

Record

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Court Cases

Maine Right to Life Committee v. FEC (95-261-B-H)

On October 18, 1996, the U.S. Court of Appeals for the First Circuit upheld a lower court ruling that found the Federal Election Commission's regulation at 11 CFR 100.22(b)¹ exceeded the agency's authority because it expanded the definition of "express advocacy" beyond the Supreme Court's interpretation in the landmark case, *Buckley v. Valeo*.

The appeals court said it made its ruling "for substantially the reasons set forth in the district court opinion." See April 1996 *Record*, page 9, for a summary of the district court ruling.

The Federal Election Campaign Act prohibits corporate treasury funds to be used in connection with a federal election. See 2 U.S.C. §441b.

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¹Section 100.22(b) defines express advocacy as a communication that, when taken as a whole and with limited reference to external events (such as proximity to an election), can only be interpreted by a reasonable person as unambiguously advocating the election or defeat of a clearly identified candidate.

Regulations

Interim Rules on Voluntary Electronic Filing Go Into Effect January 1997

On January 1, 1997, the FEC will begin implementing a new regulation governing a voluntary electronic filing system for campaign finance reports. 11 CFR 104.18 (61 FR 42371, Aug. 15, 1996).

The rules will be in effect on an interim basis while the final rules are sent to Congress for legislative review.

Most new or modified rules and regulations approved by the Commission must be placed before both houses of Congress for 30 legislative days before they can be promulgated. 2 U.S.C. 438(d). The Commission submitted the electronic filing regulations to Congress on August 9, 1996. However, the 104th Congress adjourned before it had had the electronic filing rules for 30 days. The statute creating the electronic filing system requires the Commission to implement a voluntary system beginning January 1, 1997. Consequently, the Commission issued the regulations on an interim basis and plans to retransmit them to the 105th Congress, which will convene on January 7, 1997 (61 FR 58460, Nov. 15, 1996).

See the November 1996 *Record*

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Regulations

(continued from page 1)

for more information about how electronic filing will work. Copies of the Federal Register notice on the new regulation are available by calling the FEC at 800/424-9530 (press 3). Also, the FEC's Flashfax has the document "Electronic Filing of Reports by Political Committees" (dial 202-501-3413 and request document 230). Guidelines also are available at the FEC's web site, <http://www.fec.gov>. ♦

Public Funding

FEC Denies Request to Suspend Public Funds for Perot

On October 17, 1996, the Federal Election Commission (FEC) denied a request to withhold public funding

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from Ross Perot's 1996 Presidential general election campaign.

In mid-August, the Commission determined that Mr. Perot was eligible for approximately \$29 million in pre-election public funding for the general election. On the same day, Herb Rosenberg, of New York, requested that the FEC deny general election funding to Mr. Perot's presidential efforts, alleging a number of irregularities by the campaign and the Reform Party candidate.

Mr. Rosenberg's contentions included excessive expenditures, irregularities in the nomination process and the possible disenfranchisement of Reform Party members.

The FEC determined that the allegations were speculative and did not satisfy the strict standard that must be met to withhold public funds, namely, patent irregularities suggesting the possibility of fraud.¹

The Commission reasoned that it will be able to determine whether the allegations are accurate when it conducts the mandatory audits of public funding recipients after the Presidential election. 26 U.S.C. §9007, 11 CFR part 9007. ♦

¹See *In re Carter-Mondale Reelection Committee Inc.*, 642 F.2d 538 (D.C. Cir. 1980).

800 Line

Undesignated Contributions

This article explains how undesignated contributions made to candidate committees count against election limits and how committees should report them.

An undesignated contribution to a candidate automatically counts against the donor's limit for the candidate's next scheduled election.

For example, if an undesignated contribution is made to Candidate Smith after a primary election but before the general election, it counts against the donor's contribution limit for Smith's general election. If Smith loses the primary and does not plan to run for federal office again, his committee must refund any contribution made after the primary or ask the contributor to redesignate the contribution to retire primary campaign debts. If the campaign has no debts, its only option is to refund the contribution.

Note, however, that if the contributor has already contributed the maximum amount for the primary, then he/she cannot redesignate the contribution for the primary debt. The committee must refund the contribution.

The same rule applies to contributions made by corporate and labor PACS: if an SSF makes an undesignated contribution to Smith after the primary election, the contribution will count against its limit for Smith's general election, provided he is a candidate in that election.

Date Made

An undesignated contribution *made* on or before election day counts against the donor's limit for that election, even if the campaign *receives* the contribution after the election and even if the campaign has no outstanding debts. Thus, it is important to understand what constitutes *making* a contribution. A contribution is made when the contributor gives up control over it, as explained below.

- A hand-delivered contribution is considered made on the date it is delivered to the campaign.
- A mailed contribution is made on the date of the postmark.
- An in-kind contribution is made on the date that the goods and services are provided by the contributor.

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Compliance

MUR 4320 Firm's Use of PAC Contributor Lists for Commercial Solicitations Nets Fine

D.H. Blair & Co. Inc., a New York City brokerage firm, agreed to pay a \$100,000 civil penalty after some of its employees used political committee contributor lists for commercial purposes. The lists were used as a source for making "cold calls" to potential clients, in violation of the "sale and use restriction" contained in 2 U.S.C. §438(a)(4).

Background

The MUR was generated internally as a result of a referral from the Commission's Public Records Office. Beginning in late 1994, an employee of that office noticed an unusual pattern of telephone requests for lists of individual contributors. An examination of the requests indicated that a number of the callers were associated with Blair.

The Public Records Office complied with the requests and mailed each caller computer-generated lists of contributors.¹ Each page of the lists contained a printed notice of the sale and use restriction, which bars commercial use of contributor information. In addition, the restriction was spelled out on at least three other documents mailed to the employees with the information requested. Also, Public Records staff recited the restriction to some of the callers during telephone conversations.

Under 2 U.S.C. §438(a)(4), the FEC must make disclosure reports available for public inspection and

copying within 48 hours of receipt. The Federal Election Campaign Act (the Act) also requires political committees to identify each individual whose aggregate contributions exceed \$200 in a calendar year by listing their name, mailing address, occupation and employer. 2 U.S.C. §434(b)(3)(A).

The statute tries to balance the public disclosure of campaign finance information against the need to protect the privacy of individual contributors. To that end, any information pertaining to the names and addresses of individual contributors that is taken from the reports or statements may not be sold or used for the purpose of soliciting contributions or for commercial purposes.² 2 U.S.C. §438(a)(4). (This restriction does not apply to using the names and addresses of political committees that are registered with the FEC.)

Because of the unusual nature of some of the requests and the number of requests traceable to the same brokerage firm, the Public Records Office referred the matter to the Office of General Counsel. Based on preliminary information, the Commission found reason to believe that Blair and several brokers who had made repeated requests for contributor lists knowingly and willfully violated the law.

Investigation Reveals Prohibited Use of Lists

The investigation conducted after the Commission's reason to believe findings found that more than 50 Blair employees had requested political committee contributor lists

²In *Federal Election Commission v. Political Contributions Data*, 943 F.2d 190, 197 (2d Cir. 1991), the court found that the prohibition on the use of FEC contribution lists for commercial purposes includes such uses that could make contributors prime prospects for all kinds of solicitations, including those for cars, credit cards, magazine subscriptions and vacation trips.

and that some had used the lists for commercial purposes.

When Blair was notified of the Commission's "reason to believe" finding, it ordered its employees to cease the activity and it cooperated with the FEC. Blair and the individual respondent brokers denied they had knowingly and willfully violated the law.

Penalties Assessed Against Brokerage Firm

Prior to the Commission's finding probable cause to believe the law had been violated, Blair agreed to enter into a conciliation agreement with the Commission. In addition to paying the civil penalty, Blair agreed to:

- Notify all of its employees that commercial use of contributor lists obtained from the FEC is prohibited by law and make such information part of regular employee training;
- Post notices in offices and "cold calling" areas advising employees of the law;
- Amend its training and personnel manuals to include a statement about the prohibitions on contributor lists; and
- Sanction any employee who violates the prohibition on contributor lists.

The conciliation agreement settled the matter as to Blair and its brokers.

Brokerage Community Put on Notice

In the course of conducting its investigation into the Blair brokers, the FEC obtained information suggesting that the practice of using political committee contributor lists for commercial use extended to other brokerage firms as well.

In an effort to educate the brokerage community, the Commission approved sending informational letters about the sale and use restriction in the Act to three

(continued on page 8)

¹Contributors' street addresses are not included in computer-generated print-outs.

Court Cases

(continued from page 1)

However, the Supreme Court, citing First Amendment concerns, limited the scope of §441b when it ruled in *Buckley* and *Massachusetts Citizens for Life v. FEC*. The Supreme Court held in *MCFL* that the ban on corporate independent expenditures only applies when the money is used to “expressly advocate” the election or defeat of a clearly identified candidate for federal office. The *Buckley* decision listed examples of phrases that constitute express advocacy: “vote for,” “elect,” “support,” “cast your ballot for,” “vote against,” “defeat,” “reject.”

The district court ruled that the decisions in *Buckley*, *MCFL* and *Faucher v. FEC* support the need for a bright-line test for express advocacy. The court said that such a test avoids the chilling of free speech that occurs when a communicator is uncertain about whether the message contained in the communication is express advocacy.

Based on those precedents, the district court ruled that 11 CFR 100.22(b) was invalid. Subpart a of this regulation (11 CFR 100.22 (a)) was not challenged in the case.

The First Circuit also cited *FEC V. Christian Action Network*, where a district court, in a decision summarily affirmed by the Court of Appeals for the Fourth Circuit, ruled that CAN’s television and newspaper ads purchased as independent expenditures with corporate funds were not prohibited by 2 U.S.C. §441b because they contained no express advocacy.

U.S. Court of Appeals for the First Circuit, No. 96-1532, October 18, 1996; D.Ct. No. 95-261-B-H, February 15, 1996. ♦

RNC v. DNC and FEC

On November 1, 1996, the U.S. District Court for the District of Columbia dismissed a lawsuit brought by the Republican National Committee (RNC) against the FEC and the Democratic National Committee (DNC). The suit was triggered by the DNC’s initial decision not to file a pre-general election report.¹

The RNC filed the suit on the same day it filed an administrative complaint with the FEC alleging violations of the election law by the DNC.

In the lawsuit, the RNC claimed that the DNC had violated the law by failing to file the pre-general election report. The DNC responded that it had not made any contributions or expenditures on behalf of federal candidates that had not already been disclosed, so that, in its view, no report was required.

In the RNC’s view, a political committee must file a pre-general election report if it receives contributions or makes expenditures on behalf of federal candidates during an election cycle and not just if it receives a contribution during the reporting period. Moreover, the RNC said that the DNC had, in fact,

¹ *The DNC filed a pre-general election report with the FEC on November 1, eight days after the filing date*

made contributions during the time period covered by the pre-general report—October 1-16—because it had transferred thousands of dollars to the Democratic Congressional Campaign Committee and Democratic state committees.

The RNC asked the court to:

- Require the DNC to file its pre-general election report prior to November 5, 1996,
- Direct the FEC to take expedited measures to require such filing, and
- Enjoin the DNC from making any expenditures until the report was filed.

In a ruling from the bench, the court granted the FEC’s motion to dismiss the case on the grounds that the court did not have jurisdiction in the matter. The court based its decision on the recent appellate court decision in lawsuits filed against the FEC by Presidential contenders Ross Perot and John Hagelin. See the November 1996 *Record*, page 1.

The Act gives the FEC exclusive jurisdiction to hear complaints alleging violations of the laws governing elections. In 2 U.S.C. §437g(a)(8), the law allows complainants to file suit against the FEC only for dismissing their complaint or for failing to act within 120 days after the complaint is filed. The RNC filed its lawsuit in district court the same day that it filed its

On Appeal?

Stockman v. FEC

Congressman Stephen E. Stockman has appealed the dismissal of his case against the FEC to the U.S. Court of Appeals for the Fifth Circuit. The U.S. District Court for the Eastern District of Texas, Beaumont Division, had ruled for the Commission, dismissing Mr. Stockman’s claim that the FEC had unreasonably delayed its investigation into his 1994 campaign. See the October 1996 *Record*, page 2, and the February 1996 *Record*, page 9.

Appealed?

Yes

administrative complaint with the FEC, falling well short of the 120-day period.

The court also dismissed the DNC from the complaint, saying that a private party had no right of action against another private party for alleged violations of the Act.

Thus, the court denied the RNC's request for injunctive relief against the DNC and the FEC.

U.S. District Court for the District of Columbia, 96-2494. ♦

New Litigation

DSCC v. FEC (96-2184)

The Democratic Senatorial Campaign Committee (DSCC) asks the court to find that the FEC's failure to act on its administrative complaint against the National Republican Senatorial Committee (NRSC) within 120 days is in violation of 2 U.S.C. 437g(a)(8)(A).

As mandated by Congress, the FEC has exclusive jurisdiction over civil complaints alleging violations of the Federal Election Campaign Act and has 120 days to act on an administrative complaint before the court may become involved.

The DSCC filed an administrative complaint with the FEC on May 14, 1993, alleging, among other things, that the NRSC had made at least \$187,000 in illegal "soft money" expenditures to influence the election of a Republican candidate in Georgia to a seat in the U.S. Senate. 2 U.S.C. §§441a and 441b. The DSCC said that the NRSC gave the money to four nonprofit organizations that allegedly were closely aligned with the Republican party—the National Right to Life Committee, Coalitions for America, American Defense Foundation and Good Government Committee. Some of these organizations, in turn, reported making independent expenditures on behalf of the Senate candidate.

In February 1995, the DSCC filed

a supplemental administrative complaint alleging that the NRSC had continued making illegal expenditures on behalf of Republican candidates during the 1994 elections. On the same day, the DSCC asked the court to order the FEC to act on its original and supplemental complaints.

In April 1996, the court found the FEC's inaction on the complaints contrary to law. For a summary of the decision, see the July 1996 *Record*, page 5. The court also said that if the FEC failed to act in a reasonable time, the DSCC could bring another lawsuit before the court, which it did in September after more than 120 days again had passed.

In this latest suit, the DSCC specifically asks the court to require the FEC to complete an expedited investigation into its complaints within 30 days after the court's order in this case and to make weekly reports to the court on its progress until the court's order has been fulfilled. Alternatively, the DSCC asks the court to authorize the committee itself to file a civil action against the NRSC.

U.S. District Court for the District of Columbia, 96-2184, September 20, 1996. ♦

Information

Publications and Forms Available on WWW

The Federal Election Commission has added five new brochures to its web site. Navigate to <http://www.fec.gov> and click on the menu option "What's New" or "Help for Candidates, Parties and PACs" to download:

- Selected Court Case Abstracts, 1976-1995,
- Campaign Guide for Nonconnected Committees,
- Contributions brochure,
- Candidate registration brochure, and
- Form 5 (it is used to report independent expenditures).

The court case abstracts and Form 5 can be read only by using Adobe Acrobat Reader, which is available free on the FEC's web site. ♦

Federal Register

Federal Register notices are available from the FEC's Public Records Office.

Notice 1996-20

11 CFR Part 104: Electronic Filing of Reports by Political Committees; Interim Rules; Transmittal to Congress (61 FR 58460, November 15, 1996)

Statistics

National Party Committees Report Jump in Financial Activity

The national Democratic and Republican party committees¹ experienced large increases in financial activity in both their federal and nonfederal accounts during the 1996 election cycle, as compared to the same time four years ago.

Pre-general election reports filed with the FEC reveal that the Republican party's national committees raised \$278.4 million in federal funds and the Democratic committees raised \$145 million. The tallies for the committees cover the period from January 1, 1995, when the election cycle began, to October 16, which was the close of books for the pre-general election report.

The numbers reflect a 69 percent increase in contributions for Republicans and a 71 percent increase for Democrats.

The three national Republican committees made disbursements from federal accounts totaling some \$272 million, a 77 percent increase over this time in 1992.

The three national Democratic committees followed a similar pattern, increasing spending from federal accounts by 64.5 percent, with disbursements recorded at \$133.2 million.

The national committees also saw dramatic increases in contributions and disbursements in their nonfederal, or "soft money," accounts. Those accounts are established to receive funds that are raised outside the limitations and

¹Democratic National Committee, Democratic Senatorial Campaign Committee, Democratic Congressional Campaign Committee, Republican National Committee, National Republican Senatorial Committee, National Republican Congressional Committee.

prohibitions of the Federal Election Campaign Act (the Act). The money in those accounts cannot be used to make contributions to or expenditures on behalf of federal candidates. It may, however, be used in conjunction with federal funds (or "hard dollars") to pay for shared federal and nonfederal activity, such as generic voter activity.

According to the filings, the Republicans raised \$121 million for nonfederal accounts and spent \$118 million. That is a 166 percent

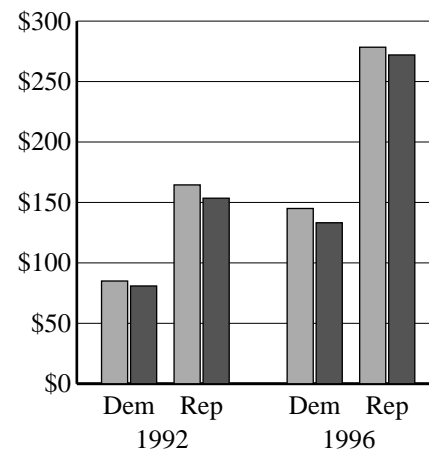
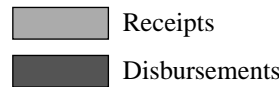
increase in contributions and a 219 percent increase in expenditures over their 1992 activity.

The Democrats raised \$107.4 million in nonfederal accounts and spent \$99.8 million, increases of 248 percent and 283 percent respectively compared to 1992.

Republican committees contributed \$2.3 million on behalf of candidates and spent an additional \$22.6 million in coordinated expenditures. See 2 U.S.C. §441a(d). They also reported \$4.4 million in

National Party Committees'¹ Federal Account Receipts Through Pre-General Reporting Period²

(in millions)

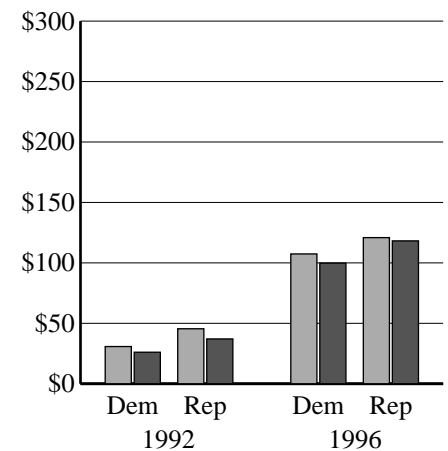
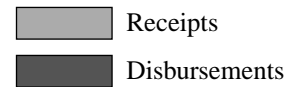


¹DNC, DSCC, DCCC, RNC, NRSC, NRCC.

²Statistics from the Democratic National Committee for 1996 receipts and disbursements cover reporting through September 30 only. Data from all other national committees is complete through October 16.

National Party Committees'¹ Nonfederal Account Receipts Through Pre-General Reporting Period²

(in millions)



¹DNC, DSCC, DCCC, RNC, NRSC, NRCC.

²Statistics from the Democratic National Committee for 1996 receipts and disbursements cover reporting through September 30 only. Data from all other national committees is complete through October 16.

independent expenditures. The Democrats contributed \$1.3 million to candidates and spent \$12.4 million in coordinated expenditures.

Information about the financial activities of the major parties' national committees through the pre-general election reporting period can be found in an October 29 news release.² The release is available:

- At the FEC's web site at <http://www.fec.gov> (click on "News Releases and Media Advisories" at the main menu);
- From the Public Records office by calling 1-800-424-9530 (press 3); and
- On the FEC's Flashfax service at 202-501-3413 (request document 528). ♦

²Note that the data contained in the news release differs from the data published in this article. The release covers statistical data for the Democratic National Committee only through September 30. The DNC filed its pre-general report after the FEC deadline and after the release was issued by the FEC. (For additional information, see RNC v. DNC and FEC on page 4.)

800 Line

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Date Received

The date a committee receives a contribution in hand is the date used for reporting purposes. This applies even when the contribution was made just before a particular election (or on the day of the election), but not received until after that election.

Designation Recommended

The FEC recommends that contributors always designate their contributions. That way, the political committee receiving the contribution knows exactly how the contributor wants the money used. Designation can be as simple as writing the candidate's name and the name of the election on the memo line of a check or other written instrument. Alternatively, contributors may include a signed statement with the contribution saying how it is to be used.

If you have more questions about undesignated contributions, call the FEC's Information Division at 800/424-9530 (press 1 if using a touch tone phone) or 202/219-3420. ♦

Nonfederal Disbursements by Party Committees (in millions)

	Democrats	Republicans
Transfers to State Parties	\$51.7	\$40.4
Contributions to State and Local Candidates	\$ 2.5	\$ 0.9
Portion of Shared Federal/Nonfederal Activity	\$30.4	\$47.7
Other Activities	\$15.8	\$40.1

Compliance

(continued from page 3)

organizations with oversight over the securities industry—the Securities and Exchange Commission, NASD Regulation Inc. and the New York Stock Exchange—and to four brokerage firms where employees were identified as having requested contributor lists from the FEC's Public Records Office. ♦

Nonfilers

The campaign committees listed at right failed to file required campaign finance disclosure reports. The list is based on recent FEC news releases. The FEC is required by law to publicize the names of nonfiling campaign committees. 2 U.S.C. §438(a)(7). The agency pursues enforcement actions against nonfilers on a case-by-case basis. ♦

Candidate	Office Sought	Report Not Filed
Antoine, Kevin	House MS/04	October Quarterly
Auer, Bill	House NJ/05	Pre-General
Benitez, Celeste	House PR/00	Pre-General
Borow, Randy	House IL/07	October Quarterly Pre-General
Brown, Robert P.	House FL/23	Pre-General
Bunn, James L.	House OR/05	Pre-General ¹
Burch, Robert L.	House OH/18	Pre-General
Canady, Michel L.	House FL/12	Pre-General
Choby, William	House PA/12	Pre-General
Clark, Douglas L.	House IN/05	Pre-General
Clay Sr., William L.	House MO/01	Pre-General
Diaz-Balart, Lincoln	House FL/21	October Quarterly Pre-General
Dinsmore, Robert S.	House CA/05	October Quarterly Pre-General
Dioguardi, Joseph J.	House NY/19	Pre-General ²
Evangel, Chris	House NJ/11	Pre-General ³
Foglietta, Thomas M.	House PA/01	October Quarterly
Haughey, Thomas B.	House TX/15	Pre-General
Hull, Elizabeth A.	House IL/08	Pre-General
Jones, Charles P.	House TX/23	Pre-General
Kelly, Johnny E.	House TN/09	Pre-General
Kimbrough, Guy C.	House CA/43	Pre-General
Lane, Dick	House CA/15	October Quarterly Pre-General
McDermott, James A.	House WA/07	October Quarterly ²
Michael, Elizabeth	House CA/27	October Quarterly Pre-General
Nalepa, James "Jim" T.	House IL/03	Pre-General
O'Sullivan, Dan	House MO/01	Pre-General
Ravotti, William A.	House PA/14	Pre-General ²
Roberts, Thomas I. "Tom"	House VA/09	Pre-General
Robson, Barbara	House MD/08	Pre-General
Sharpe-Geisler, Valli	House CA/15	Pre-General ²
Seidl, John D.	House ID/02	Pre-General
Stockman, Steve	House TX/09	Pre-General ¹
Uhrich, John A.	House NM/01	October Quarterly Pre-General
Vento, Bruce F.	House MN/04	Pre-General ²
Williams, Dennis E.	House DE/00	Pre-General
Wilson Jr., Robert T.	House AL/04	Pre-General ²
Womack, Don	House AL/01	Pre-General

¹ The campaign submitted Summary and Detailed Summary pages without supporting schedules.

² These committees filed reports. However, they were received after the FEC cutoff date.

³ A Pre-General report was filed, but the report only disclosed financial activity through October 7, 1996.

Advisory Opinions

AO 1996-43 Status of Affiliate as State Political Committee

The Green Party of New York (Green Party/NY), through the daily operations of its subordinate entities, constitutes a state committee of a political party.

Green Party/NY already is an affiliate of the Greens/Green Party USA (G/GPUSA). The party's Federal candidates for the November 1996 election include Presidential and Vice Presidential hopefuls Ralph Nader and Muriel Tillinghast, and Tom Leighton, who is vying for the 14th Congressional District seat in the state.

FEC regulations describe a state committee as "the organization which by virtue of the bylaws of a political party, is responsible for the day-to-day operation of the political party at the State level, as determined by the Commission." 11 CFR 100.14(a). A political party, under 2 U.S.C. §431(16), is an organization that nominates candidates for Federal office. Their names appear on election ballots as being associated with that organization.

Although G/GPUSA has not established itself as a national committee¹, that does not prevent Green Party/NY from being designated as a state committee. FEC regulations do not require that a national committee or, for that matter, a national party be established before a state entity can be recognized as the state committee of a political party.

In three advisory opinions, the Commission established two criteria

¹ The Commission concluded in a recent advisory opinion that Greens/Green Party USA does not qualify as a national committee of a political party at the present time. AO 1996-35.

necessary to qualify as a state committee of a political party. First, the organization must have a state affiliate agreement that delineates activities that "are commensurate with" the day-to-day operations of a party at a state level. Second, the state affiliate must gain ballot access for its Federal candidates. See AOs 1996-27, 1995-49 and 1992-30.

The bylaws of Green Party/NY describe it as a statewide organization that holds party assemblies and sends representatives to "councils" put on by G/GPUSA. Its bylaws also suggest creating local "confederations." And, the bylaws set up obligations from candidates to the state party: candidates must support the Green platform, run as candidates of the Green party and donate part of the income they receive upon entering public office to the local party organization. These provisions describe, in effect, day-to-day functions of a political party on a state level. Additionally, the New York Board of Elections has certified that Mr. Leighton is a Green Party candidate for Congress.

Thus, Green Party/NY has satisfied both requirements to qualify as a state committee of a political party. The fact that it has secured ballot access for a Federal candidate also qualifies Green Party/NY as a political party.

Date Issued: October 17, 1996;
Length: 4 pages. ♦

AO 1996-44 Use of Campaign Funds for District Office Move

Congressman Charles Wilson of Texas may use funds from his principal campaign committee to pay for expenses involved in moving office furnishings and memorabilia from his Congressional office in Lufkin, Texas, to Washington, D.C. The spending does not constitute a prohibited use of campaign funds for personal use.

Congressman Wilson, who

represents the 2nd District in Texas, will retire when his term expires in early 1997. Instead of returning to Texas to live, he will remain in Washington. As part of closing his district office in Lufkin, Congressman Wilson would like to ship framed pictures, art work and other assorted memorabilia from Texas to Washington and would like to use funds from the Wilson Committee to pay the expense.

The Federal Election Campaign Act (the Act) states that excess campaign funds may be used for specific purposes, but such funds may not be converted to personal use of the candidate or anyone else. 2 U.S.C. §439a.

Excess campaign funds may be used, among other things, to pay for ordinary expenses incurred in connection with a Federal officeholder who, during a period of six months after leaving office, is winding down his or her campaign office. 11 CFR 113.2(a)(2).

Congressman Wilson's Congressional office and its furnishings have played an integral part in the performance of his duties as a Federal officeholder. As Congressman Wilson's official duties will end on January 7, 1997, he will be required to remove his furnishings from his district office in Lufkin. Hence, the cost of transporting the Congressman's office items from the Texas Congressional office to Washington would be a part of winding down costs as described in FEC regulations. Campaign funds may be used to cover such costs.

All expenses should be reported by the Wilson Committee as other disbursements.

Date Issued: November 1, 1996;
Length: 3 pages. ♦

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Advisory Opinions

(continued from page 9)

Advisory Opinion Requests

Advisory opinion requests are available for review and comment in the Public Records Office.

AOR 1996-46

Continuation of exemption from certain reporting provisions of the FECA (Socialist Workers Party National Campaign Committee; November 1, 1996; 20 pages plus 67-page attachment)

AOR 1996-47

Qualification as national committee of political party (National Reform Party Steering Committee; November 3, 1996; 3 pages plus 293-page attachment)

AOR 1996-48

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Change of Address

Political Committees

Treasurers of registered political committees automatically receive the Record. A change of address by a political committee (or any change to information disclosed on the Statement of Organization) must, by law, be made in writing on FEC Form 1 or by letter. The treasurer must sign the amendment and file it with the Secretary of the Senate, the Clerk of the House or the FEC (as appropriate) and with the appropriate state office.

Other Subscribers

Record subscribers who are not registered political committees should include the following information when requesting a change of address:

- Subscription number (located on the upper left corner of the mailing label);
- Subscriber's name;
- Old address; and
- New address.

Subscribers (other than political committees) may correct their addresses by phone as well as by mail.

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