

Record

March 1993

Federal Election Commission

Volume 19, Number 3

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Legislation

FEC Recommends Changes to Election Law

This year, in anticipation of Congressional interest in campaign finance legislation, the Commission expedited preparation of its 1993 legislative recommendations. On January 26, the agency sent the President and the Congress a comprehensive set of 63 recommendations, the largest package it has ever submitted. FEC Chairman Scott E. Thomas said the Commission wanted to "suggest changes in the election law which could improve public disclosure, remove unwarranted legal burdens and strengthen enforcement—all to the benefit of the voting public."

Recommendations of Special Significance

In an accompanying letter, Chairman Thomas highlighted certain recommendations as especially significant:

- **Presidential Election Campaign Fund.** The Commission pointed out that, unless Congress takes action, the Fund will experience a major shortfall for the 1996 Presidential election, leaving primary candidates without any public funding and

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Special Elections

Information on Upcoming Special Elections

This article explains the reporting requirements for the special elections listed below. It also provides information on contribution and coordinated party expenditure limits for the specials.

The following special elections have been announced:

- **Ohio**, 2nd Congressional District, to replace the seat vacated by the resignation of Congressman Willis D. Gradison, Jr.
Primary election: March 16
General election: May 4.
- **Mississippi**, 2nd Congressional District, to replace the seat vacated by Mike Espy, who is now Secretary of Agriculture.
General election: March 30
Runoff election (held if no candidate wins a majority in the general): April 13
- **Wisconsin**, 1st Congressional District, to replace the seat vacated by Les Aspin, who is now Secretary of Defense.
Primary election: April 6
General election: May 4
- **California**, 17th Congressional District, to replace the seat vacated by Leon E. Panetta, who is now the

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Legislation

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general election candidates with less than their full entitlement.

- **Incomplete Contributor Information.** The agency suggested that Congress take strong measures against committees that fail to provide full disclosure about their contributors.
- **"Soft Money."** Soft money is generally understood to mean funds that do not comply with the federal prohibitions and limits on contributions. The recommendation suggested that Congress consider placing restrictions on the raising and spending of soft money.
- **Random Audits.** Although Congress eliminated the FEC's authority to conduct random audits in 1980, the Commission suggested that Congress reinstate the provision to

prevent abuse of the law and to promote voluntary compliance.

Recommendations to Simplify the Law

A number of recommendations would simplify the law and ease burdensome requirements. Chairman Thomas listed the five most significant recommendations in this group:

- **State Expenditure Limits.** The Commission recommended that Congress eliminate the state expenditure limits for Presidential primary candidates receiving public funds. This change would remove a major accounting burden for committees and an equally difficult audit task for the agency but would not substantially affect the election process.
- **Fundraising Limit.** For the same reasons, the Commission recommended that the fundraising limit for publicly funded primary candidates be combined with the overall national limit.
- **Waiver Authority.** This recommendation asked that Congress eliminate unnecessary reporting by authorizing the Commission to waive reports and adjust filing requirements when warranted.
- **Election Period Limits.** The Commission recommended that Congress simplify the contribution limits for candidates by applying a single limit to an entire election cycle instead of the current separate limits for primary and general elections.
- **Disclaimer Notices.** The Commission suggested that Congress simplify the disclaimer provision by requiring political committees to include a disclaimer on all their communications to the general public.

Recommendations to Clarify the Law

The Commission also sought guidance from Congress on certain difficult and controversial issues that have emerged through the years. Chairman Thomas listed some of those recommendations:

- **Candidate Leadership PACs.** This recommendation asked Congress to determine whether leadership PACs should be considered affiliated with the candidate's campaign committee and therefore subject to the same contribution limits.
- **Candidate's Personal Use of Campaign Funds.** The Commission recommended that Congress delineate the extent of the ban on a candidate's personal use of excess campaign funds and clarify whether the ban applies during the campaign, as well as after.
- **Volunteer Participation in Exempt Party Activity.** The Commission suggested that Congress clarify how much participation by volunteers is necessary in order for a party activity to be exempt from the contribution and coordinated party expenditure limits.
- **Nonprofit Corporations and Express Advocacy.** The Commission asked Congress to consider making statutory changes that would incorporate the Supreme Court decision that permits certain types of nonprofit corporations to make independent expenditures. (*Federal Election Commission v. Massachusetts Citizens for Life, Inc.*) The agency also asked Congress to define "express advocacy." ♦

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Court Cases

FEC v. People & Politics, Inc.

On December 7, 1992, the U.S. District Court for the District of Minnesota dismissed, with prejudice, this suit in which the FEC sought injunctive relief and monetary civil penalties. (Civil Action No. 3-91-588 (JMR).) Both parties in the litigation agreed to a dismissal given that People & Politics had virtually no funds, had ceased doing business and had initiated procedures to dissolve. While neither the FEC nor the defendant conceded its position on the merits, they agreed that any further expenditure of resources in the action was not warranted.

The FEC had alleged that People & Politics had made prohibited corporate contributions by distributing 16,000 free copies of its magazine, a 1988 voter guide, to political committees and to candidate and committee agents. The Commission's position is described in Advisory Opinion 1988-47. ♦

Advisory Opinions

AO 1992-41 Solicitation of Members

The Insurance Coalition of America (INCA), a nonprofit corporation, may solicit PAC contributions from those members who have authorized a deduction of one dollar per month from the value of their life insurance or annuity policies. However, given INCA's one-dollar-a-month standard, members who pay a one-time \$25 fee under an alternative membership plan are only eligible for solicitation for 25 months. After that, they would no longer meet one of the requirements for a solicitable member: making

regular dues payments. Before soliciting contributions, INCA must wait until the first dollar is deducted, under the first plan, or until payment is made, under the alternative plan.

An incorporated membership organization may solicit contributions to its separate segregated fund (PAC) from its individual members. 2 U.S.C. §441b(b)(4)(C); 11 CFR 114.7(a). To qualify as a solicitable member, an individual must have "some relatively enduring and independently significant financial or organizational attachment." See *Federal Election Commission v. National Right to Work Committee*, 459 U.S. 197, 204 (1982). In determining whether an organization's membership qualifies for solicitation, the Commission has considered whether the members have (1) the right to participate in the governance of the organization and (2) the obligation to help sustain the organization through regular payments of a set amount. See, for example, AO 1988-39.

INCA's members appear to satisfy the first factor because they have the right to vote for the corporation's governing body. The deduction of one dollar a month from the value of the member's policy (transmitted quarterly to INCA by the insurance provider) satisfies the second factor, but the one-time membership fee of \$25 does not. This \$25 lifetime membership plan is distinguishable from the situation in AO 1987-5, where certain members (those 65 years old or older) who had paid dues for 10 years were granted a dues-free membership. The Commission concluded that those members had made "a substantial financial commitment" and thus retained their status as solicitable members. By contrast, INCA requires only a one-time payment of an insubstantial amount. The \$25 payment would be sufficient for solicitable membership status for 25 months. INCA could then either renew the membership every 25 months for a \$25 dollar payment or implement some other plan that

requires payment on a regular basis (such as \$12 yearly dues).

The campaign finance law precludes simultaneous solicitations for membership and for contributions to the organization's PAC. INCA, therefore, should not begin to solicit a member until the first deduction from the policy or the first payment is made. At that point the member will have met the obligation to pay dues. Should a member withdraw authorization for the deduction or fail to make a periodic payment, that individual could not be solicited until he or she resumed payment.

Date Issued: January 8, 1993;
Length: 6 pages.

AO 1992-42 Bank Deposit Lost in Mail

A bank deposit mailed in October 1992 and containing ten contribution checks to the Jerry Lewis for Congress Committee was lost in the mail. Based on documentation provided, in this specific case the Committee may treat the replacement checks it receives in 1993 as contributions for the 1992 general election rather than for the 1994 primary even though it has no outstanding debts for the 1992 election. The donors must designate their replacement checks as contributions for the 1992 general election, and the Committee must receive the checks within a reasonable time after receipt of the advisory opinion. (Thirty days would be considered reasonable.) If the original checks are found, they must be returned to the contributors.

FEC regulations require that contributions be deposited within 10 days of the treasurer's receipt. 11 CFR 103.3(a). In this case, documentation provided by the Committee indicated that it took reasonable steps to comply with the deposit regulation and that the loss of checks was beyond its control. The Committee submitted copies of the checks and the deposit slip, reported

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Advisory Opinions

(continued from page 3)

two of the contributions in a 48-hour notice, contacted the contributors to verify that the checks were still outstanding and contacted the bank to confirm that the checks had never been received.

FEC regulations also require that post-election contributions not exceed the committee's net debts for the election. 11 CFR 110.1(b)(3)(iii) and 110.2(b)(3)(ii). In AO 1989-10, the Commission said that a committee could not accept post-election contributions to restore funds that had been embezzled by the treasurer. Unlike that committee, the Lewis Committee lost the checks before they were deposited, and there was no wrongdoing by committee staff.

The Commission strongly suggested that the Committee advise donors to stop payment on the lost checks to prevent their deposit in the Committee's account if they are found.

Date Issued: January 15, 1993;
Length: 3 pages.

AO 1992-43

Preemption of State Law's Fundraising Restrictions

The Federal Election Campaign Act preempts the fundraising restrictions of a Washington State law as it relates to fundraising by state legislators and their authorized federal committees to retire campaign debts. State Senator Tim Erwin may therefore raise funds to retire the campaign debt of his 1992 federal campaign committee without regard to the state law's time constraints on conducting such activity.

Section 11 of Initiative 134 (passed by Washington State voters in November 1992) prohibits state officials or persons acting on behalf of state officials or state legislators from raising campaign contributions to retire debts during the following period: one month before through one

month after a legislative session. The prohibition is also in effect during special legislative sessions. (For purposes of this opinion, the Commission assumed that section 11 was meant to apply to debt retirement by federal—as well as state—candidates.)

The Federal Election Campaign Act and the rules prescribed thereunder "supersede and preempt any provision of State law with respect to election to Federal office." 2 U.S.C. §453. The report of the House Committee responsible for drafting the provision stated: "Federal law occupies the field with respect to...limitations on campaign expenditures, the sources of campaign funds used in Federal races. [and] the conduct of Federal campaigns...." H.R. Rep. No. 93-1239, 93rd Cong., 2d Sess. 69 (1974). The Act's preemptive power over the regulation of federal campaign finance activity encompasses the receipt of contributions to retire federal campaign debts.

Although legislative history suggests that Congress may not have intended the Act to supersede state laws regulating the political conduct of state employees (i.e., "little Hatch Acts"), the Hatch Act is aimed at regulating the conduct of Executive Branch government employees. Such laws are not aimed at elected legislators, whose jobs, of necessity, contain a political element. Section 11, insofar as it relates to the behavior of state legislators and their authorized federal campaign committees, is therefore not a "little Hatch Act" and is consequently preempted by the Act and FEC regulations.

The Commission did not express any views on whether the Act would preempt section 11 as applied to other types of state officials and employees.

Date Issued: January 28, 1993;
Length: 5 pages. ♦

Advisory Opinion Requests

Recent requests for advisory opinions (AORs) are listed below. The full text of each AOR is available for review and comment in the FEC's Public Records Office.

AOR 1993-2

Coordinated party spending limits for Texas special Senate runoff. (Democratic Senatorial Campaign Committee; February 1, 1993; 3 pages) ♦

Statistics

1992 House and Senate Campaigns of General Election Candidates

Spending by the campaigns of 1992 House and Senate general election candidates jumped to \$504 million, \$113 million more than was spent by 1990 campaigns during the same period (January 1 of the year before the election through 20 days after the general election). The 1992 campaigns raised \$498 million from January 1, 1991, through November 23, 1992, and had \$67 million in cash on hand.

The campaign activity of House general election candidates showed a marked increase in 1992 compared with 1990. Receipts rose by 27 percent, and there was a 41 percent increase in disbursements. Median disbursements of House challengers tripled for Republicans and doubled for Democratic challengers. However, median disbursements of open-seat candidates dropped 7 percent for the Republicans and 14 percent for the Democrats. These comparisons are shown in the graphs on the opposite page.

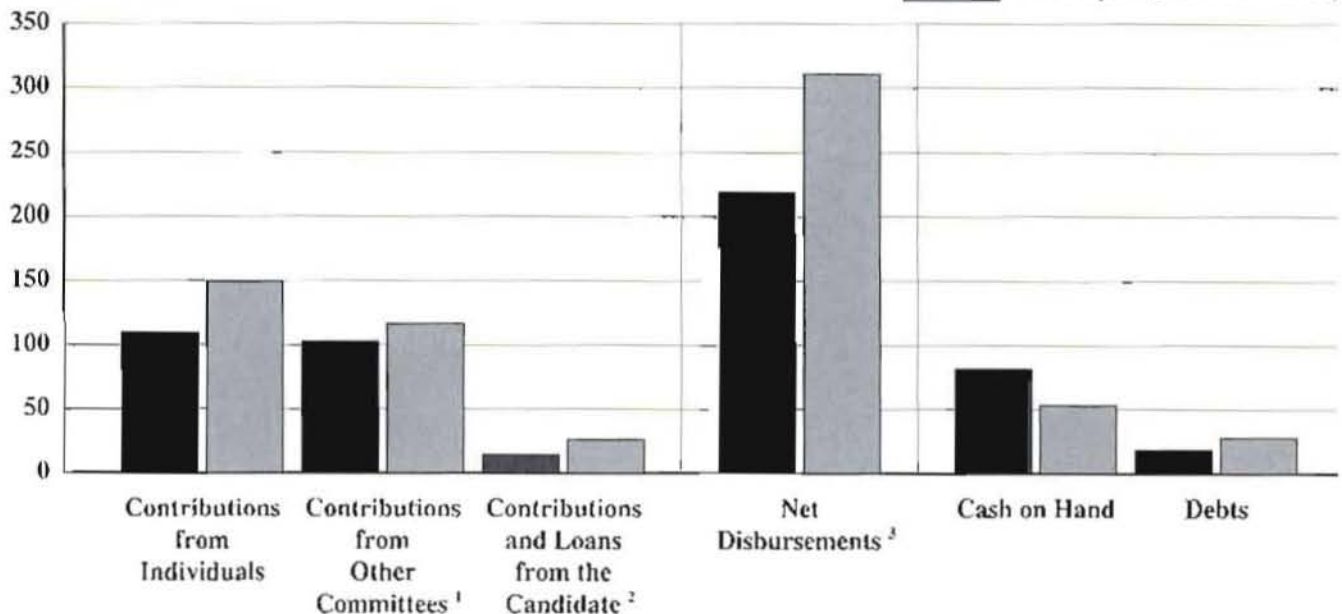
Comparisons of Senate activity are difficult because of six-year terms, staggered elections and, this year, the

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House Campaigns of Major Party Candidates in the General Election Through 20 Days After the Election

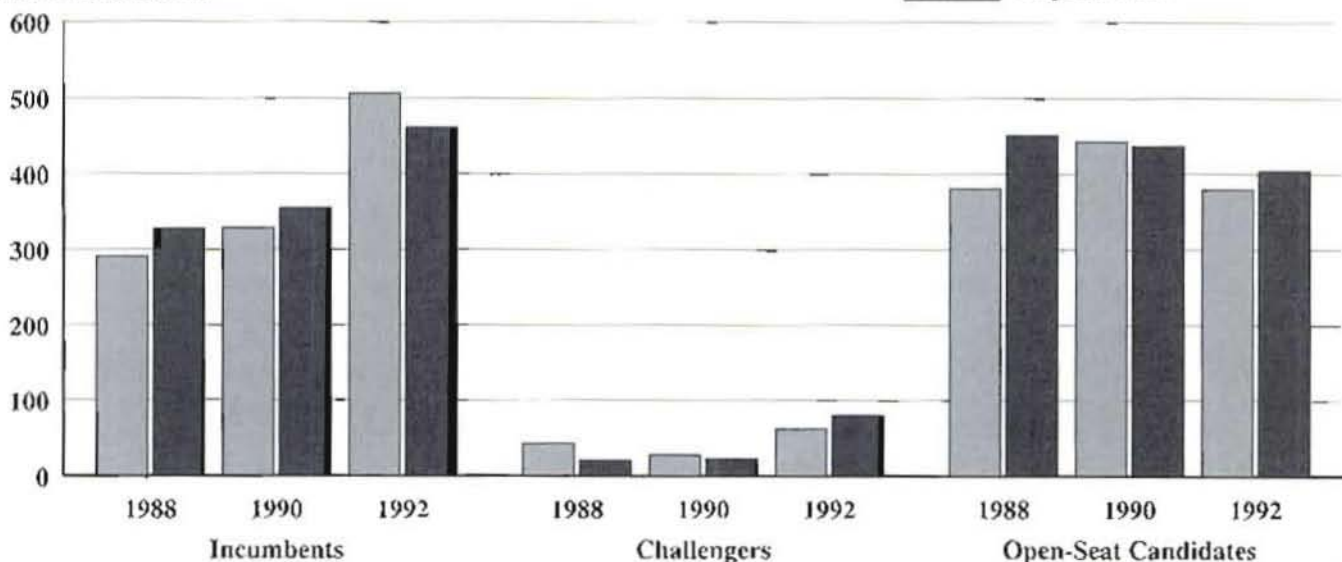
1. Contributions, Disbursements, Cash on Hand and Debts

Millions of Dollars



2. Median Disbursements⁴

Thousands of Dollars



¹ "Other Committees" include PACs and all other committees that are not party committees.

² Candidates in the 1990 election cycle contributed \$2.49 million and loaned \$12.17 million to their own campaigns from their personal funds. The figures for candidates in the 1992 cycle are: contributions, \$6.61 million; loans, \$19.90 million.

³ Net disbursements means total disbursements minus transfers from other committees authorized by the candidate.

⁴ Median disbursements means that an equal number of candidates had activity above and below the amount shown in each bar.

Statistics

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unusual occurrence of two Senate contests in California.

The increased financial activity in the 1991-92 election cycle may be attributable to an increase in the number of House challengers and open-seat races caused by Congressional redistricting and several incumbent departures.

A press release issued December 30, 1992, provides comprehensive information on 1992 House and Senate campaigns based on their post-election reports. The release includes:

- Summary data on 1992 activity;
- Data on each 1992 House and Senate general election candidate;
- Comparisons of 1992 activity with activity in previous election cycles; and
- The top 50 House campaigns and the top 50 Senate campaigns in various categories of campaign activity.

To order a copy of the release, call 800/424-9530 (ask for Public Records) or 202/219-4140.

1992 Year-End PAC Count

By December 31, 1992, the total number of PACs registered with the FEC had grown to 4,195, an increase of 70 PACs since the last count was taken in July 1992. See table below.

The number of PACs, however, does not necessarily correspond with financial activity, since many PACs have little or no activity. For example, according to their reports, 23 percent of all PACs made no contributions or independent expenditures between January 1, 1991, and November 23, 1992, the closing date of their post-election reports.

For statistics on twice-yearly PAC counts taken since 1975, order the FEC press release of January 29. Call 800/424-9530 (ask for Public Records) or 202/219-4140. ♦

PAC Category	Number of PACs December 1992	Gain/Loss ¹ Since July 1992
Corporate	1,735	+ 4
Nonconnected	1,145	+ 54
Trade/Membership/Health	770	+ 11
Labor	347	+ 3
Corporation without Capital Stock	142	- 2
Cooperative	56	0

¹ Gain or loss is net. For example, the gain of four corporate PACs means that, in this category, the number of newly registered PACs exceeded the number of terminated PACs by four.

Special Elections

(continued from page 1)

Director of the Office of Management and Budget.

General election: April 13

Runoff election (held if no candidate wins a majority in the general): June 8

- **Texas**, Senate election to replace the seat vacated by Lloyd Bentsen, who is now Secretary of the Treasury.

General election: May 1

Runoff election (held if no candidate wins a majority in the general): date to be announced after the general election results have been counted.

The Ohio primary was announced too late for the *Record* to provide advance notice of the reporting dates. However, candidates on the ballot in that election were notified of the reporting deadlines by mail. The reporting dates for that election are included in the accompanying table for information purposes.

If you have any questions on the information presented below, call the FEC: 800/424-9530 or 202/219-3420.

Reporting by Candidate Committees

Pre- and Post-Election Reports. Principal campaign committees of candidates on the ballot in a special election must file the appropriate report or reports as shown in the table. If a candidate loses the first election and does not proceed to the next election, there is no reporting requirement for the second election.

Note also that reporting is required only if the individual has become a "candidate" under the Federal Election Campaign Act. Candidate status is triggered when campaign activity exceeds \$5,000 in either contributions or expenditures, 2 U.S.C. §431(2). At that point, the candidate and the principal campaign committee become subject to the Act's registration and reporting requirements. For more information, see the *Campaign Guide for Congressional Candidates and Committees*.

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Special Election Reports

Election	Report	Close of Books ¹	Reg./Cert. Mailing Date ²	Filing Date
Ohio Primary, March 16 Ohio General, May 4	Pre-Primary	February 24	March 1	March 4
	Pre-General	April 14	April 19	April 22
	Post-General	May 24	June 3	June 3
Mississippi General, March 30	Pre-General	March 10	March 15	March 18
	Post-General ³	April 19	April 29	April 29
Mississippi Runoff, April 13	Pre-Runoff	March 24	March 29	April 1
	Post-Runoff	May 3	May 13	May 13
Wisconsin Primary, April 6 Wisconsin General, May 4	Pre-Primary	March 17	March 22	March 25
	Pre-General	April 14	April 19	April 22
	Post-General	May 24	June 3	June 3
California General, April 13	Pre-General	March 24	March 29	April 1
	Post-General ³	May 3	May 13	May 13
California Runoff, June 8	Pre-Runoff	May 19	May 24	May 27
	Post-Runoff and Midyear ⁴	June 30	July 8	July 8
Texas General, May 1	Pre-General	April 11	April 16	April 19
	Post-General ³	May 21	June 1	June 1
Texas Runoff, to be announced				

Semiannual Reports

	Midyear ⁵	June 30	July 31	July 31
	Year-End ⁶	December 31	January 31, 1994	January 31, 1994

¹ The close of books is the end of the reporting period. The period begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered and, if applicable, before the individual became a candidate.

² Reports sent by registered or certified mail must be postmarked by this date. Reports sent by other means must be received by the filing date.

³ The post-general report is required only if there is no runoff election.

⁴ The post-runoff report and the midyear report may be combined if the combined report covers through June 30 and is filed by July 8, as shown in the table. Alternatively, a committee may file two separate reports:

1. Post-Runoff Report — close of books: June 28; mailing date and filing date: July 8

2. Midyear Report — close of books: June 30 (report would cover just two days, June 29 and 30); mailing date and filing date: July 31.

⁵ A midyear report must be filed by all House and Senate committees and by all PACs and party committees (except monthly filers). In the case of the California runoff election, the midyear report may be combined with the post-runoff report (see footnote 4).

⁶ All committees must file a year-end report.

Special Elections

(continued from page 6)

48-Hour Notices. Principal campaign committees must file 48-hour notices on contributions of \$1,000 or more received after the 20th day, but more than 48 hours before, the date of any election in which the candidate participates. The notice must be received by the federal and state filing offices within 48 hours after the campaign's receipt of the contribution. 2 U.S.C. §434(a)(6)(A); 11 CFR 104.5(f).

This requirement applies to all contributions of \$1,000 or more, including:

- Monetary and in-kind contributions;
- Loans (other than bank loans);
- Guarantees and endorsements of bank loans; and
- Contributions, personal loans and endorsements of bank loans made by the candidate. 2 U.S.C. §431(8)(A); 11 CFR 100.7(a).

For information on the content of the notice, see 11 CFR 104.5(f) and the *Campaign Guide*.

Midyear Reports. Because semiannual reporting is required during an off-election year, principal campaign committees must file a midyear report in addition to special election reports. 11 CFR 104.5(a)(2). However, for committees participating in the California runoff election, the mid-year report may be combined with the post-runoff report; see the reporting table, previous page.

Reporting by Party Committees and PACs

Semiannual Filers. Party committees and PACs filing on a semiannual (rather than monthly) basis are subject to special election reporting if they make previously undisclosed contributions or expenditures in connection with a special election by the close-of-books date shown in the reporting table. 11 CFR 104.5(c)(1)(ii) and (h).

For example, if a PAC made a contribution on February 25 to a candidate running in the Ohio

primary, the committee would not have to file a pre-primary report because the contribution was made after February 24, the close of books for the primary. If the committee made a general election contribution to the same candidate on May 3, the committee would have to file a pre-general election report in which it would have to disclose both the primary and general election contributions.

Monthly Filers. PACs filing on a monthly basis are not required to file pre- and post-special election reports but may have to file 24 hour reports, as explained below. See 2 U.S.C. §434(a)(9).

24-Hour Reports on Independent Expenditures

PACs (including monthly filers) and other persons making independent expenditures in connection with a special election may have to file 24-hour reports. This report is required if the committee or person makes independent expenditures aggregating \$1,000 or more after the 20th day, but more than 24 hours before, the day of the election. The report must be filed within 24 hours after the expenditure is made. For more information, see 11 CFR 104.4(b) and (c) and 104.5(g). See also "Where to File" for special filing requirements.

Where to File Reports

Filing with the Federal Office. Principal campaign committees file reports and 48-hour notices with the Clerk of the House of Representatives or the Secretary of the Senate, as appropriate. Other committees file reports with the FEC (except that those supporting only House candidates file with the Clerk of the House and those supporting only Senate candidates file with the Secretary of the Senate). 11 CFR Part 105.

Twenty-four-hour reports on independent expenditures are filed with the Clerk of the House (for expenditures supporting or opposing House candidates) or with the

Secretary of the Senate (for expenditures supporting or opposing Senate candidates).

Addresses and further filing information are provided in the Form 3 and Form 3X instructions.

Filing with State Offices. Copies of all reports and notices, including 48-hour notices and 24-hour reports, must simultaneously be filed with the appropriate state election office listed below. Party committees and PACs need file only that portion of the report applicable to the candidate seeking election in that state (e.g., the Summary Page and the schedule showing the contribution or expenditure). 2 U.S.C. §439(a)(2)(B).

- California: Political Reform Division, Office of the Secretary of State, P.O. Box 1467, Sacramento, CA 95812-1467.
- Mississippi: Office of the Secretary of State, P.O. Box 136, Jackson, MS 39205.
- Ohio: Elections Division, Office of the Secretary of State, 30 East Broad Street, 14th Floor, Columbus, OH 43266-0418.
- Texas: Ethics Commission, P.O. Box 12070, Capitol Station, Austin, TX 78711.
- Wisconsin: State Elections Board, 132 East Wilson Street, 3rd Floor, Madison, WI 53702.

Contribution Limits

There is a separate contribution limit for each special election in which a candidate participates: primary, general or runoff. 11 CFR 110.1(j)(1) and 110.2(i)(1).

Coordinated Party Expenditure Limits

The national committee of a political party has a coordinated party expenditure limit for expenditures made in connection with the general election campaign of a candidate affiliated with the party.

In each state where a special election is held, the state party committee also has a coordinated party expenditure limit for the party's

candidate in the general election. The state committee's spending limit is separate from the national committee's limit. 11 CFR 110.7(b)(1).

House Seats. In the five states holding special elections, the 1993 coordinated party spending limit for a general election House candidate is \$28,460. This figure is based on the formula used for states with more than one Representative: \$10,000 multiplied by the cost of living adjustment (COLA). The 1992 COLA (used to calculate 1993 spending limits) was 2.846, as certified by the Secretary of Labor. 11 CFR 110.7(b)(2)(ii) and 110.9(c).

Texas Senate Seat. The coordinated party spending limit for the Texas Senate election is based on the following formula: 2 cents times the 1992 Texas voting age population (VAP), multiplied by 2.846, the 1992 COLA. 11 CFR 110.7(b)(2)(i)(A) and 110.9(c) and (d). The spending limit could not be published in this issue because the Secretary of Commerce had not yet certified the 1992 Texas VAP. For further information, call the Commission.

Runoff Elections. With respect to the possible runoff elections in Mississippi, California and Texas, Commission precedent since 1983 indicates that there is no separate party spending limit for the runoff because it is considered a continuation of the first election and not a separate general election. AO 1983-16. The Commission was recently asked to review this precedent in Advisory Opinion Request (AOR) 1993-2, which was submitted by the Democratic Senatorial Campaign Committee. The AOR seeks guidance on whether there is a separate coordinated party spending limit for the Texas runoff. The Commission is expected to consider this matter on February 25, too late for inclusion in this issue of the *Record*. For information, call the FEC.

Prohibition on Transfers from Nonfederal Campaigns

Campaigns of candidates participating in the special elections should be aware that a new rule prohibiting transfers from nonfederal campaigns to federal campaigns is currently before Congress for legislative review. The Commission expects the new rule to go into effect in late March or early April. See page 3 of the January 1993 *Record* for a discussion of how this rule will apply to transfers in the 1994 election cycle, including 1993 special elections. ♦

Federal Register

Copies of Federal Register notices are available from the Public Records Office.

1993-1

11 CFR Part 110: Transfers of Funds from State to Federal Campaigns; Final Rule and Retransmittal to Congress (58 FR 3474, January 8, 1993)

1993-2

11 CFR Part 104: Recordkeeping and Reporting by Political Committees; Best Efforts; Notice of Public Hearing (58 FR 4110, January 13, 1993)

1993-3

11 CFR Part 201: Ex Parte Communications; Notice of Public Hearing (58 FR 6875, February 3, 1993)

1993-4

Filing Dates for the Ohio Special Elections (58 FR 7230, February 5, 1993)

1993-5

Filing Dates for the Texas Special Election (58 FR 7785, February 9, 1993)

1993-6

Filing Dates for the Mississippi Special Election (58 FR 8052, February 11, 1993)

Compliance

MURs Released to the Public

Listed below are FEC enforcement cases (Matters Under Review or MURs) recently released for public review. The list is based on the FEC press releases of January 8 and 25 and February 3, 1993. Files on closed MURs are available for review in the Public Records Office.

Unless otherwise noted, civil penalties resulted from conciliation agreements reached between the respondents and the Commission.

MUR 1658

Respondents: 1984 Victory Fund, Vincent G. Downing, treasurer (formerly known as 1982 Victory Fund) (NY)

Complainant: FEC initiated

Subject: Corporate/labor contributions; failure to file reports on time

Disposition: U.S. District Court Default Judgment: \$5,000 civil penalty (final court action occurred in 1986)

MUR 1847

Respondents: New Republican Victory Fund, Charles R. Black, Jr., treasurer (VA)

Complainant: FEC initiated

Subject: Failure to file reports on time

Disposition: U.S. District Court Consent Order: \$2,350 civil penalty (final court action occurred in 1986)

MUR 1886

Respondents: Mid-America Conservative Political Action Committee, Leroy Corey, treasurer (IA)

Complainant: FEC initiated

Subject: Failure to file reports on time

Disposition: \$750 civil penalty (case was closed in 1986)

MUR 1903

Respondents: Jimmy Carter Committee for a Greater America, Chip Carter, treasurer (GA)

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Compliance*(continued from page 9)*

Complainant: FEC initiated
Subject: Failure to file reports on time
Disposition: U.S. District Court Consent Order: \$250 civil penalty (final court action occurred in 1986)

MUR 2112

Respondents (all in ME):
 (a) Chipman C. Bull for Congress, Denise M. Deshane, treasurer;
 (b) Chipman C. Bull; (c) J. Gregory Freeman; (d) Severin M. Beliveau; (e) Michael J. Gentile
Complainant: Key Bank of Eastern Maine
Subject: Campaign loans
Disposition: (a) U.S. District Court Judgment: \$18,437.50 civil penalty against committee; \$500 civil penalty against treasurer; (b) no probable cause; (c) \$250 civil penalty; (d) \$250 civil penalty; (e) \$250 civil penalty (final court action occurred in 1990)

MUR 2285

Respondents: (a) American Federation of State, County and Municipal Employees-P.E.O.P.L.E., Qualified, William Lucy, treasurer (DC); (b) Francis McCloskey (IN); (c) McCloskey for Congress Committee, Betty Merriman, treasurer (IN); (d) National Rural Letter Carriers Association PAC, Frank Newham, treasurer (DC)
Complainant: Bernard Black-Schaffer (IN)
Subject: In-kind contributions; inaccurate disclosure; excessive contributions
Disposition: (a) U.S. District Court Final Judgment: \$2,000 civil penalty; (b) no reason to believe; (c) \$300 civil penalty; (d)(1) reason to believe but took no further action (inaccurate disclosure); (d)(2) no reason to believe (excessive contribution) (final court action occurred in 1991)

MUR 2553

Respondents: Californians for a Strong America PAC, Albert Cook, treasurer (CA)

Complainant: FEC initiated
Subject: Failure to file reports on time
Disposition: U.S. District Court Final Order: \$15,000 civil penalty (final court action occurred in 1988)

MUR 2841

Respondents: (a) Ed Jenkins for Congress Committee, Hollis Lathem, treasurer (GA); (b) Gephardt for President Committee, S. Lee King, treasurer (MO)
Complainant: FEC initiated
Subject: Independent expenditures
Disposition: (a) \$5,500 civil penalty; (b) reason to believe but took no further action; sent admonishment letter

MUR 2982

Respondents: (a) East Texas First Political Action Committee and treasurer; (b) Jim Chapman for Congress, Nancy J. Rooks, treasurer (TX); (c) Democratic Congressional Campaign Committee, Leslie C. Francis, treasurer (DC)
Complainant: Fred Meyer, State Chairman, Republican Party of Texas
Subject: Independent expenditures
Disposition: (a)-(c) Reason to believe but took no further action

MUR 3007

Respondents (in PA unless otherwise noted): (a) Edward E. Kopko; (b) Debra Kopko; (c) Deborah Smink; (d) Joanne O'Toole; (e) Irene Beretsky; (f) Janet Smith; (g) Marcella Kopko; (h) James Yacobacci; (i) Tami Poslosky; (j) Franklin Fetter; (k) Joseph Geles; (l) Henry Trasatt; (m) David Wentz; (n) Haig for President, Dominic J. Sarceno, treasurer (VA)
Complainant: Edward E. Kopko (PA)
Subject: Contributions made in the names of others

Disposition: (a) U.S. District Court Stipulation and Order: \$1,500 civil penalty; (b) reason to believe but took no further action; (c)-(m) \$250 civil penalty each; (n) rejected General Counsel's recommendation to find

reason to believe (final court action occurred in 1992)

MUR 3015

Respondents: (a) Michael Caulder (PA); (b) Alerted Democratic Majority, William W. Batoff, treasurer (PA)
Complainant: Alerted Democratic Majority
Subject: Commingling campaign funds with personal funds; inaccurate disclosure
Disposition: (a) U.S. District Court Final Consent Order: \$103,200 civil penalty (all but \$3,000 suspended by court); (b) reason to believe but took no further action (final court action occurred in 1992)

MUR 3429

Respondents: Nita Lowey for Congress, Aaron Eidelman, treasurer (NY)
Complainant: FEC initiated
Subject: Excessive contributions
Disposition: \$4,500 civil penalty

MUR 3514

Respondents: (a) Chandler '92, Gary W. Sergeant, treasurer (WA); (b) Congressman Rod Chandler (WA)
Complainant: Stanley J. Trohimovich
Subject: In-kind contributions
Disposition: (a)-(b) No reason to believe

MUR 3595

Respondents: (a) The Carpenters Legislative Improvement Committee, James S. Bledsoe, treasurer (CA); (b) The Los Angeles District Council of Carpenters (CA)
Complainant: Referral from U.S. Department of Labor
Subject: Failure to forward contributions
Disposition: (a) \$10,000 civil penalty; (b) \$10,000 civil penalty

MUR 3611

Respondents (all in VI): (a) Honorable Ron de Lugo; (b) Ron de Lugo Congressional Committee, David Hamilton, treasurer; (c) Ralph de Chabert; (d) Mario de Chabert;

(e) Leon Hess; (f) Esperanza Development Company

Complainant: Victor O. Frazer (VI)

Subject: Excessive contributions; improper disclosure

Disposition: (a) no reason to believe; (b)(1) reason to believe but took no further action (contributions and disclosure); (b)(2) no reason to believe (other allegations); (c)-(e) no reason to believe; (f) reason to believe but took no further action

MUR 3640

Respondents: (a) President Bush; (b) Bush-Quayle '92 General Committee, Inc.; J. Stanley Huckaby, treasurer (DC)

Complainant: Rabbi Kenneth D. Roseman (TX)

Subject: Federal government payment of Rosh Hashanah greetings letter from the President

Disposition: (a)-(b) No reason to believe

MUR 3645

Respondents (all in AZ): (a) Phoenix Magazine; (b) Arizona Business Gazette; (c) Today's Arizona Woman; (d) Claire Sargent for U.S. Senate Campaign, Archie Walker, treasurer

Complainant: Richard E. Schnitkey (AZ)

Subject: News articles

Disposition: (a)-(d) No reason to believe ♦

Publications

Updated Brochures Available

The Commission recently updated two brochures:

1. *The FEC and the Federal Campaign Finance Law*
2. *State and Local Elections and the Federal Campaign Finance Law*

The first brochure, published in both English and Spanish, provides and overview of the Commission and the election law. It briefly summarizes the three major elements of the law: public disclosure of campaign finance information; the restrictions on contributions and expenditures; and the Presidential public funding program. It also gives a short history of the law and describes the FEC's functions.

Intended as an introduction to the law and Commission resources, the brochure is useful for students and others who want general information without the technical detail. The brochure also provides a useful list of other agencies to call for information on election-related topics such as voting, tax questions and telephone solicitations.

Both versions of the updated brochure are available in large quantities.

The second brochure covers the federal prohibitions that apply to state and local election activity and also discusses federal preemption of state law, citing numerous advisory opinions. The updated version incorporates advisory opinions issued since the 1984 edition.

Use the form below to order the brochures. ♦



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