

FEB 05 2001

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463
FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR: 5019
DATE COMPLAINT May 24, 2000
FILED:
DATE OF NOTIFICATION: June 2, 2000
DATE ACTIVATED: September 26, 2000

EXPIRATION OF STATUE December 29, 2004
OF LIMITATIONS:
STAFF MEMBER: Brant Levine

COMPLAINANT:

Democratic Congressional Campaign Committee
through David Plouffe, Executive Director

RESPONDENTS:

Keystone Corp.
Keystone Corp. Political Action Committee and
Gregory Denué, as treasurer
Friends of Jon Porter, Inc. and George Swarts, as
treasurer
Jon C. Porter, Sr.
Ensign for Senate and Candace Collins Olson, as
treasurer
Gibbons for Congress and Robert Legoy, as treasurer

**RELEVANT STATUTES AND
REGULATIONS:**

2 U.S.C. § 431(11) and (13)(A)
2 U.S.C. § 432(i)
2 U.S.C. § 433
2 U.S.C. § 434(a)(1)
2 U.S.C. § 434(a)(4)(A)
2 U.S.C. § 434(b)(3)
2 U.S.C. § 434(b)(4)(H)(v)
2 U.S.C. § 434(b)(6)(B)(i)
2 U.S.C. § 441a(a) and (f)
2 U.S.C. § 441b(a) and(b)
11 C.F.R. § 100.5(e)(3)
11 C.F.R. § 102.2(a)(3)
11 C.F.R. § 102.5(a)
11 C.F.R. § 103.3(b)
11 C.F.R. § 104.3(b)(3)(v)
11 C.F.R. § 104.5(a)

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FEB 05 2001
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11 C.F.R. § 104.7
11 C.F.R. § 104.8(a)
11 C.F.R. § 104.9(a)
11 C.F.R. § 106.6(a) and (e)
11 C.F.R. § 110.1(b) and (h)
11 C.F.R. § 110.2(a)(2) and (b)
11 C.F.R. § 110.6(a) and (c)
11 C.F.R. § 110.9(a)
11 C.F.R. § 114.1(b) and (e)(1)
11 C.F.R. § 114.2(b)
11 C.F.R. § 114.5(a) and (b) and (g)
11 C.F.R. § 114.7(a)

INTERNAL REPORTS CHECKED: Disclosure Reports
Statements of Organization

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

The Democratic Congressional Campaign Committee filed a complaint that alleges Keystone Corporation and the Keystone Corporation Political Action Committee violated numerous provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The complaint also implicates Jon Porter and his principal campaign committee, Friends of Jon Porter, Inc. Materials submitted with the complaint indicate that other committees, including Ensign for Senate and Gibbons for Congress, may also have violated the Act.

II. COMPLAINT AND RESPONSES

A. Complaint

The complaint alleges that Keystone Corporation is a sham corporation that exists solely to raise funds for certain candidates, such as Jon Porter, John Ensign, and Jim Gibbons.

22-04-406-0377

22-04-406-0378

Materials submitted with the complaint indicate that the Keystone Federal PAC also may have made excessive contributions to the campaigns of John Ensign and Jim Gibbons. Ensign was a candidate in the 2000 General Election for the Senate in Nevada, and his principal campaign committee was Ensign for Senate ("Ensign Committee"). Ensign won the election with 55% of the vote. Gibbons was an incumbent candidate for the 2000 General Election for the House of Representatives in the Second District of Nevada, and his principal campaign committee was Gibbons for Congress ("Gibbons Committee"). Gibbons was reelected with 64% of the vote.

The complaint also alleges improprieties in the manner in which the Keystone Federal PAC achieved multicandidate status. The complaint claims that the Keystone Federal PAC

surpassed the fifty-contributor mark—and thus achieved multicandidate status—only after Jon Porter and his campaign staff made several small contributions.

B. Responses

Keystone Corp. and the Keystone Federal PAC, in a joint response,¹ state that Keystone Corp. is a registered not-for-profit organization in Nevada. Keystone Corp. and the Keystone Federal PAC acknowledge some “technical infractions,” of the Act, but claim that most of the allegations are “frivolous and unsubstantiated” and that there was never a scheme to funnel money to candidates.

The response admits that the Keystone Federal PAC initially made contributions in excess of \$1,000 to the Porter Committee and to the Ensign Committee. The response claims that those contributions were not excessive under the Act because the Keystone Federal PAC met the conditions for registering with the Commission as a multicandidate committee. Nonetheless, the response acknowledges that the Keystone Federal PAC failed to actually register with the Commission by filing the appropriate form. The former executive director of Keystone Corp. and the Keystone Federal PAC claims that he was unaware that such a form existed at the time. When the Keystone Federal PAC learned of the requirement to file the form, it sent letters to the Porter Committee and to the Ensign Committee requesting refunds.

¹ The responses by Keystone Corp. and the Keystone Federal PAC are derived from two sources. First is a letter to the Commission sent by Keystone Corp. on behalf of the Keystone Federal PAC after the complaint was filed, but before the Commission had notified any respondents. The impetus for this letter may have been media coverage of the complaint. Second is a response by Keystone Corp. and the Keystone Federal PAC that this Office received after respondents were notified.

6230-904-40-22

22-04-406-0380

The response also states that the allegations concerning how it achieved multicandidate status are unsubstantiated. The response asserts that there is nothing illegal or improper with regard to the fact that Jon Porter contributed to the Keystone Federal PAC or that the Keystone Federal PAC made a subsequent contribution to Porter's campaign committee. Finally, although the response admits that certain disclosure reports have been filed late with the Commission due to "'clumsy' filing procedures in the past," it states that the Keystone Federal PAC has corrected or is in the process of correcting any errors.

The Ensign Committee, in its response, makes a preliminary objection to being listed as a respondent because the text of the complaint itself does not mention the Ensign Committee. Nonetheless, the Ensign Committee admits accepting a \$3,000 contribution from the Keystone

Federal PAC, but claims that it promptly refunded \$2,000. Because it refunded the contribution, the Ensign Committee requests that the Commission find no reason to believe a violation occurred.

The Gibbons Committee, in its response, claims that it never accepted any excessive contributions from the Keystone Federal PAC.

III. APPLICABLE LAW

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22-04-406-0382

PAGES 7 THROUGH 9 DELETED

C. Contribution Laws

1. Earmarking and 110.1(h)

Under the Act, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. 2 U.S.C. § 441a(a)(8); 11 C.F.R. § 110.6(a). The intermediary or

22-04-406-0383

conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient. 2 U.S.C. § 441a(a)(8); 11 C.F.R. § 110.6(c).

A person may contribute to a candidate with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election provided three requirements are met: first, the political committee is not the candidate's principal campaign committee or a single candidate committee; second, the contributor does not give with the knowledge that a substantial portion will be contributed to, or expended on behalf of, that candidate for the same election; and third, the contributor does not retain control over the funds. 11 C.F.R. § 110.1(h).

2. Contribution Limits

The Federal Election Campaign Act of 1971, as amended ("the Act") provides that no person shall make contributions to any candidate and his or her authorized political committee with respect to any election for federal office which, in the aggregate, exceed \$1,000. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b). The Act defines "person" to include an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons. 2 U.S.C. § 431(11).

Multicandidate committees are prohibited from making contributions in excess of \$5,000 to any candidate and his or her authorized committee with respect to any election for federal office. 2 U.S.C. § 441a(a)(2)(A); 11 C.F.R. § 110.2(b). A multicandidate committee is a political committee that (1) has been registered under section 433 of the Act for a period of not less than six months; (2) has received contributions from more than 50 persons; and (3) except for a State political party organization, has made contributions to five or more candidates for

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5830-904-40-22

federal office. 2 U.S.C. § 441a(a)(4); 11 C.F.R. § 100.5(e)(3). A committee shall certify to the Commission that it has satisfied the criteria for becoming a multicandidate committee by filing an FEC Form 1M before it makes any contributions to candidates that exceed \$1,000 per election. 11 C.F.R. § 102.2(a)(3). Additionally, a multicandidate committee that makes contributions in excess of \$1,000 must notify recipients in writing of its multicandidate status. 11 C.F.R. § 110.2(a)(2).

Candidates and their committees are prohibited from knowingly accepting any contributions in excess of the Act's limitations. 2 U.S.C. § 441a(f); 11 C.F.R. § 110.9(a). The treasurer is responsible for examining all contributions received for evidence of illegality and for ascertaining whether contributions received, when aggregated with other contributions from the same contributor, exceed contribution limits. 11 C.F.R. § 103.3(b). Contributions which on their face exceed contribution limits may be either deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(3). Unless the contributor designates a contribution to a specific election, the contribution shall be applied to the next election for federal office. 11 C.F.R. § 110.1(b)(2).

If a treasurer deposits a contribution which appears to exceed contribution limits, the treasurer shall make and retain a written record noting the basis of the illegality. 11 C.F.R. § 103.3(b)(5). Additionally, any contribution that appears to be illegal and which is deposited into a campaign depository shall not be used for any disbursements by the political committee until the contribution has been determined to be legal. 11 C.F.R. § 103.3(b)(4). A statement noting that the legality of the contribution is in question shall be included in the report noting the receipt of the contribution. 11 C.F.R. § 103.3(b)(5). The treasurer may also request

redesignation or reattribution of the excessive contribution. 11 C.F.R. § 103.3(b)(3). If a redesignation or reattribution is not obtained, the treasurer shall, within sixty days of the treasurer's receipt of the contribution, refund the contribution to the contributor. *Id.*

D. Reporting Requirements

The Act requires each treasurer of a political committee to file periodic reports of receipts and disbursements. 2 U.S.C. § 434(a)(1). In a calendar year in which a regularly scheduled general election is held, committees that choose to file on a quarterly basis shall file quarterly reports no later than the 15th day after the last day of each calendar quarter, except that the report of the quarter ending on December 31 of such calendar year shall be filed no later than January 31 of the following year. 2 U.S.C. § 434(a)(4)(A)(i); 11 C.F.R. § 104.5(a)(1)(iii). Committees must also file a post-general election report, which shall be filed no later than the 30th day after the general election and which shall be complete as of the 20th day after such general election. 2 U.S.C. § 434(a)(4)(A)(iii); 11 C.F.R. § 104.5(a)(1)(ii).

In a calendar year in which an election does not occur, committees must file two reports. The first covers the period beginning January 1 and ending June 30 and must be filed by July 31. 2 U.S.C. § 434(a)(4)(A)(iv); 11 C.F.R. § 104.5(a)(2)(i). The second report covers the period beginning July 1 and ending December 31, which must be filed by January 31 of the following calendar year. *Id.*

Each report required by the Act must contain the total amount of all disbursements, listed by category. 2 U.S.C. § 434(b)(4)(H)(v). Reports must also contain the identification of each person who makes a contribution to the reporting committee during the reporting period, whose contributions have an aggregate amount or value in excess of \$200 within the calendar year,

22-04-406-0386

together with the date and amount of any such contribution. 2 U.S.C. § 434(b)(3); 11 C.F.R.

§ 104.8(a). Reports must also contain the name and address of each political committee to which the reporting committee makes a contribution during the reporting period, as well as the date and amount of such contribution. 2 U.S.C. § 434(b)(6)(B)(i); 11 C.F.R. § 104.9(a). Finally, a treasurer must use his or her best efforts to comply with the reporting requirements of the Act.

2 U.S.C. § 432(i); 11 C.F.R. § 104.7.

The Act also requires that any change in information previously submitted in a statement of organization shall be reported in accordance with § 432(g) no later than 10 days after the date of the change. 2 U.S.C. § 433(c).

IV. FACTUAL AND LEGAL ANALYSIS

A. The Status and Relationship of the Keystone Federal PAC and Keystone Corporation

22-04-406-0387

As a preliminary matter, the complaint asserts that Keystone Corp. is a sham corporation. This Office examined public records in Nevada and discovered that there is an entity called Keystone Corp. that is a duly registered nonprofit corporation as well as an entity called Keystone Corp. that is a registered committee for political action ("PAC"),² both of which have the same address. Nevada records also show that the address, phone number, and officers of Keystone Corp. match that of the Keystone Federal PAC. Additionally, an examination of local newspaper articles indicates that Keystone Corp. has sponsored a number of monthly breakfast meetings where various political speakers addressed the organization. Thus, contrary to the complaint's allegation, Keystone Corp. appears to be a valid Nevada corporation.³

Nevada law does not prohibit a corporation from registering as a state PAC, as Keystone Corp. has apparently done. As a state PAC, Keystone Corp. is required to submit reports of contributions and expenditures to the Nevada Secretary of State. In its most recent state filing, which covers the entire period from January 1, 1996 through October 25, 2000, Keystone Corp. reported receiving \$450,082.67 in contributions and expending \$406,206.92.⁴ By contrast, the Keystone Federal PAC has reported receiving a total of \$16,400 in contributions and expending \$16,142.50,⁵ since its inception in July 1998.

² Under Nevada law, a committee for political action is defined as any organization that receives contributions, makes contributions to candidates or other persons, or makes expenditures designed to affect the outcome of any primary, general, or special election or question on the ballot. *Nev. Rev. Stat. Ann.* § 294A.0055.

³ Keystone Corp.'s federal tax status is unclear; it does not appear to be listed with the IRS as a 527 or 501(c)(3) organization.

⁴ Approximately \$160,000 of Keystone Corp.'s disbursements went toward contributions to candidates for various state offices, with the remainder going toward consulting, advertising, and administrative expenses.

⁵ All of the Keystone Federal PAC's expenditures originally went toward contributions to candidates for various federal offices. After \$8,000 in contributions were refunded to the Keystone Federal PAC in June 2000, the Keystone Federal PAC reported making an \$8,000 disbursement to Keystone Corp. for administrative and fundraising expenses. This was the first time the Keystone Federal PAC had ever reported making a disbursement related to administrative or fundraising expenses. Keystone Corp.'s state filings, however, do not reflect these payments.

22-04-406-0389

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B. Contribution Issues

1. Earmarking and 110.1(h) Issues

The complaint alleges that the Keystone Federal PAC has engaged in various schemes to funnel money to candidates from individual contributors. To support this allegation, the complaint cites a newspaper article that states, "Keystone is made up of wealthy donors who may have maxed out on personal or corporate donations and yet want to keep giving to candidates." (Jane Ann Morrison, "Candidates Get Big Boost from Hidden Money," *Las Vegas Review Journal*, Oct. 24, 1996 at A1). This article, however, was written in 1996—two years before the Keystone Federal PAC came into existence. Nonetheless, to determine whether there is a factual or legal basis for the allegations, this Office analyzed available information under section 441a(8) of the Act, which deals with earmarking, and under section 110.1(h) of the regulations, which covers situations when a person contributes to a committee with knowledge that a substantial portion of the contribution will be contributed to a certain candidate that the individual has also supported.

With regard to possible earmarking, if an individual made a contribution to the Keystone Federal PAC with an instruction that the contribution be passed along to a specific candidate, then that contribution should have been reported as coming from the individual, not the Keystone Federal PAC. See 2 U.S.C. § 441a(8). Likewise, earmarked contributions should be added to any direct contributions made to the same candidate to determine whether an individual exceeded

22-04-406-0390

the Act's \$1,000 limit. *See id.* One purpose of this treatment is to prevent individuals from avoiding contribution limits by using political committees as an unreported conduit.

To determine if there was any information that suggested an earmarking scheme in this matter, this Office compared disclosure records of the Keystone Federal PAC with records of candidates supported by the Keystone Federal PAC. If an individual contribution to the Keystone Federal PAC were in fact earmarked for a particular candidate, one might expect to see the Keystone Federal PAC give a contribution of a similar amount to that candidate within a short time of receiving the earmarked contribution. Yet with one exception discussed below, this Office found little correlation between the timing and amount of individual contributions to the Keystone Federal PAC and contributions by the Keystone Federal PAC to candidates. Additionally, there is no evidence that individuals instructed the Keystone Federal PAC to apply their contributions to a specified candidate.

This Office's review of disclosure records also showed that only a few reported contributors to the Keystone Federal PAC had also contributed to a candidate supported by the Keystone Federal PAC. For these few individuals, the regulations impose additional requirements. Specifically, section 110.1(h)(2) states that a person may contribute both to a candidate and to a committee that has supported or anticipates supporting the same candidate, provided that the person does not contribute to the committee with the knowledge that a substantial portion of the contribution will be contributed to the candidate. Currently, there is little evidence that individual contributors to the Keystone Federal PAC knew that a substantial portion of their contribution would be given to a specified candidate. Therefore, the available information does not suggest any violation of section 110.1(h) of the regulations.

22-04-406-0391

A series of contributions to and from the Keystone Federal PAC on March 30, 2000—specifically mentioned in the complaint—merits additional analysis. On March 30th, the Keystone Federal PAC received a total of \$1,000 in contributions from nineteen individuals, a number of whom were affiliated with either Friends of Jon Porter, Inc. ("Porter Committee") or with Ensign for Senate ("Ensign Committee"). The same day these contributions were received, the Keystone Federal PAC made a \$6,000 contribution to the Porter Committee and a \$3,000 contribution to the Ensign Committee. The following chart illustrates this sequence of events:

22-04-406-0392

March 30, 2000 Transactions

RECEIPTS

Keystone Federal PAC receives a \$50 contribution from both Jon & Laurie Porter

- Jon Porter is the congressional candidate of the Porter Committee

Keystone Federal PAC receives a \$50 contribution from Stephanie Hughes

- Stephanie Hughes is a paid consultant of the Porter Committee

Keystone Federal PAC receives a \$50 contribution from Christine and John Milburn

- Christine Milburn is on the Porter Committee's payroll

Keystone Federal PAC receives a \$50 contribution from Joseph Denna

- Joseph Denna is on the Porter Committee's payroll

Keystone Federal PAC receives a \$50 contribution from both Linzel and Stephen McBride

- Linzel McBride was treasurer of Ensign for Senate at the time

Keystone Federal PAC receives a \$25 contribution from both Kay and Dennis Finfrock

- Kay Finfrock is on the Ensign Committee's payroll

Keystone Federal PAC receives a \$50 contribution from J. Brooke Allmon

- J. Brooke Allmon is on the Ensign Committee's payroll

****A total of nineteen individuals contributed to the Keystone Federal PAC on this day****

EXPENDITURES

Keystone Federal PAC contributes \$6,000 to the Porter Committee

Keystone Federal PAC contributes \$3,000 to the Ensign Committee

The timing of the contributions made by the Keystone Federal PAC on March 30th raises the question of whether the contributions it received were earmarked in order to avoid individual contribution limits or whether individuals gave to the Keystone Federal PAC with the knowledge that the Keystone Federal PAC would contribute to a certain candidate. The Keystone Federal PAC responds by stating that it used the contributions to meet the multicandidate status

22-04-406-0393

requirement of 50 contributors. Before March 30th, the Keystone Federal PAC had received contributions from only 34 individuals—16 short of the 50 needed to attain multicandidate status. On March 30, 2000, however, the Keystone Federal PAC received contributions from 18 new contributors, pushing it over the qualifying mark and making it eligible to contribute up to \$5,000 to candidates.

The available information supports the Keystone Federal PAC's position that the contributions were neither earmarked nor covered by section 110.1(h). Rather, individuals appear to have contributed to the Keystone Federal PAC with the intention of helping it achieve multicandidate status so that the Keystone Federal PAC could make larger contributions to the Porter and Ensign Committees. Additionally, this Office found that the majority of the contributors to the Keystone Federal PAC on March 30th had never contributed to any candidate supported by the Keystone Federal PAC. For these contributors, because there is no issue about evading contribution limits, earmarking is highly unlikely. Additionally, section 110.1(h) of the regulations does not even apply to these individuals who never contributed to a candidate supported by the Keystone Federal PAC.

With respect to the rest of the contributors to the Keystone Federal PAC on March 30th, who had previously supported either the Porter or Ensign Committees, additional facts indicate that a violation of the Act's earmarking provisions or of section 110.1(h) of the regulations is also highly unlikely. For example, only one of the nineteen contributors on March 30th gave more than \$50 to the Keystone Federal PAC. Also, although the contributors were likely aware that the Keystone Federal PAC would contemporaneously contribute to the Porter and Ensign Committees, it does not appear that the contributors knew that a portion of *their own*

22-04-406-0394

contributions would be given to a specified candidate. Rather, the small nature of most of the contributions to the Keystone Federal PAC appears to indicate that these individuals were focused on helping the Keystone Federal PAC achieve multicandidate status, which would enable the Keystone Federal PAC to contribute more than \$1,000 to either the Porter Committee or the Ensign Committee.

With respect to Linzel McBride, then the treasurer of the Ensign Committee, and Kay Finfrock, a staff member of the Ensign Committee, both of whom contributed to the Keystone Federal PAC on March 30th, the situation is slightly less clear. Unlike the other contributors, both had previously contributed \$1,000 to the Ensign Committee.¹⁰ Nonetheless, because McBride contributed only \$50 and Finfrock just \$25 to the Keystone Federal PAC, it appears that they were simply part of the effort to push the Keystone Federal PAC over the fifty-contributor mark.

Similarly because Jon Porter, as a candidate, could contribute an unlimited amount of money to his campaign, it is highly unlikely that he earmarked his \$50 contribution to the Keystone Federal PAC or that he violated section 110.1(h). Finally, the Keystone Federal PAC appears to have had enough cash on hand to make the contributions to the Porter and Ensign Committees *before* it received the nineteen contributions on March 30th, thus making it unlikely that any of the contributions were passed directly on to either the Porter or Ensign Committees.

Therefore, based on all the reasons stated, this Office recommends the Commission find no reason to believe that any of the following individuals who may have contributed to the Keystone Federal PAC on March 30, 2000 with the apparent intention of helping it achieve

¹⁰ The spouses of McBride and Finfrock, who also contributed to the Keystone Federal PAC on March 30th, had also previously contributed \$1,000 to the Ensign Committee.

22-04-406-0395

multicandidate status violated 2 U.S.C. § 441a(a)(1)(A) either by earmarking their contributions or by operation of 11 C.F.R. § 110.1(h): Stephanie Hughes, Jennifer Lewis, Christine Milburn, John Milburn, Christopher Ferrari, Jennifer Lazovich, Michael Cherine, Joseph Denna, Robin Mercer, Laurie Porter, Dennis Finfrock, Kay Finfrock, J Brooke Allmon, Stephen McBride, Linzel McBride, Mike Slanker, Cristen Campbell, and Matthew Werner.

This Office also recommends the Commission find no reason to believe that the Keystone Federal PAC violated 2 U.S.C. § 441a(a)(8) with respect to reporting contributions it received on March 30, 2000.

This Office further recommends the Commission find no reason to believe that Ensign for Senate and Candace Collins Olson, as treasurer, violated 2 U.S.C. § 441a(f) or § 434(b) by virtue of receiving contributions from the Keystone Federal PAC that may have originated from individuals who wanted to help the Keystone Federal PAC achieve multicandidate status.

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2. Excessive Contributions

The complaint and its supporting materials question whether the Keystone Federal PAC made excessive contributions to the Porter Committee, Ensign Committee, and Gibbons for Congress ("Gibbons Committee"). Specifically, the complaint alleges that the Keystone Federal PAC made contributions in excess of \$1,000 when it was not a qualified multicandidate committee.

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22-04-406-0398

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Materials submitted with the complaint referred to Gibbons for Congress ("Gibbons Committee"). This Office thus examined disclosure records to determine if the Gibbons Committee may also have accepted excessive contributions from the Keystone Federal PAC. Reports indicate that the Gibbons Committee received a \$1,000 contribution from the Keystone Federal PAC on October 13, 1998 and another \$1,000 contribution from the Keystone Federal PAC on January 7, 2000. The first contribution applied to the 1998 general election, while the second contribution applied to the 2000 primary election. Thus, because the contributions applied to different elections, it does not appear that the Gibbons Committee accepted excessive contributions from the Keystone Federal PAC. Additionally, there are no other records of the Keystone Federal PAC contributing to the Gibbons Committee.

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This Office also recommends the Commission find no reason to believe Gibbons for Congress and Robert Legoy, as treasurer, violated 2 U.S.C. § 441a(f) with respect to contributions received from the Keystone Federal PAC.

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VI. RECOMMENDATIONS

- 1.
- 2.
- 3.
- 4.
5. Find no reason to believe that the Keystone Corp. Political Action Committee ("Keystone Federal PAC") and Gregory Denué, as treasurer, violated 2 U.S.C. § 441a(a)(8) with respect to reporting contributions it received on March 30, 2000.
6. Find no reason to believe that any of the following individuals who may have contributed to the Keystone Federal PAC on March 30, 2000 with the apparent intention of helping it achieve multicandidate status violated 2 U.S.C. § 441a(a)(1)(A) either by earmarking their contributions or by operation of 11 C.F.R. § 110.1(h):
Stephanie Hughes, Jennifer Lewis, Christine Milburn, John Milburn, Christopher Ferrari, Jennifer Lazovich, Michael Cherine, Joseph Denna, Robin Mercer, Laurie Porter, Dennis Finfrock, Kay Finfrock, J Brooke Allmon, Stephen McBride, Linzel McBride, Mike Slanker, Cristen Campbell, and Matthew Werner.
7. Find no reason to believe that Ensign for Senate and Candace Collins Olson, as treasurer, violated 2 U.S.C. §§ 441a(f) or 434(b) by virtue of receiving contributions from the Keystone Federal PAC that may have originated from individuals who wanted to help the Keystone Federal PAC achieve multicandidate status;
- 8.
- 9.

22-04-406-0402

10. Find no reason to believe Gibbons for Congress and Robert Legoy, as treasurer, violated 2 U.S.C. § 441a(f);
11. Approve the attached Factual and Legal Analyses; and
12. Approve the appropriate letters.

Lois G. Lerner
Acting General Counsel

2/5/01
Date

BY: Abigail A. Shaine
Abigail A. Shaine
Acting Associate General Counsel

22-04-406-0403