



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4523

DATE FILMED 9-23-97 CAMERA NO. 4

CAMERAMAN LMH

9704364

**Santa Barbara Democratic
Business & Professional Alliance**

October 1, 1996

MUR 4523

Lawrence M. Noble, Esq.
Office of the General Counsel
Federal Election Commission, 6th Floor
999 E. Street, N.W.
Washington, D.C. 20463

OCT 21 1 04 PM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Re: Complaint Against Andrea Seastrand, et al.

Dear Mr. Noble:

The undersigned files this complaint charging possible violation of the Federal Election Campaign Act of 1971, as amended ("FECA"), 2 U.S.C. Section 431 et seq., and related regulations of the Federal Election Commission ("FEC" or the "Commission"), 11 C.F.R., Section 100 et seq., by Congresswoman Andrea Seastrand and Friends of Andrea Seastrand for Congress, her principal campaign committee.

In sum, a lawsuit filed by Brad Kyle, a former aide to Congresswoman Seastrand, alleges that Seastrand accepted contributions prohibited by the FECA and Commission regulations.

In light of the information discussed below, the undersigned asks the Commission to review the enclosed documents, conduct a thorough and independent investigation of the facts, and to pursue any and all violations of the FECA and Commission regulations.

In the complaint filed July 26, 1996 against Congresswoman Seastrand and certain of her professional associates, Kyle alleges, inter alia, that in his capacity as campaign coordinator and manager, he spent \$10,661.74 on Seastrand's campaign, expecting reimbursement. The majority of this amount -- \$10,531.12 -- represents mileage accrued to Kyle's personal car during campaign-related activities from January 1, 1994 through December 18, 1994. The additional \$130.62 refers to the amount Kyle paid to close out Seastrand's overdue pager account. Congresswoman Seastrand has allegedly failed to reimburse Kyle for either expense, thereby transforming his out-of-pocket payments into a contribution to her campaign.

Individual contributions are limited by 2 U.S.C., Section 441a(a)(1)(A): "No person shall make contributions to any candidate and his [or her] authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000". See also 11 C.F.R., Section 110.1(b)(1). Contributions in kind, including unreimbursed travel expenses, are tantamount to cash contributions for purposes of the FECA. 2 U.S.C. Section 431(8)(B)(iv). Congresswoman Seastrand is prohibited from accepting any illegal contribution of either kind by 2 U.S.C. Section 441a(f): "No candidate or political committee shall knowingly accept any contribution...in violation of the provisions of this section."

Congresswoman Seastrand should have known about the contribution; indeed, according to the complaint, she encouraged Kyle to incur the expenses in question. Of the \$10,661.74 Kyle allegedly spent on Seastrand's campaign, only \$1,000 could be considered to have been legally spent. (1) The excess \$9,661.74 would constitute an illegal contribution to Seastrand's campaign.

A recent newspaper article reports additional details of the complaint (San Luis Obispo Telegram-Tribune, July 27, 1996, Page B-1). The article outlines both the personal expenditures of Kyle and the professional turmoil he experienced; Congresswoman Seastrand allegedly reneged on her promise to provide Kyle with a job subsequent to a successful election. In addition to the out-of-pocket expenses, Kyle is suing to recover over \$100,000 in promised salary and lost benefits.

(1). FEC regulations provide that an individual may voluntarily spend up to \$1,000 on campaign-related transportation without that amount being considered a contribution. 11 C.F.R. Section 100.7(b)(8). Technically, then, the first \$1,000 Kyle spent on transportation could be exempted and the next \$1,000 considered a legal contribution. The exemption does not apply in this case, however, as Kyle expected full reimbursement. Even if the exemption were to apply, that is, even if \$2,000 were considered lawfully exempted or contributed, Kyle still spent thousands of dollars over the legal maximum on Seastrand's campaign.

97043834366

October 1, 1996
Page 3

The available information suggests that Congresswoman Andrea Seastrand and Friends of Andrea Seastrand for Congress have violated the FECA and FEC regulation if she accepted an individual's contribution which exceeded the maximum allowable. The FEC should investigate the actions of Congresswoman Seastrand and Friends of Andrea Seastrand for Congress with regard to this matter.

Respectfully submitted,

Ken A. Owen

Ken Owen, President

Henry Kramer

Henry Kramer, First Vice President

Melissa W. Kashnitz

Melissa Kashnitz, Secretary

Nels C. Henderson

Nels Henderson, Treasurer

Roger Horton

Roger Horton, Vice President for Membership

Vesta Clinton, Vice President

Vesta Clinton, Vice President for Fund Development

VESTA CLINTON, Vice President

Subscribed and sworn before me this 2nd day of

October, 1996. My Commission expires 2-17-99.

Linda A. Rueggeger
Notary Public



Santa Barbara Democratic Business & Professional Alliance
Complaint Against Andrew Seastrand, et al

Subscribed and sworn to before me by Roger^L Horton, Vice President for Membership,
this 8th day of October, 1996. My Commission expires March 24, 1999.

Joanne L. Cohen
Notary Public



Subscribed and sworn to before me by Nels Henderson, Treasurer,
this 9th day of October, 1996. My Commission expires March 24, 1999.

Joanne L. Cohen
Notary Public



Subscribed and sworn to before me by Melissa Kasnitz, Secretary,
this 9th day of October, 1996. My Commission expires March 24, 1999.

Joanne L. Cohen
Notary Public



Subscribed and sworn to before me by Henry Kramer, First Vice President,
this 9th day of October, 1996. My Commission expires March 24, 1999.

Joanne L. Cohen
Notary Public



Subscribed and sworn to before me by Ken Owen, President,
this 9th day of October, 1996. My Commission expires March 24, 1999.

Joanne L. Cohen
Notary Public



9 / 0 4 3 3 4 3 6 3



FEDERAL ELECTION COMMISSION

Washington, DC 20463

October 28, 1996

Ken Owen, President
Henry Kramer, Vice President
Melissa Henderson, Secretary
Nels Henderson, Treasurer
Roger Horton, Vice President
Vesta Clinton, Vice President
Santa Barbara Democratic Business
& Professional Alliance
PO Box 2099
Santa Barbara, CA 93101


RE: MUR 4523

Dear Mr. Owen:

This letter acknowledges receipt on October 21, 1996, of the complaint you filed 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 4523. 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,


Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosure

97043634369



FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 28, 1996

The Honorable Andrea Seastrand
320 Ebbtide Way
Pismo Beach, CA 93449

RE: MUR 4523

Dear Ms. Seastrand:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4523. Please refer to this number in all future correspondence.

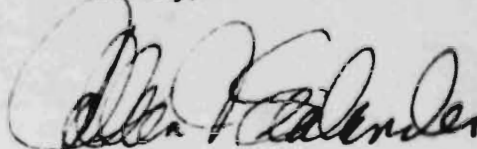
Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under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

9704363437C

If you have any questions, please contact Erik Morrison 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

9704334371



FEDERAL ELECTION COMMISSION

Washington, DC 20463

October 28, 1996

Betty Presley, Treasurer
Friends of Andrea Seastrand
PO Box 14002
San Luis Obispo, CA 93406

RE: MUR 4523

Dear Ms. Presley:

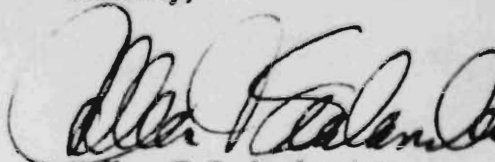
The Federal Election Commission received a complaint which indicates that Friends of Andrea Seastrand ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4523. Please 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.

If you have any questions, please contact Erik Morrison 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

97043034373



FEDERAL ELECTION COMMISSION

Washington, DC 20463

October 28, 1996

Brad Kyle
1731 9th Street
Los Osos, CA 93402

RE: MUR 4523

Dear Mr. Kyle:

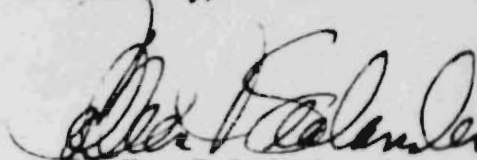
The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4523. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. 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.

If you have any questions, please contact Erik Morrison 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

9704334375

RONCA & KENNEDY

JOHN A. RONCA, JR.
MATTHEW S. KENNEDY

772 SANTA ROSA STREET
SAN LUIS OBISPO, CALIFORNIA 93401
(805) 544-8355 FAX (805) 544-1672

SANTA MARIA OFFICE
201 S. Miller, Suite 208
Santa Maria, CA 93454
(805) 348-7900

CAMBRIA OFFICE
(805) 927-6011

*Respond to the San
Luis Obispo Office

November 8, 1996

VIA FACSIMILE
[202] 219-3923
HARD COPY VIA U.S. MAIL

Federal Election Commission
Att: Colleen T. Sealander, Attorney
General Counsel's Office
999 E Street NW
Washington, D.C. 20463

Re: MUR 4523
Congresswoman Andrea Seastrand

Dear Ms. Sealander:

Please be advised that this office represents Congresswoman Andrea Seastrand. We are in receipt of your October 28, 1996 letter regarding the above referenced matter. My client received the same on or about November 1, 1996. Enclosed please find the *Statement of Designation of Counsel* signed by the Congresswoman.

We intend to respond to the subject complaint filed by the Santa Barbara Democratic Business & Professional Alliance. Could you please deliver to this office [1] a complete copy of the complaint, including all attachments to the same, and [2] a complete copy of all enclosures to your above referenced letter. We are not in possession of all referenced materials as set forth in both the complaint, and your letter. Please contact the undersigned in writing as to whether or not you can accommodate the above request.

We request additional time to respond to the complaint. As you may be aware, the Congresswoman was not successful in her bid for re-election. She is currently involved in winding up her affairs both here in California, and in Washington, D.C. We request an additional 30 days to respond. Please contact the undersigned in writing to advise whether or not an extension will be granted.

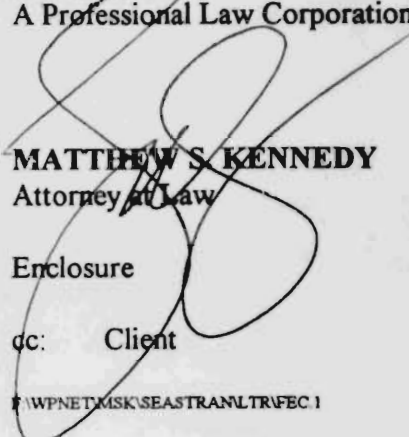
NOV 12 1 24 PM '96
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

November 8, 1996
Page 2

Thank you for your anticipated cooperation. If you have any questions or comments concerning the foregoing, please do not hesitate to contact me.

Very truly yours,

RONCA & KENNEDY
A Professional Law Corporation


MATTHEW S. KENNEDY
Attorney at Law

Enclosure

cc: Client

WPNET\MSK\SEASTRAN\LTR\FEC 1

97043339377

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4523

NAME OF COUNSEL: JOHN A. RONCA, JR. AND MATTHEW S. KENNEDY

FIRM: RONCA & KENNEDY, A PROFESSIONAL LAW CORPORATION

ADDRESS: 772 SANTA ROSA STREET

SAN LUIS OBISPO, CA 93401

TELEPHONE: (805) 544-8355

FAX: (805) 544-1672

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.

11/6/96
Date

Andrea Seastrand
Signature

RESPONDENT'S NAME: ANDREA SEASTRAND

ADDRESS: 320 EBBTIDE WAY

PISMO BEACH, CA 93449

TELEPHONE: HOME

BUSINESS (805) 682-7870

NOV 12 1 25 PM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL

97043634378



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 15, 1996

Matthew S. Kennedy, Esq.
Ronca & Kennedy
772 Santa Rosa Street
San Luis Obispo, CA 93601

RE: MUR 4523
Andrea Seastrand

Dear Mr. Kennedy:

This is in response to your facsimile dated November 8, 1996 which we received on that same day requesting an extension to respond to the complaint filed in the above-noted matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on December 16, 1996.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

A handwritten signature in black ink, reading "Erik Morrison", is written over the typed name.

Erik Morrison, Paralegal
Central Enforcement Docket

9704334379

ERIC J. PARKINSON
ATTORNEY & COUNSELOR AT LAW

November 15, 1996

NOV 21 9 57 AM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Via Facsimile and U.S. Mail

Erik Morrison, General Counsel
Federal Election Commission
99 "E" Street, N. W.
Washington, D. C. 20463

Re: In Re Complaint Against Andrea Seastrand
FEC File No. MUR 4523

Dear Mr. Morrison:

Please be advised that I represent Bradley F. Kyle as his attorney with respect to the matter referred to above. Enclosed please find a completed "Statement of Designation of Counsel" signed by Mr. Kyle, authorizing me to represent him.

On behalf of Mr. Kyle, I respectfully request that the FEC grant us thirty (30) additional days to serve a response to the Commission's letter of October 28, 1996. Pursuant to this request, Mr. Kyle's response to the Complaint would be served on the FEC by no later than December 16, 1996.

Thank you for your consideration of this request. If you have any questions or concerns, please do not hesitate to contact me. I look forward to your prompt response.

Sincerely,



Eric J. Parkinson

EJP:em

Enclosure: Statement of Designation of Counsel

cc: Bradley F. Kyle

c:\winword\docs\clients\kyle\Morrison11.1.96

STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

NOV 21 9 57 AM '96

MUR 4523

NAME OF COUNSEL: Eric J. Parkinson

FIRM: Attorney & Counselor at Law

ADDRESS: 1410 Marsh Street

San Luis Obispo, CA 93401

TELEPHONE: (805) 542-9800

FAX: (805) 542-9812

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.

10/31/96

Date

Bradley F. Kyle

Signature

RESPONDENT'S NAME: Bradley F. Kyle

ADDRESS: 1731 9th Street

Los Osos, CA 93402

TELEPHONE: HOME()

BUSINESS()

97043634381



Betty Presley & Associates

Campaign Financial Records • Disclosure Reporting • Campaign Fundraising

November 19, 1996

Federal Election Commission
Att: Colleen T. Sealander, Attorney
General Counsel's Office
999 E Street NW
Washington, D. C. 20463

Re: MUR 4523
Congresswoman Andrea Seastrand

Nov 27 10 10 AM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Dear Ms. Sealander:

I am in receipt of your letter dated October 28, 1996. I understand that the Congresswoman's attorney, Matthew S. Kennedy, has delivered a preliminary response to you on behalf of the Congresswoman, and that he has been in telephonic contact with Erik Morrison regarding a request for an extension to respond up through mid-December 1996. It is my understanding the essence of the complaint by Santa Barbara Democratic Business & Professional Alliance as you have related it to me, is the same as the complaint delivered to the Congresswoman.

For your information, I became the Treasurer of the Friends of Andrea Seastrand in January 1995, subsequent to Mr. Kyle's departure in 1994. Accordingly, at this time, I would be relying on the response of the Congresswoman to the allegations in the complaint by the Santa Barbara Democratic Business & Professional Alliance. If that response is not sufficient, please contact me so that I can further respond.

In this regard, I request an open continuance to respond to the subject complaint until such time as you further notify me in writing that a response is necessary, i.e., after the response from the Congresswoman is evaluated. Please contact me as to whether or not an extension in this manner is acceptable. If I hear nothing further from you, I will presume this is acceptable.

Thank you for your anticipated cooperation. If you have any questions or comments concerning the foregoing, please do not hesitate to contact me.

Very truly yours.

Betty Presley

CC: Congresswoman Andrea Seastrand
Matthew S. Kennedy, Attorney



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 19, 1996

Ms. Betty Presley
1251 E. Dyer Road, Suite 100
Santa Ana, CA 92705

re: MUR 4523

Dear Ms. Presley

Thank you for your letter of November 19, 1996 regarding the above-captioned Matter Under Review (MUR).

Please accept my apologies for our delay in responding to your request for an "open continuance." Regrettably, we can only provide extensions of time in which to respond to a complaint for a fixed time period. Those of thirty days or less are routinely approved by our office; those in excess of thirty days must be forwarded to the Commission for action.

As I am sure you are aware, you are under no statutory or regulatory requirement to file a response to a complaint. However, detailed substantive responses are most helpful to us in evaluating whether or not the facts indicate that there is reason to believe a violation of the Federal Election Campaign Act has occurred. Your desire to concur in the response of another respondent is certainly acceptable to us, though you may wish to consider presentation of any facts or circumstances in a separate statement which may distinguish your position from that of the other respondent. This is entirely at your discretion. Competent counsel may be able to assist you in evaluating your position in this regard.

Though we cannot grant your request for an open continuance, we will extend your response date until January 15, 1997.

Many thanks for your consideration. Please feel free to call me at (202) 219-3690 if I can be of any further assistance.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Andrew Purley".

Andrew Purley
Supervisory Attorney
Central Enforcement Docket

97043834383

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

RONCA & KENNEDY

9 09 AM '96

JOHN A. RONCA, JR.
MATTHEW S. KENNEDY

772 SANTA ROSA STREET
SAN LUIS OBISPO, CALIFORNIA 93401
(805) 544-8355 FAX (805) 544-1672

SANTA MARIA OFFICE
201 S. Miller, Suite 209
Santa Maria, CA 93464
(805) 349-7900

CAMBRIA OFFICE
(805) 927-5011

*Respond to the San
Luis Obispo Office

December 16, 1996

VIA FACSIMILE
[202] 219-3923
HARD COPY VIA
CERTIFIED MAIL RETURN
RECEIPT REQUESTED
P 294 359 905

Federal Election Commission
Att: Colleen T. Sealander, Attorney
General Counsel's Office
999 E Street NW
Washington, D.C. 20463

Re: MUR 4523
Congresswoman Andrea Seastrand

Dear M/s. Sealander:

Further to my letter to you dated November 8, 1996, and your office's gracious extension to respond in this matter up to and including December 16, 1996. Please allow the following, and the enclosures, to formally respond to the subject complaint filed by the Santa Barbara Democratic Business & Professional Alliance dated October 1, 1996.

Enclosed with this letter are the following:

1. Declaration of Congresswoman Andrea Seastrand; and
2. Declaration of Bradley F. Kyle.

First of all, the subject civil complaint, San Luis Obispo County Superior Court, Case No. CV 79391, entitled *Bradley F. Kyle v. Andrea Seastrand* ("Kyle Complaint") referenced by the Santa Barbara Democratic Business & Professional Alliance in their October 1, 1996 complaint ("SBDB&PA Complaint"), has been amicably resolved between those parties, and the case has been dismissed with

Dec 26 2 34 PM '96
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

prejudice. No further actions exist between Mr. Kyle and Congresswoman Seastrand.¹

The gravamen, if not sole issue, of the complaint by the Santa Barbara Democratic Business & Professional Alliance [MUR 4523], is that there exists *alleged* unreimbursed travel expenses, as set forth in the Kyle Complaint, which "... are tantamount to cash contributions for purposes of the FECA." [See SBDB&PA Complaint, pg. 2, 1st ¶]. This erroneous conclusion is predicated upon the unfounded and speculative assertion by the Santa Barbara Democratic Business & Professional Alliance that there is any truth to the *allegations* of the Kyle Complaint in this regard; which allegations are not true.

It therefore appears that except for those allegations by Mr. Kyle as *alleged* in the Kyle Complaint, that the Santa Barbara Democratic Business & Professional Alliance has no other basis for *their* SBDB&PA Complaint dated October 1, 1996. Therefore, resolving the issues as presented in the Kyle Complaint as it relates to the alleged unreimbursed travel expenses is all that is necessary to defeat the allegations as found in the SBDB&PA Complaint.

The SBDB&PA Complaint alleges that Mr. Kyle incurred unreimbursed travel expenses of \$10,661.74., in the same manner as the Kyle Complaint alleged unreimbursed expenses, which are itemized as follows:

Mileage on Mr. Kyle's personal vehicle [35,104 miles x \$0.30 per mile]	\$10,531.12
Past due amount owed on a beeper [A Better Beep]	\$ 130.62
Total	\$10,661.74

Taking the lesser item first, Mr. Kyle has been reimbursed for this expense. Please see the enclosed declarations by Congresswoman Seastrand and Mr. Kyle in confirmation.

¹The employment relationship between Congresswoman Seastrand and Mr. Kyle was based upon an oral agreement, the terms of which reflected the usual and normal charge by a manager / consultant to a candidate committee, and the contract did not constitute an in-kind contribution in excess of the limits of the Act. Mr. Kyle's compensation was based upon an annual salary of \$36,000, plus expenses. The action brought by Mr. Kyle was against Andrea Seastrand, individually only, and not against her campaign committee, the *Friends of Andrea Seastrand for Congress*. Contrary to any allegations as found in the SBDB&PA Complaint, or as alleged by Mr. Kyle, at no time was an offer of future employment made to Mr. Kyle, and all of the allegations of the subject complaint were categorically denied by Mrs. Seastrand. The action was settled without admission of any wrongdoing by Mrs. Seastrand for an amount that represented the anticipated nonrecoverable legal fees that would have been incurred in successfully defending the action. Due to the fact the employment agreement was oral, an express provision for attorney's fees did not exist, and any sums expended by Mrs. Seastrand in successfully defending the action, would by law, have not been recoverable [California Civil Code § 1717].

Second, the remaining \$10,531.12, is then related solely to *alleged* unreimbursed mileage at \$0.30 a mile. This allegation is unsustainable for the following reasons:

As set forth in the enclosed declarations of Congresswoman Seastrand and Mr. Kyle, the employment agreement with Mr. Kyle was an arm's length transaction, and that as part of that agreement the use of Mr. Kyle's automobile was part of the compensation/salary package. It was agreed that Mr. Kyle would be reimbursed for actual out-of-pocket travel expenses, *inter alia*, gas, parking and car washes. There was no express or implied agreement for the reimbursement of "wear & tear" in addition to the actual out-of-pocket travel expenses incurred. Mr. Kyle was in fact paid for all agreed expenses, and the use of his automobile was part of the salary package. Accordingly, there is no basis whatsoever for the allegations in the SBDB&PA Complaint due to the fact that there is no basis for the underlying allegations by Mr. Kyle as it relates to the same subject matter.

Accordingly, the allegations of the Kyle Complaint [as merely repeated by the SBDB&PA Complaint] that Mr. Kyle was somehow entitled to this additional reimbursement, certainly does not evidence that such an agreement for reimbursement at \$0.30 a mile, in addition to the actual expenses incurred, was part of any employment agreement. Any question of this defense by Congresswoman Seastrand to the SBDB&PA Complaint is then surely dispelled by the enclosed declaration of Mr. Kyle, which confirms the fact Mr. Kyle was reimbursed for all out-of-pocket expenses submitted to the *Friends of Andrea Seastrand for Congress*. All expenditures and reimbursements related to Mr. Kyle have been fully and properly disclosed on the campaign's FEC disclosure reports.

Given the above facts, no violations under 2 U.S.C., § 441a(a)(1)(A) or 441(a) (f), 11 C.F.R., § 110.1(b)(1), 2 U.S.C. § 431(8)(B)(iv), 11 C.F.R. § 100.7 (b)(8) or 11 C.F.R. §100.8, or any other alleged violation cited or inferred by the SBDB&PA Complaint has occurred, and all applicable laws and regulations were followed by Congresswoman Seastrand in regards to the SBDB&PA Complaint. We are unaware of any advisory opinion letter that deals with the isolated issue of "wear & tear" on an automobile as a contribution, when the staff person is in fact reimbursed for all actual out-of-pocket travel expenses such as gas, parking, car washes, and related expenditures.

It is therefore respectfully requested that no further action against Congresswoman Seastrand, or any member of her staff, be taken on MUR 4523.

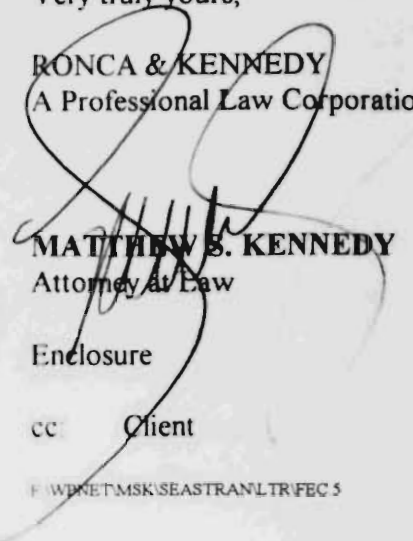
December 16, 1996

Page 4

Thank you for your anticipated cooperation. If you have any questions or comments concerning the foregoing, please do not hesitate to contact me.

Very truly yours,

RONCA & KENNEDY
A Professional Law Corporation


MATTHEW S. KENNEDY
Attorney at Law

Enclosure

cc Client

F:\WDNET\MSK\SEASTRAN\LTR\FEC 5

97040000331

**DECLARATION OF BRADLEY F. KYLE
IN RESPONSE TO MUR 4523**

I, Bradley F. Kyle, declare and state:

1. I make this declaration in support of Congresswoman Seastrand's, and my formal response to MUR 4523, and that certain complaint filed by the Santa Barbara Democratic Business & Professional Alliance dated October 1, 1996 ("SBDB&PA Complaint"). I have personal knowledge of the facts stated herein, and if called upon as a witness, I could and would testify to the following.

2. I was employed as Andrea Seastrand's campaign coordinator and manager starting on or about January 1, 1994. My employment position ended after Mrs. Seastrand was elected to Congress in December 1994. My employment was the result of arm's length negotiations in the Fall of 1993, the end result of which provided for me to perform the required services, and to provide my own transportation, subject to the campaign reimbursing me for my actual out-of-pocket expenses. This employment was pursuant to an oral agreement. The annual salary was \$36,000.00.

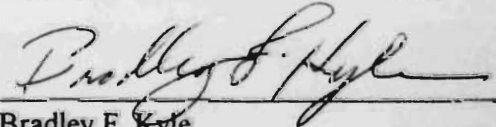
3. I have been reimbursed for all amounts related to my actual out-of-pocket expenses owed on a beeper [A Better Beep].

4. I have been reimbursed for all out-of-pocket expenses that I personally submitted to the *Friends of Andrea Seastrand for Congress*.

5. The subject civil complaint, San Luis Obispo County Superior Court, Case No. CV 79391, entitled *Bradley F. Kyle v. Andrea Seastrand* ("Kyle Complaint") referenced by the Santa Barbara Democratic Business & Professional Alliance in their SBDB&PA Complaint, has been amicably resolved between myself and Congresswoman Seastrand, and the case has been dismissed with prejudice. No further actions exist between myself and Congresswoman Seastrand.

6. It is respectfully requested that the Federal Election Committee take no further action in regard to MUR 4523.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed on this 16th day of December, 1996, at San Luis Obispo, California.



Bradley F. Kyle

**DECLARATION OF CONGRESSWOMAN ANDREA SEASTRAND
IN RESPONSE TO MUR 4523**

I, Andrea Seastrand, declare and state:

1. I make this declaration in support of my formal response to MUR 4523, and that certain complaint filed by the Santa Barbara Democratic Business & Professional Alliance dated October 1, 1996 ("SBDB&PA Complaint"). I have personal knowledge of the facts stated herein, and if called upon as a witness, I could and would testify to the following

2. Mr. Kyle was employed as my campaign coordinator and manager starting on or about January 1, 1994. Mr. Kyle's employment position ended after my election to Congress in December 1994. Mr. Kyle's employment was the result of arm's length negotiations in the Fall of 1993, the end result of which provided for Mr. Kyle to perform the required services, and to provide his own transportation, subject to the campaign reimbursing him for his actual out-of-pocket expenses. There was no implied or express agreement that the campaign would reimburse Mr. Kyle for "wear & tear" associated with his automobile in addition to the actual out-of-pocket expenses. The employment arrangement required Mr. Kyle to use his automobile as part of his over-all compensation package, to which Mr. Kyle voluntarily agreed.

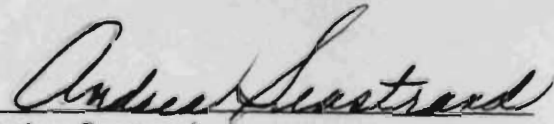
3. The employment relationship between the campaign committee and Mr. Kyle was based upon an oral agreement, the terms of which reflected the usual and normal charge by a manager / consultant to a candidate committee, and the contract did not constitute an in-kind contribution in excess of the limits of the Act. Mr. Kyle's compensation was based upon an agreed annual salary of \$36,000, plus expenses. The action brought by Mr. Kyle was against me individually only, and was not against my campaign committee, the *Friends of Andrea Seastrand for Congress*. Contrary to any allegations as found in the SBDB&PA Complaint, or as alleged by Mr. Kyle, at no time was an offer of future employment made to Mr. Kyle, and all of the allegations of the subject complaint were categorically denied by me. The action was settled without admission of any wrongdoing by me for an amount that represented the anticipated nonrecoverable legal fees that would have been incurred in successfully defending the action. I made that decision based upon advise that due to the fact the employment agreement with Mr. Kyle was oral, an express provision for attorney's fees did not exist, and any sums expended by me in successfully defending the action, would by law, have not been recoverable.

4. Mr. Kyle has been reimbursed for all amounts related to his actual out-of-pocket expenses owed on a beeper [A Better Beep].

5. Mr. Kyle was reimbursed for all out-of-pocket expenses submitted to the *Friends of Andrea Seastrand for Congress*. All expenditures and reimbursements related to Mr. Kyle have been fully and properly disclosed on the campaign's FEC disclosure reports. I am unaware of any other expenses incurred by Mr. Kyle as related to his automobile that require further reimbursement.

6. I am in full agreement with the statements of my counsel, Matthew S. Kennedy, of Ronca & Kennedy, A Professional Law Corporation, in that certain letter dated December 16, 1996, to which this declaration in delivered concurrently therewith. It is respectfully requested that the Federal Election Committee take no further action in regard to MUR 4523.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Executed on this 16th day of December, 1996, at San Luis Obispo, California.


Andrea Seastrand

F:\WPNET\MSK\SEASTRAN\LTR\SEASTRA1.DEC

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
)
)

ENFORCEMENT PRIORITY

AUG 14 4 20 PM '97

SENSITIVE

AUG 19 1997

**EXECUTIVE SESSION
SUBMITTED LATE**

GENERAL COUNSEL'S REPORT

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 34 cases which do not warrant further action relative to other pending matters.¹

¹ These cases are: MUR 4470 (Ward for Congress); MUR 4478 (Citizens for Tom Reynolds); MUR 4492 (Friends of Ken Poston); MUR 4498 (Darryl Roberts for Congress); MUR 4506 (The Hon. Ted Little); MUR 4512 (Friends of Lane Evans); MUR 4517 (Unknown Respondent); MUR 4518 (Kansans for Rathbun); MUR 4520 (Larry Lerner for

97043634391

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.

B. Stale Cases

Effective enforcement relies upon the timely pursuit of complaints and referrals to ensure compliance with the law. Investigations concerning activity more distant in time usually require a greater commitment of resources, primarily due to the fact that the evidence of such activity becomes more remote and consequently more difficult to develop. Focusing investigative efforts on more recent and more significant activity also has a more positive effect on the electoral process and the regulated community. In recognition of these facts, EPS also provides us with the means to identify those cases which, though earning a higher rating when received, remained unassigned due to a lack of resources for effective investigation. The utility of commencing an investigation declines as these cases age, until they reach a point when activation of a case would not be an efficient use of the Commission's resources.

Congress); MUR 4522 (Republican Party of Bexar County); MUR 4523 (Cong. Andrea Seastrand); MUR 4524 (Danny Covington Campaign Fund Committee); MUR 4526 (Hoeffell for Congress); MUR 4528 (Pete King for Congress); MUR 4529 (Pete King for Congress); MUR 4532 (Citizen's Committee for Gilman for Congress); MUR 4535 (Visclosky for Congress); MUR 4537 (Di Nicola for Congress); MUR 4541 (Ross Perot); MUR 4548 (Blagojevich for Congress); MUR 4550 (Friends of Wamp for Congress); MUR 4551 (John N. Hostettler); MUR 4557 (De La Rosa for Congress); MUR 4559 (Bill Baker for Congress); MUR 4560 (George Stuart Jr. for Congress); MUR 4562 (Wayne E. Schile); MUR 4566 (Al Gore); MUR 4574 (Danny Covington Campaign Fund Committee); MUR 4576 (Volunteers for Shimkus); MUR 4579 (New Zion Baptist Church); MUR 4580 (Friends of Mike Forbes); MUR 4584 (Bill Baker for Congress); MUR 4588 (Navarro for Congress); and MUR 4613 (Guy Kelley for Congress).

2

The U.S. District Court for the District of Columbia, however, held in *Democratic Senatorial Campaign Committee v. FEC*, (Civil Action No. 95-0349) (D.D.C. April 17, 1996) that 24 months was too long a time in which to hold a case in an inactive status.

91043034392

Twenty one cases have remained on the Central Enforcement Docket for a sufficient period of time to render them stale, all of which are recommended for closure in this Report.⁴ This group includes four MURs that became stale several months ago, but were held pending criminal prosecution by the Department of Justice.⁵ DOJ obtained convictions in the two criminal cases related to these four MURs (*U.S. v. Jay Kim* and *U.S. v. Dynamic Energy Resources*) based upon guilty pleas by the key defendants, who are also the principal respondents in our pending matters. Pursuit of civil enforcement action in view of the satisfactory results obtained in the criminal cases would not be the most effective use of the Commission's scarce resources at this time.

We recommend that the Commission exercise its prosecutorial discretion and direct closure of the cases listed below, effective August 29, 1997. Closing these cases as

3

⁴ These cases are: MUR 4274 (GOPAC); MUR 4358 (*Miller for Senate*); MUR 4361 (ABC-TV); MUR 4368 (*Citizens Business Bank*); MUR 4380 (AFGE Local 2391 PAC); MUR 4385 (*Dial for Congress*); MUR 4386 (*Zimmer for Senate*); MUR 4396 (ABC); MUR 4404 (*Friends of Steve Stockman*); MUR 4410 (39th Legislative District); MUR 4417 (*Our Choice II*); MUR 4422 (*Desana for Congress Committee*); and Pre-MUR 336 (*Park National Bank & Trust*).

⁵ These cases are: MUR 3796 (*Jay Kim for Congress*); MUR 3798 (*Jay Kim*); MUR 4275 (*Jay Kim*); and MUR 4356 (*Dynamic Energy Resources*). In dismissing the Jay Kim cases, we also recommend closing Pre-MUR 352, which is the transmittal of the guilty plea agreement and related documentation in the criminal case against Congressman Kim forwarded by United States Attorney's office.

97043034393

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.

III. RECOMMENDATIONS.

A. Decline to open a MUR, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:

Pre-MUR 336

Pre-MUR 352

B. Take no action, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:

MUR 3796	MUR 4396	MUR 4522	MUR 4559
MUR 3798	MUR 4404	MUR 4523	MUR 4560
MUR 4274	MUR 4410	MUR 4524	MUR 4562
MUR 4275	MUR 4417	MUR 4526	MUR 4566
	MUR 4422	MUR 4528	MUR 4574
MUR 4356	MUR 4470	MUR 4529	MUR 4576
MUR 4358	MUR 4478	MUR 4532	MUR 4579
MUR 4361	MUR 4492	MUR 4535	MUR 4580
MUR 4368	MUR 4498	MUR 4537	MUR 4584
	MUR 4506	MUR 4541	MUR 4588
MUR 4380	MUR 4512	MUR 4548	MUR 4613
MUR 4385	MUR 4517	MUR 4550	
MUR 4386	MUR 4518	MUR 4551	
	MUR 4520	MUR 4557	

8/14/97
Date

Lawrence M. Noble (A2)
Lawrence M. Noble
General Counsel

Attachment:
Case Summaries

9704334394

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Enforcement Priority) Agenda Document No. X97-55

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on August 19, 1997, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions with respect to Agenda Document No. X97-55:

- A. Decline to open a MUR, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:
1. Pre-MUR 336. 2. Pre-MUR 352.
- B. Take no action, close the file effective August 29, 1997, and approve the appropriate letters in the following matters:
1. MUR 3796. 2. MUR 3798. 3. MUR 4274.
4. MUR 4275. 5. MUR 4356. 6. MUR 4358.
7. MUR 4361. 8. MUR 4368. 9. MUR 4380.
10. MUR 4385. 11. MUR 4386. 12. MUR 4396.
13. MUR 4404. 14. MUR 4410. 15. MUR 4417.
16. MUR 4422. 17. MUR 4470. 18. MUR 4478.

(continued)

97043634395

Federal Election Commission
Certification: Enforcement Priority
August 19, 1997

Page 2

19. MUR 4492. 20. MUR 4498. 21. MUR 4506.
22. MUR 4512. 23. MUR 4517. 24. MUR 4518.
25. MUR 4520. 26. MUR 4522. 27. MUR 4523.
28. MUR 4524. 29. MUR 4526. 30. MUR 4528
31. MUR 4529. 32. MUR 4532. 33. MUR 4535.
34. MUR 4537. 35. MUR 4541. 36. MUR 4548
37. MUR 4550. 38. MUR 4551. 39. MUR 4557.
40. MUR 4559. 41. MUR 4560. 42. MUR 4562.
43. MUR 4566. 44. MUR 4574. 45. MUR 4576.
46. MUR 4579. 47. MUR 4580. 48. MUR 4584.
49. MUR 4588. 50. MUR 4613.

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

Attest:

8-21-97
Date

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

9704334396



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ken Owen, President
Henry Kramer, Vice President
Melissa Henderson, Secretary
Nels Henderson, Treasurer
Roger Horton, Vice President
Vesta Clinton, Vice President
Santa Barbara Democratic Business
& Professional Alliance
P.O. Box 2099
Santa Barbara, CA 93101

RE: MUR 4523

Dear Mr. Owen

On October 21, 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 August 29, 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(n)(8).

Sincerely,

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

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

MUR 4523

CONGRESSWOMAN ANDREA SEASTRAND

Based on a newspaper article about a lawsuit filed by Brad Kyle, former campaign coordinator and manager of Friends of Andrea Seastrand for Congress (the "Committee"), the officers of the Santa Barbara Democratic Business & Professional Alliance allege that Congresswoman Seastrand accepted excessive contributions from Mr. Kyle by failing to reimburse him \$10,531.12 for mileage and \$130.62 for Ms. Seastrand's beeper.

The Committee treasurer, Betty Presley, disclaims any personal knowledge of the events contained in the complaint, as she became Treasurer after Mr. Kyle's departure.

Congresswoman Seastrand responds that the lawsuit at the heart of this complaint arose from disputes with Mr. Kyle concerning his entitlement to certain expenses allegedly incurred during his tenure as campaign coordinator and manager. The case has now been settled, with both parties satisfied that Mr. Kyle has been reimbursed for all appropriate expenditures. Mr. Kyle concurs in this response.

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

97043834398



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1997

Eric J. Parkinson, Esq.
1410 Marsh Street
San Luis Obispo, CA 93401

RE: MUR 4523
Brad Kyle

Dear Mr. Parkinson:


On October 28, 1996, the Federal Election Commission notified your client 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 client. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 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 on our toll-free number, (800)-424-9530. Our local number is (202) 219-3690.

Sincerely,


F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

97043634399

MUR 4523

CONGRESSWOMAN ANDREA SEASTRAND

Based on a newspaper article about a lawsuit filed by Brad Kyle, former campaign coordinator and manager of Friends of Andrea Seastrand for Congress (the "Committee"), the officers of the Santa Barbara Democratic Business & Professional Alliance allege that Congresswoman Seastrand accepted excessive contributions from Mr. Kyle by failing to reimburse him \$10,531.12 for mileage and \$130.62 for Ms. Seastrand's beeper.

The Committee treasurer, Betty Presley, disclaims any personal knowledge of the events contained in the complaint, as she became Treasurer after Mr. Kyle's departure.

Congresswoman Seastrand responds that the lawsuit at the heart of this complaint arose from disputes with Mr. Kyle concerning his entitlement to certain expenses allegedly incurred during his tenure as campaign coordinator and manager. The case has now been settled, with both parties satisfied that Mr. Kyle has been reimbursed for all appropriate expenditures. Mr. Kyle concurs in this response.

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

97043034400



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1997

Matthew S. Kennedy, Esq.
Ronca & Kennedy
772 Santa Rosa Street
San Luis Obispo, CA 93601

RE: MUR 4523
Andrea Seastrand

Dear Mr. Kennedy:


On October 28, 1996, the Federal Election Commission notified your client 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 client. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 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 on our toll-free number, (800)-424-9530. Our local number is (202) 219-3690.

Sincerely,


F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

9704334401

MUR 4523

CONGRESSWOMAN ANDREA SEASTRAND

Based on a newspaper article about a lawsuit filed by Brad Kyle, former campaign coordinator and manager of Friends of Andrea Seastrand for Congress (the "Committee"), the officers of the Santa Barbara Democratic Business & Professional Alliance allege that Congresswoman Seastrand accepted excessive contributions from Mr. Kyle by failing to reimburse him \$10,531.12 for mileage and \$130.62 for Ms. Seastrand's beeper.

The Committee treasurer, Betty Presley, disclaims any personal knowledge of the events contained in the complaint, as she became Treasurer after Mr. Kyle's departure.

Congresswoman Seastrand responds that the lawsuit at the heart of this complaint arose from disputes with Mr. Kyle concerning his entitlement to certain expenses allegedly incurred during his tenure as campaign coordinator and manager. The case has now been settled, with both parties satisfied that Mr. Kyle has been reimbursed for all appropriate expenditures. Mr. Kyle concurs in this response.

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

9 / 0 4 3 3 4 4 0 2



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1997

Betty Presley, Treasurer
Friends of Andrea Seastrand
1251 E. Dyer Road, Suite 100
Santa Ana, CA 92705

RE: MUR 4523

Dear Ms. Presley:

On October 28, 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 Friends of Andrea Seastrand and you, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter on August 29, 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 on our toll-free number, (800)-424-9530. Our local number is (202) 219-3690.

Sincerely,

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4523

DATE FILMED 9-23-97 CAMERA NO. 4

CAMERAMAN JMK

9704334404