

# Record

January 2002

Federal Election Commission

Volume 28, Number 1

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## A Message from the Chairman

Communication is the essence of election campaigns. Communication is among the most basic of human functions and the object of some of our most advanced technology. This year, the FEC will strive to improve its internal and external communications. More dynamic and informative disclosure of campaign finance reports and data is a principal objective of the wholesale upgrade of our internal computer network to be conducted in 2002.

Rather than restricting behavior, many FEC regulations describe when, how and whether certain statutory legal rules apply. Regulations describing safe harbors for Internet political activity, defining the dates on which independent expenditure reports must be filed and outlining how to report receipts of combined federal and nonfederal contributions are high on the Commission's agenda for 2002. Revisions to our rules for publicly-funded presidential campaigns and conventions must also be completed this year.

We have a full schedule of seminars and publication revisions which, along with other activities of our Information, Disclosure and Reports Analysis Divisions, are designed to better inform candidates, treasurers, political committees and the public about the requirements of federal campaign finance law.

We welcome your questions and comments. Please do not hesitate to call our 800 number (800/424-9530) for assistance. In addition, you can obtain our publications and other materials 24 hours a day through our Faxline, an automated fax-on-demand system (202/501-3413). Many of our materials are also available on our web site at [www.fec.gov](http://www.fec.gov).

We look forward to improving our communications with you in the coming year.



## Commissioners

### New Chairman and Vice Chairman Elected

On December 13, 2001, the Commission elected David M. Mason as its Chairman and Karl J. Sandstrom as its Vice Chairman for 2002.

Chairman Mason, a Republican, was nominated to the Commission by President Clinton in 1998. Prior to his appointment, Mr. Mason served as Senior Fellow, Congressional Studies, at the Heritage Foundation. He joined Heritage in 1990 as Director of Executive Branch Liaison. In 1995 he became Vice President, Government Relations, and in 1997 he was designated Senior Fellow with a focus on research, writing and commentary on Congress and national politics.

Before joining the Heritage Foundation, Chairman Mason served as Deputy Assistant Secretary of Defense and also served on

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**David M. Mason**, Chairman  
**Karl J. Sandstrom**, Vice Chairman  
**Danny L. McDonald**,  
Commissioner

**Bradley Smith**, Commissioner  
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**Greg J. Scott**, Acting Assistant  
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**Amy Kort**, Editor

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the staffs of Senator John Warner, Representative Tom Bliley and then-House Republican Whip Trent Lott. He worked in numerous Congressional, Senatorial, Gubernatorial and Presidential campaigns, and was himself the Republican nominee for the Virginia House of Delegates in the 48<sup>th</sup> District in 1982.

Chairman Mason attended Lynchburg College in Virginia and graduated *cum laude* from Claremont McKenna College in California.

Vice-Chairman Sandstrom was also nominated to the Commission by President Clinton in 1998. Prior to his appointment, Vice-Chairman Sandstrom served as Chairman of the Administrative Review Board at the Department of Labor. From 1988 to 1992, he was Staff Director of the House Subcommittee on Elections, during which time he also served as the Staff Director of the Speaker of the House's Task Force on Electoral Reform. From 1979 to 1988, Vice-Chairman Sandstrom served as the Deputy Chief Counsel to the House Administration Committee of the House of Representatives.

Vice-Chairman Sandstrom received a B.A. degree from the University of Washington, a J.D. from George Washington University and a Masters of the Law of Taxation from Georgetown University Law Center. ♦

—Amy Kort

## Reports

### Reports Due in 2002

This article on filing requirements for 2002 is supplemented by the reporting tables on the following pages.

It is the responsibility of the committee treasurer to file required reports on time. To assist treasurers, the Commission sends committees

notices of upcoming reporting deadlines.

Under the Commission's mandatory electronic filing regulations, individuals and organizations<sup>1</sup> that receive contributions or make expenditures in excess of \$50,000 in a calendar year—or expect to do so—must file all reports and statements with the FEC electronically. Electronic filers who instead file on paper or submit an electronic report that does not pass the validation test will be considered nonfilers and may be subject to enforcement actions (including administrative fines).

Committees that file with the Secretary of the Senate<sup>2</sup> are not subject to the mandatory electronic filing rules, but may file an unofficial electronic copy of their reports with the FEC in order to speed disclosure. 11 CFR 104.18.

The Commission's electronic filing software, FECFile 4, can be downloaded from the FEC's web site at [www.fec.gov](http://www.fec.gov) (click on the Electronic Filing icon). Filers may also use commercial or privately-developed software as long as the software meets the Commission's format specifications, which are available on the Commission's web site.

Most paper forms are available at the FEC's web site (<http://www.fec.gov/reporting.html>) and from FEC Faxline, the agency's automated fax system (202/501-3413). The 2002 Reporting Schedule is also available on the FEC's web site (<http://www.fec.gov/pages/report.htm>). For more information on reporting, call the FEC at 800/424-9530 (press 1, then 3) or 202/694-1100.

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<sup>1</sup> The regulation covers individuals and organizations required to file reports with the Commission, including any person making an independent expenditure.

<sup>2</sup> See "Where to File" on page 10.

## Guide to 2002 Reporting

All committees must also file a 2001 Year-End Report, due January 31, 2002.

### Required Reports

Type of Filer	Semiannual	Quarterly	Monthly	Pre-Primary <sup>1</sup>	Pre-General	Post-General
House and Senate Campaigns of 2002 Candidates		✓		✓	✓	✓
	required if candidate runs in election, even if unopposed					
Other House and Senate Campaigns <sup>2</sup>	✓					
Presidential Campaigns <sup>3</sup>		✓	or	✓		
PACs and Party Committees Filing Monthly			✓		✓	✓
	filed in lieu of November and December monthly reports					
PACs and Party Committees Filing Quarterly <sup>4</sup>		✓		✓	✓	✓
	required only if committee makes contributions or expenditures in connection with a federal election during the reporting period <sup>5</sup>					

<sup>1</sup> Category also includes pre-convention and pre-runoff reports. For pre-election reporting dates, see the table on pages 5-8.

<sup>2</sup> Special election candidates must file additional reports pertaining to their special elections. See periodic Record announcements.

<sup>3</sup> Presidential committees that wish to change their filing frequency during 2002 should notify the Commission in writing.

<sup>4</sup> PACs and party committees that filed on a semiannual basis in 2001 file on a quarterly basis in 2002. To avoid the need to file pre-primary and pre-runoff reports, these committees may change to monthly filing if they first notify the Commission in writing. Committees may change filing frequency only once a year. 11 CFR 104.5(c).

<sup>5</sup> A reporting period begins with the close of books for the last report filed and ends with the closing date for the applicable report.

## Reports

(continued from page 2)

### Year-End Reports Covering 2001 Activity

All committees must file a 2001 year-end report due January 31, 2002. The coverage and reporting dates are found in Table 1.

### Reports Covering 2002 Activity

To find out which reports your committee must file in 2002, check the Guide to 2002 Reporting on page 3. Then check the tables on the following pages for reporting dates. Please note that committees active in special elections in 2002 may have to file additional special election reports, as explained on page 10.

### Authorized Committees of Candidates

*2002 House and Senate Candidates.* Campaigns that raise or spend more than \$5,000 for the 2002 election cycle (and thus trigger registration and reporting requirements) must file quarterly reports throughout 2002, even if the candidate plans to retire, withdraws from the race prior to the primary election, loses the primary or drops out of the race prior to the general election. Committees must continue to file reports until the Commission notifies them in writing that their termination report has been accepted.

Authorized committees of 2002 House and Senate candidates file the following reports:

- Quarterly reports;
- A pre-primary report;
- Pre- and post-general election reports (if the candidate participates in the general election);
- A year-end report; and
- 48-hour notices on contributions of \$1,000 or more received less than 20 days, but more than 48 hours, before the day of each election in which the candidate participates.

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## Table 1

### 2001 Year-End Report

Note: All committees file this report.

Report	Period Covered	Filing Date <sup>1</sup>
Year-End	Closing date of last report through 12/31/01	January 31, 2002

### 2002 Monthly Reports

Report	Period Covered	Filing Date <sup>1</sup>
February	January 1-31	February 20
March	February 1-28	March 20
April	March 1-31	April 20 <sup>2</sup>
May	April 1-30	May 20
June	May 1-31	June 20
July	June 1-30	July 20 <sup>2</sup>
August	July 1-31	August 20
September	August 1-31	September 20
October	September 1-30	October 20 <sup>2</sup>
Pre-General <sup>3</sup>	October 1-16	October 24
Post-General	Oct. 17-Nov. 25	December 5
Year-End	Nov. 26-Dec. 31	January 31, 2003

### 2002 Quarterly Reports

Report	Close of Books	Filing Date <sup>1</sup>
1st Quarter	March 31	April 15
2nd Quarter	June 30	July 15
3rd Quarter	September 30	October 15
Year-End	December 31	January 31, 2003

### Pre- and Post-Election Reports for November 5 General Election

Report	Close of Books	Filing Date <sup>1</sup>
Pre-General <sup>3</sup>	October 16	October 24
Post-General	November 25	December 5

<sup>1</sup> Reports sent by registered or certified mail must be postmarked by the filing date (except in the case of the pre-general election report). Reports sent by other means—including first class mail—must be received by the filing date. 11 CFR 104.5(e).

<sup>2</sup> Notice that this deadline falls on a Saturday or Sunday. Filing dates are not extended for weekends or holidays. Reports filed on paper or diskette should be received by the appropriate filing office the Friday before the filing date.

<sup>3</sup> If sent by registered or certified mail, the pre-general must be postmarked by October 21.

## Pre-Election Reporting Dates: 2002 Primary and Runoff Elections

State or Territory	Election Day	Close of Books <sup>†</sup>	Registered/Certified Mailing Date <sup>‡</sup>	Filing Date <sup>‡</sup>
*Alabama	June 4 Runoff: June 25	May 15 June 5	May 20 June 10	May 23 June 13
* Alaska	August 27	August 7	August 12	August 15
American Samoa	November 5 Runoff: November 19	October 16 October 30	October 21 November 7 <sup>1</sup>	October 24 November 7
Arizona	September 10	August 21	August 26	August 29
* Arkansas	May 21 Runoff: June 11	May 1 May 22	May 6 May 27 <sup>2</sup>	May 9 May 30
California	March 5	February 13	February 18 <sup>2</sup>	February 21
* Colorado	August 13	July 24	July 29	August 1
Connecticut	September 10	August 21	August 26	August 29
*Delaware	September 7	August 18	August 23	August 26
District of Columbia	September 10	August 21	August 26	August 29
Florida	September 10	August 21	August 26	August 29

<sup>†</sup> This date indicates the end of the reporting period. A reporting period always 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.

<sup>‡</sup> Reports sent by registered or certified mail must be postmarked by the mailing date. Otherwise, they must be received by the filing date.

\* States holding 2002 Senate elections.

<sup>1</sup> The mailing date is the same as the filing date because the computed mailing date would fall one day before the primary is held.

<sup>2</sup> Notice that the registered/certified mailing date falls on a federal holiday. The report should be postmarked before that date.

State or Territory	Election Day	Close of Books <sup>†</sup>	Registered/Certified Mailing Date <sup>‡</sup>	Filing Date <sup>‡</sup>
*Georgia	August 20 Runoff: September 10	July 31 August 21	August 5 August 26	August 8 August 29
Guam	September 7	August 18	August 23	August 26
Hawaii	September 21	September 1	September 6	September 9
* Idaho	May 28	May 8	May 13	May 16
* Illinois	March 19	February 27	March 4	March 7
Indiana	May 7	April 17	April 22	April 25
*Iowa	June 4	May 15	May 20	May 23
*Kansas	August 6	July 17	July 22	July 25
*Kentucky	May 28	May 8	May 13	May 16
*Louisiana	August 23 <sup>3</sup>	August 3	August 8	August 11 <sup>4</sup>
*Maine	June 11	May 22	May 27 <sup>2</sup>	May 30
Maryland	September 10	August 21	August 26	August 29
*Massachusetts	September 17	August 28	September 2 <sup>2</sup>	September 5
*Michigan	August 6	July 17	July 22	July 25
*Minnesota	September 10	August 21	August 26	August 29

<sup>†</sup> This date indicates the end of the reporting period. A reporting period always 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.

<sup>‡</sup> Reports sent by registered or certified mail must be postmarked by the mailing date. Otherwise, they must be received by the filing date.

\* States holding 2002 Senate elections.

<sup>2</sup> Notice that the registered/certified mailing date falls on a federal holiday. The report should be postmarked before that date.

<sup>3</sup> In AO 2000-29, the Commission determined that the last day to qualify for a position on the general election ballot in Louisiana—in this case August 23, 2002—must be considered the primary election date for Louisiana candidates. See 11 CFR 100.2(c)(4)(i). Additionally, under state law if no candidate in the November 5 general election receives over 50 percent of the vote, a runoff election will be held on December 7, 2002. If the runoff is held, a pre-runoff report will be due on November 25, 2002. The close of books for the pre-runoff report will be November 17, and the mailing date for reports sent by registered or certified mail will be November 22.

<sup>4</sup> Notice that this deadline falls on a weekend or federal holiday. Filing dates are not extended for weekends or holidays. Reports filed on paper or diskette must be received by the appropriate filing office(s) the Friday before the filing date.

State or Territory	Election Day	Close of Books <sup>†</sup>	Registered/Certified Mailing Date <sup>‡</sup>	Filing Date <sup>‡</sup>
*Mississippi	June 4 Runoff: June 25	May 15 June 5	May 20 June 10	May 23 June 13
*Missouri	August 6	July 17	July 22	July 25
*Montana	June 4	May 15	May 20	May 23
*Nebraska	May 14	April 24	April 29	May 2
Nevada	September 3	August 14	August 19	August 22
*New Hampshire	September 10	August 21	August 26	August 29
*New Jersey	June 4	May 15	May 20	May 23
*New Mexico	June 4	May 15	May 20	May 23
New York	September 10	August 21	August 26	August 29
*North Carolina	May 7 Runoff: June 4	April 17 May 15	April 22 May 20	April 25 May 23
North Dakota	June 11	May 22	May 27 <sup>2</sup>	May 30
Ohio	May 7	April 17	April 22	April 25
*Oklahoma	August 27 Runoff: September 17	August 7 August 28	August 12 September 2 <sup>2</sup>	August 15 September 5
*Oregon	May 21	May 1	May 6	May 9
Pennsylvania	May 21	May 1	May 6	May 9
*Rhode Island	September 10	August 21	August 26	August 29
*South Carolina	June 11 Runoff: June 25	May 22 June 5	May 27 <sup>2</sup> June 10	May 30 June 13

<sup>†</sup> This date indicates the end of the reporting period. A reporting period always 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.

<sup>‡</sup> Reports sent by registered or certified mail must be postmarked by the mailing date. Otherwise, they must be received by the filing date.

\* States holding 2002 Senate elections.

<sup>2</sup> Notice that the registered/certified mailing date falls on a federal holiday. The report should be postmarked before that date.

State or Territory	Election Day	Close of Books <sup>†</sup>	Registered/Certified Mailing Date <sup>‡</sup>	Filing Date <sup>‡</sup>
*South Dakota	June 4 Runoff: June 18	May 15 May 29	May 20 June 3	May 23 June 6
*Tennessee	August 1	July 12	July 17	July 20 <sup>4</sup>
*Texas	March 12 Runoff: April 9	February 20 March 20	February 25 March 25	February 28 March 28
Utah	June 25	June 5	June 10	June 13
Vermont	September 10	August 21	August 26	August 29
Virgin Islands	September 14	August 25	August 30	September 2 <sup>4</sup>
*Virginia	June 11	May 22	May 27 <sup>2</sup>	May 30
Washington	September 17	August 28	September 2 <sup>2</sup>	September 5
*West Virginia	May 14	April 24	April 29	May 2
Wisconsin	September 10	August 21	August 26	August 29
*Wyoming	August 20	July 31	August 5	August 8

<sup>†</sup> This date indicates the end of the reporting period. A reporting period always 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.

<sup>‡</sup> Reports sent by registered or certified mail must be postmarked by the mailing date. Otherwise, they must be received by the filing date.

\* States holding 2002 Senate elections.

<sup>2</sup> Notice that the registered/certified mailing date falls on a federal holiday. The report should be postmarked before that date.

<sup>4</sup> Notice that this deadline falls on a weekend or federal holiday. Filing dates are not extended for weekends or holidays. Reports filed on paper or diskette must be received by the appropriate filing office(s) the Friday before the filing date.



## Reports

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These notices are due within 48 hours of the committee's receipt of the contribution. 11 CFR 104.5(a)(1) and (f).<sup>3</sup>

Note: Committees are required to file election reports and 48-hour notices even if the candidate is unopposed in the election. Moreover, these reporting requirements still apply even if a primary or general election is not held because the candidate is unopposed or received a majority of votes in the previous election. However, no report is required for a primary election that is not held because the candidate was nominated by a caucus or convention,<sup>4</sup> for which a pre-election report was filed. See 11 CFR 110.1(j). Also, a candidate who withdraws from the election before participating in the primary would not have to file a pre-primary report or other pre-election reports unless the candidate's name remained on the ballot.

**Other House and Senate Candidates.** Committees authorized by House and Senate candidates who ran or intend to run in a year other than 2002 file on a semiannual basis. 11 CFR 104.5(a)(2).

**Presidential Candidates.** All committees authorized by Presidential candidates must file on either a monthly or a quarterly schedule. A Presidential committee wishing to

<sup>3</sup> Since 48-hour notices do not have to be signed by the treasurer, paper filers may submit them by fax—other reports and statements may not be faxed. AO 1988-32. Committees, other than Senate committees, may also file their 48-hour notices online. For more information concerning online filing, visit the FEC web site at [www.fec.gov](http://www.fec.gov) and click on the Electronic Filing logo.

<sup>4</sup> A pre-convention report is required only if the convention has authority to nominate. See 11 CFR 100.2(e).

change its filing schedule should notify the Commission in writing. 11 CFR 104.5(b)(2).

### PACs and Party Committees

PACs (separate segregated funds and nonconnected committees) and party committees that filed on a semiannual basis during 2001 now file on a quarterly basis. Monthly filers continue on the monthly schedule. PACs and party committees may, however, change their filing schedule, as explained later in this section.

Note that all PACs, whichever schedule they follow, are subject to the 24-hour filing requirement for last-minute independent expenditures (also explained later).

**Quarterly Filers.** A PAC or party committee that files on a quarterly basis must file a post-general election report and a year-end report. 11 CFR 104.5(c)(1)(i) and (iii).

Additionally, quarterly filers may have to file pre-convention, pre-primary, pre-runoff and pre-general election reports (see the table on pages 5-8). The requirement to file a pre-election report is triggered if the committee makes a contribution or expenditure in connection with a federal election during the applicable reporting period. 11 CFR 104.5(c)(1)(ii). A reporting period begins the day after the close of books for the last report filed and continues through the close of books for the pre-election report.

Note that, although the FEC sends committees notices of upcoming reporting deadlines for quarterly reports and general election reports, the agency does not send PACs or party committees pre-election reporting notices for Congressional conventions, primaries or runoffs.

**Monthly Filers.** Unlike quarterly filers, PACs and party committees filing on a monthly basis do not file pre-election reports for conventions, primaries or runoff elections. They must, however, file pre- and post-

general election reports in lieu of the November and December monthly reports. Monthly filers must also file a year-end report. 11 CFR 104.5(c)(3).

**Changing the Filing Schedule.** PACs and party committees filing on a quarterly schedule may change to a monthly schedule in order to avoid having to file pre-convention, pre-primary and pre-runoff reports. Committees changing from a quarterly to a monthly schedule, or from a monthly to a quarterly schedule, must first notify the Commission in writing. The notification must accompany a report filed under the committee's current reporting schedule. A committee may change its filing frequency only once a year. 11 CFR 104.5(c).

**24-Hour Reports on Independent Expenditures.** Any PAC (including a monthly filer) that makes independent expenditures in connection with any federal election (convention, primary, runoff, general) may have to file a 24-hour report. This report is required when a committee makes independent expenditures aggregating \$1,000 or more less than 20 days, but more than 24 hours, before the day of the election. The report must be received within 24 hours after the expenditure is made. For more information on the 24-hour reporting requirement, see 11 CFR 104.4(b) and (c) and 104.5(g). See also "Where to File" (below) for special filing requirements.

### Waiver of State Filing

Under the Commission's State Filing Waiver program, qualified states are relieved of the requirement to make paper copies of FEC reports available to the public. As a result, political committees no longer have to file copies of their

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## Reports

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federal reports at the state level in the states that have received the waiver.<sup>5</sup> Committees in states not certified for the waiver must continue to file copies of their reports with the appropriate state election office. The addresses for the federal offices (FEC and Secretary of the Senate) appear in the instructions for the Summary Page of FEC Forms 3 and 3X. A list of state filing offices is available from the Commission.

### Where to File

Committee treasurers must file FEC reports with the appropriate federal and state filing offices.

**House Candidate Committees.** Principal campaign committees of House candidates file with the FEC. 11 CFR 105.1. The principal campaign committee must simultaneously file a copy of each report and statement with the Secretary of State (or equivalent officer) of the state in which the candidate seeks (or sought) election *only* if that state has *not* been certified for a waiver. 2 U.S.C. §439(a)(2)(B). See footnote 5.

<sup>5</sup> The Commission has certified that the following states and territories qualify for filing waivers: Alabama, American Samoa, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Virgin Islands, Washington, West Virginia, Wisconsin and Wyoming.

**Senate Candidate Committees.** Principal campaign committees of Senate candidates file with the Secretary of the Senate. 11 CFR 105.2. The principal campaign committee must simultaneously file a copy of each report and statement with the Secretary of State (or equivalent officer) of the state in which the candidate seeks (or sought) election *only* if that state has *not* been certified for a waiver. 2 U.S.C. §439(a)(2)(B). See footnote 5.

**Presidential Committees.** Principal campaign committees of Presidential candidates file with the FEC. 11 CFR 105.3. The principal campaign committee must simultaneously file a copy of each report and statement with the Secretary of State (or equivalent officer) of each state in which the committee makes expenditures *only* if that state has *not* been certified for a waiver. 11 CFR 108.2. See footnote 5.

**Candidate Committees with More Than One Authorized Committee.** If a campaign includes more than one authorized committee, the principal campaign committee files, with its own report, the reports prepared by the other authorized committees as well as a consolidated report (FEC Form 3Z). 11 CFR 104.3(f).

**PACs and Party Committees.** Generally, PACs and party committees file with the FEC. 11 CFR 105.4. However, committees supporting only Senate candidates, and the national Democratic and Republican senatorial committees, file with the Secretary of the Senate. 11 CFR 105. PACs and party committees that support candidates running in states not certified for the waiver must simultaneously file copies of reports and statements with the Secretary of State or equivalent officer. See footnote 5.

### Election Cycle Reporting

Authorized candidate committees must aggregate receipts and disbursements on an election-cycle

basis, rather than on a calendar-year basis. 11 CFR 104.3.

### Late Filing

The Federal Election Campaign Act does not permit the Commission to grant extensions of filing deadlines under any circumstances. Filing late reports can result in enforcement action by the Commission.

The agency pursues compliance actions against late-filers and nonfilers under the Administrative Fine program and on a case-by-case basis. For more information on the Administrative Fine program, visit the FEC web site at [www.fec.gov](http://www.fec.gov) and click on the Administrative Fine icon.

### Committees Active in Special Elections

Committees authorized by candidates running in any 2002 special election must file pre- and post-election reports in addition to regularly-scheduled reports. 11 CFR 104.5(h). They are also required to comply with the 48-hour notice requirement for contributions of \$1,000 or more (including loans) received shortly before an election. See 11 CFR 104.5(f).

PACs and party committees supporting candidates running in special elections may also have to file pre- and post-election reports—unless they file on a monthly basis. 11 CFR 104.5(c)(3) and 104.5(h). All PACs are subject to 24-hour reporting of independent expenditures made shortly before an election. See 11 CFR 104.4(b) and (c) and 104.5(g).

When timing permits, the *Record* will alert committees to special election reporting dates. ♦

—Amy Kort

## IRS Filing Requirements

	Form 1120 POL	Form 990
<b>Tax Year Beginning On or After July 1, 2000</b>	Filed if the committee's annual gross receipts are \$25,000 or more, or if it has taxable income	Filed if the committee's annual gross receipts are \$25,000 or more
<b>Reporting Dates</b>	Due the 15th day of the 3rd month after the close of the tax year	Due the 15th day of the 5th month after the close of the tax year
<b>Extension Form</b>	Form 7004	Form 8868

### Committees Required to File Tax Returns

Under federal tax law, certain political organizations established under section 527 of the Internal Revenue Code must now file both tax returns and information returns with the Internal Revenue Service. These filings are required under the tax code and, thus, are administered by the Internal Revenue Service—not the Federal Election Commission. Nevertheless, as a service to readers of the *Record*, the Commission is providing the following information on tax requirements.

#### Tax Returns (Form 1120-POL)

A political organization must file an income tax return (Form 1120-POL) if it has either taxable income over \$100 or \$25,000 or more in gross receipts.<sup>1</sup>

Form 1120-POL is due by the 15th day of the 3rd month after the end of the organization's tax year. Thus, for example, an organization with a fiscal year ending on September 30 must file a return on or before December 15. Form 7004

<sup>1</sup> For taxable years beginning before July 1, 2000, Form 1120-POL was required only for organizations having over \$100 in taxable income.

may be used to request a six-month extension of this filing deadline.

#### Information Returns (Form 990 or 990-EZ)

A political organization that has \$25,000 or more in gross receipts is also required to file an exempt organization information return (Form 990 or 990-EZ<sup>2</sup>).

The exempt organization information return, unless extended, is due on the 15<sup>th</sup> day of the 5<sup>th</sup> month after the end of the fiscal year. Therefore, the organization referenced above would file Form 990 or 990-EZ on or before January 15. The due date may be extended for three months, without a showing of cause, by filing Form 8868 before the due date of the return; an additional three-month extension may be requested on Form 8868 if the committee shows reasonable cause why the return cannot be filed by the extended due date.

<sup>2</sup> Organizations with gross receipts of less than \$100,000 and assets of less than \$250,000 at the end of the year may file a Form 990-EZ, Short Form Return of Organizations Exempt from Income Tax. All other political organizations file a Form 990, Return of Organization Exempt from Income Tax.

The forms and their instructions may be downloaded from the IRS web site ([www.irs.gov/polorgs](http://www.irs.gov/polorgs)). Questions about the filing requirement may be directed to the IRS at 1-877-829-5500. ♦

## Advisory Opinions

### AO 2001-13 National Committee Status of Party Committee

The coordinating committee of the Green Party of the United States<sup>1</sup> (the Party) is a “national committee” for the purposes of the Federal Election Campaign Act (the Act).

The Act defines a “national committee” as “the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission.” 2 U.S.C. §431(14). See also 11 CFR 100.13. Before the Commission can confer national committee status, however, it must establish that the party involved qualifies as a “political party” under the Act. The Act defines “political party” as “any association, committee, or organiza-

*(continued on page 12)*

<sup>1</sup> There are two national organizations within the Green political movement, the Green Party of the United States (formerly known as the Association of State Green Parties) and the Greens/Green Party USA. In 1996, the Commission determined that Greens/Green Party USA did not qualify as the national committee of a political party, in part because Ralph Nader—its 1996 Presidential candidate—did not qualify as a candidate under the Act and Commission regulations. AO 1996-35. The Association of State Green Parties was formed after the 1996 election, following the Greens/Green Party USA's failure to qualify as the national committee of a political party.

## Advisory Opinions

(continued from page 11)

tion which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee, or organization.” 2 U.S.C. §431(16).

The Green Party qualifies as a political party under the Act because it has obtained ballot access for its federal candidates. Since 1998, 18 Party candidates, including Ralph Nader and Winona LaDuke, have achieved ballot access and have raised or spent in excess of \$5,000 for their campaigns, thus qualifying as candidates under 2 U.S.C. §431(2). See AOs 2001-6 and 2000-8. See also AOs 1998-2, 1996-35, 1995-16, 1992-44 and 1992-30.

Moreover, the Party’s coordinating committee has demonstrated enough national activity to qualify as a national party committee. In past advisory opinions, the Commission has applied a number of criteria to determine whether a political party or its committees have engaged in enough activity on the national level to be considered a national committee. A party demonstrates that it operates at the national level by:

- Nominating candidates for various federal offices in numerous states;
- Engaging in activities, such as supporting voter registration and get-out-the vote drives, on an ongoing basis rather than with respect to a particular election;
- Publicizing nationwide issues of importance to the party and its followers;
- Holding a national convention;
- Setting up a national office; and
- Establishing state affiliates. See AOs 1998-2, 1996-35, 1995-16, 1992-44 and 1992-30.

The Green Party meets these criteria. Most significantly, the Party’s success at gaining ballot access for its candidates extends beyond the Presidential and Vice-Presidential positions.<sup>2</sup> Between 1998 and 2001, 16 Party candidates in eight states, located in several different sections of the nation, achieved ballot access and qualified as candidates under the Act. See AOs 1998-2, 1996-35, 1995-16, 1992-44 and 1992-30. Additionally, the Party has undertaken significant party building activity at the national level that is comparable to the activities of other national party committees. For example, the Party:

- Engaged in various party registration and get-out-the vote activities;
- Held a national convention in 2000; and
- Made efforts to publicize the Party’s positions.

Thus, through the functions of its coordinating committee, the Party has shown sufficient activity to qualify as the national committee of a political party for the purposes of the Act and Commission regulations.

The Party’s national committee status requires it to follow contribution limits at 2 U.S.C. §441a and the

<sup>2</sup> In previous advisory opinions, the Commission concluded that a committee or political party did not qualify for national committee status if its activity was focused solely on the Presidential and Vice-Presidential election (AO 1980-131 and 1978-58), if it was limited to one state (AO 1976-95), if it had only very few federal candidates on state ballots (AOs 1992-44 and 1988-45) or if its Presidential candidate or other candidates did not qualify as candidates as defined in the Act and Commission regulations (AOs 1997-29 and 1996-35).

national party expenditure limits at 2 U.S.C. §441 a(d).<sup>3</sup>

Date Issued: November 9, 2001;  
Length: 5 pages. ♦

—Amy Kort

## Advisory Opinion Request

### AOR 2001-20

Use of Internet Service Provider (ISP) subscription fees, paid by credit card, to make contributions to candidate or political committee recipients selected by ISP subscribers (Careau & Co. and Mohre Communications, October 19, 2001) ♦

## Court Cases

### On Appeal

#### Wertheimer et al. v. FEC

On October 26, 2001, the U.S. Court of Appeals for the District of Columbia upheld a district court’s dismissal of a complaint filed against the Federal Election Commission by Fred Wertheimer, Scott Harsbarger and Archibald Cox (appellants referred to as Wertheimer).

*Background.* On September 13, 2000, Wertheimer filed a complaint against the FEC in the U.S. District Court for the District of Columbia. In the complaint, Wertheimer alleged that the Commission’s failure to implement and construe the Fund Act to identify party expenditures coordinated with publicly funded Presidential candidates as impermissible “contribu-

<sup>3</sup> The opinion did not reach any issues concerning the Party’s future Presidential candidates’ eligibility to receive federal matching funds or general election funding. 26 U.S.C. §§9031-9042 and 26 U.S.C. §§9001-9012. Similarly, the opinion did not reach the issue of the Party’s future entitlement to receive convention financing under 26 U.S.C. §9008.

tions” and “expenditures” injured them by:

- Depriving them of required information about the source and amount of candidates’ financing;
- Preventing them from determining whether publicly financed candidates were abiding by the law; and
- Interfering with their right to direct that their three-dollar income tax return check-off be used in a lawful fashion.

On October 10, 2000, the district court dismissed Wertheimer’s case on the grounds that:

- The court lacked jurisdiction to consider Wertheimer’s claimed informational injury; and
- Wertheimer’s other claimed injuries did not support their standing to sue the Commission.<sup>1</sup>

*Appeals Court Decision.* On appeal, Wertheimer relied on their alleged informational injury. The appeals court, however, affirmed the district court’s decision. It held that Wertheimer had not satisfied their burden to establish their standing to bring the case because they had failed to assert a sufficient injury in fact. Wertheimer’s appeal relied on *FEC v. Akins*,<sup>2</sup> which, the court of appeals explained, holds that “a voter suffers cognizable injury under FECA [the Federal Election Campaign Act] when it is deprived of information that the Act requires disclosed.” The court concluded that Wertheimer failed to show either that they were deprived of any information or that the legal ruling they sought might provide additional factual information. Wertheimer was not seeking additional facts, but “only the legal determination that certain transactions constitute coordinated expenditures.” As a result, the court found that Wertheimer failed to demonstrate standing.

<sup>1</sup> See the [Record, November 2000](#), page 9.

<sup>2</sup> 524 U.S. 11 (1998).

U.S. Court of Appeals for the District of Columbia, 00-5371. ♦

—Gary Mullen

## Administrative Fines

### Administrative Fine Program Extended

On November 12, 2001, President Bush signed the Fiscal Year 2002 Treasury and General Government Appropriations Act, which extended the Administrative Fine program to cover violations of 2 U.S.C. §434(a) that relate to reporting periods through December 31, 2003. The final rule and Explanation and Justification for extending the Administrative Fine program was published in the November 30 *Federal Register* ([66 FR 59680](#)). The Administrative Fine program was initially mandated to cover violations of campaign finance

reporting requirements that occurred through December 31, 2001.

Since the Administrative Fine program was implemented with the 2000 July Quarterly report, the Commission has processed and made public 297 cases, with \$407,261 in fines collected. Under this program, the number of reports filed late has declined in each reporting period, as compared to prior cycles, and the number of reports not filed has generally decreased.

The largest percentage drop in the number of late filers occurred with the June 2001 monthly report, which showed a drop of 18 percentage points from the previous non-election year. Similarly, the percentage of late filings decreased for the 2001 mid-year report, as compared to previous non-election years. In 2001, ten percent of mid-year reports were filed late. In 1999 and 1997, approximately 20 percent of mid-year reports were filed late. The number of nonfilers continues to

(continued on page 14)

### Committees Fined and Penalties Assessed

1. American Ambulance Association Federal PAC (AMBU-PAC) 12 Day Pre-General 2000	\$1,000
2. American Ambulance Association Federal PAC (AMBU-PAC) 30 Day Post-General 2000	\$900
3. Bakery, Confectionery, Tobacco Workers and Grain Millers International Union Local 19 Political Organization (BCTGM)	\$825
4. Bob Griffiths for Congress	\$310 <sup>1</sup>
5. Carroll 2000	\$1,000 <sup>2</sup>
6. Cathy McConn for Congress	\$500
7. Chicago Board of Options Exchange Inc. PAC	\$4,000
8. Citizens for Claspill for Congress	\$900 <sup>2</sup>
9. Committee to Elect Jim Rooker to U.S. Congress	\$900 <sup>2</sup>
10. Demint for Congress Committee	\$1,000
11. Eva Clayton Committee for Congress	\$3,000
12. Jean Elliott Brown for Congress	\$650
13. Larry Graham for Congress	\$1,200
14. Steve Money for Congress	\$4,350
15. Traficant for Congress	\$3,000

<sup>1</sup> Penalty reduced from \$8,000 due to level of activity on the report.

<sup>2</sup> This civil money penalty has not been collected.

## Administrative Fines

(continued from page 13)

decline as well, with the 2001 mid-year report showing a 47 percent drop in nonfilings compared to the percentage of mid-year reports not filed in 1999.

The Commission considers reports to be filed late if they are received after the due date, but within 30 days of that due date. Election-sensitive reports are considered late if they are filed after their due date, but at least five days before the election. (Election sensitive reports are those filed immediately before an election and include pre-primary, pre-special, pre-general, October quarterly and October monthly reports). Committees filing reports after these dates are considered nonfilers. Civil

money penalties for late reports are determined by the amount of activity on the report, the number of days the report was late and any prior penalties for violations under the administrative fine regulations. Penalties for nonfiled reports are also determined by the amount of activity on the report and any prior violations.

Recently-publicized Administrative Fine cases are listed in the chart on page 13. These committees, and their treasurers, were assessed civil money penalties under the administrative fine regulation. Closed Administrative Fine case files are available through the FEC Press Office, at 800/424-9530 (press 2), and the Public Records Office, at 800/424-9530 (press 3).◆

—Amy Kort

### Federal Register

Federal Register notices are available from the FEC's Public Records Office, on the FEC web site at <http://www.fec.gov/register.htm> and from the FEC faxline, 202/501-3413.

#### [Notice 2001-15](#)

Request for Comment on Draft Statement of Policy Regarding Party Committee Transfers of Nonfederal Funds for Payment of Allocable Expenses (66 FR 56247, November 7, 2001).

#### **Notice 2001-16**

Filing Dates for the Oklahoma Special Election in the 1<sup>st</sup> Congressional District (66 FR 56824, November 13, 2001).

#### [Notice 2001-17](#)

Final Rule on Technical Amendments to Election Cycle Reporting (66 FR 59679, November 30, 2001).

#### [Notice 2001-18](#)

Final Rule on Extension to Administrative Fines (66 FR 59680, November 30, 2001).

## Outreach

### FEC Conferences in February and March

#### San Francisco Conference for Candidate Committees, Parties and PACs

In early February, the Federal Election Commission will hold a comprehensive, two and one-half day regional conference in San Francisco. This conference is designed to help federal political committees understand and comply with the federal campaign finance law. The conference will provide an overview of the basic provisions of the federal election law and discuss specific requirements that apply to:

- House and Senate campaigns;
- Political parties; and
- Corporate, labor and trade association PACs (as well as their sponsoring organizations).

The conference will feature interactive workshops presented by Commissioners and experienced FEC staff. A representative from the

Internal Revenue Service will also be available to answer election-related tax questions. The FEC certifies that an application is pending for approval of this activity for MCLE credit by the State Bar of California.

The conference will be held **February 5-7, 2002**, at the Grand Hyatt Hotel in San Francisco, California. The registration fee for the conference is \$375. The fee, which covers the cost of the conference, reception, materials and meals, must be received by January 14, which is also the last day to cancel and still receive a full refund. A late registration fee of \$10 will be added for payments received on or after January 15, 2002.

A room rate of \$218 is available for hotel reservations made by January 14. To receive this special rate, call the Grand Hyatt Hotel at 415/398-1234 and mention that you are attending the FEC conference. After January 14, room rates are subject to availability. The hotel is located downtown on Union Square, near cable cars, Chinatown and the shopping district.

#### Washington D.C. Conference for Candidates and Parties

The Federal Election Commission will hold a conference for

### Spring Conferences

#### Conference for Corporations

Date: April 22-24, 2002  
Location: Washington, D.C.  
(Loews L'Enfant Plaza)

#### Conference for Trade Associations

Date: May 22-24, 2002  
Location: Washington, D.C.  
(Loews L'Enfant Plaza)

#### Conference for Member and Labor Organizations

Date: June 26-28, 2002  
Location: Washington, D.C.  
(Loews L'Enfant Plaza)

candidates and party committees **March 25-26, 2002**, in Washington, D.C. The conference will consist of a series of interactive workshops presented by Commissioners and experienced FEC staff, who will explain how the requirements of the federal election law apply to House and Senate campaigns and political parties. In addition, a representative from the Internal Revenue Service will be available to answer election-related tax questions.

The registration fee for this conference is \$325, which covers the cost of the conference, materials and meals. The deadline for registration (and for fully-refunded registration cancellations) is March 1. A late registration fee of \$10 will be added effective March 2.

The conference will be held at the Loews L'Enfant Plaza Hotel, 480 L'Enfant Plaza, SW. Washington, D.C. A room rate of \$189 single or double is available for reservations made by March 1. Call 800/635-5065 or 202/484-1000 ext. 5000 to make reservations. In order to receive this room rate, you must notify the hotel that you will be attending the FEC conference. After March 1, room rates are based on availability. The hotel is located near the L'Enfant Plaza Metro and Virginia Railway Express stations.

### Registration Information

Conference registrations will be accepted on a first-come, first-served basis. Attendance is limited, and FEC conferences have sold out in the past, so please register early. For registration information:

- Call Sylvester Management Corporation at 800/246-7277;
- Visit the FEC web site at [www.fec.gov/pages/infosvc.htm#Conferences](http://www.fec.gov/pages/infosvc.htm#Conferences); or
- Send an email to [toni@sylvestermanagement.com](mailto:toni@sylvestermanagement.com). ♦

—Amy Kort

## Publications

### Updated List of Federal PACs

The Commission has published the 2001 edition of *PACronyms*, a list of the acronyms, abbreviations and common names of federal political action committees (PACs).

For each PAC listed, the index provides the full name of the PAC, its city, state, FEC identification number and, if not identifiable from the full name, its connected, sponsoring or affiliated organization.

The index is helpful in identifying PACs that are not readily identified in their reports and statements on file with the FEC.

To order a free copy of *PACronyms*, call the FEC's Public Records Office at 800/424-9530 (press 3) or 202/694-1120. *PACronyms* is also available on diskette for \$1. In addition, *PACronyms* can be accessed for free on the FEC's web site at [www.fec.gov](http://www.fec.gov). Click on the "Campaign Finance Reports and Data" icon and look under "Political Action Committees," or click on the "Guide to Researching Public Records" icon under "FEC Services."

Other PAC indexes, described below, may be ordered from the Public Records Office. Prepayment is required.

- An alphabetical list of all registered PACs showing each PAC's identification number, address, treasurer and connected organization (\$13.25).
- A list of registered PACs arranged by state, providing the same information as above (\$13.25).
- An alphabetical list of organizations that sponsor PACs, showing the PAC's name and identification number (\$7.50).

The Public Records Office can also conduct database research to

locate federal political committees when only part of the committee name is known. Call the telephone numbers above for assistance or visit the Public Records Office in Washington at 999 E St., NW. ♦

—Amy Kort

### Updated Campaign Guide

A revised *Campaign Guide for Corporations and Labor Organizations* is now available from the Commission. The Guide provides clear guidelines on:

- Contribution limits and prohibitions;
- Sources of candidate support;
- Campaign activity; and
- Recordkeeping and reporting.

The new Guide has been sent to every registered separate segregated fund committee. Copies are available for free by calling 800/424-9530 (press 1, then 3) or 202/694-1100. Additionally, the new Guide can be accessed from the FEC's web site (<http://www.fec.gov/pdf/colagui.pdf>). ♦

—Amy Kort

### Roundtable

On January 9, 2002, the FEC will hold a Roundtable on reporting requirements for 2002. The session, which will be held at the FEC, is designed for House and Senate campaigns, PACs and party committees, as well as for lawyers, accountants and consultants to campaigns and committees. This session is currently filled. To be placed on the waiting list, please call 800/424-9530 (press 1, then 3) or 202/694-1100.

For more information on FEC Roundtables, visit the FEC web site at <http://www.fec.gov/pages/infosvc.htm>.

## Index

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## Important Filing Information

In response to the anthrax threat, the U.S. Postal Service is irradiating mail directed to many federal government agencies, including the Federal Election Commission. This process has not only delayed mail delivery, it has also damaged and in some cases destroyed pieces of mail. As a result, committees that file reports with the Federal Election Commission may want to consider submitting their reports by some means other than regular U.S. mail.

Alternative methods include:

- Electronic filing;
- Overnight mail service; and
- Hand delivery.

Committees that choose to file electronically can download free FECFile software from the FEC web site at <http://www.fec.gov/electfil/electron.html>, and may contact the Commission’s Electronic Filing office for assistance at (800) 424-9530 or (202) 694-1307.

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