

MINUTES OF AN OPEN MEETING
OF THE
FEDERAL ELECTION COMMISSION

THURSDAY, JULY 12, 2001

PRESENT: Danny L. McDonald, Chairman, presiding
 David M. Mason, Vice Chairman
 Karl J. Sandstrom, Commissioner
 Bradley A. Smith, Commissioner
 Scott E. Thomas, Commissioner
 Darryl R. Wold, Commissioner
 James A. Pehrkon, Staff Director
 Lois G. Lerner, Acting General Counsel
 Mary W. Dove, Secretary

Chairman Danny L. McDonald called the Federal Election Commission to order in an open meeting at 10:05 A.M. on Thursday, July 12, 2001, with a quorum present.

I. CORRECTION AND APPROVAL OF MINUTES

Minutes for June 28, 2001

Agenda Document No. 01-37

Chairman McDonald recognized Vice Chairman Mason, who

MOVED to approve the Minutes for the Open Meeting of Thursday, June 28, 2001, as submitted in Agenda Document No. 01-37.

The motion carried on the vote of 6-0 with Commissioners Mason, McDonald, Sandstrom, Smith, Thomas, and Wold voting affirmatively.

II. ADVISORY OPINIONS

A. Draft Advisory Opinion 2001-09
(Alternative Drafts)

Kerrey for U.S. Senate by counsel,
Robert F. Bauer and Brian G. Svoboda

Agenda Documents No. 01-38
and No. 01-38-A

Chairman McDonald recognized Vice Chairman
Mason, who

MOVED to suspend the rules
on the timely submission of
agenda documents in order
to consider Agenda Document
No. 01-38-A.

The motion carried on the vote of 6-0.

Chairman McDonald recognized Mr. Jonathan
Levin of the General Counsel's staff who presented
proposed drafts A and B of Advisory Opinion 2001-09
concerning the application of the Federal Election
Campaign Act of 1971, as amended ("the Act"), and
Commission regulations to the use of campaign funds
for the payment of media consulting expenses incurred
as a result of media inquiries pertaining to Senator
Kerrey's activity during the Vietnam War.

II. ADVISORY OPINIONS (continued)

A. Draft Advisory Opinion 2001-09
(Alternative Drafts) (continued)

Vice Chairman Mason presented an overview of his proposed alternative, Draft C, as set forth in Agenda Document No. 01-38-A.

Following discussion, Chairman McDonald recognized Commissioner Sandstrom, who

MOVED to approve Draft C of Advisory Opinion 2001-09, as submitted in Agenda Document No. 01-38-A, subject to the following amendments:

1. Page 5: Delete the entire sentence which begins on Line 27 and ends on Line 29.
2. Page 5, Lines 29 and 30: Modify the two lines to read:

"As indicated by the two factors above, the recent publicity would.."
3. Page 6, Line 1: Delete the word "he" and substitute the words "Mr. Kerrey" in lieu thereof.
4. Page 6, Line 8: Amend the cite to read: "113.1(g)(1)(ii)."
5. Page 6, Line 9: Delete the word "affairs" and substitute the word "relations" in lieu thereof.

II. ADVISORY OPINIONS (continued)

A. Draft Advisory Opinion 2001-09
(Alternative Drafts) (continued)

The motion carried on the vote of 5-1 with Commissioners Mason, McDonald, Sandstrom, Thomas, and Wold voted affirmatively. Commissioner Smith dissented.

B. Draft Advisory Opinion 2001-10

The Honorable Jesse L. Jackson, Jr.
and the Jesse L. Jackson, Jr. for
Congress Committee

Agenda Document No. 01-39

Chairman McDonald recognized Mr. Michael Marinelli of the General Counsel's staff who presented draft Advisory Opinion 2001-10 concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to a proposal to have Mr. Jackson's principal campaign committee hire his wife as a consultant.

II. ADVISORY OPINIONS (continued)

B. Draft Advisory Opinion 2001-10
(continued)

During his presentation, Mr. Marinelli noted the following amendments:

1. Page 1, Line 16: Delete the comma after the word "fundraising" and insert the word "and."
2. Page 1, Line 25: Capitalize the word "bank."
3. Page 4, Line 6: Delete the word "be" after the word "should."
4. Page 4, Line 14: Include the cite "104.3(b)(4)(i)."
5. Page 4, Footnote 3, Line 1: Revise as follows "...bank records, receipts, bills, vouchers and worksheets..."
6. Page 4, Footnote 5, Line 3: Delete the word "as" after the word "limited."

A discussion followed. It was agreed without objection to amend the sentence which begins on Page 4, Lines 3-7 to read as follows:

"Your subsequent communications by telephone with the Office of General Counsel indicate that the contract is in writing."

II. ADVISORY OPINIONS (continued)

B. Draft Advisory Opinion 2001-10
(continued)

Chairman McDonald recognized Vice Chairman
Mason, who

MOVED to approve draft Advisory
Opinion 2001-10, as submitted
in Agenda Document No. 01-39,
subject to the amendments as
noted above.

The motion carried on the vote of 6-0.

III. PROCESSING CLOSED CASES FOR THE PUBLIC
RECORD

Agenda Document No. 01-41

Chairman McDonald recognized Mr. Vincent
Convery, Jr. of the General Counsel's staff who
presented an overview of the subject document.

A discussion followed; no Commission
action was taken.

IV. ADMINISTRATIVE MATTERS

There were no administrative matters to come before the Commission.

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Chairman McDonald recognized Ms. Sharon Snyder, Deputy Press Officer, who was retiring after 25 years of service at the Federal Election Commission.

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The meeting adjourned at 11:50 A.M.

Signed:

Danny L. McDonald
Chairman of the
Commission

Attest:

Mary W. Dove
Secretary of the
Commission