



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

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DEMOCRATIC
CONGRESSIONAL
CAMPAIGN COMMITTEE

MUR 3036

Beryl Anthony, Jr., AR
Chairman

February 22, 1990

Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Dear Commissioners:

The Democratic Congressional Campaign Committee ("DCCC") files this complaint charging violations of the Federal Election Campaign Act of 1971, as amended ("FEC" of "the Act"), 2 U.S.C. sections 431 et seq., and related Regulations of the Federal Election Commission ("FEC"), 11 C.F.R. sections 100.1 et seq., by David L. Thomas and any political committee authorized to receive contributions and make expenditures on behalf of his candidacy for the United States House of Representatives in the Fourth District of South Carolina (referred to collectively hereafter as "Respondents").

Respondents have violated the Act by failing to register as a candidate for federal office, failing to file a Statement of Organization for a political committee authorized to raise and spend funds on behalf of his candidacy, and failing to file timely reports of receipts and disbursements for this committee.

The Law

FEC Regulations define a "candidate" for federal office as "an individual who seeks nomination for election, or election for federal office." 11 C.F.R. section 100.3(a). An individual becomes a candidate whenever he or she has either received contributions or made expenditures aggregating in excess of \$5,000 or has given consent to another person to receive contributions or make expenditures on behalf of that individual in excess of \$5,000.

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Once an individual becomes a candidate, he or she is required within 15 days to file a Statement of Candidacy, 11 C.F.R. section 101.1. This statement provides information about the candidacy and designates a political committee as the candidate's principal campaign committee. That committee, and any other authorized committees, must file a Statement of Organization within 10 days of designation by the candidate.

All political committees of candidates must file periodic reports of receipts and disbursements. 11 C.F.R. section 104.5(a). For an individual who became a candidate after July 1, 1989, the principal campaign committee was required to file a year-end report, covering the period from the date of candidacy through December 31, 1989, to be filed no later than January 31, 1990. 11 C.F.R. section 104.5(a)(2).

Discussion

David Thomas has been a candidate for the United States House of Representatives since August 31, 1989. Numerous articles have reported that Mr. Thomas announced his candidacy during 1989. Articles attached as Exhibit A. A February 16, 1990 article published in the Charleston News and Courier stated that:

. . . Thomas expressed frustration, saying he had been criticized last summer for announcing his candidacy too early, and is now taking shots for not moving fast enough.

The Charleston News and Courier article also notes that Thomas has approximately \$5,000 in the bank and has received pledges for an additional \$30,000 in campaign contributions. In another article, Mr. Thomas estimates that his campaign will cost up to \$500,000. The articles report on Mr. Thomas' statements of what he will do "if he is elected."

Despite Mr. Thomas' active campaign, neither the Clerk of the House nor the FEC has any record of a Statement of Candidacy or a Statement of Organization for Mr. Thomas or any political committee organized by him. This is a clear failure to comply with the federal election campaign laws.

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Furthermore, neither the Clerk of the House nor the FEC has received any report of the financial activities of the committee or committees operating on Mr. Thomas' behalf. While it is clear that Mr. Thomas has an active campaign that has been in existence since last summer, and that Mr. Thomas has been amassing campaign funds for his race against the incumbent, Mr. Thomas has apparently chosen to hide his political activity by failing to file the necessary report disclosing contributions received through December 31, 1989. Once again, this is a violation of the Federal Election Campaign Act.

It strains common sense to believe that Mr. Thomas has neither received contributions nor made expenditures in excess of \$5,000 during this period. Since he has been actively campaigning as a declared candidate since last summer, he should be registered with the Commission and should file the necessary financial disclosure reports.

Mr. Thomas cannot hide behind an attempt to call his campaign a "testing-the-waters" or "exploratory" effort. Exploratory activities may be undertaken under the FECA, 11 C.F.R. section 100.7(b)(1), only where an individual has not yet made a decision to run. Furthermore, testing-the-waters activities may not include the amassing of campaign funds. Mr. Thomas has done both -- he has announced his candidacy and has referred to himself repeatedly as a candidate for a particular office; he has also amassed political campaign funds for the purpose of running for this federal office.

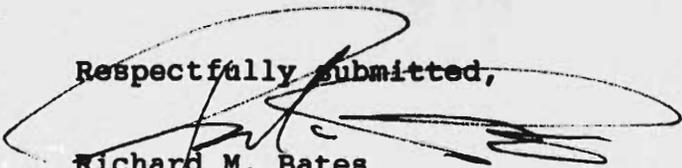
Mr. Thomas has failed to meet the requirements of the FECA, and the Commission should take immediate action to remedy this situation. His activities have shown a complete disregard for the need to comply with the laws of the United States. His failure to adequately disclose his campaign contributors and his campaign activity runs directly counter to the public policy supporting public disclosure in the Federal Election Campaign Act, and has worked a disservice on the voters in his congressional district.

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Conclusion

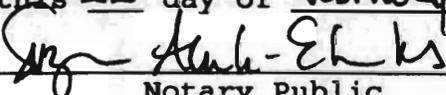
On the basis of the foregoing, the DCCC requests that the FEC conduct a prompt and immediate investigation, including, if necessary, an audit to confirm the facts stated in this complaint; enter into a prompt conciliation with Respondents to remedy the violations alleged in this complaint and, more importantly, to ensure that no further violations occur; and impose any and all civil penalties grounded in the violations alleged in this complaint.

Respectfully submitted,



Richard M. Bates
Executive Director
Democratic Congressional Campaign
Committee

SUBSCRIBED AND SWORN TO BEFORE ME
this 22 day of February, 1990.


Notary Public

My Commission Expires:

SUZANNE ABELE-EBANKS
NOTARY PUBLIC, DISTRICT OF COLUMBIA
My Commission Expires October 31, 1994

90040301102

● GOP may cur support for Thomas campaign

By STEVE PIACENTE
Of the Post-Courier staff

Charleston News
and Courier

February 16, 1990

WASHINGTON — Republican state Sen. David L. Thomas, billed as a candidate popular and energetic enough to unseat U.S. Rep. Elizabeth Patterson, D-S.C., is on the verge of losing national party support because of his lackluster campaign, informed sources said this week.

"The (GOP) congressional committee is getting a little fed up with him," said one source, who spoke only on condition of anonymity. "They're thinking about giving him an ultimatum."

Informed of the remarks, Thomas expressed frustration, saying he had been criticized last summer for announcing his candidacy too early, and is now taking shots for not moving fast enough.

"You're sort of in a box. At what point do you rev up, and what is meant by 'getting going?'" he said. "Until (Greenville attorney) Knox (White) got out of the race, a lot of

people were frozen in place. To do anything else would have been offensive to Knox's supporters."

Thomas, a Greenville businessman, said he is in the process of organizing steering and finance committees and has pledged for \$30,000 in campaign contributions. He said he has roughly \$5,000 in the bank.

"I've organized campaigns 30 days before an election," he said. "Obviously you can't do that in a congressional race."

Though a candidate can certainly win without national GOP support, the party — particularly with South Carolinian Lee Atwater in charge — is capable of providing considerable resources. Expert staff, campaign funds and visits from Republican VIPs, including President Bush, are all part of the package.

"I think I'll lose without national party support," Thomas said.

On the other hand, he added, "When it comes right down to it, you

Please see THOMAS, Page 3-B

THOMAS

from Page 1-B

have to run your own campaign."

Another GOP insider said, "I don't count the guy out. His track record shows he waits until the last minute. But you can't deal with the people (Republican operatives) in Washington that way."

Rep. Patterson, who won close elections in 1986 against Republican Bill Workman and in 1988 against White, raised \$134,000 last year, but used most of it to pay off old campaign debts. Her 1986 and 1988 races cost \$1.1 million and \$594,000 respectively.

The conservative Spartanburg and Greenville-based district, once represented by Gov. Carroll A. Campbell Jr., has been a prime target of Atwater's since Campbell was elected governor four years ago.

The GOP mastermind and others have long charged Rep. Patterson is too liberal for the district but have failed to sway local voters. "I think it's a crying shame we don't have that seat," Atwater said last May.

When Thomas announced his candidacy over the summer, he tagged the incumbent "Liberal Liz" and said she has "cloaked her true leftist stance."

Rep. Patterson has chosen to ignore such remarks. She has said she is proud to be a Democrat but believes the party needs to cater less to special-interest groups. Additionally, "You can't be all to everybody," she has said.

Thomas said if the GOP doesn't reclaim the seat this year, Rep. Patterson will be virtually unbeatable in 1992.

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GOP denies backing off from Thomas campaign

By FAITH LYMAN HARRIS
Staff Writer

Denying published reports that the congressional campaign of state Sen. David Thomas is foundering even before it gets started, state and local GOP officials yesterday gave a thumbs up on the status of the 4th District race.

"They are all reinvigorated and upbeat," said State Republican Party Chairman Barry Wynn of Spartanburg.

Wynn's comments came in the wake of meetings yesterday and Tuesday in Columbia between state GOP leaders and strategists from the Republican National Committee in Washington, D.C.

Planned weeks in advance, the sessions had nothing to do with contentions that Thomas's "lackluster" campaign had frustrated the national officials to the

point that they considered dropping party support for the Greenville Republican, said Tony Denny, executive director of the state Republican Party.

In news reports earlier this week, an anonymous source said the national committee was about to give Thomas an ultimatum to either pick up the pace of the campaign or lose party backing.

Denny said the charges are false and were made by someone who was "not an official party source."

Denny said this week's meetings were part of an ongoing series of strategy planning sessions.

Even though the closing date for the 1990 elections is six weeks off, Denny said, "we fully expect David Thomas to be our nominee. We've been meeting with (him) on a regular basis to help him start raising money, set up events, research is-



FILE PHOTO

Sen. David Thomas
...challenging Liz Patterson

sues, all the things you do to get (a campaign) cranked up."

The campaign may be on track now, as officials say, but Wynn conceded attitudes were decidedly different only a few weeks ago.

"Two weeks ago (the national GOP committee) was real down," he said. See THOMAS, page B4

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THOMAS

Continued from page B1
said. "People in Washington want some fireworks."

Until this week, when Thomas raised questions about the family investments and campaign finances of his Democratic opponent, Rep. Liz Patterson of Spartanburg, the campaign was sleepy at best, a fact Thomas concedes. The veteran politician said he refuses to make political hay when there's none to be had.

"You have to run your own race," he said. "I don't believe you should go out and create the issues. I'm not going to make things up just to make noise."

Party sources close to Thomas describe a successful candidate who employs a campaign style that deviates from convention. Described as "populist," he's more apt to curry favor among the individual voter than other, traditional Republican constituencies such as the business community, political sources said.

"He's running against a millionaire who's also an incumbent," Wynn said. "Sometimes you make a mistake by trying to overcome that. He's one of modest net worth. He's a populist because that's who he is, and we'll encourage him to be who he is."

Right now, though, it's exposure and money, not image, that concerns some party officials.

"I'm anxious," said Spartanburg County Republican Party Chairwoman Rosemary Byerly. "I would like to see (Thomas) more in Spartanburg County. I would like to see a larger amount (of money) in the bank at this point. It will take every dollar we can raise because Mrs. Patterson will come at us with a wealth of PAC (political action committee) money."

Thomas said he has put about \$5,000 in the bank and received pledges for another \$30,000. Thomas and others figure he'll need at least \$500,000 to challenge Mrs. Patterson, who spent \$1.1 million on her 1988 campaign.

At this time in the last campaign, Greenville Republican Knox White

had raised \$79,000 in his race against Mrs. Patterson. White eventually raised nearly \$400,000 in time for the November election, which he lost by a 52 percent to 48 percent margin.

White said much of his early funding was used to defray the cost of his June 1988 primary, a point Thomas emphasizes.

"Some might call (the campaign) lackluster," Thomas said. "But it has avoided a primary and saved \$150,000. We have achieved a very substantial goal in avoiding a primary."

Primary or not, though, White said any candidate has to start raising money immediately. "You do have to start early, and that means fund raising and campaigning," he said. "That money was for a primary. On the other hand, I would start fund raising early."

As in past elections, the national committee could give Thomas a much-needed financial boost. Committee spokesman Gary Koops in Washington said the group can contribute up to \$10,000 to a candidate's primary and general elections and provide another \$40,000 in indirect campaign expenditures.

The committee hasn't committed to Thomas, Koops said, adding that the committee generally does not endorse candidates before primaries.

Still, he said, the 4th District "is a district that, with a good candidate, could use those kinds of resources."

Denny said he's undaunted by Thomas's war chest. The party recruited him, and it will support him.

"He has shown he has appeal, and he's been in elected office for 12 years," he said, promising that the entire district "will see a lot of David."

As for the committee funding, Denny's also confident: the support will find its way to the district and Thomas. "This is going to be one of the top 20 races" in the nation, he said. "Mrs. Patterson is seen as a vulnerable incumbent."

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Greenville Piedmont

February 19, 1990

Thomas says he'd refuse some PAC donations

By Dale Roney
Piedmont political reporter

State Sen. David Thomas, seeking the Republican nomination in the 6th Congressional District race, said today if he is elected to Congress he will return "special interest" contributions received from political action committees.

"Let's say I'm appointed to the House Armed Services Committee and in my campaign I receive money from a military industrialist. When I would return the money," Thomas said.

Thomas said in theory PAC contributions are OK and he will accept them. But the problem

comes when members of Congress vote on committees that affect special interest groups who contributed to their campaign.

"It's unbelievable what goes on up there (in Washington, D.C.)," Thomas said. "It makes a \$500 contribution in Columbia pale in comparison; the lobbyist influence in Congress is tremendous," Thomas said.

Thomas said if elected he will introduce legislation that would prohibit members of Congress from receiving special interest PAC contributions while serving on a committee.

Thomas said PACs, which channel contributions from employees of businesses and indus-

tries or special interest groups, can be justified, but members of Congress must remove any conflicts of interest that may arise.

He said since PACs were implemented in campaign reform laws in the 1970s, the record shows that 95 percent of the donations go to incumbents.

Thomas did not directly refer to Democratic U.S. Rep. Liz Patterson in his statement.

However, Mrs. Patterson, a Spartanburg Democrat, was criticized by Republicans during her last campaign for accepting money from PACs tied to financial institutions while serving on the House Banking Committee.



Sen. David Thomas

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front page
TUESDAY, FEBRUAR

Patterson challenged to refund contributions

Thomas urges lawmaker to return \$70,000 from PACs

By Joannie Faris
News staff writer

Fourth District congressional candidate state Sen. David Thomas challenged incumbent U.S. Rep. Liz Patterson on Monday to pay back \$70,000 in campaign contributions that she received from groups with an interest in banking legislation.

Mrs. Patterson, a Democrat who is a member of the House Banking Committee, couldn't be reached to comment Monday. A fund-raiser was held for Mrs. Patterson on Monday night in Greenville.

Thomas, a Republican, said Monday that Mrs. Patterson might avoid the appearance of a conflict of interest by resigning from the banking committee and asking for another committee assignment.

The contributions she received from banking-related political action committees were made between January 1988 and August 1988, according to data compiled in 1988-89 by Washington-based Citizens against PACs.

Thomas pledged that, if elected on the Republican ticket, he would accept no campaign contributions from any special interest group that comes before a congressional committee on which he served.

Should he be assigned to a committee relating to a political action committee that contributed to his campaign, Thomas said he would reimburse the money.

He called on Mrs. Patterson to

See Money, Page 2C

Continued from Page 1C

Money

to the state.

"Ultimately, the problem is the excessive influence," Thomas said. "Two hundred dollars doesn't lure my head, to tell you the truth, but if I get \$10,000, I'd be beholden to that group."

Two hundred dollars is the normal PAC contribution on the state level, he said.

Thomas said during a press conference that his challenge is a response to a letter issued recently by Common Cause of South Carolina, a campaign finance reform organization.

The letter charged that Mrs. Patterson had failed to sufficiently distance herself from potential conflicts of interest related to her seat on the banking committee and her family's bank holdings.

Common Cause suggested that Mrs. Patterson refuse to accept campaign contributions from political action committees with interests in banking.

Common Cause also recommended that she not vote on legislation that could affect the bank of Pelmetto Beach of Laurens, in which she has family ties.

In an earlier statement issued through her district office, Mrs.

"closed thinking" of elected officials.

Thomas said he would probably speak between 3:30 p.m. and 5:30 p.m. in his bid for Mrs. Patterson's congressional seat.

Within 30 days, Thomas said he would propose legislation to reform state and federal campaign laws.

"As a candidate for Congress, I have been appointed in my trip to Washington of the massive influence of lobbyists and their special interests," he said. "To run in favor of politicians they will be the students of dollars and electorates."

And in a recent interview, Mrs. Patterson said the complaint to Common Cause was investigated by the Republican Party.

Thomas said he would accept PAC contributions to his own campaign, but he would object to taking money that he said could potentially "cloud the issues" and

Patterson responded to Common Cause's report. "I was pleased to see that Common Cause found no evidence of a conflict of interest in my representation of the 4th District."

"I share Common Cause's concern about the potential for conflicts of interest."

And in a recent interview, Mrs. Patterson said the complaint to Common Cause was investigated by the Republican Party.

Thomas said he would accept PAC contributions to his own campaign, but he would object to taking money that he said could potentially "cloud the issues" and

State abortion regulations don't need to be modified

To the editor:

A recent advertisement published in The Greenville News continued to perpetuate the myth that third trimester abortions are a common occurrence in South Carolina. That is simply not the case. According to DHEC, 99.4 percent of the abortions performed in 1988 (186 latest figures available) were performed within the first 12 weeks.

The current South Carolina Code restricts abortions in several ways: 1) Any abortion after the first trimester must be performed in a hospital, and 2) abortions in the third trimester can only be performed with the consent of the husband and if ten physicians certify that it is necessary to save the life or health of the mother. (In the case of a threat to the mental health of the mother three physicians, one of whom must be a psychiatrist, are required to approve the procedure.)

Any physician who violates these standards would be in violation of state law as well as liable for disciplinary action by the State Board of Medical Examiners. According to the records of the state board, there have been no public disciplinary actions issued against a physician with respect to the performance of an abortion since 1978.

Since fewer than 1 percent of abortions are performed in the second or third trimester, the existing laws are adequately regulating when and how abortions are performed in the state. South Carolina has abortion regulations which are much more stringent than those of other states. There is no need to modify these laws.

- Baby Moseley
Greenville



Sen. David Thomas announces his candidacy for Fourth District race. He said he'll stress incumbent U.S. Rep. Liz Patterson's 'liberal' record.

Thomas officially enters 4th District race

By Toby Moore and Anne Perry

News staff writers

State Sen. David Thomas had underlined his last sentence in his prepared speech for emphasis: "My biggest task in this campaign is to show the voters that our congresswoman is a consistent liberal except when she thinks they may be watching."

With that, the 38-year-old Republican from Fountain Inn officially entered the ring Wednesday as the first challenger in next year's 4th District congressional race.

In appearances at federal buildings in Greenville, Spartanburg and Union, Thomas said the

present two-term Democrat Rep. Liz Patterson as a liberal in a conservative's clothing.

"Liberal Liz has cloaked her true leftist stance and has tried to appear as a conservative. The truth is, she's not only a liberal, she is very liberal," Thomas said. "Why are you such a left-wing liberal, Liz?"

Mrs. Patterson said Wednesday the Republicans again are avoiding issues in favor of "negative rhetoric."

"My basic reaction is, 'Here we go again, the Republicans and their typical negative, mud-slinging, Lee Atwater-style campaign,'" Mrs. Patterson said. "I regret it."

Her election in 1986 against

Greenville Mayor Bill Workman and her re-election in 1988 show that her constituents support her voting record, she said.

As Thomas made his announcement in Greenville, he was surrounded by local Republican officials and family members. In Spartanburg, Thomas emphasized family connections with the area and said he plans to use the same strategy there as he does in Greenville and Union counties.

"Spartanburg is the Thomas family home. ... It won't be a matter of how much we are going to lose Spartanburg, we'll win Spartanburg," Thomas said. Thomas said his great grandfather had a farm in the Glendale area.

Thomas' campaign manager, Charles Lang, said Thomas "will contest every inch of the 4th Congressional District."

Dr. Don Aise, a Furman University political science professor and a veteran analyst of 4th District races, said Thomas would have to overcome a relatively small base of support, a reputation as a far-right politician and the advantages of Mrs. Patterson's incumbency if he should face her in the general election.

"I really think they've had a rough time getting someone to run," Aise said. "Thomas is a logical choice, but he's not a particularly strong one."

See Thomas, Page 4C

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Thomas says he's running against Patterson

(Continued from Page 1C)

White said he has personal reasons to consider before deciding if he will seek the congressional seat again.

Charles Lang, serving as Thomas' temporary campaign manager, analyzed Thomas' chances of winning as "excellent. ... look what he did to Gale Crawford."

Thomas easily won last year over Mrs. Crawford, a former County Councilwoman, in a Republican primary for state Senate District 8, where Thomas is serving his second four-year term.

Lang, who served as former County Councilman Skip Goldsmith's campaign manager in 1986 against Democrat Sally Crumley, said an analysis of the Thomas-Crawford race shows Thomas has strong support of urban and rural voters, which has been lacking in congressional campaigns run for White and Greenville Mayor Bill Workman.

Lang said he would serve as Thomas' campaign manager until a fulltime manager came aboard.

Democratic leaders welcomed Thomas' announcement and said if he turns out to be the Republican candidate, Mrs. Patterson will beat him.

"I think it's good news for Liz Patterson," said Frank Holleman, chairman of the state Democratic Party. "Thomas' announcement says the Republicans have abandoned moderate conservatives for a far right-wing candidate, and it shows they cannot come up with a strong candidate."

"I think Thomas' announcement is a concern for the moderate conservatives in the Republican Party," Holleman said.

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NEWS
GREENVILLE, S. C.

AUG 31 89

Thomas

Continued from Page 1C

Thomas, who said he hopes to spend about \$500,000, will have trouble raising that kind of money. Aise predicted. The national Republican Party and the local Republican establishment might be more reluctant to chip in this year, he said.

State Democratic Chairman Frank Holleman said he welcomed Thomas' entry into the campaign. "I think it's good news for Liz Patterson. David Thomas represents the far right-wing extreme, and his candidacy indicates the Republicans are abandoning the moderate middle ground to Liz," Holleman said.

"His candidacy reflects that they could not find a strong candidate."

Thomas, a former Greenville city councilman, is undefeated in

five elections and has gained a reputation as a hard-working campaigner.

When word of his decision to run leaked out Tuesday, there was speculation in both camps that Thomas was seeking to force the hand of the 1988 Republican nominee, Greenville City Councilman Knox White.

Thomas said Wednesday he started early because the GOP faces an incumbent, not to scare anyone out of the race. "I don't think we have any Republicans in Greenville County who scare, period," Thomas said.

White said Tuesday he hasn't decided whether he will run again.

Barry Wynn, state GOP chairman, said his party is lucky to

have Thomas and possibly White as candidates. "I think Knox is certainly a candidate until he says he's not," Wynn said.

He also said it will be an expensive race. "Incumbents have such a huge advantage about raising money and free mail and that type of thing," he said. "So you have to raise a great deal of money to offset that, unfortunately."

Thomas, a printer, listed his work in the state Senate on conservation issues and "pro-family" legislation as issues on which he will campaign. "And, of course, I'll always be for a limited government that does not overly impose itself on the individual and for a strong military defense," Thomas said.

"If you look at my record, I've been a conservative but a progressive conservative."

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Upstate^{3/6} senator to run against Rep. Patterson

By CLARK SURRETT
Senior Writer

Republican State Sen. David Thomas surprised much of the state's political community Wednesday by announcing he will run for Congress in the 4th District.

The Upstate district is the one Gov. Carroll Campbell represented in Congress for eight years, and the Republicans have been smarting since 1986 when they lost to Democrat Elizabeth J. Patterson after Campbell ran for governor.

Thomas, whose second term in the state Senate ends in 1992, attacked Rep. Patterson as having a liberal voting record and said she deceived voters in the district, made up of Greenville, Spartanburg and Union counties.

"Liberal Liz has cloaked her true leftist stance and has tried to appear as a conservative," Thomas, 39, said

at a news conference. "The truth is, she is not only a liberal, she is very liberal."

Thomas, a printer, described himself as a progressive conservative. He said he would emphasize the environment and pro-family legislation in his campaign. In the Senate, he has pushed for greater restrictions on beachfront development and limits on teaching sex education in public schools.

"I'll be a leader in pro-family legislation, especially as it deals with education and child care," he said.

Republican National Chairman Lee Atwater said earlier this year that the district would be a prime target if the Republicans could find the right candidate.

Atwater said through a spokesman Wednesday that it was too early to talk about specific candidates in the 4th District because others may



Sen. David Thomas

still get into the race. But Tony Denny, executive director of the S.C. Republican Party, said Republicans are "excited about David Thomas."

See Thomas, 3-B

Thomas

From 1-B

Thomas has won elections to the state Senate and Greenville City Council, but state Democratic Chairman Frank Holleman said Thomas would be out of his league against Rep. Patterson.

"I think this is good news for Liz Patterson," Holleman said. "He represents the far right wing of the Republican Party. He's abandoning the moderate voter to Liz Patterson. David Thomas doesn't appeal to the mainstream voter."

Denny disputes that. In every election Thomas has won, Denny said, he's run as strong among the country club set as in the Bible club precincts.

Thomas' Senate district in Greenville County includes Bob Jones University, the Christian fundamentalist school. Holleman says that's the heart of Thomas' appeal.

Holleman also said Republicans seem to have settled on a candidate who has nothing to lose. Thomas' Senate term runs until 1992, and even if he lost next year's congressional race, he would keep his Senate seat.

Thomas has expressed an interest off and on for several years in running for Congress, but he was saying just a few days ago that he had no plans to run.

Denny said he found out only Tuesday night that Thomas was planning Wednesday announcements. But Denny said, "He does things his own way."

STATE

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316 - 473 Republicans change their 4th District strategy

By Dan Hoover

Chief capital correspondent

COLUMBIA — South Carolina Republicans have shifted gears in the wake of a recent Democratic Party gaffe that angered many black Democratic loyalists.

If the new tactic has any impact, it most likely will be in next year's 4th District congressional election.

Blacks have provided Spartanburg Democrat Liz Patterson with 24 to 25 percent of her votes in 1986 and 1988 when she won

with 52 percent majorities.

Statewide, Republicans hope they can win over enough blacks to give them a more realistic shot at ousting Democratic Lt. Gov. Nick Theodore and winning more legislative races.

Instead of wooing blacks to the GOP lock, stock, and barrel, the new approach is predicated on ticket-splitting.

"We're certainly discussing that...and asking them to consider it," Barry Wynn of Spartanburg, the state Republican Party chairman, said.



Thomas



Patterson

Mrs. Patterson dismissed the issue as speculative. "I don't think any group of individuals should be used for a political ploy

and that sounds like what the Republicans are doing."

The approach is a variation on the much ballyhooed Republican outreach program whose stated aim is shifting blacks' six decades of Democratic allegiance back to the GOP.

Wynn said it is based on an assumption that state Sen. Theo Mitchell of Greenville, a black lawyer, will be the Democratic nominee against Republican Gov. Carroll Campbell.

"Realistically, when we're talking to groups (of black Demo-

cratic activists) we're telling them that we understand that they have to vote for Theo, but split their tickets and send the Democrats a message."

Wynn said that in view of Campbell's strength, "there's not a whole lot of risk in that effort...and after what happened... we can form common bonds, irrespective of the governor's race."

The Republican leader referred to published statements by Henry "Hap" Connors, execu-

See GOP, Page 7A

GOP

Continued from Page 1A

utive director of the state Democratic Party, that raised questions about Mitchell's candidacy.

Connors said that much of the party's establishment was not happy with Mitchell as the lone candidate not just because he's black, but over the "baggage" from a 1982 federal indictment and mistrial in a food stamp fraud case.

Connors later apologized and the party's leaders disassociated themselves from the remarks, but many black political activists were angered.

While terming Connors' remarks out of order, Mrs. Patterson said she planned no special fence-mending efforts, although blacks have accounted for one of every four of her winning votes while comprising only 13 and 14 percent of those who voted.

For Republicans, the move appears to be part of a win-win situation:

If Mitchell loses the Democratic primary to a white challenger recruited by the party's establishment, the GOP gains from any blacks who opt to switch in the general election and from those who sit it out.

If Mitchell is the nominee, Republicans could gain from defections of moderate and conservative white Democrats who don't like his liberal ideology as well as from any ticket-splitting blacks angry over establishment disdain for Mitchell's candidacy.

The tactic evolved quickly, much like ever hopeful third cousins racing to the will-reading, and the GOP's coordination may have been less than total.

Dick Greer of Mauldin, who will again be chairman of Campbell's campaign committee, was only mildly approving at best.

"I don't agree (with a premise)

that a very large segment would be better off not voting for Carroll Campbell. For those people who are going to vote for Theo, I agree it would help, but it's not the kind of thing you'd want to spend a lot of time and effort on."

Wynn said the 4th District is the most likely point of impact for black disaffection.

"There's no question that Liz Patterson owes ... the black vote because they provided her the margin of victory in both elections."

She won Campbell's old seat in 1986 over Greenville Mayor Bill Workman by taking 52.03 percent of the vote with a 5,224-ballot margin out of the 128,526 cast. Nonwhite voters numbered 18,939 with officials estimating about 90 percent of them going Democratic.

Two years later, against Greenville City Councilman Knox White Jr., the outcome was similar. Mrs. Patterson had a 7,475-vote margin, or 52.16 percent of the

172,935 votes with minorities accounting for 23,975, state Election Commission reports showed. White has not ruled out another run next year.

Any tactic that splits blacks from Mrs. Patterson could be effective in view of the district's voting patterns, said Dr. William Gibson, the national chairman and state president of the National Association for the Advancement of Colored People.

But, Gibson said, a more likely scenario would be one in which blacks sit out the general election if Mitchell is defeated in the June primary.

"There's a probability that would happen," he said, especially if black voters perceive Mitchell to have been treated unfairly by the party.

Furman University political scientist Donald Aiesi doubts that Wynn's ticket-splitting ploy will work, especially if state Sen. David Thomas of Greenville is Mrs. Patterson's opponent.

"Yes, the leadership might say to send a message, but not in that race," Aiesi said, because Thomas is too closely associated with a conservative philosophy that doesn't embrace government-sponsored social programs important to blacks.

But, with a Mitchell primary defeat, "obviously blacks are going to stay home and ... it's going to hurt (Democratic candidates) across the board."

At least one black political operative, Kevin Alexander Grey, state director of Jesse Jackson's Rainbow Coalition, has said the Democratic Party should be punished for ignoring Mitchell.

He suggested that Mitchell run as an independent, thus denying other Democratic candidates blacks' straight-ticket voting.

William DeLoach of Columbia, first vice chairman of the Democratic Party, said, "In a tight race, every vote counts, so there could be (an impact)" if the GOP overtures take hold.

Carroll
1115 HILLSDALE
RALEIGH, NC 27603
TEL. (919) 833-2079

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GREENVILLE, S. C.
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JAN - 3 90

316-473 Thomas unsure of support from White backers

By Robert Behre
Piedmont staff reporter

Republican 4th Congressional District candidate David Thomas said Tuesday he hopes to raise about as much money as Republican Knox White did in 1988, but said he is unsure how much support he will receive from White's former backers.

White, a Greenville City councilman who lost to incumbent Democratic Rep. Liz Patterson in the 1988 4th District race, announced Tuesday he won't enter the race again this year.

White's decision currently makes Thomas the lone Republican to announce for the Congressional seat. Thomas, a state senator from Fountain Inn, said he hopes it stays that way.

"Anybody can enter in, of course, but I certainly hope there's not a primary," he said.

Thomas announced his bid for the seat in August, but said he would have stepped aside if White had decided to try again. Both White and Thomas said avoiding a primary was of primary concern to Republicans, partly because of the expense.

"My main concern was that we (Republicans) did not have a situation where we had two strong contenders running. Any divisiveness would have cost the seat — it's more important than the money," Thomas said.

White said he made his decision not to run in September, and the main reasons were that another race would have taken away too much time away from his family and law practice.

"I knew from my own experience that to run against an incumbent would take a full year of campaigning, and I just wasn't able to get away from my job to afford to do that. Also, I'm expected my second child early in the year. Those two together made me decide not to run."

When asked what campaign advice he had for Thomas, White responded, "Start early."

However, Thomas said Tuesday his first fund-raiser, to be held by Greenville businessman Dick Greer, has been pushed back by more than a month and is now set for March. Thomas said he likely will call supporters, mail information and pick some members of his campaign staff.

Thomas said he announced in August to inform Mrs. Patterson she would face opposition, but added, "I'm almost a reluctant candidate. In a sense, I'm not as prepared as I could be if I had planned this out two years ago."

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1116 PELLEDORO
RALEIGH, NC 27603
TEL. (919) 833-3078

HERALD JOURNAL
SPARTANBURG, S. C.
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AUG 30 89

State senator gunning for Congress

By ERIC SMITH
Herald Staff Writer

Sen. David Thomas of Greenville is expected to announce his candidacy for the Republican nomination for the 4th Congressional District seat today.

Upstate Republicans said Thomas will hold news conferences today in Greenville, Spartanburg and Union to announce his candidacy. If he wins the Republican nomination, he will oppose Rep. Liz Patterson, D-Spartanburg, who is expected to seek a third term in Congress.

Thomas could not be reached for comment last night.

Thomas will make an official announcement tomorrow, said Jerry Dubose, 4th Congressional District GOP chairman.

"He will make an excellent candidate. He's a conservative who has broad-based support," he said, adding that Thomas can appeal to all the GOP's factions and has good name recognition.

The area in Greenville, which is

thought of as the country club area — they have voted for him five times overwhelmingly. And the area that is thought of as a more religious, new Republican-type area — they have voted for him," Dubose said.

Knox White, the Republican candidate who was defeated by Mrs. Patterson last year, said he has not decided whether he will run again.

Thomas has told him he will run, he said. "I knew all along there would be other names to come along, and there may even be more. I'm sticking to my time schedule, and his plans have no effect on them," White said.

He will make his decision by the end of the year, he said.

Ted Adams, who was defeated by White in last year's GOP primary, said he also has not decided whether he will run again.

He said he was surprised by Thomas's candidacy. "I had gotten the impression that he was happy with his state Senate seat," he said.

Adams said he thinks of Thomas as an "establishment candidate."

"I am not an establishment candidate, and there are no other people like myself in the ballgame. As long as you have an establishment candidate running, I probably would be an alternative," he said.

State GOP Chairman Barry Wynn of Spartanburg said he has heard that Thomas is definitely running for Congress. "I've known him for a long, long time, but I don't really know him well enough to know what kind of candidate he'll be," Wynn said.

"I would encourage a primary, if it's going to be a positive primary where the loser would support the winner," Wynn said. "I don't know which one of those candidates would do the best job."

Wynn said he believes Mrs. Patterson is vulnerable because her conservative ratings are low.

Mrs. Patterson said she is not surprised by Thomas's candidacy. "I expected all along that the Repub-



FILE PHOTO

Sen. David Thomas
...after GOP nomination

lican Party was searching for a candidate," she said.

She is disappointed that the campaign seems to be starting so soon, she said, pointing out that it is closer to the last election than the coming election.

The GOP is taking a negative attitude in gunning for her, Mrs. Patterson said, and she's afraid the campaign also will be negative. "The

See SENATOR, page B4

SENATOR

Continued from page B1

Republican Party seems to be concerned about removing someone from office," she said.

Privately, some Republicans have said that Thomas's weakness will be raising funds from well-heeled Republicans. "He's never really had to raise a lot of money, and he doesn't socialize with that group," said one active Upstate Republican.

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CLIPPING SERVICE
1115 HILLSBORO
RALEIGH, NC 27603
TEL (919) 832-3076

Greenville

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GREENVILLE, S.C.
#25,000

AUG 30 89

Thomas to seek congressional seat

(Continued from Page 1C)
Party doesn't need a divisive primary," Hudson said.

Hudson said he thinks White was "looking toward the situation like there would be no primary, but with David (Thomas) in the race, he naturally is going to have to change his way of thinking and see if he wants to get involved in another primary for the congressional seat."

White ran in a 1988 primary with airline pilot Ted Adams, who ran unsuccessfully for the Republican 4th District nomination in 1986. Greenville Mayor Bill Workman, who won the GOP nomination in 1986, lost in the November general election to Mrs. Patterson, who is now serving her second term.

Haskins, who has some interest in running for the congressional seat himself, said he would support Thomas if a primary doesn't shape up.

"If Knox (White) or anyone else decide to run for the nomination, I would have to decide which candidate I would support at that time," Haskins said.

Haskins described Thomas as "a hard campaigner," adding, "But so is Mrs. Patterson."

Haskins said if a Republican does not hold the seat in 1992, he may run for it.

Thomas to seek congressional seat

Dale Perry
Greenville political reporter

A Republican state senator who previously served on Greenville City Council is expected to announce his candidacy today for the 4th Congressional District seat, according to Republican party officials.

David Thomas of Fountain Inn, who is serving his second term in the Senate, has told GOP chairman in Greenville and Spartanburg counties he plans to announce his congressional campaign at federal buildings in the

three-county district.

A close political ally and friend of Thomas, state Rep. Terry Haskins, said Thomas informed him of his plans to run for the congressional seat.

Thomas, who could not be reached for comment, has scheduled news conferences today in Greenville at 2 p.m., Spartanburg at 3:30 p.m. and Union at 5 p.m.

Greenville County GOP Chairman Joey Hudson said Thomas told him Tuesday of plans to run for the seat held by Democratic U.S. Rep. Liz Patterson of Spar-

tanburg.

"We have not gotten into the details of his campaign yet, but David Thomas is going to run," Hudson said.

Thomas' pending announcement throws a new twist into the race on the GOP side, party chairmen said, since many Republicans were waiting for a decision by Greenville City Councilman Knox White, who ran unsuccessfully for the seat last year.

"With David Thomas going to run, it makes the situation for

Republicans a little different," said Rosemary Byerly, chairman of the Spartanburg County Republican Party.

Mrs. Byerly said Thomas, a 39-year-old printer, has informed her about his plans to announce for the congressional seat, and she expects him to be "a rather formidable candidate ... he's a tireless campaigner."

Mrs. Byerly and Hudson said they still think there is a possibility that White, a Greenville lawyer, might run again for the GOP nomination in the district, but

White has not confirmed anything with them.

White was not available for comment.

White said earlier he would not make any definite decision until sometime this fall.

Hudson and Mrs. Byerly said if White should decide to run they would not become involved in a primary.

"Of course, if a primary develops I'd not take sides with either candidate, but the Republican

(See THOMAS, Page 2C)



State Sen. David Thomas

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JAN - 3 90

316 17

White Won't Challenge Patterson

GREENVILLE (AP) — City Councilman Knox White says he will not try to unseat 4th District Rep. Liz Patterson and regain the seat for Republicans.

White said he preferred to spend the time with his job as an attorney and preparing for the birth of his second child.

His announcement not to challenge Mrs. Patterson, a two-term Democrat, leaves state Sen. David Thomas alone in the first unchallenged Republican nomination race in six years.

Republicans have placed a high priority on recapturing the seat, which represents conservative areas of Greenville and Spartanburg counties and was once held by Gov. Carroll Campbell.

White was defeated by Mrs. Patterson for the post in 1988 by a margin of 8,268 in the three-county district. She polled 90,815 to 82,547 for White.

"To challenge an incumbent would take a full year of full-time campaigning," he said. "I thought the responsible thing to do for me in 1990 was to go back to making a living and helping my family."

The Whites, who have a 3-year-old daughter, are expecting a second child in the spring.

"That was a decisive consideration," White said. "I really felt like that my wife and family needed me more in 1990 than I needed to run for U.S. Congress."

But he has not ruled out another opportunity race in the future. "I expect to be back again," he said.

White said he had decided by Labor Day last year that he would not run. "The last several months I have been talking to some people who helped me (in 1988) to let them know about my decision before they read it in the paper," White said.

Thomas said he told White in December that he wouldn't run if White decided to run. It was at then that White told him that he wasn't going to run, Thomas said Tuesday.

"I felt it would be an absolutely horrible thing, and probably completely destructive to any possibility for a Republican election, if we had an acrimonious kind of primary or a volatile or difficult primary between two fairly well-known individuals," Thomas said.

"In my mind, I don't have Potomac fear. I'm not dying to go to Washington."

Thomas did take the opportunity to take a jab at Mrs. Patterson.

"I think we need a change in representation because our current representative, I don't think, is properly reflecting the values of this district," he said. "That's my purpose in wanting to run."

Chuck Carr, Mrs. Patterson's press secretary, said today Mrs. Patterson would not comment on potential opponents until there is an official Republican nominee.

90040301117



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 27, 1990

Mr. David L. Thomas
602 Gressette Building
Columbia, South Carolina 29202

RE: MUR 3036

Dear Mr. Thomas:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3036. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

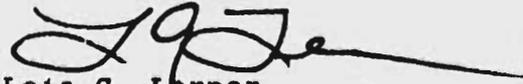
If you have any questions, please contact Elizabeth Campbell the attorney assigned to this matter at (202) 376-8200.

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For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

cc: Mr. David L. Thomas
23 Wade Hampton Blvd.
Greenville, South Carolina 29609

90040301119



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 27, 1990

Mr. Richard M. Bates
Executive Director
Democratic Congressional Campaign Committee
430 South Capitol Street
Washington, DC 20003

RE: MUR 3036

Dear Mr. Bates:

This letter acknowledges receipt on February 22, 1990, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by David L. Thomas. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 3036. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

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NELSON, MULLINS, RILEY & SCARBOROUGH FEDERAL ELECTION COMMISSION

ATTORNEYS AND COUNSELORS AT LAW (A PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS)

RECEIVED FEDERAL ELECTION COMMISSION MAIL ROOM

March 12, 1990

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CLAUDE M. SCARBOROUGH, JR. RICHARD W. RILEY EDWARD W. MULLINS, JR. WILLIAM S. NELSON, II R. BRUCE SHAW JOHN U. BELL, III ROBERT G. CURRIN, JR. WILLIAM S. DAVIES, JR. DONALD H. STUBBS ROBERT M. ERWIN, JR. JAMES C. BLAKELY, JR. RALSTON B. VANZANT, II WILLIAM O. SWEENEY, III STEPHEN G. MORRISON EDWARD E. POLIAKOFF JOHN C. STEWART, JR. BRENTON D. JEFFCOAT SHERYL CUDD SLENIS THORNWELL F. SOWELL JOHN T. MOORE J. CHRISTOPHER HENDERSON GEORGE S. BAILEY JOHN H. CAMPBELL, JR. RICHARD B. WATSON WILLIAM C. HUBBARD

DWIGHT F. DRAKE GEORGE S. WOLFE HENRY S. KNIGHT, JR. KENNETH E. YOUNG JAMES C. GRAY, JR. NINA NELSON SMITH CHARLES R. NORRIS J. DOUGLAS NUNN, JR. RICHARD H. WILLIS JOEL H. SMITH DAVID G. TRAYLOR, JR. MONTEITH R. TODD L. SIDNEY CONNOR, IV ROBERT W. FOSTER, JR. REBECCA LAFFITTE CHARLES RICHARD STEWART BARBARA HOWE MCARTHUR DAVID E. DUKES ARTHUR L. COLEMAN L. WALTER TOLLISON, III JOHN S. EGAN KENNETH ALLAN JANIK STEVEN M. WYNKOOP LISA D. CATT CHRISTOPHER J. DANIELS

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THOMAS J. MORAN G. VANESSA STONER J. CALHOUN WATSON PHILLIP LUKE HUGHES JOHN S. SIMMONS J. MARK JONES JOSEPH M. MELCHERS ROBERT H. BRUNSON KENNETH W. MARRELL LINDA WOHLBRUCK RUNGE GORLIS R. CUMMINGS KAREN HUDSON THOMAS JULIE JEFFORDS-MOOSE NIM S. AYDLETTE STEPHEN R. H. LEWIS JEANNE M. HYSTROM A. MARVIN QUATTLEBAUM, JR. JAMES F. ROBERTS BENJAMIN RUSH SMITH, III AMY C. HENORIX ELIZABETH SCOTT MOISE TERESA E. MCGILLIVRAY BARBARA E. BRUNSON DANIEL J. WESTBROOK JOHN F. KUFFENS

COLUMBIA OFFICES: THIRD FLOOR, KEENAN BUILDING 1330 LADY STREET POST OFFICE BOX 11070 COLUMBIA, SOUTH CAROLINA 29911 (803) 799-8000 TELECOPY (803) 888-7800 - 733-8498

CHARLESTON OFFICES: 174 EAST BAY STREET, SUITE 202 POST OFFICE BOX 1088 CHARLESTON, SOUTH CAROLINA 29408 (803) 783-8148 TELECOPY (803) 782-3448

GREENVILLE OFFICES: TWENTY-FOURTH FLOOR, DANIEL BUILDING 301 NORTH MAIN STREET POST OFFICE BOX 10084 GREENVILLE, SOUTH CAROLINA 29603 (803) 880-8300 TELECOPY (803) 888-2888

LEXINGTON OFFICES: 334 OLD CHAPIN ROAD POST OFFICE BOX 789 LEXINGTON, SOUTH CAROLINA 29078 (803) 733-8484 - 799-8000 TELECOPY (803) 888-7800

MYRTLE BEACH OFFICES: SUITE 8, OAK STREET PLAZA 1708 NORTH OAK STREET POST OFFICE BOX 3939 MYRTLE BEACH, SOUTH CAROLINA 29576-3939 (803) 448-1808 TELECOPY (803) 448-3437

*A PROFESSIONAL ASSOCIATION

EDWARD F. RILEY, SR. EDWARD F. RILEY, JR. WILLIAM L. WANT ROBERT R. WILKINS, JR. ROBERT R. WILKINS, JR. OF COUNSEL

PATRICK HENRY NELSON (888-1814) WM. SHANNON NELSON (888-1838) PATRICK H. NELSON (810-1884) F. BARRON GRIER, JR. (807-1871) EDWARD W. MULLINS, SR. (888-1888)

REPLY TO:

Columbia Office

90 MAR 16 PM 2:08

FEDERAL ELECTION COMMISSION

Mr. Lawrence M. Noble General Counsel Federal Election Commission 999 E. Street, N.W. Washington, DC 20436

RE: MUR 3036

Dear Mr. Noble:

This memorandum is submitted in response to a complaint filed by the Democratic Congressional Campaign Committee ("complainant"), and designated Matter Under Review ("MUR") 3036. For the reasons set forth herein, the Federal Election Commission ("FEC") should find no reason to believe that David L. Thomas ("Thomas") violated any provisions of the Federal Election Campaign Act of 1971, as amended (the "Act").

Complainant alleges that Thomas violated the Act by failing to file as a candidate for federal office, failing to file a Statement of Organization for a political committee authorized to raise and spend funds on behalf of his candidacy, and failing to file timely reports of receipts and disbursements.

I. FACTS

Complainant alleges that Thomas must be in violation of the law because of a statement made and published in the February 16, 1990 edition of the Charleston News and Courier, wherein Thomas stated that he had "roughly \$5,000.00 in the bank". Complainant charges that since Thomas stated he had collected "roughly

90040801121

Mr. Lawrence Noble
March 12, 1990
Page 2

\$5,000.00" in contributions, he was in violation for not filing as a candidate and for not filing reports of receipts and disbursements, as is required of candidates under the law.

Mr. Lawrence M. Noble
March 8, 1990
Page 2

II. LAW

A candidate must file with the Clerk of the House upon receiving contributions or making expenditures in excess of \$5,000.00. 11 CFR, Section 100.3(a). Within 15 days thereafter the candidate must file a Statement of Candidacy. 11 CFR Section 101.1. Within 10 days of designating an authorized committee, a candidate is required to file a Statement of Organization. At 11 CFR Section 100.7(a)(1), a contribution is defined as "(a) gift, subscription, loan, ... advance or deposit of money or anything of value made by any person for the purpose of influencing an election for Federal Office...".

III. DISCUSSION

Thomas did announce his candidacy on August 31, 1989. Thomas did not collect contributions totalling \$5,000.00 or more until February 14, 1990. Prior to February 14, 1990, Thomas had collected only \$4,891.00 in contributions. The 15 days within which Thomas was required to file his Statement of Candidacy did not begin to run until the 14th. Therefore, in order to meet the 15 day requirement, Thomas had to file his Statement of Candidacy by February 29, 1990. Thomas sent both FEC Forms 1 and 2 by certified mail on February 26, 1990 (see attached Exhibit A). Since Thomas was not required to file until February 29th, no reports of receipts and expenditures were required previously. Thomas' first report will be due on April 15, 1990.

IV. CONCLUSION

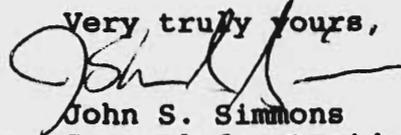
Thomas is not in violation of the Act. He did not claim in the Charleston News and Courier to have collected \$100,000.00 or some other outrageous amount. Further, Thomas was not quoted in the February 16 story as having collected \$5,000.00 more than 15 days prior to February 16, 1990. The complainant, therefore, had no basis for filing their Complaint. The statements in the Charleston News and Courier did not indicate a violation of the law. Further, the underlying facts set forth herein clearly show that no violation occurred.

20040301122

Mr. Lawrence Noble
March 12, 1990
Page 3

For the reasons set forth above, the Commission should find no reason to believe that David L. Thomas has violated any provisions of the Act.

Very truly yours,



John S. Simmons
Counsel for David L. Thomas

JSS:kn

cc: Davis L. Thomas

90040801123

Sworn Statement of David L. Thomas

I, David L. Thomas, swear that the facts recited below are true and to the best of my knowledge, information, and belief:

I announced my candidacy for the House of Representatives for the 4th District of South Carolina on August 31, 1989. I did not raise in excess of \$5,000.00 until February 14, 1990. On February 14, 1990, I exceeded \$5,000.00 in contributions. I have had no other committees operating on my behalf.

On February 16, 1990, I remarked to a reporter from the Charleston News and Courier that I had "roughly \$5,000.00 in the bank". This statement was true. As of February 14th I exceeded \$5,000.00 in contributions. Prior to that date I had collected only \$4,891.00 in contributions.

I was not required to file reports of receipts and disbursements prior to February 14, 1990. Further, I fully intend to comply with this law. Therefore, as is required by law, I will file my first report on April 15, 1990.

David L. Thomas
David L. Thomas

Subscribed and sworn before me this 9 day of March, 1990

J. M. G. J.
Notary Public

My Commission Expires 9/19/92

90040301124

STATEMENT OF DESIGNATION OF COUNSEL

NR 5036

NAME OF COUNSEL: John S. Simmers

ADDRESS: Nelson, Mullis, Kelly & Scarborough
PO Box 11090 - 1330 Lady St 3rd Floor
Columbia, S.C. 29211

TELEPHONE: (803) 799-2000
(803) 933-9404

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

March 5 '90
Date

David L. Thomas
Signature

RESPONDENT'S NAME: David L. Thomas

ADDRESS: 505 South Western St
Providence, Tenn. 37204

HOME PHONE: 862-1033

BUSINESS PHONE: 271-1700

90040301125

FEB 26 1980

STATEMENT OF ORGANIZATION

OFFICE OF SENATE SECRETARY

SEN 882 - 1 IN 9 43

1. NAME OF COMMITTEE OR FUND:
Thomas for Congress
305 South Weston Street
Fountain Inn, South Carolina 29644

2. TYPE OF COMMITTEE OR FUND:
(a) This committee is a principal campaign committee...
(b) This committee is an authorized committee...
(c) This committee supports...
(d) This committee is a...
(e) This committee is a separate segregated fund...
(f) This committee supports... and is NOT a separate segregated fund or a party committee

- 3. TYPE OF CANDIDATE:
(a) This committee is a principal campaign committee...
(b) This committee is an authorized committee...
(c) This committee supports...
(d) This committee is a...
(e) This committee is a separate segregated fund...
(f) This committee supports... and is NOT a separate segregated fund or a party committee

Table with 3 columns: Name of Any Connected Organization or Affiliated Committee, Mailing Address and ZIP Code, Relationship

4. TYPE OF CONNECTED ORGANIZATION:
[] Corporation [] Corporation or Capital Stock [] Labor Organization [] Membership Organization [] Trade Association [] Cooperative

7. Custodian of Records: Identify by name, address (phone number - optional) and position of the person in possession of committee books and records.
Fran T. Thomas, 305 South Weston St., Fountain Inn, SC 29644, Asst. Treasurer

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee, and the name and address of any designated agent (e.g., assistant treasurer).
Michael D. Kelly, P.O. Box 1752, Spartanburg, S.C. 29304, Treasurer
Fran T. Thomas, 305 South Weston St., Fountain Inn, SC 29644, Asst. Treasurer

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, funds accounts, notes, check deposits, or other items.
First Citizens Bank, P.O. Box 3000, Greenville, S.C. 29602

Taxpayer has I have prepared this statement and to the best of my knowledge and belief it is true correct and complete.
TYPE OR PRINT NAME OF TREASURER: Michael D. Kelly
SIGNATURE OF TREASURER: [Signature]

FEB 26 1970

STATEMENT OF CANDIDACY

1970 FORM 1 11 9 43

(a) Name of Candidate for Office

David Lloyd Thomas

(b) Address number and street
305 South Weston Street

(c) City, State and ZIP Code
Fountain Inn, S.C.

(d) Party Affiliation
Republican

DESIGNATION OF PRINCIPAL CAMPAIGN COMMITTEE

6. I hereby designate the following named committee as my Principal Campaign Committee for the

NOTE: This designation should be filed with the appropriate office listed below in terms of Committee for

Thomas for Congress

(a) Address number and street

305 South Weston Street

(c) City, State and ZIP Code

Fountain Inn, S.C. 29644

DESIGNATION OF OTHER AUTHORIZED COMMITTEES

(Including Joint Fundraising Representatives)

7. I hereby authorize the following named committee, which is NOT my principal campaign committee, to receive and expend funds on behalf of my candidacy.

NOTE: This designation should be filed with the principal campaign committee.

(a) Name of Committee for

(b) Address number and street

(c) City, State and ZIP Code

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct, and complete.

Signature of Candidate

David Lloyd Thomas

Date

Feb 26 1970

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of the law.

CANDIDATES FOR THE OFFICE OF:

President elect to:

U.S. Senate elect to:

U.S. House of Representatives elect to:

For further information, contact:

Federal Election Commission
996 E Street, N.W.
Washington, DC 20463

Secretary of the Senate
Office of Public Records
222 Hart Senate Office Bldg.
Washington, DC 20510-7110

Clerk of the House of Representatives
Office of Records and Registration
1038 Longworth Office Bldg.
Washington, DC 20545-0111

Telephone: (202) 455-3400
Toll Free: 800-424-9547
Local: 202-455-3400

FEB 26 1970

OGC 5749



★ DEMOCRATIC
★ CONGRESSIONAL
★ CAMPAIGN COMMITTEE

MUR 3036

Beryl Anthony, Jr., AR
Chairman

March 16, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE
90 MAR 22 PM 1:46

Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear Commissioners:

This letter will supplement our complaint dated February 22, 1990 against David Thomas, a candidate for the United States House of Representatives in South Carolina. In that complaint, we alleged that Mr. Thomas had violated the campaign laws by failing to file a Statement of Candidacy and by failing to file appropriate financial disclosure reports.

Since that time, additional evidence supporting these allegations has come to our attention. In addition, Mr. Thomas has further violated the federal campaign laws by failing to place adequate disclaimers on campaign literature he is circulating.

Attached to this letter are two pieces of campaign literature for Mr. Thomas' campaign. The first is a flyer with Mr. Thomas' picture entitled "State Senator David Thomas for CONGRESS." This flyer was distributed widely by Mr. Thomas at the Union County Fair last October. The flyer clearly advocates his election for Congress; it does not contain any disclaimer as to who authorized or paid for the mailing. The Federal Election Campaign Act, 2 U.S.C. § 441d, requires that any public political advertising which advocates the election or defeat of a clearly identified candidate contain a statement as to who paid for and authorized the communication.

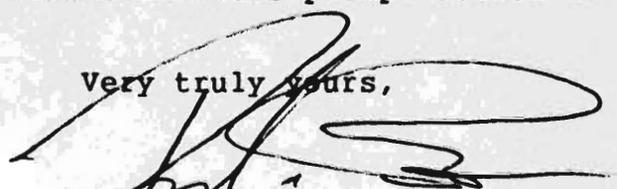
The second attachment is a fundraising solicitation dated February 26, 1990. Once again, there does not appear to be a disclaimer on the mailing.

91040301128

The distribution of these materials also demonstrates conclusively that Mr. Thomas, an announced candidate since the summer of 1989, has been spending money on his campaign.^{1/} Given the length of time since the announcement of his candidacy and the substantial activities undertaken on behalf of that candidacy, it strains credibility that he has not yet received or spent in excess of \$5,000, thereby becoming a candidate.^{2/} Mr. Thomas should not be allowed to circumvent the public disclosure provisions of the statute and continue to keep the public in the dark as to the true nature of his campaign activities.

Please add this information to the original complaint filed. We ask that the Commission take prompt action to correct this situation.

Very truly yours,



Richard M. Bates
Executive Director

^{1/} Complainants have presumed that Mr. Thomas paid for the materials identified in the supplemental complaint out of campaign funds. Mr. Thomas does, however, own a printing company that has in past state elections provided thousands of dollars in free printing for his campaigns. Perhaps the Commission should also investigate whether a prohibited contribution in-kind has been provided.

^{2/} Complainants note that Mr. Thomas apparently filed his Statement of Candidacy on February 26, 1990.

SUBSCRIBED AND SWORN TO BEFORE ME
this 16th day of March, 1990.


Notary Public

My Commission Expires:
SUZANNE ABLES EDWARDS
NOTARY PUBLIC, DISTRICT OF COLUMBIA
My Commission Expires October 31, 1994

90040301129



DAVID L. THOMAS

SOUTH CAROLINA STATE SENATE

SEAT EIGHT - GREENVILLE COUNTY

610 GRESSETTE SENATE OFFICE BUILDING

COLUMBIA, SOUTH CAROLINA 29202

803-734-2891

GREENVILLE ADDRESS

23 WADE HAMPTON BLVD.

GREENVILLE, S.C. 29607

803-271-1706

February 26, 1990

Dear fellow Republican,

You probably know I've announced my intention of running for Congress.

I want to discuss my campaign with you, my reasons for running and the strategy we'll employ in our effort.

In the past 4 years we Republicans have fielded two excellent nominees to fill Carroll Campbell's vacated seat. Why did we lose? Let's recognize that the losses occurred, not by any deficiency in our Republican choices, but because the Democrat has run a heavily financed effort portraying herself as a good conservative.

Of course, you no doubt know that Mrs. Patterson is not a conservative as objectively scored by national rating groups. When Carroll Campbell was our Congressman, he had an 8 year voting average, according to the American Conservative Union, of 90%. Mrs. Patterson has an ACU rating for her 3 years of 37%. Our Democratic member of Congress votes much more like Jim Wright than Carroll Campbell.

Are such voting patterns, then, a good reflection of the 4th Congressional District? Of course not! I believe if the public truly realized how consistently liberal her voting record really is, we'd have a Republican easily elected.

So my determination to run for congress is based on the need to have representation in Congress that reflects the values of our district and I believe the Republican Party is right on target in its Reagan Era approach to America and government.

The Republican Party is for free enterprise, personal initiative and reward for hard work. We don't like a lot of government intervention in our lives and resist new and greater taxes because they stifle initiative (the heart of Reaganomics).

We distrust the welfare state and the relentless trend to a socialistic philosophy exhibited by the National Democratic Party.

Republican insistence on a strong military and assistance to the Afghan Rebels for a willingness to stand up to communism has resulted in a glorious victory in Eastern Europe. Communism is crumbling before our eyes. Its hollow shell is breaking apart and its moral, economic and historic bankruptcy is apparent to all but the liberal left. The peace dividend should be returned to the people as a tax break . . . not more social welfare programs.

The Republican approach to foreign affairs was the right one. The Republican approach to the role of government and individual liberty is also the right one. Eight years of unimpeded economic growth is proof of that!

90040301130

Now, consider with me, what mix can I, David Thomas, bring to bear that will bring on victory rather than defeat in the forth-coming election?

1. Geographically, my State Senate district gives us a considerably larger constituent base than the previous two congressional elections.
2. If I am not contested in a Republican primary, this, too, will be a great help, allowing us to go into the general election united and with all our resources intact for the larger battle with the incumbent.
3. I have enjoyed a good, solid support organization in my two State Senate races and even in city Council races before that. I am confident that many of my supporters of the past will join me in this effort, and many new supporters will join me in the campaign. I hope YOU will be among my supporters, old or new. This support organization will be larger, more efficient, more effective.
4. My father, grandfather, and great-grandfather all had their roots in Spartanburg County. I have some hope of shaking Mrs. Patterson's home base a little. We will not grant her the race in either Spartanburg County or in Union County.

As of right now I'm the only announced candidate for the Republican nomination for Congress. If we can get by without a primary, this too, will help the Republican cause by eliminating strife and obviously save a lot of money. And certainly money is a number one problem--but not insurmountable. Mrs. Patterson is expected to spend over a million dollars for her re-election bid while the Republicans will have half that amount. But as a businessman and fiscal conservative, I believe we can make a dollar stretch.

Here's what I need from you. First, I'd like you to serve on our Thomas for Congress Steering Committee. That's an action, plus advisory group, so if you join up-- be prepared to be called on.

If you can't do that then there are a number of areas where you can help which are listed on the enclosed card. Please fill it out and send it back to me.

Finally, and so very vital is money. I've already mentioned we'll be outspent 2 to 1, so I really need the help of committed Republicans! There's an adage that says, "Put your money where your mouth is." Well, that's blunt, but true. If you talk Republican but don't give to get Republicans elected--obviously, the big special interests will win.

Please donate something. If you can't give \$100 - give \$50. If finances won't let you give \$50 - give \$25. And if you can't give \$25 - I'd appreciate anything . . . \$20, \$15, \$10. Send something as an original contributor and believe me, it won't be forgotten. And I can promise you - every dime will be conscientiously and effectively spent.

Please send back the return card.

Sincerely,

David

David L. Thomas

P.S. *I'm not controlled by any big powerful special interests. I need and ask for your support!*

State Senator David Thomas for CONGRESS



Dear Union County Friend,

Not too far from Union County — in the Glendale area of Spartanburg — my great-grandfather set roots as a farmer. And that's where my grandfather and father were born.

So this whole area means quite a lot to me and you can expect me to work hard for you if I'm elected to Congress.

You see, I sort of think of the voters as "the Boss." Now, I've always voted my conscience and we may on occasion not agree on all issues but I'll listen to you. (And I mean "listen" with an open mind.) Many politicians don't think that way at all — once elected they become rather arrogant, thinking of themselves as king with a kingdom instead of a servant who serves.

I honestly believe that I've maintained that sense of "servanthood." I do love this district and an am honored to work for you — the boss.

As the son of a Baptist minister I've always understood the importance of making decisions based on a sound moral standard. I believe it is vital to stay clear from compromising situations politicians can so easily fall into. It is my plan and desire to commute weekly from Washington to Fountain Inn (my home) just as I have daily commuted from Columbia as a State Senator. This will allow me to keep in touch with you, pursue family ties, and even continue to teach my Sunday School class at Calvary Baptist in Simpsonville.

What am I wanting to do as your Congressman?

I'll be talking a lot about issues this up-coming year, but to start with one glaring need . . . **Repeal the Catastrophic Coverage Act — A ridiculous tax cast upon the shoulders of senior citizens on fixed incomes!**

Our current Congresswoman voted for the act twice and now refused to co-sign on any legislation to repeal this new tax.

But we'll have plenty of time to discuss issues. For now, I look forward to meeting you and your family in the months ahead. Please take a moment to examine my background.

.....

KNOW SENATOR DAVID THOMAS

David Thomas was born in Westminster, SC, the son of Harry Lee and Mary Thomas. David is 40 years old, married to the former Frances Thressia Bauman, and resides in Fountain Inn.

He was educated at the University of North Carolina, B.A. in 1971; M.A. in Philosophy, Texas Christian University; M. Div. from Southwestern Baptist Theological Seminary. David never intended to pastor but desired a theological education for its own sake.

David is President of Copy Cat, Inc. printers of Greenville, a family business founded in 1969. His parents still work with the company.

Senator Thomas grew up with an interest in politics, being an avid student of such conservative writers as William F Buckley. David was first elected to the Greenville City Council in 1979, served as chairman for Reagan in the city of Greenville in 1980, was Mayor-Pro-Tempore of the city of Greenville from 1983 until his election to the Senate in 1984 and re-election in 1988.



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 23, 1990

John S. Simmons, Esq.
Nelson, Mullins, Riley & Scarborough
Keenan Building, Third Floor
1330 Lady St.
P.O. Box 11070
Columbia, SC 29211

RE: MUR 3036
David L. Thomas; Thomas
for Congress and Michael
D. Kelly, as treasurer

Dear Mr. Simmons:

On February 27, 1990, your client, David L. Thomas, was notified that the Federal Election Commission received a complaint from Richard M. Bates, Executive Director of the Democratic Congressional Campaign Committee alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. At that time Mr. Thomas was given a copy of the complaint and informed that a response to the complaint should be submitted within 15 days of receipt of the notification. The Commission received such response on March 16, 1990.

On March 22, 1990, the Commission received additional information from the complainant pertaining to the allegations in the complaint. Enclosed is a copy of this additional information. As this new information is considered an amendment to the original complaint, you are hereby afforded an additional 15 days in which to respond to the allegations.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure

90040301133



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 23, 1990

Mr. Richard M. Bates
Executive Director
Democratic Congressional Campaign Committee
430 South Capitol Street
Washington, D.C. 20003

RE: MUR 3036
David L. Thomas; Thomas
for Congress and Michael
D. Kelly, as treasurer

Dear Mr. Bates:

This letter acknowledges receipt on March 22, 1990, of the supplement to the complaint you filed on February 22, 1990, against David L. Thomas and any committee authorized to make contributions and receive expenditures on behalf of his candidacy. The respondents will be sent copies of the supplement. You will be notified as soon as the Federal Election Commission takes final action on your complaint.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

90040301134

0665961

NELSON, MULLINS, RILEY & SCARBOROUGH
ATTORNEYS AND COUNSELORS AT LAW
THIRD FLOOR, KEENAN BUILDING
1330 LADY STREET
POST OFFICE BOX 11070
COLUMBIA, SOUTH CAROLINA 29211
TELEPHONE (803) 799-2000
TELECOPY (803) 286-7500
(803) 733-9499

John S. Simmons
(803) 733-9404

OTHER OFFICES
CHARLESTON, SOUTH CAROLINA
GREENVILLE, SOUTH CAROLINA
LEXINGTON, SOUTH CAROLINA
MYRTLE BEACH, SOUTH CAROLINA

90 APR 18 AM 12:59
90 APR 18 AM 10:55

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

April 17, 1990

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E. Street, NW
Washington, DC 20436

RE: MUR 3036

Dear Mr. Noble:

This memorandum is submitted in response to the Amended Complaint submitted by the Democratic Congressional Campaign Committee (DCCC), designated Matter Under Review (MUR) 3036, against David L. Thomas ("Thomas").

Thomas again asserts that no provisions of the Federal Election Campaign Act of 1971 (as amended) have been violated. The DCCC alleged in its original complaint that Thomas raised or spent \$5,000 without filing as a candidate. The DCCC included two pieces of campaign material with the Amended Complaint in order to bolster this allegation. With regard to the distribution of "materials" during the Fall of 1989 and Winter of 1990, these are repetitive allegations, previously refuted. Again, Thomas asserts that he filed within the time frame required by law.

The two pieces of campaign material were indeed distributed by Thomas as alleged by the DCCC and included as part of the Amended Complaint. The flyer, entitled "State Senator David L. Thomas for Congress", was distributed in October of 1989. This flyer did not include a disclaimer. It was distributed prior to Thomas' becoming a candidate as defined in 2 U.S.C. Sec. 431. In this section, a candidate is defined as "an individual who seeks nomination for election, or election, to Federal Office, and for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election-

(A) if such individual has received contributions aggregating in excess of \$5,000 or has made expenditures aggregating in excess of \$5,000; (emphasis original).

27040801135

Mr. Lawrence M. Noble
April 17, 1990
Page 2

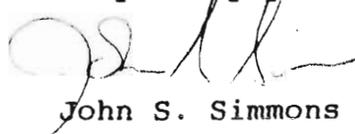
Thomas did not put a disclaimer on this particular letter because he did not believe it necessary. Thomas was not yet a candidate for FEC purposes, as defined at 2 U.S.C. Sec 431. There was no candidacy in October because Thomas had not raised or spent \$5,000. There was no statutory requirement for disclaimers in the flyer because he was not advocating the election of a candidate.

Thomas was a candidate by February 26, 1990. This is the date on the second mailpiece included with the DCCC complaint. The enclosure cards included with each letter contained a printed disclosure. Additionally, each envelope contained a stamped disclaimer under the return address. The letter included in the DCCC Amended Complaint conveniently failed to include these two items for the FEC's review.

Finally, as further explained in the accompanying affidavit, Thomas had volunteers stamp the envelopes and letters with disclaimers. Thomas does not dispute that one of the letters may have inadvertently been missed during the stamping process. However, even if this oversight occurred, the enclosure card and envelope contained the necessary disclaimer. Thomas showed best efforts in attempting to ensure that all the mailings had been stamped with the proper disclaimers. In support of this assertion, please find attached a copy of an opened letter and contents (Exhibit A) and also find enclosed a collection of unopened envelopes which were included in the mailing in question but returned undeliverable (Exhibit B).

For the reasons cited above, Thomas moves that the original and Amended Complaint be dismissed, as there were no violations of the Federal Election Campaign Act (as amended).

Very truly yours,



John S. Simmons

JSS:kn
Enclosures
cc: Senator David L. Thomas

90040301136

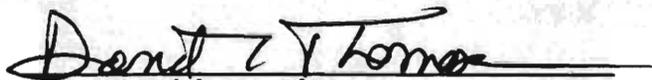
SWORN STATEMENT OF DAVID L. THOMAS

I, David L. Thomas, swear that the facts recited below are true and to the best of my knowledge, information, and belief:

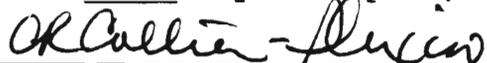
I announced my candidacy for the House of Representatives for the 4th District of South Carolina on August 31, 1989. I did not raise in excess of \$5,000.00 until February 14, 1990. On February 14, 1990, I exceeded \$5,000.00 in contributions. I have had no other committees operating on my behalf.

At the time I distributed the flyer entitled "State Senator David L. Thomas for Congress" in October 1989, I did not believe that a disclaimer was necessary because I was not a candidate as defined by statute.

As regards to the February 26, 1990 letter referenced by the amended DCCC Complaint, I was indeed a candidate. As part of that mailing, a printed enclosure card was included with each letter which contained a printed disclaimer. This card was not supplied to the FEC by the DCCC. In addition, in an abundance of caution to comply with the law, we instructed volunteers to stamp a disclaimer on each letter and envelope. Since the letter supplied by the DCCC did not contain a stamped disclaimer, I can only surmise that this letter was inadvertently missed in the stamping process. Of course, since the DCCC did not include the enclosure card or envelope from this mailing, we cannot see that the mailing actually contained two disclaimers.


David L. Thomas

SWORN to and subscribed before me
this 17th day of April, 1990.


Notary Public of South Carolina

My Commission Expires: 5/20/95

90040301137

066 6224

NELSON, MULLINS, RILEY & SCARBOROUGH

ATTORNEYS AND COUNSELORS AT LAW

THIRD FLOOR, KEENAN BUILDING

1330 LADY STREET

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

TELECOPY (803) 256-7500

(803) 733-9499

OTHER OFFICES:

CHARLESTON, SOUTH CAROLINA

GREENVILLE, SOUTH CAROLINA

LEXINGTON, SOUTH CAROLINA

MYRTLE BEACH, SOUTH CAROLINA

John S. Simmons
(803) 733-9404

May 8, 1990

Elizabeth Campbell, Esquire
Federal Election Commission
999 East Street, NW
Washington, DC 20436

RE: MUR 3036

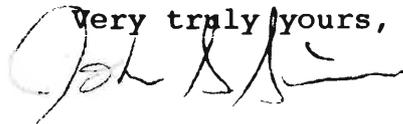
Dear Ms. Campbell:

Please be advised that I will no longer be representing Senator Thomas in the above-referenced matter. I have accepted employment with the U.S. Attorney's Office for the District of South Carolina and will be leaving private practice. I have informed Senator Thomas of this withdrawal and he has advised me that he wishes to handle this matter pro se. Therefore, all notifications and other communications from the Commission should be directed to Senator Thomas, 305 South Weston Street, Fountain Inn, SC 29644.

I enjoyed working with you on this matter and certainly appreciate the professional manner in which you handled the proceedings.

With kind regards, I remain

Very truly yours,



John S. Simmons

JSS:kn

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
MAY 14 1990
90 MAY 14 PM 3:10
COUNSEL

90040601138

90 MAY 14 AM 10:09

Doc 6227

NELSON, MULLINS, RILEY & SCARBOROUGH

ATTORNEYS AND COUNSELORS AT LAW

THIRD FLOOR, KEENAN BUILDING

1330 LADY STREET

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

TELECOPY (803) 256-7500

(803) 733-9499

OTHER OFFICES:

CHARLESTON, SOUTH CAROLINA

GREENVILLE, SOUTH CAROLINA

LEXINGTON, SOUTH CAROLINA

MYRTLE BEACH, SOUTH CAROLINA

John S. Simmons
(803) 733-9404

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF SENATOR THOMAS
COUNSEL

90 MAY 14 PM 3:18

May 9, 1990

Elizabeth Campbell, Esquire
Federal Election Commission
999 E. Street, NW
Washington, DC 20436

RE: MUR 3036

Dear Ms. Campbell:

Enclosed please find a letter to your office prepared by Senator Thomas. I was unclear whether Senator Thomas had forwarded a copy of this letter to your office and I am therefore doing so in an abundance of caution.

As I informed you in my letter dated May 8, 1990, I must withdraw from representation of Senator Thomas in this matter due to the fact that I am leaving private practice. Therefore, I request that any communication or reply to the enclosed letter be directed to Senator Thomas at 305 South Weston Street, Fountain Inn, SC 29644.

Thank you for your assistance in this matter.

With kind regards, I remain

Very truly yours,



John S. Simmons

JSS:kn
Enclosure
cc: Senator David L. Thomas

90 MAY 14 AM 10:07

20040601139

Rec'd 5/9/90

DAVID L. THOMAS
SENATOR, GREENVILLE COUNTY
SENATORIAL DISTRICT NO. 8

GREENVILLE ADDRESS:
23 WADE HAMPTON BLVD.
GREENVILLE, SC 29609



COMMITTEES:
CORRECTIONS AND PENOLOGY
GENERAL
JUDICIARY
MEDICAL AFFAIRS
TRANSPORTATION

SENATE ADDRESS:
SUITE 403
GRESBETTE SENATE OFFICE BUILDING
COLUMBIA, S.C. 29202
803-734-2879

Federal Election Commission

Thank you for allowing me to clarify the question of money raised by my now aborted Congressional race.

One issue was the question of possible in kind money by Copy Cat Inc. which might have gone toward expenditures which would have put me over \$5,000 before I filed for office.

Well, the answer to that is that all printing (see my expenditures) were billed by the Copy Cat and paid by the campaign. (NO IN KIND.)

Next you asked why we did not list the dates for the first number of contributions. The answer to that is that I did not keep the dates recorded until my tally reached \$5000 as that was the amount that triggered me officially becoming a candidate. That check was from a Roger Milliken which I was hand delivered on February 14, 1990.

At that point I knew I had 10 days to deposit the money and then had to file within 15 days.

At least the above was how I thought it was to be done. Thank you for your consideration.

Sincerely,

David L. Thomas

90040301140

OGC 6406

NELSON, MULLINS, RILEY & SCARBOROUGH

ATTORNEYS AND COUNSELORS AT LAW

THIRD FLOOR, KEENAN BUILDING

1330 LADY STREET

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

TELECOPY (803) 286-7500

(803) 733-9499

OTHER OFFICES:

CHARLESTON, SOUTH CAROLINA

GREENVILLE, SOUTH CAROLINA

LEXINGTON, SOUTH CAROLINA

MYRTLE BEACH, SOUTH CAROLINA

John S. Simmons
(803) 733-9404

90 JUN -4 PM 1:25

FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL

May 8, 1990

Elizabeth Campbell, Esquire
Federal Election Commission
999 East Street, NW
Washington, DC 20436

RE: MUR 3036

Dear Ms. Campbell:

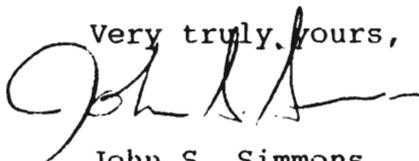
In response to your request for additional information in this matter, Senator Thomas will provide the Commission with an amendment to his April Quarterly Schedule A, setting forth his explanation of the omission of dates for the initial contributions. In particular, Senator Thomas will attempt to provide the Commission with the specific date involving a check from Mr. Roger Milliken, totalling \$900. It is Senator Thomas' position that this particular check placed him over the \$5000 contribution mark and triggered the Commission's reporting requirements.

In addition, Senator Thomas would like to inform the Commission that all services performed by Kopy Kat Printing Company were paid for in full and were reported as debts on his Schedule B. If the Commission so desires, Senator Thomas will provide a copy of the paid invoice.

Finally, by way of separate letter, I will be informing the Commission of my withdrawal as counsel for Senator Thomas. I will be leaving private practice in the near future and will be unable to continue my representation. It is my understanding that Senator Thomas will handle this matter pro se until its completion.

With kind regards, I remain

Very truly yours,



John S. Simmons

JSS:kn

cc: Senator David L. Thomas

90040301141

90 AUG 15 AM 11:41

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR 3036
DATE COMPLAINT RECEIVED
BY OGC: 2-22-90
DATE OF NOTIFICATION TO
RESPONDENTS: 2-27-90
STAFF MEMBER: Elizabeth Campbell

COMPLAINANTS:

Richard M. Bates
Executive Director
Democratic Congressional
Campaign Committee

RESPONDENTS:

David L. Thomas

Thomas for Congress and
David L. Thomas, as
treasurer

RELEVANT STATUTES:

2 U.S.C. § 431(2)
2 U.S.C. § 432(c)
2 U.S.C. § 432(e)(1)
2 U.S.C. § 433(a)
2 U.S.C. § 434(a)(2)
2 U.S.C. § 441b
2 U.S.C. § 441d
11 C.F.R. § 100.3(a)
11 C.F.R. § 100.7(b)(1)
11 C.F.R. § 100.8(b)(1)
11 C.F.R. § 101.1(a)
11 C.F.R. § 102.1(a)
11 C.F.R. § 102.9(a)
11 C.F.R. § 102.12
11 C.F.R. § 104.5(a)
11 C.F.R. § 110.11(a)(1)

INTERNAL REPORTS CHECKED:

Public Record

FEDERAL AGENCIES CHECKED:

None

I. GENERATION OF MATTER

On February 22, 1990, Richard M. Bates, Executive Director
of the Democratic Congressional Campaign Committee ("the

90040301142

Complainant") filed a complaint alleging that South Carolina State Senator David L. Thomas and "any political committee authorized to receive contributions and make expenditures on behalf of his candidacy for the United States House of Representatives in the Fourth District of South Carolina¹" ("the Respondents") violated provisions of the Federal Election Campaign Act of 1974, as amended ("the Act"), for failing to register as a candidate for federal office and designate a principal campaign committee, failing to file a Statement of Organization for a political committee authorized to raise and spend funds on behalf of Thomas's candidacy, and failure to timely file reports of receipts and disbursements for this committee. The complaint was circulated to the Commission on February 26, 1990.

The Complainant filed an amendment to the complaint on March 22, 1990, alleging that the respondents also violated 2 U.S.C. § 441d by failing to include a disclaimer in solicitation letters and flyers advocating Thomas's candidacy. The amended complaint was circulated to the Commission on March 27, 1990.

1. This Office sent a letter to Thomas on February 27, 1990, notifying him of the complaint filed against him. At that time, Thomas's Statement of Candidacy designating a principal campaign committee had not been received by the Office of the Clerk of the U.S. House of Representatives. Thomas had sent his Statement of Candidacy on February 26, 1990 by certified mail to the U.S. House of Representatives. On that same date, his designated principal campaign committee, Thomas for Congress, sent a Statement of Organization by certified mail. Both of these documents were received by the Clerk's office on March 1, 1990.

This Office also calls to the Commission's attention that on April 5, 1990, counsel for Thomas notified this Office that Thomas had dropped out of the race for Congress. The Thomas for Congress committee filed its termination report on July 19, 1990.

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II. FACTUAL AND LEGAL ANALYSIS

A. Determining when Thomas became a federal candidate

A "candidate" is defined under the Act as an individual who seeks nomination for election, or election, to federal office. 2 U.S.C. § 431(2). An individual becomes a candidate for federal office, and thus triggers the registration and reporting requirements under the Act, when such individual or another person on his behalf has received contributions or made expenditures in excess of \$5,000.00. 2 U.S.C. § 431(2) and 11 C.F.R. § 100.3(a). An individual who meets this threshold for candidacy must designate a principal campaign committee within fifteen days either by filing a Statement of Candidacy or a letter containing the same information (i.e., the individual's name and address, party affiliation and office sought, the District and State in which federal office is sought, and the name and address of his principal campaign committee). 2 U.S.C. § 432(e)(1); 11 C.F.R. §§ 101.1(a) and 102.12. The designated committee shall file a Statement of Organization within ten days after being designated as the principal campaign committee. 2 U.S.C. § 433(a); 11 C.F.R. § 102.1(a). The treasurer of the principal campaign committee must file periodic reports of receipts and disbursements. 2 U.S.C. § 434(a)(2); 11 C.F.R. § 104.5(a).

There is an exception to the \$5,000.00 threshold triggering candidacy under the Act known as "testing the waters." According to Commission regulations, the terms "contribution" and "expenditure" do not include funds received or payments made

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solely for the purpose of determining whether an individual should become a candidate. 11 C.F.R. §§ 100.7(b)(1) and 100.8(b)(1). Only funds permissible under the Act may be used for "testing the waters," and once the individual becomes a candidate, all contributions and expenditures made during the "testing the waters" period must be reported with the first report filed by the principal campaign committee, regardless of the date the funds were received or payments made. 11 C.F.R. §§ 100.7(b)(1) and 100.8(b)(1).

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The "testing the waters" exemption does not apply, however, to campaign activities undertaken once an individual decides to become a candidate. 11 C.F.R. §§ 100.7(b)(1)(ii) and 100.8(b)(1)(ii). Under Commission regulations, if an individual makes or authorizes written or oral statements that refer to him as a candidate for federal office, such statements can be construed as activity that indicates such individual has decided to become a candidate. 11 C.F.R. §§ 100.7(b)(1)(ii)(C) and 100.8(b)(1)(ii)(C). On August 31, 1989, Thomas announced his candidacy for representative to the U.S. House of Representatives for the 4th district of South Carolina. Therefore, he cannot claim he falls under the "testing the waters" exemption because he has already announced that he is a candidate for federal office. See 11 C.F.R. §§ 100.7(b)(1)(ii)(C) and 100.8(b)(1)(ii)(C).

Although Thomas announced his candidacy on August 31, 1989, he indicated that he did not become a "candidate" as defined by the Act until February 14, 1990. He filed a Statement of

Candidacy, designating Thomas for Congress ("the Committee") as his principal campaign committee on March 1, 1990. The Committee filed a Statement of Organization on that same date. In order to determine whether Thomas and the Committee violated the Act, we must determine whether Thomas became a "candidate" prior to February 14, 1990. See 2 U.S.C. § 431(2).

According to newspaper articles submitted along with the complaint, as of February 16, 1990, Thomas stated that he had approximately \$5,000.00 in the bank, and had received pledges for an additional \$30,000.00 in contributions. Charleston News and Courier, Feb. 16, 1990, p. 1-B. Prior to January 8, 1980, the Act defined contribution to include "a written contract, promise, or agreement whether or not legally enforceable, to make a contribution." However, the 1979 amendments to the Federal Election Campaign Act repealed that portion of the contribution definition so that a "pledge" is not considered a contribution under the Act. See AO 1985-29. But given the amount of time that has passed since Thomas announced his candidacy on August 31, 1989, the complainant asserts that it seems unlikely that Thomas neither received contributions nor made expenditures in excess of \$5,000.00 before February 1990. On the other hand, another newspaper article submitted along with the complaint says that Thomas's first fundraiser was not scheduled until some time in March. Piedmont, Jan. 3, 1990. And other articles discuss the Republican party's concern that Thomas has not yet raised much money. See Spartanburg Herald Journal, Feb. 22, 1990, p. B1; Charleston News and Courier, Feb. 16, 1990, p. 1-B.

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The first report filed by the Committee was the 1990 April quarterly report. This report disclosed that Thomas raised \$12,487 by the time the April quarterly report was filed. However, it appears that Thomas did not reach the \$5,000 threshold until February 14, 1990, when he received a \$900 contribution from Roger Milliken. The amended April quarterly report contains itemized contributions totaling \$4,201 for which there are no dates. The report also shows \$3,386 in unitemized contributions; however, only \$590 of this amount are undated contributions.² Therefore, the maximum Thomas received before February 14 was \$4,791. All of the other contributions were received after February 14, 1990.

The contribution which put Thomas over the \$5,000 threshold was received on February 14, 1990. Pursuant to 2 U.S.C. § 432(e)(1), Thomas had fifteen days in which to designate a principal campaign committee. Because Thomas's Statement of Candidacy designating Thomas for Congress as his principal campaign committee, was received on March 1, 1990, there is no reason to believe that the Thomas violated 2 U.S.C. § 432(e)(1). In addition, because a Statement of Organization for Thomas for Congress was received on March 1, 1990, there is no reason to believe that Thomas for Congress and its treasurer violated

2. The \$3,386 in unitemized contributions were itemized in the original April quarterly report filed by the Committee. After RFAIs from RAD concerning other issues, the Committee filed an amended quarterly report and did not itemize the contributions of \$200 or less. However, because these contributions were itemized in the original April report, this Office was able to conclude that only \$590 of the unitemized contributions are undated.

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2 U.S.C. § 433(a). Also, because Thomas did not become a candidate until February 14, 1990, the first report the Committee was required to file was the April quarterly, which it filed on April 18, 1990. Therefore, there is no reason to believe that the Committee violated 2 U.S.C. § 434(a)(2).

As noted above, the Committee's first report, the April quarterly, contained \$4,791 in contributions for which there were no dates because Thomas did not record the date he received contributions until he reached the \$5,000 threshold. However, when an individual becomes a candidate, all funds received prior to his becoming a candidate must be reported pursuant to 2 U.S.C. § 432(c). Pursuant to 2 U.S.C. § 432(c), the treasurer of a political committee must keep track of all contributions received by using any reasonable accounting method. See also 11 C.F.R. § 102.9(a). For contributions in excess of \$50, the treasurer must keep an account of the amount of the contributions, date of receipt, and the donor's name and address. For contributions aggregating over \$200, the treasurer must also keep track of the donor's occupations and employer. For contributions less than \$50, there is no specific recordkeeping procedure, but in Advisory Opinion 1980-99, the Commission stated that "the regulations at section 102.9(a) do state that an account [of all contributions received] shall be kept by any reasonable accounting procedure," and suggested two possible accounting methods which would satisfy the recordkeeping requirement for

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contributions under \$50.³ See also Advisory Opinion 1981-48.

A candidate who receives a contribution for use in connection with his election campaign is considered, for purposes of the Act, as having received the contribution as an agent of his committee. 2 U.S.C. § 432(e)(2). Since the funds received by an individual prior to his becoming a candidate must be reported by the individual after candidate status is attained, such individual should keep accurate records of all such funds received. See Explanation & Justification for 11 C.F.R. § 101.3, p. 126. Because the Thomas and the Committee failed to provide receipt dates for all of the contributions it received, this Office recommends that the Commission find reason to believe that David L. Thomas violated 11 C.F.R. § 101.3, and that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 432(c). However, because the amount involved is relatively small and did not put Thomas over the \$5,000 threshold triggering candidate status, and because Thomas is no longer a candidate for federal office, this Office recommends that the Commission take no further action.

B. 2 U.S.C. § 441d -- Disclaimer Issue

The Complainant alleges that two pieces of campaign material

3. The two methods suggested by the Commission in AO 1980-99 are as follows: (1) using the same method as required for contributions over \$50, by keeping an account of the name, address, amount and date of contributions; or (2) recording the name of the event, the date(s) contributions were received for that event, and the total amount of contributions received on each day for that event.

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were distributed by Thomas without the required disclaimer in violation of 2 U.S.C. § 441d. Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by the candidate, an authorized political committee of a candidate, or its agent, must clearly state that the communication has been paid for by such authorized political committee. 2 U.S.C. § 441d(a)(1). A disclaimer must be presented in a clear and conspicuous manner, to give the reader adequate notice of the identity of the persons who paid for and who authorized the communication, but such person is not required to place the disclaimer on the front face or page of any such material, as long as a disclaimer appears within the communication, except on communications such as billboards, that contain only a front face. 11 C.F.R. § 110.11(a)(1).

The Committee sent out a mailing dated February 26, 1990 soliciting contributions for Thomas's campaign for Congress. In the amended complaint, the Complainant included a copy of the letter, which did not contain a disclaimer, and maintained that it was a violation of 2 U.S.C. § 441d. In response, Thomas said that before the mailing was sent out, volunteers stamped the top of the first page of each letter with a stamp that said "Paid for by Thomas for Congress." The volunteers also stamped the disclaimer on the outside of each envelope under the return

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address. In addition, each letter contained a reply card with a disclaimer printed on the card which said: "Paid for by 'Thomas for Congress' Committee. Contributions for political campaigns are not tax deductible for Federal Income Tax purposes."

Thomas provided this Office with eleven unopened letters from the February 26, 1990 mailing which were returned for insufficient addresses. These letters are on file in this Office's docket room. See Attachment 2, pp. 8-11 for sample. All eleven letters have a disclaimer stamped on the first page of the letter and on the outside of the envelope. All eleven letters also included a reply card with a disclaimer printed on them.

The eleven unopened letters provided by Thomas indicate that the February 26, 1990 mailing did contain a disclaimer. Thomas said that since the letter supplied by the Complainant in the amended complaint did not contain a stamped disclaimer on the front page, he can only surmise that this letter was inadvertently missed in the stamping process. But he pointed out that the Complainant failed to provide a copy of the envelope the letter came in and further, did not indicate whether a reply card was included with the letter. Given the eleven unopened letters, it appears that the letter probably did come with a reply card containing a printed disclaimer and probably also came in an envelope with a stamped disclaimer. And since a disclaimer is not required to be on the front face or page of any direct mail material, a disclaimer on the reply card appears to be sufficient. See 11 C.F.R. § 110.11(a)(1).

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The second piece of campaign literature at issue is a flyer distributed by Thomas in October 1989. The flyer advocates the election of Thomas to the U.S. House of Representatives, but does not include a disclaimer. However, at the time the flyers were distributed, Thomas did not meet the definition of "candidate" pursuant to 2 U.S.C. § 431(2), since he had not met the \$5,000 threshold. The cost of the flyers was \$130. It follows, then, that the flyers were not required to carry a disclaimer pursuant to 2 U.S.C. § 441d since the material did not expressly advocate the election or defeat of a clearly identified "candidate." Further, because the flyers did not solicit any contributions, there appears to be no basis for a 2 U.S.C. § 441d violation.

Therefore, this Office recommends that the Commission find no reason to believe that the Respondents violated 2 U.S.C. § 441d.

C. 2 U.S.C. § 441b

The final issue raised in the amended complaint is whether Thomas's Committee received any prohibited in-kind contributions from Thomas's printing company, Copy Cat, Inc. Copy Cat, Inc., is a corporation owned and operated by Thomas's family. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any candidate for federal office or political committee to knowingly accept any contribution or expenditure from any corporation. The term "contribution or expenditure" as applied to 2 U.S.C. § 441b includes any direct or indirect payment, any services, or anything of value to any candidate or campaign committee, in

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connection with any election to federal office. 2 U.S.C. § 441b(b)(2).

Thomas stated that he did not receive any prohibited in-kind contributions as Copy Cat, Inc. billed his campaign committee for all printing expenses. The April quarterly report disclosed payments to Copy Cat, Inc., totaling \$2,339.31 with a remaining balance of \$2,000 still owed to Copy Cat. The April quarterly was the first report filed by Thomas and covered all activity prior to March 31, 1990. Thus, we cannot ascertain the precise length of time Copy Cat extended credit to the Thomas campaign other than the \$130 for flyers in October 1989 that was billed in February 1990. Thomas's July quarterly report, which was also the Committee's termination report, disclosed the repayment of the \$2,000 debt to Copy Cat on April 20, 1990. The Committee terminated with \$448.83 cash on hand.

Pursuant to 114.10(a), a corporation may extend credit to a candidate or his political committee in connection with a federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to non-political debtors which are of similar risk and size of obligation. The extension of credit by any person for a length of time beyond normal business or trade practice is a contribution, unless the creditor has made a commercially reasonable attempt to collect the debt. 11 C.F.R. § 100.7(a)(4). As noted, although Copy Cat printed up the flyers distributed by Thomas in October 1989, Thomas was not billed for the cost of the flyers until February

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23, 1990. Thomas's committee paid the bill for the flyers on February 26, 1990. Thomas and his Committee appear to have received an extension of credit of \$130 from October 1989 until February 23, 1990, for Copy Cat, Inc.'s printing of the flyers. This Office believes that four months credit is not commercially reasonable, especially in light of the fact that Copy Cat, Inc. is owned by Thomas's family. As noted, portions of the \$2,000 debt to Copy Cat paid off on April 20, 1990 may also represent an extension of credit that is not commercially reasonable.

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Accordingly, Thomas and his Committee received a prohibited corporate contribution from Copy Cat, Inc., in the form of an extension of credit. Therefore, this Office recommends that the Commission find reason to believe that David L. Thomas, Thomas for Congress, and David L. Thomas, as treasurer, violated 2 U.S.C. § 441b(a). However, because the amount of credit extended did not put Thomas over the \$5,000 threshold for candidacy, because of the relatively small amount of money involved, and because the debt to Copy Cat was paid on April 20, this Office recommends that the Commission take no further action.

III. RECOMMENDATIONS

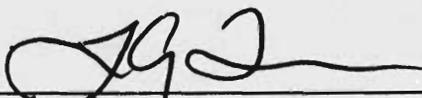
1. Find no reason to believe that David L. Thomas violated 2 U.S.C. § 432(e)(1).
2. Find no reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C §§ 433(a) and 434(a)(2).
3. Find no reason to believe that David L. Thomas, Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 441d.

4. Find reason to believe that David L. Thomas violated 11 C.F.R. § 101.3, but take no further action.
5. Find reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 432(c), but take no further action.
6. Find reason to believe that David L. Thomas, Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 441b(a), but take no further action.
7. Approve the appropriate letter.
8. Close the file.

Lawrence M. Noble
General Counsel

8/13/90
Date _____

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Response to complaint dated 3-12-90
2. Response to amendment to complaint dated 4-17-90
3. Letter dated May 9, 1990

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
David L. Thomas, Thomas for) MUR 3036
Congress and David L. Thomas,)
as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 17, 1990, the Commission decided by a vote of 5-0 to take the following actions in MUR 3036:

1. Find no reason to believe that David L. Thomas violated 2 U.S.C. § 432(e)(1).
2. Find no reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. §§ 433(a) and 434(a)(2).
3. Find no reason to believe that David L. Thomas, Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 441d.
4. Find reason to believe that David L. Thomas violated 11 C.F.R. § 101.3, but take no further action.
5. Find reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 432(c), but take no further action.

(Continued)

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6. Find reason to believe that David L. Thomas, Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. § 441b(a), but take no further action.
7. Approve the letter, as recommended in the General Counsel's Report dated August 13, 1990.
8. Close the file.

Commissioners Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Aikens did not cast a vote.

Attest:

8-20-90
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Wed., August 15, 1990 11:41 a.m.
Circulated to the Commission: Wed., August 15, 1990 4:00 p.m.
Deadline for vote: Fri., August 17, 1990 4:00 p.m.

dr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 24, 1990

CLOSED

David L. Thomas
305 South Weston St.
Fountain Inn, SC 29644

RE: MUR 3036
David L. Thomas;
Thomas for Congress and
David L. Thomas, as
treasurer

Dear Mr. Thomas:

On February 27, 1990, the Federal Election Commission ("the Commission") notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to you at that time. The Commission then received an amendment to that complaint, and forwarded a copy of the amendment to your attorney, John S. Simmons, on March 23, 1990.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission found no reason to believe that you violated 2 U.S.C §§ 432(e)(1) and 441d, and no reason to believe that Thomas for Congress and you, as treasurer, violated 2 U.S.C. §§ 433(a), 434(a)(2), and 441d.

Also on August 17, 1990, the Commission, on August 17, 1990, found reason to believe that you violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 101.3, and reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. §§ 432(c) and 441b(a). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file in this matter. The General Counsel's Report, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that the failure to maintain a record of the date you or your committee received contributions prior to your becoming a candidate appears to be a violation of 2 U.S.C. § 432(c) and 11 C.F.R. § 101.3. Additionally, Copy Cat's extension of credit to you and your campaign committee appears to be a violation of 2 U.S.C. § 441b. Should you again become involved in a federal campaign, you should take steps to insure that this activity does not occur in the future.

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Mr. David L. Thomas
MUR 3036
Page 2

The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

If you have any questions, please direct them to Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 24, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Richard Bates
Executive Director
Democratic Congressional
Campaign Committee
430 South Capitol Street
Washington, D.C. 20003

RE: MUR 3036
David L. Thomas; Thomas
for Congress and David L.
Thomas, as treasurer

Dear Mr. Bates:

This is in reference to the complaint you filed with the Federal Election Commission ("the Commission") on February 22, 1990, concerning David L. Thomas and Thomas for Congress, and the amendment to that complaint which you filed with the Commission on March 22, 1990.

Based on the information provided in your complaint, and information provided by David L. Thomas, on August 17, 1990, the Commission found that there is no reason to believe that David L. Thomas violated 2 U.S.C. §§ 432(e)(1) and 441d, and no reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. §§ 433(a), 434(a)(2), and 441d.

Also on August 17, 1990, the Commission found that there was reason to believe that David L. Thomas violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 101.3, and reason to believe that Thomas for Congress and David L. Thomas, as treasurer, violated 2 U.S.C. §§ 432(c) and 441b(a). However, after considering the circumstances of this matter, the Commission determined to take no further action against David L. Thomas, Thomas for Congress and David L. Thomas, as treasurer, and closed the file in this matter. This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

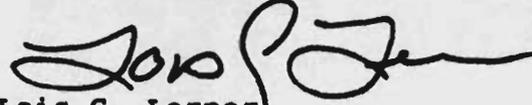
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Mr. Richard Bates
MUR 3036
Page 2

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3036

DATE FILMED 9/13/90 CAMERA NO. 2

CAMERAMAN AS

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