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MUR 4305

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SENSITIVE

APR 28 1998

EXECUTIVE SESSION

On February 10, 1998, the Commission found probable cause to believe Malcolm S. "Steve" Forbes, Jr., Forbes, Inc., and Forbes for President, Inc. and William A. Dal Col, as treasurer ("Forbes Committee") (collectively, "Respondents"), each violated 2 U.S.C. § 441b(a). The Commission's findings were based primarily on in-kind corporate contributions of not less than \$94,900 made by Forbes, Inc. and accepted by the Forbes Committee in the form of regularly-featured columns written by Mr. Forbes and published in *Forbes* magazine. The columns appeared in *Forbes* during Mr. Forbes's presidential campaign, which lasted from September 1995 until March 1996. The Commission also found probable cause to believe that the Forbes Committee violated 2 U.S.C. § 434(b)(2)(A) by failing to report the contributions.

This Office has attempted to conciliate this matter for at least 30 days pursuant to 2 U.S.C. § 437g(a)(4)(A)(i). On March 6, 1998, at the request of Respondents' counsel, staff from this Office met with counsel in an effort to resolve this matter. Following the conference, this Office received the attached letter from counsel, stating that "none of the respondents believes it to be appropriate or warranted to enter into a conciliation agreement in this matter.

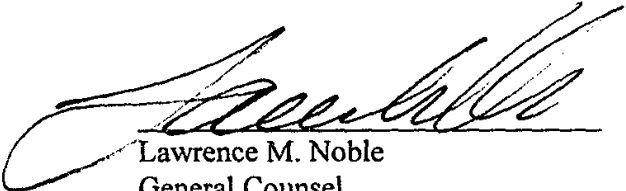
Each one strongly believe that the activities involved in this matter did not constitute a violation of the FECA." See Attachment. The letter concluded with a request that the Commission close the file. Staff contacted counsel to discuss the contents of the letter and confirmed that Respondents no longer wished to participate in conciliating this matter. Accordingly, this Office recommends that the Commission deny Respondents' request to close the file, and authorize a civil suit.

II. RECOMMENDATIONS

1. Deny the request by Malcolm S. "Steve" Forbes, Jr., Forbes, Inc., and Forbes for President, Inc. and William A. Dal Col, as treasurer, to close the file.
2. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against Malcolm S. "Steve" Forbes, Jr., Forbes, Inc., and Forbes for President, Inc. and William A. Dal Col, as treasurer.
3. Approve the appropriate letter.

Date

4/17/98


Lawrence M. Noble
General Counsel

Attachment

Letter from Paul E. Sullivan, dated March 19, 1998

Staff Assigned: Thomas J. Andersen



FEDERAL ELECTION COMMISSION

Washington, DC 20463

MEMORANDUM

TO: Office of the Commission Secretary

FROM: Office of General Counsel *Kag*

DATE: April 17, 1998

SUBJECT: MUR 4305-General Counsel's Report

The attached is submitted as an Agenda document for the Commission Meeting of April 28, 1998

Open Session _____

Closed Session XX

CIRCULATIONS

SENSITIVE ☐
NON-SENSITIVE ☐

72 Hour TALLY VOTE ☐

24 Hour TALLY VOTE ☐

24 Hour NO OBJECTION ☐

INFORMATION ☐

DISTRIBUTION

COMPLIANCE ☐

Open/Closed Letters ☐

MUR ☐

DSP ☐

STATUS SHEETS ☐

Enforcement ☐

Litigation ☐

PFESP ☐

RATING SHEETS ☐

AUDIT MATTERS ☐

LITIGATION ☐

ADVISORY OPINIONS ☐

REGULATIONS ☐

OTHER ☐