



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: THE COMMISSION
STAFF DIRECTOR
GENERAL COUNSEL
FEC PRESS OFFICE
FEC PUBLIC DISCLOSURE

FROM: COMMISSION SECRETARY *MWD*

DATE: March 31, 2004

SUBJECT: COMMENT: PROPOSED AO 2004-08

Transmitted herewith are timely submitted comments from Ms. Jackie Theriot, Mr. Tommy Thibodeaux, and Mr. Irving E. Legendre, Jr. regarding the above-captioned matter.

Proposed Advisory Opinion 2004-08 is on the agenda for Thursday, April 1, 2004.

Attachment



Louisiana Sugar Cane Cooperative, Inc.

6092 Resweber Hwy. • St. Martinville, LA 70582
Phone: (337) 394-3255 Fax: (337) 394-3787

March 26, 2004

Ms. Mary Dove, Commission Secretary
Federal Election Commission
999 E. Street NW
Washington, D.C. 20463

RE: Draft Advisor Opinion 2004-08: American Sugar Cane League

Dear Ms. Dove:

I have served on the Board of Directors of the American Sugar Cane League, Inc. since 1985, so I am familiar with the tenure of Charlie Melancon. I recall that in 2001, when Charlie had considered leaving the League to pursue other opportunities, I participated in discussions with him and other members of the Board regarding a severance package which consisted minimally of one year's compensation.

The current decision to award a severance package is simply a continuation of those earlier discussions and is in no way related to what he might do after he resigned his position.

Sincerely yours,

Jackie Theriot
General Manager

cc: Office of General Counsel
Charles J. Melancon

2004 MAR 30 P 3:43
RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL



Cajun Sugar Cooperative, Inc.

Manufacturers of Raw Sugar and Black Strap Molasses
P.O. Box 13940
New Iberia, Louisiana 70562-3940



PRESIDENT
FRANK MINVIELLE
VICE PRESIDENT
ANTHONY J. JUDICE
SECRETARY
DONALD SEGURA
TREASURER
ALFRED T. LANDRY

Phone: (337) 365-3401

Fax: (337) 365-7820

March 31, 2004

DIRECTORS
LARRY BRAQUET
RAYMOND HEBERT
GRADY BUBENZER
RICKY JUDICE
KERRY FREYOU
EDMOND BROUSSARD
NOLAN DUPLANTIS II

Ms. Mary Dove, Commission Secretary
Federal Election Commission
999 E Street NW
Washington, DC 20463

RE: Draft Advisor Opinion 2004-08: American
Sugar Cane League

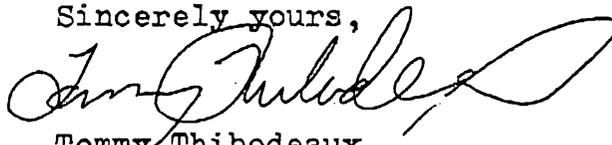
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FEDERAL ELECTION
COMMISSION
SECRETARIAT

Dear Ms. Dove:

I have served on the Board of Directors of the American Sugar Cane League, Inc. since 1999, so I am familiar with the tenure of Charles Melancon. I recall that in 2001 when Charlie had considered leaving the League to pursue other opportunities. I participated in discussions with him and other members of the Board regarding a severance package which consisted minimally of one year's compensation.

The current decision to award a severance package is simply a continuation of those earlier discussions and is in no way related to what he might do after he resigned his position.

Sincerely yours,


Tommy Thibodeaux
ASCL

Lafourche Sugars, LLC

Leighton Factory

Manufacturers of Sugars and Molasses

Stephen G. Peltier
President

Godfrey Knight
Vice President

John E. Peltier
Secretary Treasurer

141 Leighton Quarters Road
Thibodaux, LA 70301
(985) 447-3210 (985) 447-8731 Fax

March 26, 2004

VIA FAX (202) 208-3333

Ms. Mary Dove, Commission Secretary
Federal Election Commission
999 E Street NW
Washington, DC 20463

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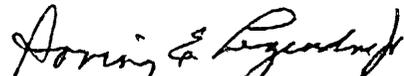
Re: Draft Advisor Opinion 2004-08: American Sugar Cane League

Dear Ms. Dove:

I have served on the Board of Directors of the American Sugar Cane League, Inc. since 1973, so I am familiar with the tenure of Charles Melancon. I recall that in 2001 when Charlie had considered leaving the League to pursue other opportunities, I participated in discussions with him and other members of the Board regarding a severance package which consisted minimally of one year's compensation.

The current decision to award a severance package is simply a continuation of those earlier discussions and is in no way related to what he might do after he resigned his position.

Sincerely yours,



Irving E. Legendre, Jr.
Past Secretary

Cc: Office of General Counsel Via FAX (202) 219-3923
Charlie J. Melancon

Lafourche Sugars, LLC

Leighton Factory

Stephen G. Peltier
President

Manufacturers of Sugars and Molasses

Godfrey Knight
Vice President

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Ms. Mary Dove, Commission Secretary
Federal Election Commission
999 E Street NW
Washington, DC 20463

2004 MAR 31 A 8:03

RECEIVED
FEDERAL ELECTION
COMMISSION
THIBODAUX, LOUISIANA

RE: Draft Advisor Opinion 2004-08: American Sugar Cane League

Dear Ms. Dove:

I make this response to the captioned as a friend of Mr. Charlie Melancon.

The request for advisory opinion by the American Sugar Cane League, Inc. (ASCL) failed to mention that several years ago prior to Charles Melancon even thinking about running for Congress, he had considered and discussed resigning his position with ASCL to pursue other opportunities. This was partially precipitated by a faction of the ASCL board that was not in full support of Mr. Melancon's policies and programs. At that time, it was discussed by members of the ASCL Board that if Mr. Melancon resigned, he *would be* granted a severance package at least equal to the severance package granted to Mr. Richard (full year's salary, one year of health benefits coverage, a company owned computer, the option of purchasing his company owned car for "Blue Book" value, and an ASCL paid for speaking engagement trip to Australia). Therefore, a severance package had been given serious consideration before that was "genuinely independent of the candidacy."

The finding that ASCL's severance package is "too discretionary" to meet the standard of 11 CFR 113.1(g)(6)(iii)(A) and (B) is unrealistic. As you observe, ASCL is a Louisiana non-profit corporation currently employing five people. Its primary business purpose is promoting and protecting the U.S. sugar cane industry (growers and processors). Because of its daunting task, it devotes minimal time and expense to address Federal Election Law issues in the event one of its employees might run for Congress. It remains flexible and devotes maximum time and expense to its primary purpose. Therefore, all employees, especially with respect to termination and severance benefits, (if any) are and should remain discretionary in such a small organization.

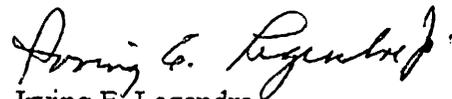
Ms. Mary Dove
March 26, 2004
Page 2 of 2

Furthermore, the requirement of 11 CFR 113.1(g)(6)(iii)© is discriminatory against a small organization such as ASCL because there never has been a "similarly qualified person for the same work over the same period of time." The regulation seems to provide that unless there is a history of granting severance packages to prior employees, then *any* severance package would be in violation of the regulation. Mr. Melancon's tenure and performance were unique and deserving of compensation that could only result from employment. Even if ASCL had never granted a severance package to any of its employees, that should not preclude ASCL from granting one to its terminated executive director.

The conclusion is that some years ago ASCL was ready and willing to grant Mr. Melancon a severance package more generous than the one under consideration. This only serves to confirm that the current severance package is "tied exclusively to services provided by him as part of his *bona fide* employment" and not for any other reason.

I respectfully submit that the judgment and discretion of the Board of Directors of ASCL should be respected in this instance, and any severance package providing for one year's compensation with related benefits should be allowable under the applicable regulations.

Sincerely,


Irving E. Legendre
Past Secretary of ASCL

Cc: Office of General Counsel Via FAX (202) 219-3923
Charles J. Melancon