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Budget

FEC Asks for \$31.8 Million to Meet Surging Work Loads

The Commission recently asked Congress for a \$31.8 million budget and 347 full-time equivalent (FTE) positions for fiscal year 1995 to keep pace with an ever increasing work load. But a proposal from the Office of Management and Budget (OMB) would reduce that request by \$4.6 million. Because the OMB proposal would not provide for any pay adjustments, its recommended staffing level of 294 FTE positions could not be met. The OMB budget would, in effect, cut 44 positions from the current year's authorized work force and 71 from the FEC's FY 1995 request.

Testifying before Congressional committees in March and April, FEC Vice Chairman Danny L. McDonald said that the OMB budget "would constitute a real cut of almost 15 percent at a time when our work load is growing across-the-board." The Vice Chairman heads the FEC's Budget Committee.

He testified that "the number of enforcement matters facing the FEC continues to grow faster than we can handle them." He added that, due to staffing constraints, the Commission can audit only 20 percent of the

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Regulations

New Rule Will Permit Project Title to Oppose Specific Candidate

Unauthorized political committees,¹ such as PACs and party committees, will be able to use a candidate's name in the title of a special fundraising project or other communication, if the title clearly indicates opposition to the candidate (e.g., "Citizens Against Doe" or "Citizens Fed Up with Doe"). The Commission recently approved this exception to the current rule, which bans the use of a candidate's name in any special project title of an unauthorized committee.²

The revised rule at 11 CFR 102.14(b)(3) is not yet effective. The effective date will be announced in the Federal Register and the *Record* after the Congressional review period (30 legislative days).

The Commission adopted the original rule because of instances of

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¹ An unauthorized committee is any committee not authorized by a specific candidate.

² The revised rule does not affect the complete ban on the use of a candidate's name in the registered name of an unauthorized committee. 11 CFR 102.14(a).

Budget

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approximately 100 committees meeting the "for cause" standard.

He also pointed out that, when Congressional campaign spending for the 1992 elections increased by more than 40 percent, "[t]he sheer volume of financial activity to be regulated and processed ... overwhelmed staff resources in many programs." The trend is continuing. Candidate spending in 1993 (for the 1994 election) has already outpaced Congressional spending in 1991 (for the 1992 election). The Vice Chairman warned: "More candidates and more spending mean more demands on the FEC. Therefore, we must at least be able to continue staffing levels at 320 full time personnel," the number authorized for the current fiscal year.

He said that if Congress were to adopt the OMB proposal, the FEC could not afford to invest \$4 million

in an electronic filing program for the larger party committees and PACs, as suggested by Congressional oversight committees. Electronic filing would speed data processing and disclosure and, for the first time, computerize expenditure data. The OMB budget would also scuttle plans to update the FEC's computer system with more cost-effective technology.

The Commission's request covers funding to replace the Government Accounting Office auditors who, in past Presidential cycles, were loaned to the FEC to help process public funding requests. The agency has also requested funds for more comprehensive programs to audit non-Presidential committees (audits "for cause") and to enforce the \$25,000 annual contribution limit. These programs can be implemented only if Congress approves the agency's full funding. ♦

Clearinghouse

U.S. Voting Sites Opened for South African Elections

Expecting a large voter turnout for the first all-race elections in its history, the South African Government allowed its citizens living in the United States to vote at polling stations set up in 15 U.S. cities. Votes were cast on April 26, the voting day for South Africans living abroad. Voting in South Africa took place on April 27 and 28.

Expatriate voting generally takes place at a country's embassy or consulate. But South Africa sought a more accessible system for the April 26 election, given the large numbers and dispersion of South African nationals in the United States and the interest in the historic April elections. South African law does not permit absentee voting by mail.

In response to a request from the Embassy of South Africa, the FEC's National Clearinghouse on Election Administration acted as liaison between the embassy and local election officials, who helped locate facilities for 25 polling stations. Multiple stations were set up in the larger cities: New York, Chicago, Los Angeles, San Francisco and San Diego.

South African officials oversaw the elections. ♦

Publications

Free Copies of Disclosure Directory Available

During April, the Commission released the 1994 edition of the *Combined Federal/State Disclosure Directory*, which lists the state and federal offices responsible for public disclosure of reports and for dispensing information on the following topics:

- Campaign finance
- Personal finances of candidates and officials
- Public financing
- Spending on state initiatives and referenda
- Lobbying
- Candidates on the ballot
- Election results
- Accessibility to polling places
- Election-related enforcement actions
- Corporate registrations

The directory lists office addresses, phone numbers and fax numbers and also identifies staff members knowledgeable in the subject areas.

Limited copies are available free of charge from the FEC's Public Records Office. Call 800/424-9530 or 202/219-4140. ♦

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Published by the Information
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Regulations

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abuse and confusion arising from unauthorized committees' increasing use of candidate names in fundraising projects. Some of these projects diverted substantial funds from the named candidates. The project titles also misled some contributors into believing they were giving to the named candidate.

Citizens Against David Duke (CADD), a potential special project of a committee, had petitioned the FEC to repeal the ban on the use of candidate names, particularly when a project title opposed a candidate. CADD and other persons submitting comments claimed that the ban on the use of candidate names infringed upon free speech rights. The Commission said that the rule was justified because it was designed to protect the electoral process. At the same time, the Commission recognized that fraud and abuse were less likely to occur in cases where the title of a project opposed a candidate.

The agency noted that unauthorized committees were free to highlight candidate names in their communications. For example,

while a committee could not establish a fundraising project called "Citizens for Doe," it could use a prominent subheading such as "Help Us Elect Doe to Federal Office."

The final rule and explanation and justification were published in the Federal Register on April 12. ♦

Notice Published on Petition to Ban Compliance Funds in Presidential Campaigns

The Commission recently published a notice of availability that invited comments on a rulemaking petition seeking to repeal FEC regulations on compliance funds.¹ Filed by the Center for Responsive Politics, the petition for rulemaking argues that compliance funds violate the public funding statute and "undermine the public policy goals behind the country's Presidential public financing system."

Under the public funding statute, Presidential nominees receiving full public funding for their general election campaigns must agree to

limit campaign spending to the amount of their grants and to refrain from accepting private contributions for the campaign. FEC regulations, however, permit these campaigns to raise private contributions (up to \$1,000 per contributor) specifically for compliance funds—separate accounts used to pay for legal and accounting expenses incurred to comply with the law as well as other specified expenses. The regulations exempt compliance fund spending from the expenditure limits.

In its rulemaking petition, the Center for Responsive Politics urges the Commission to repeal the regulations, claiming that compliance funds have been used to evade the fundraising prohibition and the expenditure limits. The Center also claims that the FEC does not have the legal authority to exempt compliance fund spending from the statutory expenditure limits.

Written comments on the petition were due April 29. See 59 FR 14794, March 30, 1994. Copies are available for review in the FEC's Public Records Office. The Commission will review the public comments when considering the merits of the petition. ♦

¹ See 11 CFR 100.8(b)(15), 9002.11(b)(5), 9003.3(a) and 9035.1(c)(1).

New Press Officer Appointed

Ronald M. (Ron) Harris is the new Press Officer of the Commission, assuming that post on March 28. He comes to the Commission after serving as the press director of another independent agency, the Federal Energy Regulatory Commission, where he was responsible for the press relations and information program. From 1987 to 1989, he was communications director of the Independent Petroleum Association of America. Previously, he was editor of the *Capital Energy Letter* and *Thursday Gas Report*, following a stint as press secretary to U.S. Senator Pete Domenici (R-NM). He began his career as a print journalist in New Mexico, first reporting for the *Portales News-Tribune* and later becoming managing editor of the *Carlsbad Current-Argus*.

Born in Amarillo, Texas, Mr. Harris was raised in Hobbs, New Mexico, and graduated from Eastern New Mexico University, Portales, with a bachelor of arts in journalism and history. He is a United States Navy veteran (1964 – 1968).

Ron Harris succeeds Fred Eiland, who served as the FEC's press officer for 15 years. Mr. Eiland retired at the end of 1993.

FEC Approves Early Public Release of Agenda Documents on Regulations

On March 3, the FEC decided to expand public access to agenda documents on regulations by releasing them earlier than was previously the practice. Regulations documents, such as draft rulemaking notices, will now be available in the FEC's Public Records Office at the same time they are circulated to the Commission. The previous practice restricted public release of regulations documents until 1½ days before the meeting at which the document was to be discussed. (This deadline still applies to other agenda documents.)

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Regulations

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documents except draft advisory opinions; see below.)

The early release policy does not, however, expand the public comment period for rulemaking projects. Those who wish to comment on a rulemaking project should wait until the draft document has been approved. The deadline for written comments on a particular project will continue to be announced in the Federal Register and the *Record*.

If members of the public submit comments on draft final rules, the FEC will simply return them, unless the agency decides to reopen the public comment period through a formal Federal Register announcement.

This is the second recent change of policy on the public release of agenda documents. In October 1993, the Commission decided to release agenda documents containing draft advisory opinions one week before their consideration by the Commission in a public meeting. (For more information, see the December 1993 *Record*, page 6.) ♦

Court Cases

FEC v. PCD: Supreme Court Declines to Review Ruling on Attorney Fees

On February 22, the U.S. Supreme Court denied an FEC petition to review an appellate court judgment holding the agency liable for paying the opposing party's attorney fees under the Equal Access to Justice Act (EAJA). *FEC v. Political Contributions Data, Inc. (PCD)*, No. 93-999. The FEC must pay PCD's attorneys \$54,610.

Under the EAJA, the government must pay attorney fees to the prevailing party in a civil suit unless

the court finds the government's position to have been "substantially justified." In *PCD*, the district court found that the Commission's position was substantially justified and denied PCD's petition for attorney fees. PCD appealed, and a three-judge panel of the U.S. Court of Appeals for the Second Circuit, over the dissent of one judge, reversed the lower court's ruling. The Second Circuit found that the FEC's position could not be "substantially justified" under the EAJA because the court had earlier ruled that the FEC's interpretation of the Federal Election Campaign Act was unreasonable.¹

In its Supreme Court petition, the FEC argued that the Second Circuit's ruling contradicted legislative intent as well as the Supreme Court's own rulings and those of other appellate courts. The FEC's brief quoted the Supreme Court in *Pierce v. Underwood*, where the Court observed that a court's agreement or disagreement with the

government "does not establish whether its position was substantially justified. Conceivably, the Government could take a position that is not substantially justified, yet win; even more likely it could take a position that is substantially justified, yet lose."²

The Solicitor General, who filed a friend of the court brief supporting the FEC's petition, said that the *PCD* holding "seriously expands the government's liability for attorney fees under EAJA." ♦

Akins v. FEC (92-1864)

A district court recently ruled that the FEC had properly construed the term "political committee" to mean a group whose contributions or expenditures exceed \$1,000 in a calendar year and whose "major purpose" is the election of candidates.

The court case stemmed from an administrative complaint (MUR 2804) filed by James E. Akins and five other individuals against the American Israel Public Affairs Committee (AIPAC), an incorporated lobbying group. The complainants alleged that AIPAC violated the campaign finance law by making prohibited corporate expenditures. They also claimed that AIPAC failed to register and report as a political committee when its expenditures exceeded \$1,000 in a calendar year. The FEC found probable cause to believe that AIPAC made corporate expenditures but took no further action. The agency found no probable cause to believe that AIPAC was a political committee because its campaign activity was so small in comparison with its major purpose, which was lobbying.

When the FEC dismissed the complaint, Mr. Akins and the others filed a lawsuit against the Commis-

¹ *The FEC had argued that PCD, in marketing lists containing data on individual contributors taken from FEC disclosure reports, used this protected information for "commercial purposes," a violation of 2 U.S.C. §438 (a)(4) and 11 CFR 104.15. Those provisions prohibit the use of protected contributor information "for the purpose of soliciting contributions or for commercial purposes." The Second Circuit, however, narrowly interpreted the "commercial purposes" prohibition as applying to solicitations only. (The court used the examples "soliciting contributions or selling cars.") The court concluded that this construction would adequately protect the contributor's personal privacy—the only intent of the "commercial purposes" restriction recognized by the court. Because PCD's lists lacked mailing addresses and phone numbers and warned against the illegal use of the information, the court found that the lists were highly unlikely to be used for solicitations and were therefore exempt from regulation. PCD, 995 F.2d 383 (2d Cir. 1993).*

² 487 U.S. 552,569 (1988).

sion, arguing that the agency should have relied solely on the plain wording of the statute to determine whether AIPAC was a political committee. Under the statute, a group becomes a political committee, subject to registration and reporting, when its aggregate expenditures exceed \$1,000 in a calendar year. 2 U.S.C. §431(4). Plaintiffs argued that AIPAC clearly met that definition, based on the FEC's finding that expenditures by AIPAC probably exceeded \$1,000.

On March 30, 1994, the U.S. District Court for the District of Columbia issued its decision. The court ruled that the FEC was correct in applying the major purpose test to AIPAC's activities.

Summarizing the case law on this issue, the court cited *Buckley v. Valeo*, in which the Supreme Court defined the term political committee to encompass "organizations that are under the control of a candidate or the major purpose of which is the nomination or election of a candidate."¹ The district court observed that the Supreme Court narrowed the statutory definition in order to protect the constitutional rights of groups formed for issue discussion.

The court noted that, in *FEC v. Massachusetts Citizens for Life, Inc. (MCFL)*, the Supreme Court again used the major purpose standard to define political committee. In *MCFL*, the Court exempted a narrowly defined type of nonprofit corporation from the prohibition on corporate expenditures (2 U.S.C. §441b) with the caveat that if the organization's independent spending became "so extensive that the organization's major purpose [could] be regarded as campaign activity," then it would meet the definition of political committee.²

Based on these and other cases, the district court upheld the FEC's

interpretation of the term "political committee" and also upheld the FEC's application of the major purpose test to AIPAC. The agency had concluded that "AIPAC's campaign-related expenditures, while likely to have exceeded \$1,000 in some years, were not its major purpose but were made as an adjunct to, and in support of, the lobbying efforts that were the organization's primary focus."

Finding the agency acted reasonably in dismissing plaintiffs' complaint, the court granted summary judgment to the FEC. ♦

New Litigation

NRSC v. FEC

The National Republican Senatorial Committee (NRSC) asks the court to stop the FEC from taking enforcement action in MUR 3204, an internal case in which the agency found reason to believe that the NRSC had violated the campaign finance law.

The finding led to an investigation of the allegations and a "probable cause to believe" recommendation by the FEC's General Counsel. The NRSC, however, contends that the reason to believe finding (and any action taken as a result of that finding) was invalid because it was made when the FEC's composition was unconstitutional, according to the appellate court's ruling in *FEC v. National Rifle Association Political Victory Fund (NRA)*.¹

In that case, the court of appeals held that the FEC lacked authority to bring an action against the NRA because the composition of the agency violated the Constitution's separation of powers doctrine. (The

court said: "Congress exceeded its legislative authority when it placed its agents, the Secretary of the Senate and the Clerk of the House of Representatives, on the independent Commission as non-voting ex officio members.") Immediately after the October 1993 *NRA* ruling, the FEC reconstituted itself by excluding the ex officio members.

The NRSC requests that the court:

- Issue preliminary and permanent injunctions to stop the FEC from proceeding in MUR 3204;
- Order the FEC to dismiss the MUR;
- Determine that "reason to believe" findings made before the agency was reconstituted are void; and
- Rule that the FEC's pursuit of enforcement actions initiated when the ex officios were members is arbitrary, capricious, an abuse of discretion and contrary to law.

U.S. District Court for the District of Columbia, Civil Action No. 94-0332, February 23, 1994. ♦

Audits

FEC Releases Audit Reports on '92 Harkin Campaign and Democratic Convention

The Commission has thus far released seven audit reports on participants in the 1992 Presidential public funding program. The two most recent reports are summarized below. Copies of final audit reports are available from the FEC's Public Records Office.

The final audit reports contain the Commission's initial determinations on the amount of public funds a committee must repay to the U.S. Treasury. Initial determinations becomes final within 30 days unless the committee disputes the repayment in writing.

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¹ 424 U.S. 1, 79 (1972).

² 479 U.S. 238, 262 (1986).

¹ 6 F.3d 821 (D.C. Cir. 1993), petition for cert. filed, 62 U.S.L.W. 3511 (U.S. Jan. 18, 1994, No. 93-1151). The FEC has asked the Supreme Court to review the ruling.

Audits

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Americans for Harkin

Americans for Harkin, Inc., the 1992 Presidential primary campaign of Senator Tom Harkin, received \$2.1 million in federal matching funds. The Commission required the committee to pay a total of \$59,911 to the U.S. Treasury, based on findings from the final audit report.

Excessive and Prohibited Contributions. Under an audit policy adopted in May 1992, the Commission uses a statistical sampling technique to evaluate a committee's compliance with the contribution limits and prohibitions. The policy also requires committees to pay unresolved prohibited and excessive amounts to the U.S. Treasury.

Using the sampling technique and other review methods, FEC auditors projected that the committee's prohibited and excessive contributions amounted to \$33,033. The Commission required the committee to pay that amount to the U.S. Treasury. The committee argued that the FEC had no authority to require the payment, but the Commission was not persuaded by the argument. The committee also argued that the sampling method overstated the amount of illegal contributions it had accepted. The audit report, however, explained that the committee apparently misunderstood the procedures used by FEC auditors.

Matching Funds Received in Excess of Entitlement. The Commission determined that the committee had to repay \$24,595 in matching funds that exceeded the committee's entitlement.

Stale-Dated Checks. The Commission also required the committee to pay the Treasury \$2,283, representing committee checks that were never cashed.

Reporting Errors. The audit revealed that the committee misstated financial activity in several

reports, made itemization errors and failed to disclose required information on disbursements. The committee also failed to use best efforts to obtain and report information on some individual contributors, omitting the occupation and employer of several donors whose contributions totaled over \$600,000. The committee amended its reports to correct most of these problems.

Democratic Convention Committee

The 1992 Democratic National Convention Committee, Inc., received \$11.05 million in public funds for its 1992 nominating convention in New York. The Commission determined that the convention committee had to pay \$38,163 to the U.S. Treasury. Findings from the final audit report are highlighted below.

Staff Advances. The committee apparently accepted \$15,418 in excessive contributions resulting from staff advances. Although the committee reimbursed the staff, the reimbursements were not timely.

Post-Convention Spending. Some months after the convention, the committee made several expenditures that were not considered permissible convention expenses, specifically \$17,805 in gifts to senior staff and party leaders (only gifts in excess of \$150 were considered impermissible) and \$10,000 in consulting fees for a study on the role of African Americans at the 1992 convention. The Commission made an initial determination that the committee repay the \$27,805 spent on impermissible expenditures.

Other Payments. The Commission determined that the committee had to repay \$5,676 in parking penalties; pay \$810 in committee checks that were never cashed; and return \$3,872 in unspent public funds.

Bill Clinton Film. The Commission decided not to require repayment of \$30,000 spent on part of the

production costs for a film biography of President Clinton shown at the convention after his nomination. His campaign committee paid the remaining costs and used the film in his general election campaign. The Audit Division took the position that the \$30,000 payment represented an impermissible use of convention funding for a specifically candidate-related expense. The Commission, however, determined that the payment was a legitimate convention expense to promote the nominee. ♦

Advisory Opinions

AO 1994-2 Federal Law Preempts Minnesota Law Restricting Lobbyist Contributions

Under Minnesota law, state legislators and their authorized committees may not accept contributions from lobbyists during a regular legislative session. Federal law preempts that prohibition as it applies to contributions received by the U.S. Senate campaign committee of Linda Berglin, who is also a state senator.¹ As explained in AO 1993-25, which presented a similar question on Wisconsin law, the Federal Election Campaign Act and FEC regulations preempt any state law that attempts to regulate federal campaign finance activity, including contributions to federal candidates. 2 U.S.C. §453; 11 CFR 108.7(b). Therefore, under the broad preempt-

¹ A February 22 opinion issued by the Minnesota Ethical Practices Board stated that the prohibition would not cover the federal campaign committee of a sitting legislator. The Commission, however, did not know how the provision would be interpreted by other Minnesota agencies.

tive powers of the Act, only federal law could limit the time during which a lobbyist could contribute to the federal campaign of a state legislator.

Date Issued: March 15, 1994;
Length: 4 pages. ♦

Advisory Opinion Requests

The advisory opinion requests (AORs) listed below are available for review and comment in the FEC's Public Records Office.

AOR 1994-5

Individual's qualification as a candidate for the U.S. Senate under 2 U.S.C. §431(2). (William D. White; March 22, 1994; 6 pages)

AOR 1994-6

Corporate funds used to match PAC contributions from both restricted and expanded classes with donations to a corporate-chosen charity. (Political Action Coors Employees, March 30, 1994, 4 pages)

AOR 1994-7

Corporate funds used to match PAC contributions from both restricted and expanded classes with donations to charities chosen by contributors. (The Geon Company, April 6, 1994, 7 pages plus 9-page attachment)

AOR 1994-8

Campaign's lease of office space and equipment from corporation owned by candidate and spouse; allocation of office expenses between campaign and law office of spouse. (Friends of Mike Parker for Congress, April 6, 1994, 2 pages)

AOR 1994-9

Partnership PAC's receipt of nonfederal PAC funds; effect on PAC of partnership's reorganization as corporation. (Armco Steel, L.P., April 8, 1994, 3 pages plus 139-page attachment)

AOR 1994-10

Waiver of bank fees and service

charges as part of loan negotiations with political committees. (Franklin National Bank, April 15, 1994, 13 pages)

AOR 1994-11

Solicitation of partnership's executive and administrative employees by controlling corporate partner when partnership is a federal contractor. (FMC Corporation, April 15, 1994, 3 pages) ♦

Compliance

MUR 3850

Contributions Exceeding the \$25,000 Annual Limit

In a November 1993 letter to the FEC, M. Larry Lawrence admitted that he had inadvertently exceeded the \$25,000 annual limit on federal contributions. He said that the excessive contributions had been brought to his attention in connection with his nomination to be Ambassador to Switzerland.

Under the law, an individual's total federal contributions for a calendar year are limited to \$25,000. 2 U.S.C. §441a(a)(3). Mr. Lawrence explained that he had exceeded the annual limit because he had been unaware that a contribution to a candidate counts against the annual limit for the year of the election, regardless of when the contribution was made. In Mr. Lawrence's case, in 1987 he made a number of contributions for 1988 primary and general election campaigns. Those contributions, which totaled \$10,100, counted against his 1988 annual limit and, when added to other 1988 contributions, caused him to exceed his 1988 limit by \$7,179. He voluntarily submitted payment to the FEC for that amount.

After finding reason to believe Mr. Lawrence had exceeded the annual limit, the Commission

accepted the \$7,179 as payment of a civil penalty under the terms of a conciliation agreement. ♦

MURs Released to the Public

Listed below are FEC enforcement cases (Matters Under Review or MURs) recently released for public review. They are based on the FEC press releases of February 11, March 3, 18 and April 8 and 15, 1994. Files on closed MURs are available for review in the Public Records Office.

MUR 2546/2174

Respondents: The Helms Committee, Mark L. Stephens, treasurer (NC)

Complainant: FEC initiated
Subject: Excessive contributions
Disposition: \$25,000 civil penalty

MUR 3183

Respondents (all in CA): (a) Insurance Coalition of America, Inc.; (b) Insurance Coalition of America Political Action Committee (INCA-PAC), Lynda L. Regan, treasurer; (c) GSL Holding Corporation, as successor in interest to The Regan Group Insurance Marketing Company

Complainant: FEC initiated
Subject: Failure to register; failure to establish a separate depository; failure to file reports on time; corporate contributions
Disposition: (a) and (b) \$30,000 joint civil penalty (all of the above); (c) \$11,000 civil penalty (corporate contributions)

MUR 3444

Respondents: Rick Montoya for United States Senate Committee, Rick Montoya, acting as treasurer (NM)

Complainant: FEC initiated
Subject: Failure to disclose loan receipt and repayment; failure to provide amended Statement of Organization

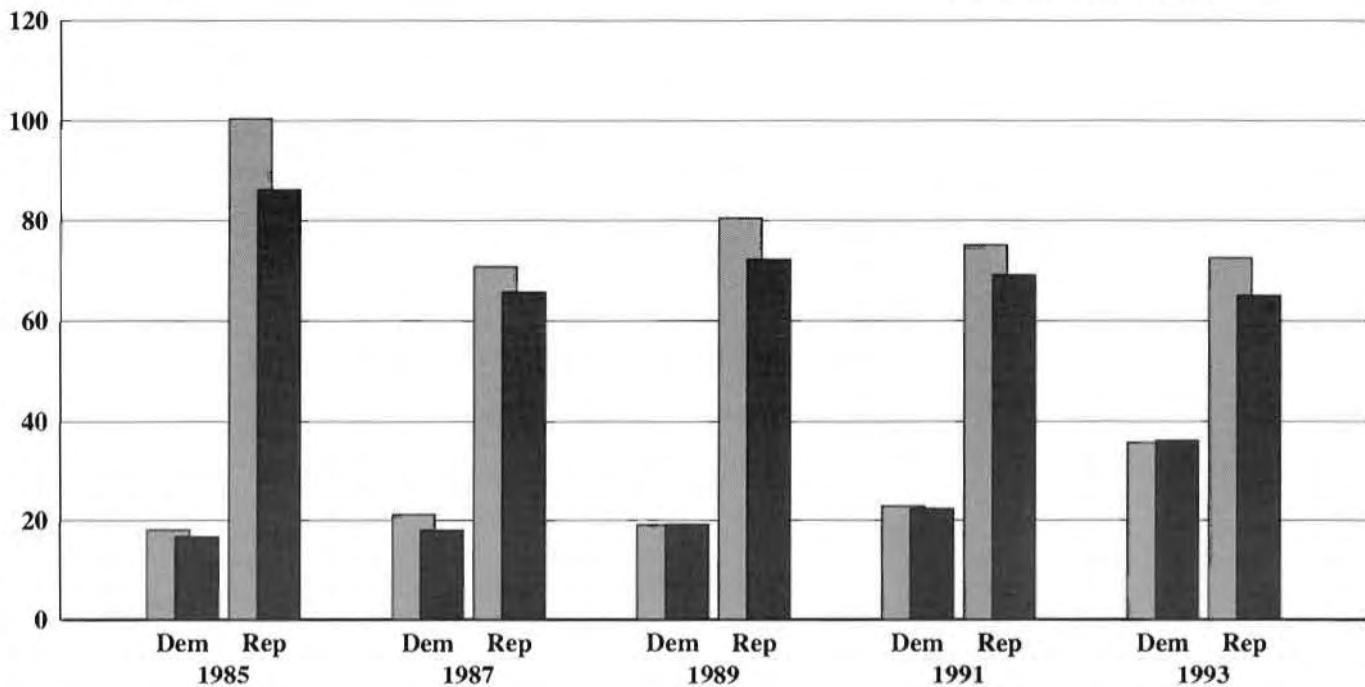
Disposition: \$4,000 civil penalty

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Democratic and Republican National Committee¹ Activity in Year Before Election

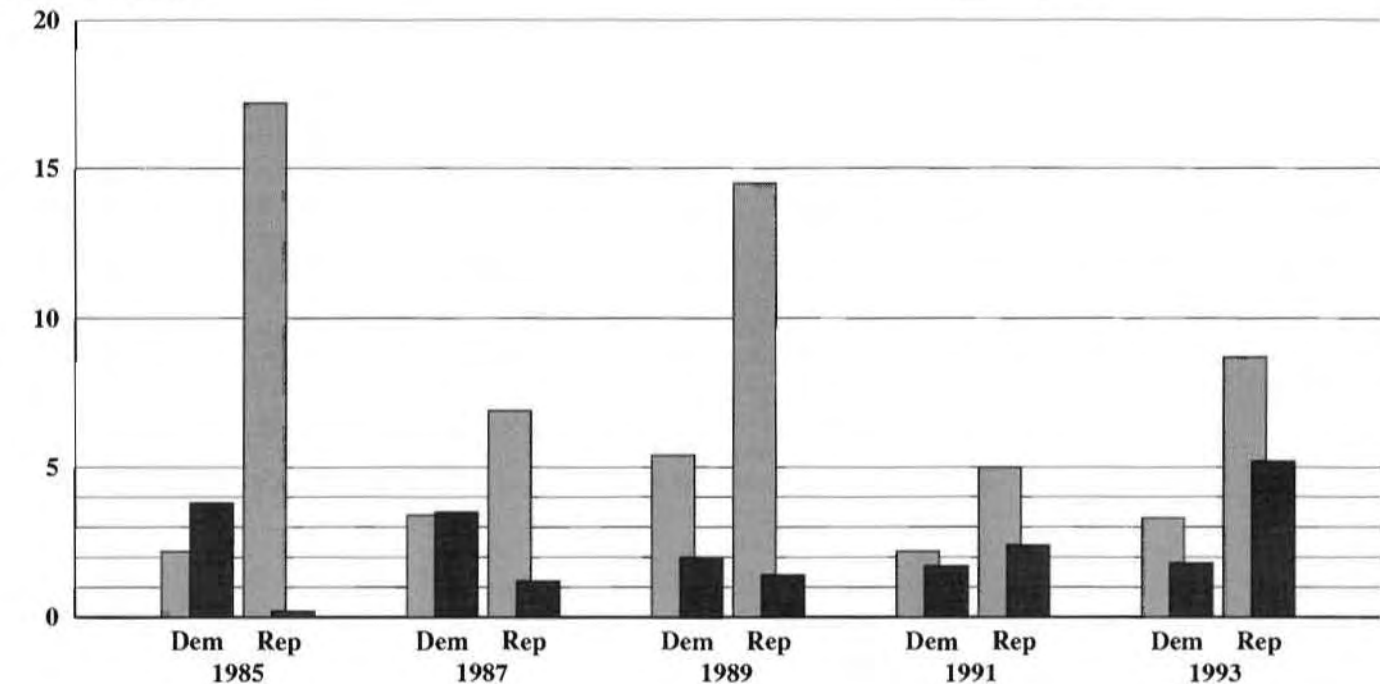
1. Federal Receipts and Disbursements

Millions of Dollars



2. Federal Cash on Hand and Debts

Millions of Dollars



¹ The graphs show the combined activity of each party's three national-level committees: the national, the Senate campaign and the House campaign committees.

Statistics

Fundraising by Democratic Party on the Upswing

In 1993 the Democratic national committees more than doubled the amounts they raised and spent for federal election activity in 1991, the previous nonelection year. The Democratic committees' fundraising climbed 56 percent over 1991 totals, while disbursements increased by 61 percent. Republican totals, by contrast, stayed about the same. Graphs 1 and 2 compare national party federal activity in nonelection years.

Because 1993 was a nonelection year, the national parties' candidate-support efforts in federal elections primarily focused on the special

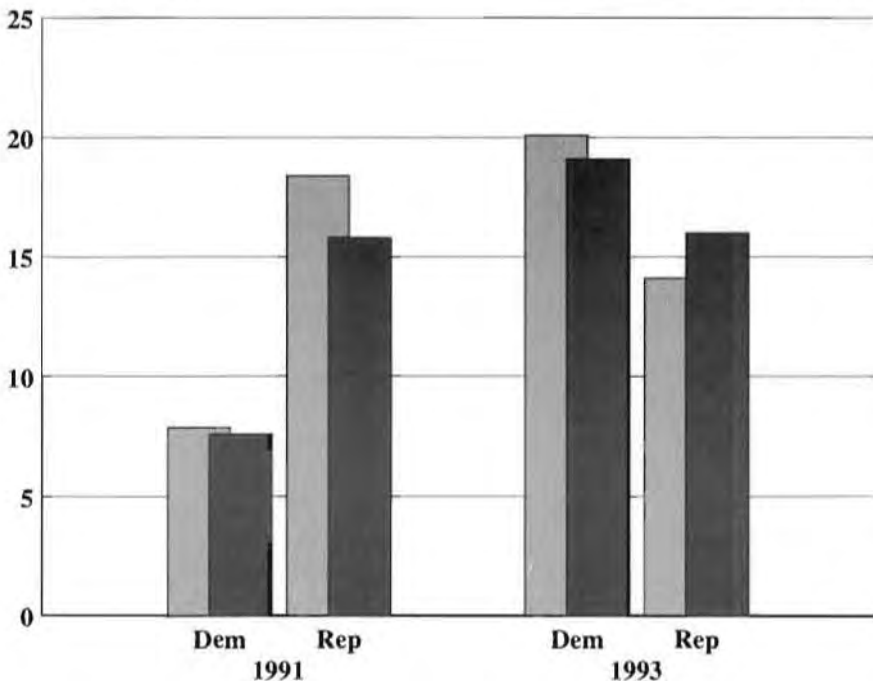
elections. The Democratic national committees contributed \$248,163 directly to federal candidates and spent \$1.6 million in coordinated party expenditures on their behalf, while their Republican counterparts contributed \$301,348 and spent \$1.8 million.

As shown in Graph 3, the Democrats surpassed the Republicans in 1993 nonfederal account activity. These accounts contain money raised outside the limits and prohibitions of the federal campaign law; they cannot be used for federal election activity.

The graphs are based on a March 4 FEC press release comparing the off-election year activity of the national party committees. Copies can be ordered from the Public Records Office: 800/424-9530 or 202/219-4140. ♦

3. Nonfederal Receipts and Disbursements

Millions of Dollars



Special Elections

Kentucky Congressional Election

Kentucky will hold a special general election on May 24 to fill the 2nd Congressional District seat held by the late Congressman William Natcher.

The Republican and Democratic Parties each selected a nominee for the special general election at conventions held April 8 and 16, respectively. No pre-convention reporting was required.

Candidates running in the special election must file pre- and post-election reports. PACs and party committees (excluding monthly filers) also have to file pre- and post-election reports if they make contributions or expenditures in connection with the election during the coverage dates for those reports. Reporting dates are shown below. For more information, call the FEC (800/424-9530 or 202/219-3420).

12-Day Pre-Election Report

The special election date (May 24) is the same day as the regular primary election in Kentucky. The pre-election reporting dates are the same.

- Close of Books: May 4
- Registered/Certified Mailing Date: May 9
- Filing Date: May 12

30-Day Post-Election Report

Post-election reporting applies only to the special general election; post-primary reporting is not required.

- Close of books: June 13
- Registered/Certified Mailing Date: June 23
- Filing Date: June 23 ♦

Compliance

(continued from page 7)

MUR 3461

Respondents: Lonsdale for Senate '90, Dana Hanson Nehl, treasurer (OR)

Complainant: FEC initiated

Subject: Failure to file 48-hour notices; excessive contributions

Disposition: \$14,000 civil penalty

MUR 3522

Respondents (all in NV except (b)):

(a) Friends for Bryan, Michael W.

Kern, treasurer; (b) Democratic Senatorial Campaign Committee, Donald J. Foley, treasurer (DC);

(c) Nevada Democratic State Committee, Debbie Todd Johnson, treasurer; (d) Bilbray for Congress

Committee, Robert Goldberg,

treasurer; (e) Elias F. Ghanem;

(f) Jody Ann Ghanem; (g) William E. Bannen; (h) G & B Enterprises

Complainant: Referral from U.S. Department of Justice

Subject: Corporate contributions; allocation of federal/state expenditures; excessive contributions,

contributions in name of another

Disposition: (a) and (b) Reason to believe but took no further action

(corporate contributions); (c) reason to believe but took no further action

(corporate contributions and allocation); (d) reason to believe but took

no further action (corporate contributions); (e) and (g) reason to believe but took no further action

(contributions in name of another and excessive contributions); (f) and

(h) reason to believe but took no further action (contributions in name

of another); (a)-(h) sent admonishment letters

MUR 3592

Respondents (all in VA):

(a) Congressman James P. Moran;

(b) Moran for Congress '94, Francis X. O'Leary, treasurer; (c) Mary Sue

Terry; (d) Terry for Virginia Committee, Elman P. Gray, treasurer

Complainant: Kyle Eugene

McSarrow (VA); Kyle McSarrow for Congress

Subject: Disclaimer

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

MUR 3593

Respondents: (a) Rick Reed (HI);

(b) Rick Reed for U.S. Senate, Jennifer Louise P. Reed, treasurer (HI);

(c) Richard Bellord (CA)

Complainant: Dennis E.W.

O'Conner (HI)

Subject: Failure to register and report; failure to designate principal

campaign committee; excessive contribution

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

MUR 3666

Respondents: (a) Friends of Jennifer B. Dunn, Larry Wells, treasurer

(WA); (b) Washington State Republican Party; (c) Jennifer B. Dunn

Complainant: Krishna Fells (WA)

Subject: Failure to file Statements of Candidacy and Organization on

time; inaccurate reporting; excessive contribution

Disposition: (a) Reason to believe but took no further action (reporting);

no reason to believe (other allegations); (b) and (c) no reason to believe

MUR 3689

Respondents: (a) Congressman Ted

Strickland (OH); (b) Ted Strickland for Congress, Wanda Kuhns,

treasurer (OH)

Complainant: Al Stauffer (OH)

Subject: Disclaimer

Disposition: (a) and (b) Reason to believe but took no further action;

sent admonishment letter

MUR 3728

Respondents: Nevada State Democratic Party, Debbie Todd Johnson,

treasurer

Complainant: Brian McKay, State Chairman, Nevada Republican Party

Subject: Failure to file reports on time

Disposition: \$15,000 civil penalty

MUR 3735

Respondents: John Jones for Congress Committee, Albert V.

Schulze, treasurer (PA)

Complainant: FEC initiated

Subject: Failure to file 48-hour contribution notice

Disposition: \$3,000 civil penalty

MUR 3746

Respondents: Hilliard for Congress Campaign, James H. Parker, treasurer (AL)

Complainant: FEC initiated

Subject: Failure to file 48-hour contribution notices

Disposition: \$5,375 civil penalty

MUR 3789

Respondents: (a) Agran for President '92 Committee, Christopher H.

King, treasurer (CA); (b) Peggy Mears (CA)

Complainant: FEC initiated.

Subject: Excessive contributions

Disposition: (a) and (b) Reason to believe but took no further action

MUR 3813

Respondents: Citizens for Rush, Sheila L. Jackson, treasurer (IL)

Complainant: FEC initiated

Subject: Failure to file 48-hour notices

Disposition: \$3,700 civil penalty

MUR 3820

Respondents: Spear, Leeds & Kellogg Good Government Fund

Committee, John Cutillo, treasurer (NY)

Complainant: FEC initiated

Subject: Failure to file report on time

Disposition: \$1,100 civil penalty

MUR 3836

Respondents: Cynthia McKinney for Congress, Elyria Mackie,

treasurer

Complainant: FEC initiated

Subject: Failure to file 48-hour notices

Disposition: \$4,000 civil penalty

MUR 3845

Respondents: Arlington Demo-

cratic Joint Campaign Committee, James Kasica, treasurer (VA)

Complainant: FEC initiated

Subject: Failure to file reports on time

Disposition: \$1,000 civil penalty

MUR 3846

Respondents: John Lewis for Congress Committee, Lillian M. Lewis, treasurer (GA)

Complainant: FEC initiated

Subject: Failure to file 48-hour contribution notices

Disposition: \$4,500 civil penalty

MUR 3850

Respondent: M. Larry Lawrence (CA)

Complainant: Sua sponte

Subject: Contributions exceeding \$25,000 annual limit

Disposition: \$7,179 civil penalty

MUR 3926

Respondent: Marvin M. Schwan (SD)

Complainant: FEC initiated

Subject: Contributions exceeding \$25,000 annual limit

Disposition: Reason to believe but took no further action ♦

Nonfilers Published

The Jo Baylor for Congress Committee, whose candidate is running for the House seat in the 10th Congressional District of Texas, failed to file the required pre-runoff report. (See the FEC press

release of April 8.) The Commission is required by law to publicize the names of nonfiling authorized committees. 2 U.S.C. §438(a)(7). The agency pursues enforcement action against nonfilers on a case-by-case basis. ♦

Federal Register

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

1994-1

Filing Dates for the Oklahoma Special Elections (59 FR 5769, February 8, 1994)

1994-2

11 CFR Part 104: Recordkeeping and Reporting by Political Committees: Best Efforts; Final Rule; Announcement of Effective Date (59 FR 10057, March 3, 1994)

1994-3

11 CFR Part 8: National Voter Registration Act of 1993; Notice of Proposed Rulemaking (59 FR 11211, March 10, 1994; corrections, 59 FR 14022, March 24, 1994)

1994-4

Rulemaking Petition: Center for Responsive Politics [re Presidential

Compliance Funds]; Notice of Availability (59 FR 14794, March 30, 1994)

1994-5

11 CFR Part 102: Special Fundraising Projects and Other Use of Candidate Names by Unauthorized Committees; Final Rule; Transmission to Congress (59 FR 17267, April 12, 1994) ♦

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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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