTS
ARTICLES OF MERGER OF PARENT AND SUBSIDIARY CORPORATIONS
(General Laws, Chapter 156B, Section 82)

I hereby approve the within articles of merger of parent and subsidiary corporations and, the filing fee in the amount of \$ 250.00 having been paid, said articles are deemed to have been filed with me this 28th day of June, 1991.

1991 JUN 28 PM 2:23
SECRETARY OF STATE

Michael Joseph Connolly

MICHAEL JOSEPH CONNOLLY
Secretary of State

A TRUE COPY ATTEST
William Francis Galvin
WILLIAM FRANCIS GALVIN
SECRETARY OF THE COMMONWEALTH
8-14-96
DATE _____ CLERK *KMT*

TO BE FILLED IN BY CORPORATION
Photo Copy of Merger To Be Sent

TO:

..... STEVEN P. ROSENTHAL, Esquire
..... MINTZ, LEVIN, COHN, FERRIS,
..... GLOVSKY & POPEO, P.C.
..... One Financial Center
..... Boston, MA 02111

Telephone ... (617) 542-6000

Copy Mailed

Blaine!

THE BEAUTY CAREER SCHOOLS

MUR 4429

August 27, 1996

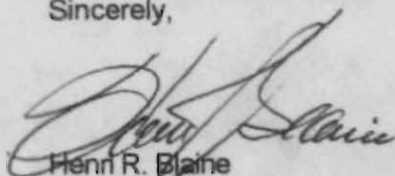
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COUNSEL
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Colleen T. Sealander, Esq.
Central Enforcement Docket
General Counsel's Office
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Sealander,

I have received your letter of August 7, 1996. I enclose my designation of counsel. If you have any questions which you wish to pursue, please contact Mr. Sorett.

Sincerely,



Henri R. Blaine
President and Dean of Blaine The Beauty Career School

97043820175

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4429

NAME OF COUNSEL: Henry Boretz

FIRM: Briekley, Sear and Sonett

ADDRESS: 75 Federal St
Boston, MA

TELEPHONE: (617) 542-0896

FAX: ()

AUG 30 12 21 PM '96

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COMMISSION
OFFICE OF GENERAL
COUNSEL

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.

8/30/96
Date

Chris Linn
Signature

RESPONDENT'S NAME: Henri Blaine

ADDRESS: 510 Comm Ave
Boston MA
02216

TELEPHONE: HOME (617) 479-7729

BUSINESS (617) 366-7678

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MAY 3 2 45 PM '97

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
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ENFORCEMENT PRIORITY

GENERAL COUNSEL'S REPORT

SENSITIVE

I. INTRODUCTION.

The cases listed below have been identified as either stale or of low priority based upon evaluation under the Enforcement Priority System (EPS). This report is submitted to recommend that the Commission no longer pursue these cases.

II. CASES RECOMMENDED FOR CLOSURE.

A. Cases Not Warranting Further Action Relative to Other Cases Pending Before the Commission

EPS was created to identify pending cases which, due to the length of their pendency in inactive status or the lower priority of the issues raised in the matters relative to others presently pending before the Commission, do not warrant further expenditure of resources. Central Enforcement Docket (CED) evaluates each incoming matter using Commission-approved criteria which results in a numerical rating of each case.

Closing such cases permits the Commission to focus its limited resources on more important cases presently pending before it. Based upon this review, we have identified 28 cases which do

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not warrant further action relative to other pending matters.¹ Attachment 1 to this report contains summaries of each case, the EPS rating, and the factors leading to assignment of a low priority and recommendation not to further pursue the matter.

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¹ These cases are: MUR 4419 (*Weinzappel for Congress*); MUR 4423 (*Davis for Congress*); MUR 4424 (*Nevadans for "Spike" Wilson*); MUR 4429 (*Delahunt for Congress*); MUR 4430 (*Jean Leising for Congress*); MUR 4431 (*Engel for Congress*); MUR 4433 (*Delahunt for Congress*); MUR 4437 (*DiNicola for Congress Committee*); MUR 4440 (*Sue Kelly for Congress*); MUR 4450 (*National Treasury Employees*); MUR 4452 (*Mid-Suffolk N.O.W.*); MUR 4455 (*City of Milwaukee*); MUR 4456 (*Jackson Mint Ltd.*); MUR 4457 (*U.S. Department of Health and Human Services*); MUR 4458 (*KMA-AM Radio*); MUR 4461 (*Americans For Freedom Of Choice PAC*); MUR 4462 (*Ellen O. Tauscher*); MUR 4464 (*Norwood for Congress*); MUR 4465 (*Lincoln for Congress*); MUR 4469 (*Moseley-Braun for Senate*); MUR 4475 (*Manpower Temporary Services, Inc.*); MUR 4479 (*Owens for Congress Committee*); MUR 4482 (*Mike McCormack for Congress*); MUR 4487 (*Citizens for A Strong America*); MUR 4488 (*Ortiz for Congress*); MUR 4489 (*Gill for Congress*); MUR Pre-MUR 338 (*Richard Chrysler Inc.*); and Pre-MUR 339 (*Mammel & Associates, Inc.*).

We recommend that the Commission exercise its prosecutorial discretion and direct closure of the cases listed below, effective May 19, 1997. Closing these cases as of this date will permit CED and the Legal Review Team the necessary time to prepare closing letters and case files for the public record.

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III. RECOMMENDATIONS.

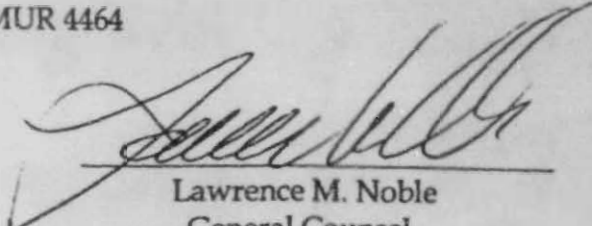
A. Decline to open a MUR, close the file effective May 19, 1997, and approve the appropriate letters in the following matters:

1. Pre-MUR 338
2. Pre-MUR 339

B. Take no action, close the file effective May 19, 1997, and approve the appropriate letters in the following matters:

- | | | |
|-------------|--------------|--------------|
| 1. MUR 4419 | 10. MUR 4450 | 19. MUR 4465 |
| 2. MUR 4423 | 11. MUR 4452 | 20. MUR 4469 |
| 3. MUR 4424 | 12. MUR 4455 | 21. MUR 4475 |
| 4. MUR 4429 | 13. MUR 4456 | 22. MUR 4479 |
| 5. MUR 4430 | 14. MUR 4457 | 23. MUR 4482 |
| 6. MUR 4431 | 15. MUR 4458 | 24. MUR 4487 |
| 7. MUR 4433 | 16. MUR 4461 | 25. MUR 4488 |
| 8. MUR 4437 | 17. MUR 4462 | 26. MUR 4489 |
| 9. MUR 4440 | 18. MUR 4464 | |

5/6/97
Date


Lawrence M. Noble
General Counsel

9704382018C

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Enforcement Priority.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that the Commission decided by a vote of 5-0 on May 12, 1997, to take the following actions with respect to the General Counsel's May 6, 1997 report on enforcement priority:

A. Decline to open a MUR, close the file effective May 19, 1997, and approve the appropriate letters in the following matters:

1. Pre-MUR 338
2. Pre-MUR 339

B. Take no action, close the file effective May 19, 1997, and approve the appropriate letters in the following matters:

- | | | |
|-------------|--------------|--------------|
| 1. MUR 4419 | 10. MUR 4450 | 19. MUR 4465 |
| 2. MUR 4423 | 11. MUR 4452 | 20. MUR 4469 |
| 3. MUR 4424 | 12. MUR 4455 | 21. MUR 4475 |
| 4. MUR 4429 | 13. MUR 4456 | 22. MUR 4479 |
| 5. MUR 4430 | 14. MUR 4457 | 23. MUR 4482 |
| 6. MUR 4431 | 15. MUR 4458 | 24. MUR 4487 |
| 7. MUR 4433 | 16. MUR 4461 | 25. MUR 4488 |
| 8. MUR 4437 | 17. MUR 4462 | 26. MUR 4489 |
| 9. MUR 4440 | 18. MUR 4464 | |

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

Attest:

5-13-97
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Tues., May 06, 1997 2:45 p.m.
Circulated to the Commission: Wed., May 07, 1997 11:00 a.m.
Deadline for vote: Mon., May 12, 1997 4:00 p.m.

bjr

97043820181



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William B. Vernon, Executive Director
Massachusetts Republican Party
114 State Street
Boston, MA 02109

RE: MUR 4429

Dear Mr. Vernon:

On August 5, 1996, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against the respondents. See attached narrative. Accordingly, the Commission closed its file in this matter on May 19, 1997. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

97043820182

MUR 4429

DELAHUNT FOR CONGRESS COMMITTEE

William B. Vernon, Executive Director of the Massachusetts Republican Party, alleges that the Delahunt for Congress Committee ("the Committee") accepted corporate contributions from Blaine, the Beauty Career Schools. Mr. Vernon alleges that, on July 17, 1996, Henri R. Blaine, president of Blaine, sent a letter on Blaine letterhead which invited business owners to meet Mr. Delahunt on July 31, 1996, mailed in an envelope with the Committee's return address. The letter, according to the complainant, expressly advocates the election of Mr. Delahunt. He also alleges coordination between Blaine and the Committee on this letter and event. Mr. Vernon asserts that this situation is factually similar to MUR 3540 (Prudential Securities).

Thomas R. Kiley, the Committee's treasurer, denies the unlawfulness of the activity described by the complainant. He asserts that there are no corporate entities called "Blaine, the Beauty Career Schools" or "Blaine Corporation," though he acknowledges that Henri R. Blaine is the president of Blaine Coiffures, Inc. Although he states that the slogan on the letter is not a registered corporate service mark, and that the letterhead appeared to the Committee's staff to be Henri Blaine's personal stationery, the slogan and the letterhead are, at best, confusing on this point. Kiley asserts that the Committee paid all expenses related to Mr. Blaine's solicitation. Mr. Kiley argues that the facts of this matter are in "stark contrast" to similar situations such as in MUR 3540, and no action should be taken against the Committee or himself, as treasurer.

This matter is less significant relative to other matters pending before the Commission.

97043820183



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 19, 1997

Thomas R. Kiley, Treasurer
Delahunt for Congress Committee
500 Victory Road
Quincy, MA 02171

RE: MUR 4429

Dear Mr. Kiley:

On August 7, 1996, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Delahunt for Congress Committee and you, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter on May 19, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Jennifer Henry at (202) 219-3400.

Sincerely

A handwritten signature in black ink, appearing to read "F. Andrew Turley".

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

97043820184

DELAHUNT FOR CONGRESS COMMITTEE

William B. Vernon, Executive Director of the Massachusetts Republican Party, alleges that the Delahunt for Congress Committee ("the Committee") accepted corporate contributions from Blaine, the Beauty Career Schools. Mr. Vernon alleges that, on July 17, 1996, Henri R. Blaine, president of Blaine, sent a letter on Blaine letterhead which invited business owners to meet Mr. Delahunt on July 31, 1996, mailed in an envelope with the Committee's return address. The letter, according to the complainant, expressly advocates the election of Mr. Delahunt. He also alleges coordination between Blaine and the Committee on this letter and event. Mr. Vernon asserts that this situation is factually similar to MUR 3540 (Prudential Securities).

Thomas R. Kiley, the Committee's treasurer, denies the unlawfulness of the activity described by the complainant. He asserts that there are no corporate entities called "Blaine, the Beauty Career Schools" or "Blaine Corporation," though he acknowledges that Henri R. Blaine is the president of Blaine Coiffures, Inc. Although he states that the slogan on the letter is not a registered corporate service mark, and that the letterhead appeared to the Committee's staff to be Henri Blaine's personal stationery, the slogan and the letterhead are, at best, confusing on this point. Kiley asserts that the Committee paid all expenses related to Mr. Blaine's solicitation. Mr. Kiley argues that the facts of this matter are in "stark contrast" to similar situations such as in MUR 3540, and no action should be taken against the Committee or himself, as treasurer.

This matter is less significant relative to other matters pending before the Commission.

97043820185



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 19, 1997

Henry Soret, Esq.
Brickley, Sear and Soret
75 Federal Street
Boston, MA

RE: MUR 4429
Henri Blaine, President, Blaine, the Beauty Career Schools

Dear Mr. Soret:

On August 7, 1996, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on May 19, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Jennifer Henry at (202) 219-3400.

Sincerely

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

97043820186

DELAHUNT FOR CONGRESS COMMITTEE

William B. Vernon, Executive Director of the Massachusetts Republican Party, alleges that the Delahunt for Congress Committee ("the Committee") accepted corporate contributions from Blaine, the Beauty Career Schools. Mr. Vernon alleges that, on July 17, 1996, Henri R. Blaine, president of Blaine, sent a letter on Blaine letterhead which invited business owners to meet Mr. Delahunt on July 31, 1996, mailed in an envelope with the Committee's return address. The letter, according to the complainant, expressly advocates the election of Mr. Delahunt. He also alleges coordination between Blaine and the Committee on this letter and event. Mr. Vernon asserts that this situation is factually similar to MUR 3540 (Prudential Securities).

Thomas R. Kiley, the Committee's treasurer, denies the unlawfulness of the activity described by the complainant. He asserts that there are no corporate entities called "Blaine, the Beauty Career Schools" or "Blaine Corporation," though he acknowledges that Henri R. Blaine is the president of Blaine Coiffures, Inc. Although he states that the slogan on the letter is not a registered corporate service mark, and that the letterhead appeared to the Committee's staff to be Henri Blaine's personal stationery, the slogan and the letterhead are, at best, confusing on this point. Kiley asserts that the Committee paid all expenses related to Mr. Blaine's solicitation. Mr. Kiley argues that the facts of this matter are in "stark contrast" to similar situations such as in MUR 3540, and no action should be taken against the Committee or himself, as treasurer.

This matter is less significant relative to other matters pending before the Commission.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4429

DATE FILMED 6-9-87 CAMERA NO. 4

CAMERAMAN JMU

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