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REGULATIONS

COMMENTS SOUGHT ON PROPOSED CORPORATE/LABOR COMMUNICATION RULES (MCFL RULEMAKING)

The FEC seeks public comments on draft regulations governing communications made by corporations and labor organizations (11 CFR Part 114). Under the proposed rules, only public communications containing "express advocacy" would be subject to the prohibition on expenditures by corporations and labor organizations. However, certain nonprofit corporations would be permitted to make independent expenditures. The proposed rules would also amend the definition of "express advocacy" at Part 109.

These changes would implement the Supreme Court's opinion in FEC v. Massachusetts Citizens for Life, Inc. (MCFL)^{1/} and several subsequent court decisions. The proposed rules would also address MCFL issues raised by the National Right to Work Committee in a rulemaking petition.^{2/}

Written comments on the proposed rules are due September 18 and should be sent to Ms. Susan E. Propper, Assistant General Counsel, Federal Election Commission, 999 E Street, NW, Washington, DC 20463. To obtain further public comment, the FEC has scheduled a public hearing for October 14 and 15. Persons wishing to testify at the hearing should so indicate in their written comments.

To order a copy of the Notice of Proposed Rulemaking (published in the Federal Register on July 29, 1992), call the Public Records Office: 800/424-9530 or 202/219-4140. In addition, you may order an annotated version of the proposed rules (easier to follow than the published version) and the hypothetical communications developed by Commissioners McGarry and Potter to illustrate the difficulty in

defining "express advocacy." (A photocopying charge will apply to all orders.)

The following paragraphs highlight the major issues addressed in the proposed regulations.

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¹ 479 U.S. 239 (1986).

² 52 FR 16275 (May 4, 1987).

Changes to Implement MCFL Ruling on §441b

In MCFL, the Supreme Court narrowed the scope of 2 U.S.C. §441b—the provision that prohibits expenditures by corporations and labor organizations. The Court stated that "an expenditure must constitute 'express advocacy' in order to be subject to the prohibition of §441b."

Accordingly, the draft rules would delete the current "partisan" and "non-partisan" standards that apply to corporate/labor communications at 11 CFR 114.3 and 114.4, replacing them with the Court's narrower "express advocacy" standard. Under draft section 114.4, therefore, corporations and labor organizations would be prohibited from making express advocacy communications (rather than "partisan" communications) outside the restricted class.

However, the draft rules would not change the current prohibition against contributions made by corporations and labor organizations. New language in the draft rules indicates when corporate or labor organization activities would result in a prohibited in-kind contribution. Under the proposed regulations, coordination with candidates could result in prohibited in-kind contributions or could compromise the organization's ability to make independent expenditures through its separate segregated fund. This warning would also apply to independent expenditures by an "exempt corporation" (discussed later in this article).

Definition of Express Advocacy

The proposed rules would amend the definition of "express advocacy" at 11 CFR Part 109 to incorporate the opinion of the Supreme Court in MCFL and the Ninth Circuit Court of Appeals' opinion in FEC v. Furgatch. The draft proposes two possible definitions, seeking comments on which one should be adopted. The Commission also asks for comments on whether, in addition to the "express advocacy" standard at Part 109, a different definition should be incorporated at Part 114 to govern

communications by corporations and labor organizations.

Corporations Exempt Under MCFL

The MCFL Court also concluded that nonprofit corporations having certain essential features were exempt from the §441b prohibition on independent expenditures. Based on that ruling, proposed new section 114.10 describes the requirements that a corporation would have to meet in order to qualify as an MCFL-type corporation. The draft presents two alternative approaches for implementing this aspect of the MCFL decision. Both versions of section 114.10 include proposed rules on the reporting requirements for MCFL-type corporations and on the level of independent expenditure activity that would cause such a corporation to become a political committee (i.e., the "major purpose" test).

Other Changes

The draft rules propose other significant changes to the rules on communications by corporations and labor organizations. Several proposals are made with respect to candidate appearances at 114.3 and 114.4 and to the other activities covered under 114.4 (candidate debates, voter guides, voting records, voter registration drives and get-out-the-vote drives). In many instances the Commission has offered alternative proposals or raised questions for comment.

In addition, the proposed regulations address new issues not covered in the current regulations, including:

- o The use of corporate/labor letterhead or logos by an individual or a candidate.
- o The identification of an individual as a representative of a corporation or labor organization when that individual makes express advocacy communications or solicits contributions.
- o The facilitation of contributions by a corporation or labor organization.
- o Corporate/labor endorsements of candidates.

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REPORTS

FEC EMPHASIZES NEED TO OBTAIN CONTRIBUTOR INFORMATION

FEC Chairman Joan D. Aikens recently underlined the need for committees to obtain the required contributor information—name, address, occupation and employer—and to disclose the information in FEC reports. This information is required for each individual whose aggregate contributions to a political committee aggregate over \$200 in a calendar year.

In a letter sent to Presidential candidates and their treasurers, Chairman Aikens reminded them of the "best efforts" standard for obtaining contributor information. Under FEC rules, the treasurer must make "at least one effort per solicitation" to obtain the required information—either a written request or an oral request documented in writing. Furthermore, the request must inform the contributor that "the reporting of such information is required by law." 11 CFR 104.7(b).

The Chairman's letter provided examples of acceptable requests and one that would not meet that "best efforts" standard:

- o **Acceptable:** "Federal law requires our committee to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of \$200 in a calendar year."
- o **Also Acceptable:** "Federal law requires us to report the following:" [followed by a request for the above information and blanks to be filled in by the contributor.]
- o **Not Acceptable:** "Federal law requires the committee to ask for this information."

The Chairman pointed out that, if a committee's solicitation did not contain a satisfactory "best efforts" request, the committee must make further efforts to obtain the information. Moreover, if the information becomes available after a report has been filed, amended reporting is required.

Noting that the FEC reviews a committee's disclosure of contributor information as part of its audit of publicly funded campaigns, the Chairman advised: "Filling in the gaps in this information now through amended reports may preclude an adverse audit finding."

STUDY ON ELECTORAL COLLEGE AVAILABLE

The FEC's National Clearinghouse on Election Administration recently released a study on the Electoral College, the first in a series of Essays in Elections to be published by the Clearinghouse.

The Electoral College, written by William C. Kimberling, Deputy Director of the Clearinghouse, describes the origin of the system, its evolution, some historical curiosities and its current workings. The essay also provides arguments for and against the system.

The new series makes clear, in its introduction, that the views expressed in each essay are those of the author and are not necessarily shared by the FEC.

To order a free copy of The Electoral College, call 800/424-9530 (ask for the Clearinghouse) or call the office directly at 202/219-3670.

PUBLIC FUNDING

FEC DENIES PETITION TO WITHHOLD PUBLIC FUNDS FROM CLINTON CAMPAIGN

On June 25, 1992, the Commission denied a petition submitted by the Republican National Committee (RNC), which challenged Governor Bill Clinton's eligibility for federal matching funds and federal funding in the general election.

The RNC's petition arose from a televised "Town Meeting" on June 12, 1992, during which Governor Clinton answered questions from the television audience. During the broadcast, an 800 telephone number was flashed on the screen. One of the options available to callers was to make a contribution. The Democratic National Committee (DNC) paid for the costs of the broadcast—about \$400,000.

RNC Petition

The RNC claimed that the program was a primary event because it was used to raise funds for the primary election. Therefore, the RNC alleged, the DNC exceeded its \$5,000 contribution limit, and the Clinton for President Committee accepted an unlawful contribution. In the alternative, the RNC asserted that, if the DNC's spending

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constituted coordinated party expenditures for the general election under 2 U.S.C. §441a(d), then the Clinton Committee could not use its primary funds to pay for expenses related to the program (e.g., travel costs, staff salaries). The RNC further claimed that, if the broadcast was a general election expense, the Clinton Committee would be precluded from using primary funds to finance similar fund-raising events in the future. Based on these assertions, the RNC concluded that Governor Clinton "cannot certify on good faith" that he has met one of the conditions necessary to receive public funds: the "agreement signed by the candidate that his campaign will abide by all the rules set forth in the statute and regulations." The RNC therefore asked the Commission to withhold future public funds from Governor Clinton.

Clinton's Response

In response, the Clinton for President Committee suggested that the DNC's expenditures for the event were proper coordinated party expenditures, since Governor Clinton "is assured of the Democratic Party's presidential nomination." Moreover, according to the Clinton Committee, it did not pay for any costs and did not solicit or receive any contributions in connection with the event. The Committee admitted that providing 800 number callers with the option to make contributions was an error but contended that the error was promptly corrected. The Committee also stated that it has not and will not accept any contributions generated by the event. In conclusion, the Committee argued that the petition did not present sufficient facts to warrant a denial of public funds.

FEC Decision

As explained in the Statement of Reasons supporting its decision, the Commission denied the RNC's petition because the facts and circumstances it presented did not constitute fraud, which is the standard for justifying the suspension of public funding. This standard is based on FEC regulations and an opinion of U.S. Court of Appeals for the District of Columbia Circuit.

Under FEC regulations, the Commission will not withhold matching funds unless it "finds patent irregularities suggesting the possibility of fraud." 11 CFR 9039.3(a)(3). Similarly, the court of appeals stated that the FEC could "investigate a complaint, a request for funds, or conduct during a political campaign if it reasonably appears that a patent fraud or other

major violation of the law is being committed." However, the court stressed that important public interests weigh against the withholding of funds from a candidate who has met "the objective criteria for eligibility." *In re Carter Mondale Reelection Committee, Inc.* 642 F.2d at 544 (D.C. Cir. 1980). Moreover, in a concurring opinion, Judge Wald noted that a decision by the Commission to certify funds could be overturned "only when the materials available to the Commission present on their face an extremely clear and very substantial case of fraud or fraudulent intent." *Id.* at 551.

With respect to specific claims made in the RNC petition, the Commission has previously concluded that a party committee could make coordinated party expenditures prior to the nomination of the candidate. AO 1984-15. Although it is not clear whether this precedent would apply to the DNC's "Town Meeting" expenditures, the allegations raised in the petition do not constitute fraud.

Further, the FEC said, candidates may make general election expenditures for limited purposes during the primary period. Such expenditures do not preclude the candidate's making subsequent primary expenditures and do not render the candidate ineligible to receive further matching funds. Moreover, the RNC's speculations on future activities by the Clinton Committee were insufficient to warrant a denial of public funds.

The Commission also noted that, if the Clinton Committee did receive checks from 800 number callers and submitted the contributions for matching funds, the proper forum to address the issue would be the audit or enforcement process.

Finally, the Commission determined that the RNC's challenge to Governor Clinton's general election funding was not ripe for agency review, since the Democratic party had not then selected its Presidential nominee and Governor Clinton had not yet applied for general election funding.^{1/}

^{1/}Governor Clinton received the Democratic Presidential nomination on July 15. He requested public funding for his general election campaign on July 17, and the Commission certified the \$55.24 million grant that same day.

JULY MATCHING FUND PAYMENTS

On June 29, the Commission certified a total of \$3.2 million in matching fund payments to 1992 Presidential primary candidates. The U.S. Treasury made the payments early in July. As of the July payment, primary candidates had received \$31 million in matching funds, as shown in the table. Candidates have requested \$2.9 million for the August payment.

After a candidate's date of ineligibility, the candidate may still receive matching funds to wind down the primary campaign and to retire debts incurred before that date. Several Democratic candidates became ineligible when they publicly withdrew from the race.^{1/} The remaining Democratic candidates (Agran, Brown and Clinton) became ineligible on July 15, when the Democratic Party nominated Governor Clinton. The Republican candidates will likewise become ineligible when the Party selects its nominee at the August convention. Lenora Fulani will also become ineligible on that date.

Matching Fund Payments

	July Payment	Cumulative Total
Republicans		
Patrick Buchanan	\$ 167,148	\$ 3,307,951
George Bush	841,449	8,956,056
Democrats		
Larry Agran	149,758	249,758
Jerry Brown	381,482	4,068,269
Bill Clinton	1,162,689	6,493,027
Tom Harkin	32,108	1,884,915
Bob Kerrey	46,648	1,885,912
Paul Tsongas	293,676	2,672,594
Douglas Wilder	0	289,027
New Alliance Party		
Lenora Fulani	138,888	1,447,942
Totals	\$3,213,846	\$31,255,451

^{1/} Governor Wilder withdrew on January 8, Senator Kerrey on March 6, Senator Harkin on March 9 and former Senator Tsongas on March 19.

AUDITS**ASSESSING PRESIDENTIAL COMMITTEES' COMPLIANCE WITH CONTRIBUTION LAWS**

In a letter recently sent to the committees of 1992 Presidential candidates receiving matching funds, FEC Chairman Joan D. Aikens explained two new policy decisions. First, committees will be requested to pay excessive and prohibited contributions to the U.S. Treasury.^{1/} Second, the Commission will now expand its use of statistical sampling to review committee receipts and evaluate a committee's compliance with the contribution requirements.

With respect to the first point, the letter reminded Presidential committees of the 30-day limit for refunding contributions that appear to be illegal and the 60-day limit for resolving excessive contributions either by refunding the excessive amounts or by receiving reattributions or redesignations. 11 CFR 103.3(b)(1)-(3). Committees were alerted that the Commission will no longer recognize untimely refunds, redesignations or reattributions if they are made more than 60 days following the date of a candidate's ineligibility or the date the committee received the Chairman's letter, whichever is later. After that deadline, the agency will request that all unresolved prohibited or excessive contributions be paid to the U.S. Treasury.

The letter also explained that most of the audit testing of contributions and supporting documentation will now be performed using a sampling technique widely accepted in the audit profession. (The agency has used the same technique since 1980 to determine the amount of a committee's matching funds.) The agency decided to implement this approach to save time and money for all concerned in the audit process without sacrificing the essential accuracy of audit findings. In the past, FEC auditors frequently reviewed voluminous contribution records in order to compile lists of potentially prohibited or excessive contributions.

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^{1/} The Commission is requesting payment to the Treasury rather than to individual donors because donor names cannot be derived from a projection. As the article explains, the Commission will now use statistical sampling to project the amount of a committee's illegal contributions.

Using the sampling technique, the Commission will evaluate a committee's compliance with the contribution limits and prohibitions and with the recordkeeping and reporting rules on contributions. The agency will project the total amount of contribution violations in each category, based on apparent violations identified in the sample. This amount will become the basis of audit findings, in addition to any apparent violations discovered in other reviews of the committee's records.

Committees will have the opportunity to show that any of the contributions included in the sample were permissible or, alternatively, were refunded, reattributed or redesignated on a timely basis. If a committee can make this showing, a new projection will be made based on the reduced number of violations in the sample.

ADVISORY OPINIONS

ADVISORY OPINION REQUESTS

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

AOR 1992-24

Candidate debt retirement through sale of campaign asset (candidate-authored book) to his wholly-owned corporation, speaking engagement fees, and sale of books and tapes purchased from his corporation. (Requested by Pilzer for Congress; Date Made Public: June 18, 1992; Length: 22 pages, including attachments)

AOR 1992-25

Application of contribution limits to Utah convention, primary and general election. (Requested by Owens for Senate Committee; Date Made Public: June 19, 1992; Length: 8 pages, including attachment)

AOR 1992-26

Free or reduced-rate advertising time offered by corporation's radio stations to federal candidates. (Requested on behalf of EZ Communications, Inc.; Date Made Public: June 29, 1992; Length: 4 pages)

AOR 1992-27

Retroactive reallocation of fundraising expenses. (Requested on behalf of the National Republican Senatorial Committee; Date Made Public: July 8, 1992; Length: 5 pages)

AOR 1992-28

Campaign's interest-free loan to nonprofit corporation and subsequent repayment. (Requested by Leahy for U.S. Senator Committee; Date Made Public: July 15, 1992; Length: 1 page plus attachments)

AOR 1992-29

Misplaced contributions checks received in 1991 and early 1992 but not deposited until June 1992. (Requested by Liz Holtzman for Senate; Date Made Public: July 17, 1992; Length: 2 pages)

ADVISORY OPINION SUMMARIES

AD 1992-15: Extension of Time for Redesignations of General Election Contributions When Candidate Loses Primary

The Russo for Congress Committee, the principal campaign committee of Congressman Martin A. Russo, received contributions designated for the 1992 general election before the Congressman lost the Illinois primary on March 17, 1992. The Committee may continue to receive redesignations or make refunds of general election contributions up to 23 days from the date it receives the advisory opinion.

Under 11 CFR 102.9(e), a candidate may receive general election contributions before the primary if the contributions are properly designated for the general and if the committee uses an acceptable accounting method to distinguish between primary and general election contributions. These regulations are designed to ensure that general election contributions are not spent for the primary.¹ If the candidate loses the primary, contributions designated for the general must be either redesignated or refunded in accordance with 11 CFR 110.1(b)(5) or 110.2(b)(5). See also 110.1(b)(3)(i) and 110.2(b)(3)(i).

¹ Contributions designated for the general election may be spent, before the primary, for limited general election purposes, i.e., "in those limited circumstances where it is necessary to make advance payments or deposits to vendors for services that will be rendered or goods that will be provided" after the establishment of a general election candidacy. AO 1986-17. However, this does not provide a general election limit if the candidate loses the primary; nor does it obviate the requirement to make refunds of general election contributions if redesignations are not obtained.

FEC regulations require that a redesignation or reattribution be made within 60 days of the treasurer's receipt of a contribution. However, in the case of losing primary candidates like Mr. Russo, the need for a committee to obtain redesignations of general election contributions does not arise until the candidate loses the primary. In such cases, the time period for receiving redesignations or making refunds is 60 days from the date of the primary rather than 60 days from the treasurer's receipt of the contribution. See, by analogy, AO 1991-12. More than 60 days has already elapsed from the Illinois primary date; nevertheless, considering that the Committee made its advisory opinion request 37 days after the primary, it may continue to receive redesignations or make refunds up to 23 days from the date it receives the advisory opinion.

Contributions designated for Mr. Russo's 1992 general election may be redesignated for Mr. Russo's 1992 primary election as long as the redesignated amounts do not exceed the Committee's net debt for the primary and as long as a redesignation does not cause the contributor to exceed his or her limit for that election. 11 CFR 110.1(b)(5)(iii) and 110.2(b)(5)(iii). Contributions may also be redesignated for the 1994 primary; however, if the redesignated contributions exceed \$5,000, Mr. Russo will become a candidate for that election and will have to file a Statement of Candidacy within 15 days. 2 U.S.C. §432(e)(1); 11 CFR 101.1.

(Date Issued: June 5, 1992; Length: 5 pages)

AO 1992-16: Nonfederal Contributions Made by U.S. Subsidiary of Foreign Corporation

Nansay Hawaii, Inc., a domestic corporation organized in Hawaii, is wholly owned by a foreign national corporation, Nansay Corporation (Japan). Nansay Hawaii receives funds from its foreign national parent and has one foreign national member on its four-member Board of Directors. Provided it complies with certain requirements, the company may make contributions to non-federal candidates without violating the prohibition on contributions from foreign nationals. 2 U.S.C. §441e and 11 CFR 110.4(a). (The foreign national prohibition applies to contributions made in connection with any election, federal or nonfederal.)

Avoiding Indirect Contributions from Foreign Parent

In addition to prohibiting direct contributions from foreign nationals, §441e prohibits a foreign national from making contributions through another person, such as a U.S. subsidiary. See also AOs 1989-20 and 1985-3. Nansay Hawaii receives regular subsidies from its foreign parent for operating expenses and developing real estate. Therefore, to avoid a contribution made with funds from the foreign parent, certain conditions must be met:

1. The subsidiary must be able to demonstrate through a reasonable accounting method that it has sufficient funds in its account—other than funds given or loaned by its foreign national parent—to make the nonfederal contributions. See, by analogy, 11 CFR 102.5(b)(1)(ii).

2. Funds received from the foreign national parent may not replenish any portion of the contributions the subsidiary has made since the preceding payment. To ensure this, the parent must review the subsidiary's contributions each time it makes a payment to the subsidiary, reducing the amount of that payment if necessary.

Nansay Hawaii's nonfederal contributions will satisfy the first requirement because the company intends to make non-federal contributions from the net earnings generated from its two income-producing properties, whose bank accounts are not presently subsidized by the foreign parent.

The company and its foreign parent must also comply with the second requirement. They must monitor the subsidies Nansay Hawaii receives from the parent to cover the debt service with respect to its undeveloped properties and company operating and development expenses. The parent must reduce the subsidies as necessary.

Avoiding Foreign National Participation

FEC regulations prohibit a foreign national from participating in the decision-making process for election activities, such as decisions concerning the making of contributions. 11 CFR 110.4(a)(3); see also AOs 1989-29, 1989-20, 1985-3 and 1982-10.

Under Nansay Hawaii's proposal, its Board of Directors will select the two U.S. citizen Board members to form a committee that will make all election-related decisions on behalf of the company. The committee may decide to delegate this authority to senior employees who are also U.S. citizens. In order for the company to comply with the regulation, only those board members who are not foreign nationals

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may vote on the selection of committee members, and only non-foreign nationals may participate in the functions and operations of the committee. See AO 1990-8.

(Date Issued: June 26, 1992; Length: 6 pages)

AO 1992-17: Affiliation of Partnership PAC with SSFs of the Corporate Partners

The Du Pont Merck Pharmaceutical Company (Du Pont Merck) is a partnership equally owned by two corporate partners: E.I. Du Pont de Nemours and Company (Du Pont) and Calgon Corporation. Calgon is a wholly-owned subsidiary of Merck & Co., Inc. (Merck). Based on the affiliation factors listed in FEC regulations, Du Pont Merck's PAC (the Du Pont Merck Program for Active Citizenship, Inc.) is affiliated with the separate segregated funds (SSFs) of Du Pont and Merck. By virtue of this affiliation, Du Pont or Merck may pay the Du Pont Merck PAC's administrative and solicitation costs. Alternatively, the partnership itself may pay such costs without the payments being considered a contribution to its PAC.

Affiliation

In determining whether political committees are affiliated, the Commission may examine the relationship between the organizations that sponsor the committees. 11 CFR 100.5(g)(4)(i).

Du Pont Merck was created by its two corporate partners, and its Board of Directors is composed of three high-ranking officers from Du Pont and three from Merck. By virtue of each partner's 50 percent control over the board, Du Pont and Merck participate in major decisions, such as the appointment, dismissal and compensation of partnership employees. The president and CEO of Du Pont Merck was a past vice president of Du Pont.

Based on these facts, which correspond to the affiliation criteria at 11 CFR 100.5(g)(4)(ii)(B), (C), (E), (F) and (I), Du Pont Merck is an affiliate of both Du Pont and Merck. This conclusion is consistent with AO 1979-56, where the SSFs of two parent corporations, each holding a 50-percent interest in a third corporation, were considered to be affiliated with the third corporation's SSF but not with each other.

Du Pont Merck PAC, although established by a partnership, is similarly affiliated with the SSFs of the two corporate partners, Du Pont PAC and Merck PAC. See AO

1979-77. In a previous advisory opinion, the Commission said that when a partnership is affiliated with a corporation that has an SSF, the partnership's PAC is subject to the same solicitation restrictions as an SSF. AO 1989-8.

Moreover, in view of the corporate partners' equal ownership over the partnership, and given the applicable FEC regulations on partnerships (discussed below), each Du Pont Merck PAC contribution should be apportioned half to the limit shared with Du Pont PAC and half to the separate limit shared with Merck PAC. An alternative apportionment agreed upon by the two SSFs would also be acceptable. See AO 1987-34.

Administrative and Solicitation Costs of Du Pont Merck PAC

A corporation is permitted to use its general treasury funds to pay the costs of establishing, administering and soliciting contributions to its SSF, and the payments are not considered contributions or expenditures. 2 U.S.C. §441b(b)(2)(C). Moreover, a corporation may pay the administrative and solicitation costs of an SSF established by an affiliated corporation. AO 1983-19. Thus, because Du Pont Merck PAC is affiliated with the SSFs of the corporate partners, Du Pont and Merck may pay the administrative and solicitation costs of the PAC.

The law does not extend to a partnership the corporate exemption for the payment of a PAC's administrative and solicitation expenses. The Commission has, however, accorded different treatment to a partnership equally owned by two corporations and has permitted such a partnership to share the costs of a payroll deduction plan without the payment resulting in a contribution. AO 1987-34. Therefore, because Du Pont Merck is entirely owned by and affiliated with two corporations, it may pay the administrative and solicitation expenses of Du Pont Merck PAC without making a contribution.

This conclusion is compatible with 11 CFR 110.1(e), which provides that contributions by partnerships are attributable not only to the partnership but also to the partners. The administrative and solicitation support paid by Du Pont Merck may therefore be construed as coming from the affiliated corporations. To the extent that AOs 1981-56 and 1981-54 would prohibit a partnership in a similar situation from paying administrative and solicitation costs without contributions consequences, those opinions are superseded.

Amendments to Statement of Organization

Du Pont Merck PAC should amend its Statement of Organization to identify Du Pont PAC and Merck PAC as affiliated committees. 2 U.S.C. §433(b)(2). Moreover, if Du Pont Merck PAC functions as a separate segregated fund--i.e., if Du Pont or Merck provides direct administrative and solicitation support, or indirect support (by virtue of the partnership's payment of those expenses)--Du Pont Merck PAC must amend its statement to identify Du Pont and Merck as its connected organizations. See 11 CFR 100.6(a) and 102.1(c).

(Date Issued: June 26, 1992; Length: 6 pages)

AO 1992-21: Excess Campaign Funds of 1994 Candidate Donated to §170(c) Charity

Senator Daniel Patrick Moynihan, who has registered as a 1994 Senate candidate, may use his committee's excess campaign funds to make a \$1,000 donation to The National Fund for the United States Botanic Garden (the Fund), which is a qualified public charity under 26 U.S.C. §170(c) and which has offered Members of Congress the opportunity to purchase an individualized engraved paving stone for a \$1,000 donation.

Excess campaign funds are defined as "amounts received by a candidate as contributions which he or she determines are in excess of any amount necessary to defray...campaign expenditures." 11 CFR 113.1(e). The law specifically provides that excess campaign funds may be donated to a section 170(c) charity. 2 U.S.C. §439a; 11 CFR 113.2(b). In AO 1985-9, which presented a situation similar to Mr. Moynihan's, a Member of Congress seeking reelection determined that his campaign had excess campaign funds and received approval to donate the excess funds to a section 170(c) charity. (See also AO 1986-36, where an unopposed general election candidate was permitted to determine that he had excess campaign funds before the election.)

Mr. Moynihan's committee must report the disbursement of excess campaign funds. Payments to a charitable organization may be reported as "other disbursements."

The Commission expressed no opinion as to the application of Senate rules, which are outside its jurisdiction. (Date Issued: June 25, 1992; Length: 3 pages)

STATISTICS**PAC CONTRIBUTIONS TO HOUSE AND SENATE CANDIDATES**

As announced in the FEC press release of June 7, 1992, PACs contributed \$73 million to candidates during the first 15 months of the 1991-92 election cycle (i.e., through March 31, 1992). This was an increase of \$9 million over the same period in the previous election cycle, 1989-90.

By March 31, 1992, PACs had raised \$226 million, spent \$188 million and still had \$139 million in cash on hand.

The FEC press release provides the following statistics on PACs:

- o Tables comparing 15-month data on PAC activity over several election cycles;
- o A table detailing PAC contributions to House and Senate candidates during the current cycle by type of PAC and type of candidate; and
- o The top 50 PACs ranked in terms of receipts, contributions, disbursements and cash on hand.

The table below is based on the press release, which is available from the Public Records Office. Call 800/424-9530 (ask for Public Records) or 202/219-4140.

PAC Contributions to Candidates Through March 31 of Election Cycle (millions of dollars)

	1986	1988	1990	1992
Senate	\$16.4	\$19.5	\$20.0	\$23.1
Incumbents	11.8	15.3	16.5	17.9
Challengers	2.2	2.3	2.4	1.6
Open Seats	2.4	1.8	1.0	3.5
House	\$25.9	\$37.0	\$43.6	\$50.3
Incumbents	23.9	34.4	40.3	45.9
Challengers	.8	1.4	.8	1.5
Open Seats	1.2	1.2	2.5	2.9
Total	\$42.1	\$56.4	\$63.6	\$73.4

800 LINE

DEBT SETTLEMENT PLANS: POSTPONING PAYMENT TO CREDITORS

Committees that have filed—or anticipate filing—debt settlement plans are reminded that, once a debt settlement plan is submitted for Commission review, the committee must postpone paying creditors included on the plan until the Commission has completed its review.

Only terminating committees^{1/} are permitted to settle their debts for less than the amount owed.^{2/} 11 CFR 116.2(a). After reaching agreement with creditors on the terms of the settlement, these committees must file a debt settlement plan on FEC Form 8. (The Commission encourages committees to include as many debt settlement agreements as possible in a debt settlement plan.) Once it has filed a debt settlement plan, the committee must continue to report all debts but must postpone making any further payments to the creditors included in the plan until notified that the FEC has completed its review. 11 CFR 115.7(a).

The purpose the Commission's review is to determine whether the committee's financial arrangements with creditors willing to settle debts or forgo payment will result in prohibited or excessive contributions from the creditors. Committees must therefore postpone paying creditors until this determination is made.

^{1/}For purposes of debt settlement, a terminating committee is one that is winding down its political activities preparatory to filing a termination report and that would be able to terminate except that it has outstanding debts and obligations. A committee is considered to be winding down its political activities if it has ceased to receive contributions (other than contributions to retire debts) or make expenditures (other than to pay previously incurred debts as well as necessary administrative costs). 11 CFR 116.1(a).

^{2/}Both terminating and ongoing committees, however, may reach agreements with creditors regarding disputed debts. Note that disputed debts have special reporting rules. Note also that terminating committees filing debt settlement plans must include a description of the nature and status of any disputed debts. See 11 CFR 116.10.

Moreover, the Commission evaluates proposed debt settlements in light of the committee's overall financial picture and therefore needs current information on each debt submitted for settlement. The postponement rule ensures that the information on the debt settlement plan is, in fact, current. If the committee were to deplete its cash on hand by paying a creditor after the debt settlement plan was filed, the information on the plan would no longer be accurate.

Please note that, with respect to an authorized candidate committee, the committee may not settle its debts if another authorized committee of the same candidate has funds or assets available to help pay the debts. Moreover, an authorized committee may not terminate if it has funds or assets available to pay debts owed by another authorized committee of the same candidate that is unable to pay its debts. 11 CFR 116.2(c)(1). A principal campaign committee may not terminate until other committees authorized by the candidate have extinguished their debts. 11 CFR 102.3(b).

For more information on debt settlement plans, see 11 CFR Part 116 and FEC Form 8.

NAMES OF CORPORATE AND LABOR PACS

This article explains the specific requirements that apply to the names of PACs established by corporations and labor organizations—i.e., separate segregated funds (SSFs). These requirements, which appear in FEC regulations at 11 CFR 102.14(c), are intended to assist the public in identifying SSFs and their connected organizations.

First, the full, official name of an SSF must include the name of its connected organization in its entirety (including "Inc." or "Corp." if applicable).

Second, an SSF may use a shortened form of its official name on checks and letterhead, but the shortened name must include a clearly recognized abbreviation or acronym by which the connected organization is commonly known. Thus, the shortened name "must afford adequate notice to the public of the identity and sponsorship of the separate segregated fund." AO 1987-26.

Third, both the full, official name and the shortened name (if adopted) must be included on:

- o The Statement of Organization;
- o All reports filed with the FEC; and
- o All disclaimer notices required on public political advertising (see 11 CFR 110.11).

Finally, if the SSF's official name does not include the complete name of its

connected organization, or if its abbreviated form is not informative enough, the SSF should modify its name to comply with 11 CFR 102.14(c). Within 10 days of making the change, the SSF must file an amended Statement of Organization identifying the change. 11 CFR 102.2(a)(2). If necessary, the PAC should also modify its checks and letterhead.

For more information on the names of SSFs—including examples of acceptable and unacceptable abbreviated names—see page 4 of the FEC's Campaign Guide for Corporations and Labor Organizations. Further information is also provided in a September 1989 Record article.

COURT CASES

FEC v. KOPKO

On June 8, 1992, the U.S. District Court for the Eastern District of Pennsylvania declared that Edward E. Kopko violated 2 U.S.C. §441f by making contributions in the names of others. In its complaint, the FEC had alleged that defendant Kopko had reimbursed twelve of his relatives and friends for their \$250 checks to Alexander Haig's 1988 Presidential campaign. The court ordered Mr. Kopko to pay a \$1,500 civil penalty and permanently enjoined him from violating §441f. Both the FEC and the defendant agreed to the entry of the order. (Civil Action No. 91-CV-7764.)

AKINS v. FEC

On June 9, 1992, the U.S. Court of Appeals for the District of Columbia Circuit, in a *per curiam* order, directed the district court to clarify its order of January 21, 1992. (Civil Action No. 92-5124.) In that order, the district court had required the FEC to "issue a final decision on the merits of the Plaintiffs' administrative complaint forthwith, and in no event later than 4 p.m. on May 29, 1992."

The court of appeals stated that it found the above language confusing: "While it could be interpreted, as the FEC has suggested, as a direction to the agency to take final action by May 29, we question this interpretation because the district court has not found that the FEC's failure to act on appellees' administrative complaint was 'contrary to law' as required by 2 U.S.C. §437g(a)(8)(C)."

The court further stated: "We would have serious doubts about the propriety of an order compelling the FEC to take final action absent a finding by the district court that the agency's failure to act was 'contrary to law.' Upon clarification, the district court should allow the FEC sufficient time for any action the clarified order may contemplate."

(The FEC had interpreted the order as a mandatory deadline for final action and had asked the district court to clarify the order by deleting that language. When the court refused, the agency filed an appeal.)

In response to the directions from the court of appeals, the district court issued a new order on June 26, 1992. Stating that its previous order "was not intended as an injunction," the district court reopened the case to decide the "contrary to law" issue. However, shortly thereafter, on July 7, 1992, the court dismissed the case as moot since the FEC had completed action on the administrative complaint (MUR 2804). Civil Action No. 91-2831 (CRR).

FEC v. NATIONAL REPUBLICAN SENATORIAL COMMITTEE (91-5176)

On June 12, 1992, the U.S. Court of Appeals for the District of Columbia Circuit reversed the district court's judgment. The district court had ruled that the National Republican Senatorial Committee (NRSC) had exceeded the contribution limits through its exercise of "direction or control" over earmarked contributions. The court of appeals, however, found that the district court had erred in a previous decision. In that case, *Common Cause v. FEC*, the district court had ordered the FEC to conform to the court's own interpretation of "direction or control."

Background

If a committee, in soliciting earmarked contributions to be passed on to a candidate, exercises "direction or control" over the contributor's choice of the recipient candidate, the contribution counts against both the contributor's limit and the committee's limit. 11 CFR 110.6(d)(2).

MUR 2282. In an administrative complaint filed with the Commission (MUR 2282), *Common Cause* alleged that NRSC had exercised direction or control over the earmarked contributions it had solicited for twelve Senate candidates. As a result, *Common Cause* claimed, the contributions counted against NRSC's limits for the

(continued)

candidates and caused NRSC to exceed the contribution limits.

NRSC's October 1986 solicitation letter asked readers to support Republican Senate candidates running in four states, without mentioning the names of the candidates. The letter noted that contributions would be divided equally among the four candidates. Various combinations of the four states appeared in different versions of the letter; twelve states were covered in all. Checks were payable to NRSC or an NRSC-controlled fund. The mailing resulted in \$2.3 million in contributions. The NRSC deposited the checks in its own accounts, aggregated the contributions to the specified candidates and forwarded the contributions to the candidates in checks drawn on its accounts.

The FEC's General Counsel recommended, *inter alia*, that the agency find probable cause to believe that NRSC had exceeded the contribution limits by exercising direction or control over the choice of recipient candidates. The Commission, in a 3-3 vote, deadlocked with respect to this allegation and therefore took no action. Commissioner Thomas J. Josefiak (who has since left the Commission), joined by Commissioners Aikens and Elliott, issued a statement of reasons supporting their votes against a probable cause finding.

The Commission did find probable cause to believe that NRSC had committed other violations, and the MUR was resolved through a December 1988 conciliation agreement in which NRSC agreed to pay a \$20,000 civil penalty. The MUR was then closed.

Common Cause v. FEC. Common Cause asked the court to compel the FEC to act on the "direction or control" allegation. On January 24, 1990, the district court found that the FEC's dismissal of the allegation was contrary to law. Ruling that NRSC had exercised direction or control, the court ordered the agency to proceed on that basis. In compliance with the order, the Commission reopened MUR 2282 and found probable cause. When it failed to reach a conciliation agreement with NRSC on the matter of direction or control, the agency filed suit.

FEC v. NRSC: District Court. The new suit was assigned by lot to the same district judge. On April 9, 1991, the district court granted the FEC's motion for summary judgment, ruling that the NRSC had exceeded the contribution limits by exercising direction or control over earmarked contributions. The court imposed a \$24,000 penalty.

Court of Appeals Ruling

In addressing the central issue—the interpretation of direction or control—the court cited its decision in Democratic Congressional Campaign Committee (DCCC) v. FEC. In that opinion, the court held that, when the FEC dismisses a complaint due to a 3-3 deadlock, the action is subject to judicial review, and the three Commissioners who voted to dismiss must provide a statement of reasons for their vote. The NRSC court noted the purpose of this requirement: "Since those Commissioners constitute a controlling group for purposes of the decision, their rationale necessarily states the agency's reasons for acting as it did." A footnote to the DCCC opinion "strongly suggests that, if the meaning of the statute is not clear, a reviewing court should accord deference to the Commission's rationale."

In the present case, the court pointed out that the three Commissioners who had voted against probable cause in MUR 2282 voted in favor of reopening the enforcement proceedings only because they felt they "were obligated to follow the [district] court's order."^{1/}

The court of appeals found that Commissioner Josefiak's Statement of Reasons in MUR 2282, joined by two other Commissioners, should have been sustained in Common Cause v. FEC.^{2/} The court observed that Commissioner Josefiak's statement "identified the two main factors the Commission's General Counsel, and later the district court, invoked to support a finding of direction or control, and pointed out the present inadequacy of each."

The first factor was that NRSC deposited the earmarked contributions in its accounts before forwarding them to the candidates. Noting that FEC regulations permit a conduit committee to deposit earmarked contributions, the court stated: "Nothing has been offered to reveal why engaging in a Commission-approved practice should cause one to run afoul of other Commission rules."

The second factor was that NRSC "controlled" the choice of candidates by selecting the candidates for whom contributions were solicited and by further selecting the four states mentioned in each

^{1/}Statement of Reasons of Commissioners Aikens, Elliott and Josefiak, MUR 2282, December 10, 1990.

^{2/}Statement of Reasons of Commissioner Josefiak, MUR 2282, January 30, 1989; Concurrence, February 24, 1989.

fundraising letter. The court, however, observed: "Every solicitation 'pre-selects' candidates to some degree. It is fanciful to suppose that national political committees of any party would expend their resources merely to urge individuals to contribute to the candidate of their choice."

To find "direction or control" on the basis of these two factors, the court said, "would throw into doubt whether any solicitation of any earmarked contribution would be exempt from the 'double-counting' requirements of §110.6(d)(2)." However, the court concluded that it was not required to decide if that would be a permissible construction: "It is enough to say that the Commission has not affirmatively adopted such a construction and that it has provided, through the statement of Commissioner Josefiak, joined by two others, a reasoned justification for not doing so." Ruling that "[i]t was an error for the district court to force a different construction upon the Commission," the court reversed the district court judgment.

FEC v. CAULDER

On June 16, 1992, the U.S. District Court for the Eastern District of Pennsylvania ruled that Michael Caulder violated 2 U.S.C. §432(b)(3) by knowingly and willfully commingling his personal funds with \$51,600 belonging to Altered Democratic Majority, a political committee. (Defendant had embezzled the committee's funds and supplied false information on the committee's FEC reports in order to disguise the embezzlement.)

The court imposed a \$103,200 civil penalty against Mr. Caulder but, in view of his depleted financial situation, suspended all but \$3,000 of the penalty, to be paid in monthly installments. The court also permanently enjoined him from violating §432(b)(3) and from engaging in any activity that would result in his being responsible for political committee funds, accounts, financial records or FEC reports.

The FEC may request full payment of the suspended penalty if it discovers that defendant made inaccurate or misleading representations during the litigation or that he violated any terms of the court order. The FEC may also request full or partial payment of the penalty should Mr. Caulder's financial circumstances improve. The court's order and judgment were agreed to by both the FEC and Mr. Caulder. (Civil Action No. 91-CV-5906.)

BRYAN v. FEC

On July 9, 1992, the U.S. District Court for the District of Massachusetts dismissed this case for lack of jurisdiction. Civil Action No. 92 11317H. The court said the suit should have been filed in the U.S. District Court for the District of Columbia.

Jon L. Bryan had asked the Massachusetts court to find that the FEC's dismissal of his complaint (MUR 3365) was contrary to law. However, under 2 U.S.C. §437g(a)(1)(A), such lawsuits must be filed in the District of Columbia court.

NEW LITIGATION

FEC v. Black Political Action Committee

The FEC asks the court to find that the Black Political Action Committee (Black PAC) and its treasurer violated the terms of a conciliation agreement entered into with the agency to resolve several reporting violations. Under the agreement, Black PAC and its treasurer were to pay a \$15,000 penalty, \$5,000 of which was due on December 25, 1991, and the remainder in \$1,000 monthly installments. The FEC alleges that it has not yet received a single payment from defendants.

The FEC requests that the court assess a \$5,000 penalty against defendants and permanently enjoin them from future violations of the conciliation agreement's terms.

U.S. District Court for the District of Columbia, Civil Action No. 92-1436, June 17, 1992.

FEDERAL REGISTER NOTICES

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

1992-9

11 CFR Part 106: Allocation of Joint Federal and Nonfederal Expenses; Final Rule; Announcement of Effective Date (57 FR 27146, June 18, 1992)

1992-10

11 CFR Part 102: Special Fundraising Projects and Other Use of Candidate Names by Unauthorized Committees; Final Rule; Transmission to Congress (57 FR 31424, July 15, 1992)

COMPLIANCE

MURs RELEASED TO THE PUBLIC

Listed below are MURs (FEC enforcement cases) recently released for public review. The list is based on FEC press releases of June 8, 19 and 29 and July 10, 1992. Files on closed MURs are available for review in the Public Records Office.

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

Pre-MUR 245

Respondent: New York Democratic Party (NY)
Complainant: FEC initiated
Subject: Transfers
Disposition: Declined to open a MUR

MUR 2575

Respondents: (a) Toshiba America Consumer Products, Inc.; (b) Toshiba America Information Systems, Inc.; (c) Robert Traeger (TN); (d) Betty Traeger (TN); (e) Hiroshi Ikeda (TN); (f) Tsunehiro Miyashita (TN); (g) Paul Wexler (CA); (h) Norman Nelson (TN); (i) Kazuo Ishiguro (JPN); (j) Dennis Eversole (TN); (k) Yasuo Nishioka (TN)
Complainant: Election Crimes Branch, Criminal Division, U.S. Department of Justice
Subject: Corporate contributions; contributions in the names of others
Disposition: (a) \$6,500 civil penalty; (b) \$750 civil penalty; (c) and (d) \$6,300 civil penalty; (e) \$1,500 civil penalty; (f) \$1,300 civil penalty; (g) \$750 civil penalty; (h) \$400 civil penalty; (i) \$500 civil penalty; (j) \$300 civil penalty; (k) reason to believe but took no further action

MUR 3127

Respondents: Republican Party of Iowa, Steven Roberts, treasurer
Complainant: FEC initiated
Subject: Excessive and prohibited contributions; administrative expense allocation
Disposition: Reason to believe but took no further action

MUR 3144

Respondents: (a) Craig for U.S. Senate, Richard Jackson, treasurer (ID); (b) Realtors Political Action Committee, Thomas Jefferson III, treasurer (IL)
Complainant: Jane A. Jeffries, Deputy Campaign Manager, Senate Committee for Twilegar (ID)
Subject: Disclaimer; inadequate disclosure
Disposition: (a) No reason to believe; (b)(1) \$4,000 civil penalty (disclaimer); (2) reason to believe but took no further action (inadequate disclosure)

MUR 3151

Respondents: San Diego County Coordinating Republican Assembly (CA)
Complainant: Sylva Warren (CA)
Subject: Registration and reporting
Disposition: Reason to believe but took no further action

MUR 3157

Respondents: (a) The Joan Kelly Horn For Congress Committee, Lisa S. VanAmburg, treasurer (MO); (b) Community Consultants, Inc. (MO); et al. (c)-(h)
Complainant: Tony Feather, Executive Director, Missouri Republican Party
Subject: Corporate and excessive contributions; failure to file reports on time
Disposition: (a) \$700 civil penalty; (b) reason to believe but took no further action; (c)-(h) no reason to believe

MUR 3237

Respondents: (a) Kentuckians for Brock Committee, William G. Johnson, treasurer; (b) Al Brock (KY)
Complainant: FEC initiated
Subject: Excessive contributions
Disposition: (a) \$900 civil penalty; (b) \$900 civil penalty

MUR 3252

Respondents: Friends of Van Sistine, Jerome Van Sistine, treasurer (WI)
Complainant: Mark Pischea, Deputy Executive Director,

National Republican Congressional Committee (DC)
Subject: Failure to file Statement of Organization; failure to file reports
Disposition: \$900 civil penalty

MUR 3398

Respondents: National Association of Federal Credit Unions Political Action Committee, William J. Donovan, treasurer (DC)
Complainant: FEC initiated
Subject: Failure to file report on time
Disposition: \$350 civil penalty

MUR 3419

Respondents: New Hampshire State Democratic Committee, Robert M. Walsh, treasurer
Complainant: John Libby, Chairman, Rockingham County Democratic Committee (NH)
Subject: Reporting
Disposition: Took no action

MUR 3427

Respondents: Rep. Peter H. Kostmayer and Jack Russ, former Sergeant-at-Arms, U.S. House of Representatives (DC)
Complainant: Conservative Campaign Fund (DC)
Subject: Loan
Disposition: No reason to believe

MUR 3474

Respondents: (a) U.S. Senator John Seymour Committee, F. Laurence Scott, Jr., treasurer (CA); (b) California Association of Realtors
Complainant: Glen Peterson (CA)
Subject: Corporate contribution; disclaimer
Disposition: (a)-(b) No reason to believe

MUR 3482

Respondents: California Avocado Proponent, Chris Miller, treasurer
Complainant: FEC initiated
Subject: Corporate contributions
Disposition: Reason to believe but took no further action

- MUR 3489**
Respondents (all in PA):
 (a) Friend for Senate, James J. Kelly, treasurer; (b) John Halloran; (c) Joseph T. Lagrew; (d) Harold M. Randall; (e) Robert E. Wagner
Complainant: D. Bruce Cahilly (PA)
Subject: Disclaimer
Disposition: (a)-(b) No reason to believe; (c) reason to believe but took no further action; (d)-(e) no reason to believe
- MUR 3491**
Respondents: Citizens for Christopher Hodgkins, William E. Noonan, treasurer (MA)
Complainant: FEC initiated
Subject: Failure to file 48-Hour notices
- MUR 3530**
Respondents: Astle For Congress, Harry L. Dunn, treasurer (MD)
Complainant: Sua sponte
Subject: Disclaimer
Disposition: Reason to believe but took no further action

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PUBLICATIONS

NEW INDEX TO PAC ABBREVIATIONS

The Public Records Office recently released **PACRONYMS**, an alphabetical list of acronyms, abbreviations and common names of political action committees (PACs). When a political committee's campaign finance report identifies a contributing PAC only by its abbreviation or acronym, you can use the index to find the full name of the PAC and its sponsoring organization.^{1/}

For each abbreviation or acronym listed, the publication provides the full name of the PAC, its city and state, and its FEC identification number. If the PAC's full name does not identify the PAC's connected, sponsoring or affiliated organization, that name is included as well.

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

The Public Records Office has several other PAC listings that may help researchers:

o **Alphabetical List of All Registered PACs.**

For each PAC registered with the FEC, this list shows the treasurer's name, the

committee address, and the name of the sponsoring, connected or affiliated organization. (Cost: \$13.25)

o **List of All Registered PACs Arranged by State.** This list provides the same information as the above list, only arranged by state. (Cost: \$13.25)

o **Alphabetical List of Sponsoring Organizations.** This list identifies all organizations sponsoring PACs and shows the PAC's name, treasurer and address. (Cost: \$7.50)

Moreover, if you know only one or two key words in a committee's name, a staff member can provide computer-assisted research to find the names of all committees with those specific words in their names.

These lists and the computer search capability are also available through the FEC's Direct Access Program (DAP), although in some cases the data is not formatted as described above. DAP provides on-line access to FEC campaign finance as well as FEC advisory opinions and court case summaries. The cost is \$25 per hour, with no additional sign-up fees. For more information on DAP, call Phyllis Stewart-Thompson, Data Systems Development Division, 800/424-9530 or 202/219-3730.

^{1/}See also the article on page 10 for an explanation of FEC rules governing shortened names of PACs.

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