FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20461

THIS IS THE BEGINNING OF MUR # 3574

DATE FILMED 10/28/93 CAMERA NO. 2

CAMERAMAN MC

9304099017 4

OGC 6000

STEVE SYDNESS
United States Senate

July 29, 1992

Joan D. Aikens
Chairperson
Federal Election Commission
999 E. Street, NW
Washington, DC 20463

The Honorable Louis Stokes
Chairman, Committee on Standards of Official Conduct
HT 2 United States Capitol
Washington, DC 20515

Chief Michael J. Shepard
United States Department of Justice
Public Integrity Section/Criminal Division
Tenth Street & Constitution Avenue, NW
Washington, DC 20530

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 AUG -4 PM 3:56

93040990175

Dear Chairperson Aikens, Rep. Stokes, and Mr. Shepard:

This complaint is being filed because Congressman Byron Dorgan is improperly and illegally taking advantage of his status as an incumbent, by using taxpayers' money to supplement his race for the United States Senate. This commingling of official taxpayer money and campaign funds is a violation of both federal law and House rules. Typical of the pattern of House incumbents using their office to perpetuate themselves, this activity must be stopped if the integrity and rules of the House and the conduct of its members are to be upheld.

Specifically, Dorgan has used his official House accounts, funded with taxpayers' dollars, to supplement his campaign. He has done this in a campaign commercial which refers callers to an "800" number. Those answering the "800" number provide the caller with a brochure (see attachment A) which is apparently paid for with taxpayers' money and refers callers to Dorgan's Congressional offices, not his campaign. In other words, the fulfillment to the campaign commercial, is through items paid for with official House funds.

This violates House Rules, federal statutes and campaign finance laws. Your entities must investigate whether this admitted use of official House Offices, employees and resources for campaign purposes violates:

31 U.S.C. Sect. 1301(a), Cited by the Ethics Manual for Members and Employees of the U.S. House of Representatives at p. 29, which tells Members and their

2702 First Avenue North
Post Office Box 9303
Fargo, North Dakota 58106
Phone 701-234-0205 • Fax 701-234-0214
Paid For By Sydness For Senate Committee

staffs that "funds appropriated by the Federal Government are to be used only for the purposes for which appropriated." The House Ethics Manual at 29 also states that "the use of official allowances for other than official purposes, might involve conduct which could subject a Member or an aide to civil litigation under the False Claims Act", 31 U.S.C. Sect. 3729. Thus, this committee must investigate how official funds from the official allowances could be spent by Dorgan on campaign activities.

Congressional Handbook, p.2.1, which states that the official expense allowance is provided from appropriated funds to pay the ordinary and necessary business expenses incurred by the Member and/or his staff in the performance of official duties. Generally, this covers expenses for telephone, mail, office space and equipment, stationery, travel, telecommunications, postage and computer services. It does not include giving out official brochures in response to campaign commercials.

House Rule XLV, which prohibits unofficial office accounts, more commonly known as "slush funds". Since Dorgan's ad shows that House offices are being used for campaign purposes, this committee must investigate whether any campaign funds are being used to supplement the official allowances. If so, "slush funds: would violate Rule XLV. The committee needs to audit Dorgan's office operations for their use of any campaign contributions, private funds or in-kind goods or services to support the activities or expenses of the congressional offices.

2 U.S.C. Sect. 441d(a), which requires a disclaimer on all public communications that advocate a federal candidate's election or defeat or that solicit federal contributions, identifying who paid for the candidate. The first Dorgan brochure failed to carry the proper disclaimer in violation of the Federal Election Campaign Act of 1971 as amended. The initial brochure claimed that the costs were subsidized by the U.S. Government. After some questions were raised about the propriety of using taxpayer funded materials for campaign related activity, the disclaimer was changed to indicate that the brochure was "Paid for by the Friends of Byron Dorgan". This still does not excuse the impermissible use of official funds to supplement incumbent Dorgan's campaign.

Byron Dorgan is employing a campaign strategy that runs counter to the very essence of the Rules of the House and laws governing campaign purposes. It is just such actions that have led the American people to hold Members of Congress in such low esteem. This open, blatant use of taxpayer funds to supplement Dorgan's campaign is an act that makes the House of Representatives a breeding ground for cynicism in America and a haven for hypocrites.

We urge prompt action to correct this situation.

Sincerely,

9304099017 6

9 3 0 4 0 9 9 0 1 7 7

A Proposal To Revitalize Rural America

In recent years, a severe drought and collapsed energy and farm prices have devastated rural America's economy. Many rural states are suffering outmigration of their people, job loss, and poverty.

Main streets are dying; farmers are leaving the family farm. We need to fight for a better farm program, but, we also need to develop new and diversified opportunities in rural America.

Bringing New Economic Opportunity to Rural America

I have developed a proposal, the Rural Development Investment Zone Act (H.R. 1445), co-sponsored by Congressman Fred Grandy (R-IA), which would target federal tax incentives to encourage businesses to bring jobs and opportunities into distressed rural areas.

The "enterprise zone" proposals that have been offered by the President have been targeted only towards urban areas suffering unemployment and economic distress. In rural America, we face the same economic distress that has forced rural workers to migrate to urban centers in search of jobs.

The Rural Development Investment Zone Act would designate certain rural areas as investment zones based on factors specific to rural regions such as outmigration and job loss. We hope to provide employment-related tax incentives to attract new business and retain and build existing businesses within designated investment zones. It's time to make a commitment to rebuild rural America to provide for jobs and opportunity and economic growth in our future.

Byron L. Dorgan

Member of 102nd U.S. Congress

This is a true and correct copy of an original document on file at this office.

Notary

DIANE M. REVELING
NOTARY PUBLIC—MINNESOTA
CLAY COUNTY
My Commission Expires APR. 16, 1995

Dated

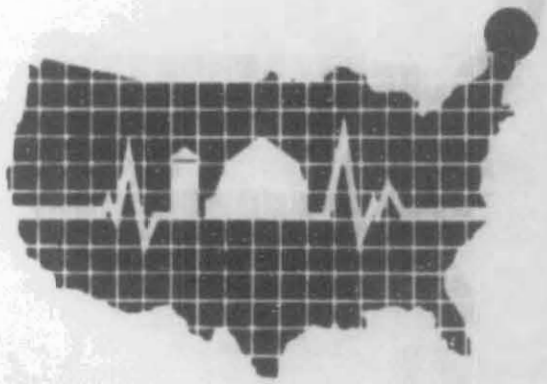
My commission expires 4-16-95

walker printing

Paid for by the Friends of Byron Dorgan

"The Rural Development Investment Zone Act"

(H.R. 1445)



A Plan to Promote Investment and Economic Development in Rural America

By

Byron L. Dorgan
U.S. Congressman

Here's what people are saying about the Dorgan Rural Development Investment Zone Act:

"The (Rural Development Investment Zone Act) proposal is of vital concern to the Heartland because it addresses the urgent need o include rural America in the enterprise-zone legislation."
-Heidi Heitkamp
North Dakota State Tax Commissioner

"Creation of rural enterprise zones as outlined in this proposal will put tax incentives where they can do a great deal of good by stimulating the creation of new businesses in rural America. Those new businesses will keep people in North Dakota."
-Wally Beyer, General Manager
Verendrye Electric Cooperative

"There is no doubt that the health and welfare of our rural communities is one of the most pressing public policy challenges facing our great nation today. I am confident that with the help of those who implement rural economic development programs, we will come forward with a bold and workable program to help rural America."
-U.S. Rep Fred Grandy (R-IA)
Co-sponsor of RDIZ proposal

Here's What the Dorgan RDIZ Bill Does

DESIGNATES ECONOMICALLY DISTRESSED RURAL AREAS AS INVESTMENT ZONES

* Creates up to 100 rural development zones in 12 years
* Targets Federal-State economic help to rural areas
* Uses designation criteria, such as outmigration and job loss, that are characteristic of economically-distressed rural America

PROVIDES TARGETED FEDERAL INCOME TAX INCENTIVES TO BUSINESSES AND EMPLOYERS WHO CREATE NEW JOBS IN DESIGNATED INVESTMENT ZONES

* Ten percent tax credit for depreciable real property placed in service and located in a designated rural zone
* Ten percent tax credit against corporate income taxes for wages paid to qualified employees

FORGES FEDERAL-STATE PARTNERSHIP TO REVITALIZE ECONOMICALLY-DISTRESSED RURAL COMMUNITIES

* Works toward both a Federal and State commitment to rural revitalization
* Enlists both State and Federal governments to provide technical assistance and streamlined government requirements to businesses in investment zones

STATEMENT FROM NATALIE TOEPKE

On July 8, 1992 I went to Congressman Byron Dorgan's office on the 3rd floor of the Federal Building in Bismarck. Upon arriving at the office, I asked his receptionist for a copy of the pamphlet on Rural Development Investment Zones which was advertised in his ads.

After several minutes of looking, I was given the brochure. I have attached a photostatic copy of the brochure which I was handed.

Natalie Toepke — 07/27/92
Natalie Toepke — Date

Richard Mattern — 7/29/92
Witness — Date

Marilyn F. Gessele — 7-28-92
Notary — Date

MARILYN F. GESSELE
Notary Public, BURLEIGH CO., N. DAK.
My Commission Expires APRIL 16, 1997

9304099017 9

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Member of 102nd U.S. Congress

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Notary Public

DIANE M. REVELING
NOTARY PUBLIC—MINNESOTA
CLAY COUNTY
My Commission Expires APR. 16, 1995

Dated 7-20-95

My commission expires 4-16-95

FOR MORE INFORMATION CONTACT CONGRESSMAN BYRON L. DORGAN

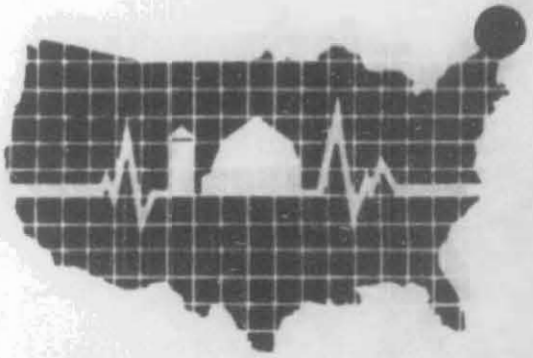
203 Cannon HOB
Washington, D.C. 20515
(202) 225-2611

3rd Floor Federal Bldg.
Bismarck, ND 58501
(701) 250-4618

112 Roberts Street
Fargo, ND 58102
(701) 239-5389

"The Rural Development Investment Zone Act"

(H.R. 1445)



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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 6, 1992

Steve Sydness
2702 First Avenue North
Post Office Box 9303
Fargo, North Dakota 58106

Dear Mr. Sydness:

This is to acknowledge receipt on August 4, 1992, of your letter dated July 29, 1992. The Federal Election Campaign Act of 1971, as amended ("the Act") and Commission Regulations require that the contents of a complaint meet certain specific requirements. One of these requirements is that a complaint be sworn to and signed in the presence of a notary public and notarized. Your letter did not contain a notarization on your signature and was not properly sworn to.

In order to file a legally sufficient complaint, you must swear before a notary that the contents of your complaint are true to the best of your knowledge and the notary must represent as part of the jurat that such swearing occurred. The preferred form is "Subscribed and sworn to before me on this _____ day of _____, 19__." A statement by the notary that the complaint was sworn to and subscribed before him/her also will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

Enclosed is a Commission brochure entitled "Filing a Complaint." I hope this material will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a 15 day time period during which you may file an amended complaint as specified above. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file will be closed.

If you have any questions concerning this matter, please contact me at (202) 219-3410.

Sincerely,

Retha Dixon

Retha Dixon
Docket Chief

Enclosure
cc: Congressman Byron Dorgan

93040990182

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

AUG 7 9 35 AM '92

MUR 3574

August 6, 1992

Joan D. Aikens
Chairperson
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

92 AUG -7 AM 10: 38

Dear Chairperson Aikens,

Based upon the conversation with your office, find amended copy of letter. Please replace letter dated July 29, 1992 with the notarized copy dated August 6, 1992.

Sincerely,

Mark Maddox

93040990183

STEVE SYDNESS
United States Senate

MUR 3574

August 6, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 AUG -7 AM 10: 30

Joan D. Aikens
Chairperson
Federal Election Commission
999 E Street, NW
Washington, DC 20463

The Honorable Louis Stokes
Chairman, Committee on Standards of Official Conduct
HT 2 United States Capitol
Washington, DC 20515

Chief Michael J. Shepard
United States Department of Justice
Public Integrity Section/Criminal Division
Tenth Street & Constitution Avenue, NW
Washington, DC 20530

93040990184

Dear Chairperson Aikens, Rep. Stokes, and Mr. Shepard:

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Phone 701-234-0205 • Fax 701-234-0214
Paid For By Sydness For Senate Committee

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2 U.S.C. Sect. 441d(a), which requires a disclaimer on all public communications that advocate a federal candidate's election or defeat or that solicit federal contributions, identifying who paid for the candidate. The first Dorgan brochure failed to carry the proper disclaimer in violation of the Federal Election Campaign Act of 1971 as amended. The initial brochure claimed that the costs were subsidized by the U.S. Government. After some questions were raised about the propriety of using taxpayer funded materials for campaign related activity, the disclaimer was changed to indicate that the brochure was "Paid for by the Friends of Byron Dorgan". This still does not excuse the impermissible use of official funds to supplement incumbent Dorgan's campaign.

Byron Dorgan is employing a campaign strategy that runs counter to the very essence of the Rules of the House and laws governing campaign purposes. It is just such actions that have led the American people to hold Members of Congress in such low esteem. This open, blatant use of taxpayer funds to supplement Dorgan's campaign is an act that makes the House of Representatives a breeding ground for cynicism in America and a haven for hypocrites.

We urge prompt action to correct this situation.

Sincerely,

Steve Sydness

Subscribed and sworn before me
this 6th day of Aug, 1992

Diane M. Reveling
Notary Public
Clay County, Minnesota
My commission expires 4-16-95

DIANE M. REVELING
NOTARY PUBLIC—MINNESOTA
CLAY COUNTY
My Commission Expires APR. 16, 1995

9304099018 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1992

Steve Sydness
2702 First Avenue North
P.O. Box 9303
Fargo, ND 58106

RE: MUR 3574

Dear Mr. Sydness:

This letter acknowledges receipt on August 7, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Byron Dorgan, Friends of Byron Dorgan, and B. Timothy Durick, as treasurer. 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 3574. 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.

Sincerely,

Jonathan A. Bernstein
Assistant General Counsel

Enclosure
Procedures

9304099018 6

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1992

Friends of Byron Dorgan
B. Timothy Durick, Treasurer
P.O. Box 871
Bismarck, ND 58502

RE: MUR 3574

Dear Mr. Durick:

The Federal Election Commission received a complaint which indicates that Friends of Byron Dorgan ("Committee") and you, as treasurer, 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 3574. 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 the Committee and you, as treasurer, 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.

93040990187

If you have any questions, please contact Richard Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Jonathan A. Bernstein
Assistant General Counsel

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

93040990188

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 11, 1992

Byron Dorgan
2010 N. Xavier Street
No. 211
Bismarck, ND 58501

RE: MUR 3574

Dear Mr. Dorgan:

The Federal Election Commission received a complaint which indicates 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 3574. 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.

93040990189

If you have any questions, please contact Richard Zanfardino, the staff member assigned to this matter, at (202) 219-3690. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Jonathan A. Bernstein
Assistant General Counsel

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

93040990190

United States Congress
House of Representatives

Byron L. Dorgan
North Dakota

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIN COPY ROOM
Nov 30 11 15 AM '92

November 9, 1991

Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

92 NOV 30 PM 4:21

Attention: Jonathan Bernstein, Assistant General Counsel

Re: MUR 3574

Dear Mr. Bernstein:

This constitutes the response of Byron Dorgan to the Complaint filed by Steve Sydness in the above-referenced MUR. Mr. Dorgan is a Member of Congress from North Dakota and is the Democratic candidate for the office of U.S. Senate from North Dakota. His authorized campaign committee is "Friends of Byron Dorgan" (the "Dorgan Committee"). For the reasons set forth below, the Commission should find no reason to believe that the Complaint sets forth any violation of the Federal Election Campaign Act of 1971 as amended ("the Act"); and should dismiss the Complaint and close the file in this matter.

The Complaint charges that the Dorgan Committee ran a commercial inviting voters to call a "1-800" number, and that persons calling that number were then provided with a brochure which, the Complaint alleges, was paid for with "official House funds."

In fact, as explained in the attached Affidavits of Robert Valeu and Lucy Calautti, the Dorgan Committee paid for preparation and publication of all of the brochures which were distributed to persons calling the "1-800" number. Further, all of those brochures carried the disclaimer, "Paid for by the Friends of Byron Dorgan" in full compliance with 2 U.S.C. 441d(a) and 11 C.F.R. 110.11. Indeed, the very copy of the brochure attached to the Complaint, and referred to in the Complaint as a brochure "paid for by taxpayer's money," was in fact paid for by the Dorgan Committee and bears a proper disclaimer to that effect.

Separately, funds from the Congressman's official expense allowance were used to print copies of the brochure distributed by his congressional officers. See attached affidavit of Lucy Calautti. As the affidavits make clear, no official funds were used to pay for any materials distributed by the campaign (including brochures distributed to those calling the "1-800" number). And no campaign funds were used to pay for any materials distributed by the Congressman's offices.

93040990191

P.O. Box 871 • Bismarck, North Dakota 58502
NOT PRINTED AT GOVERNMENT EXPENSE
PAID FOR BY FRIENDS OF BYRON DORGAN

POLITICAL CONTRIBUTIONS ARE NOT TAX-DEDUCTIBLE FOR FEDERAL INCOME TAX PURPOSES.

Given these facts, it is clear that there has been full compliance both with the House Rules and the Act. Enforcement of the House Rules, of course, lies entirely outside the Commission's jurisdiction. In view of the scurrilous and baseless charges in this Complaint, however, we would like to note for the record that use of official resources to provide information about legislation being sponsored by a Member is entirely proper under the House Rules and 31 U.S.C. 1301(a). See e.g., Committee on Standards of Official Conduct, House Ethics Manual at 284, Example 7 (April 1992). Thus it is beyond question that the use of official funds by the Congressman's office, for the printing of brochures about legislation he sponsored, which brochures were then distributed by his congressional office, was altogether legal, ethical and proper.

It is equally clear that the Complaint fails to state any violation of the Act. In its sole reference to the Act, the Complaint charges failure to affix a proper disclaimer in violation of 2 U.S.C. 441d(a). As the attached affidavits confirm, however, all brochures distributed by the campaign were paid for by the Dorgan Committee and all of those brochures carried a disclaimer to that effect in full compliance with 2 U.S.C. 441a(d) and 11 C.F.R. 110.11.

In that regard, we note that the Complaint is accompanied by a "Statement from Natalie Toepke," in which Ms. Toepke claims that she was provided a copy of the brochure at the Congressman's office in Bismarck, North Dakota. Her statement purports to attach the copy of the brochure she was handed, but the only copy attached to the Complaint is the one the Complaint indicates was provided in response to a call to the "1-800" number. That copy was in fact paid for by campaign funds and bears a proper disclaimer to that effect.

Thus, there is no evidence at all that anyone visiting the congressional office was provided a copy of the brochure paid for with campaign funds. But even if that did take place, that would not constitute any violation of the Act, as long as any literature in fact paid for by the campaign bears a proper disclaimer to that effect. The attached affidavits confirm that that was true of every brochure printed by the campaign in this case. The complaint offers no evidence to the contrary.

For these reasons, the Commission should find no reason to believe that the Complaint sets forth any violation of the Federal Election Campaign Act of 1971 as amended ("the Act"); and should dismiss the complaint and close the file in this matter.

Respectfully submitted,

Tim Durick
Treasurer

attachments

93040990192

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
) MUR 3574
Byron Dorgan)
)

AFFIDAVIT OF LUCY CALAUTTI

Lucy Calautti, being duly sworn, deposes and says:

1. I serve as Chief of Staff for U.S. Representative Byron Dorgan (D-North Dakota). I am responsible for the day to day operations and I have personal knowledge of the facts set forth below. I have read the complaint filed by Steve Sydness in this matter.

2. Funds were expended from the Congressman's official expense allowance to print copies of a brochure describing and promoting legislation he had introduced, namely, H.R. 1445, a Rural Development Investment Zone Act. A Copy of the invoice for that printing is attached hereto.

3. Copies of the brochure, the costs of which were paid for from the official expense allowance, were made available to constituents and other interested persons at the Congressman's offices in Washington, D.C., Bismarck, N.D. and Fargo, N.D.

4. To the best of my information, knowledge and belief, no brochures paid for with funds of the Congressman's authorized campaign committee, Friends of Byron Dorgan, have ever been distributed or made available at any of these offices.

5. No official expense allowance funds or other appropriated funds whatsoever have ever been used to prepare or print the copies of this brochure which were distributed by the campaign, or to prepare or print any other materials distributed by the campaign, whether in response to the "1-800" number referred to in the Complaint or otherwise.

Lucy Calautti

Lucy Calautti

Subscribed and sworn to before me this 27 day of November, 1992.

Clara Hashhatter

Notary Public in and for
Burleigh County

My Commission expires: 10-15-96

RECEIVED
FEDERAL ELECTION COMMISSION
92 NOV 30 PM 4:
OFFICE OF GENERAL COUNSEL

93040990193

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
) MUR 3574
Byron Dorgan)
)

AFFIDAVIT OF ROBERT VALEU

Robert Valeu, being duly sworn, deposes and says:

1. I am the campaign director for Friends of Byron Dorgan (hereafter the "Dorgan Committee"), the authorized committee of Byron Dorgan, who is the Democratic candidate for U.S. Senate in North Dakota. I have read the Complaint filed by Steve Sydness in this matter. I have personal knowledge of the facts set forth below.

2. The Dorgan Committee paid for preparation and publication of a number of copies of a brochure entitled "The Rural Development Investment Zone Act." A copy of the invoice for that printing is attached hereto. All copies, preparation and publication costs of which were paid for by the Dorgan Committee, bear the disclaimer: "Paid for by the Friends of Byron Dorgan."

3. The publication attached to the Statement from Natalie Toepke submitted with the Complaint filed in this MUR is a copy of one of the brochures paid for by the Dorgan Committee.

4. The Complaint makes reference to a "1-800" telephone number advertised in commercials run by the Dorgan Committee. The operation of that 1-800 number at all times has been paid for exclusively by the Dorgan Committee. Persons calling that number were sent a copy of one of the above-described brochures paid for by the Dorgan Committee. The Dorgan Committee, including its employees and agents, has not provided to any caller to that 1-800 number or to any other person, any brochure paid for with funds appropriated for Congressman's Dorgan's office in the House of Representatives, by or from his official expense allowance, or from any source whatsoever other than the funds of the Dorgan Committee.

Robert Valeu

Robert Valeu

Subscribed and sworn to before me this 9th day of November, 1992.

Notary Public in and for
Burleigh County North D.

My Commission expires: 1-13-94

92 NOV 30 PM 4:
FEDERAL ELECTION COMMISSION
RECEIVED
OFFICE OF GENERAL COUNSEL

9304099019 4

9 3 0 4 0 9 9 0 1 9 5

UNITED PRINTING INC.

BISMARCK-MANDAN

117 West Front Ave
P.O. Box 936
Bismarck, ND 58504
701-223-0505

INVOICE

INVOICE NO.	001210
INVOICE DATE	07-10-92
SHIPPING DATE	07-10-92
FILE NUMBER	

JOB CODE 112490

SOLD TO:
3604
FRIENDS OF DORGAN
PO BOX 871
BISMARCK ND 58502

SHIP TO:
3604
FRIENDS OF DORGAN
PO BOX 871
BISMARCK ND 58502

1965 25 1990

MAKE IT A GREAT DAY !

YOUR ORDER NO.	SALESPERSON	SHIP VIA	SALES TAX EXEMPT NO.
	DAVID B. BLAIR	REG DELIVERY	

QUANTITY	DESCRIPTION		AMOUNT
5,000	THE RURAL DEVELOPMENT BROCHURE		395.00
395.00	@ 1.000% BISMARCK CITY TAX	3.95	
395.00	@ 5.000% NORTH DAKOTA	19.75	
		SALES TAX	23.70

92 NOV 30 PM 4:21

A service charge of 1½% per month (18% per year) will be charged on all balances outstanding 30 days from invoice date.

REMITTANCE

TOTAL 418.70

SART
7/6/92
(7-8-92)
7/8/92

9 3 0 4 0 9 9 0 1 9 6

A Proposal To Revitalize Rural America

In recent years, a severe drought and collapsed energy and farm prices have devastated rural America's economy. Many rural states are suffering outmigration of their people, job loss, and poverty.

Main streets are dying; farmers are leaving family farm. We need to fight for a better farm program, but, we also need to develop new and diversified opportunities in rural America.

Bringing New Economic Opportunity to Rural America

I have developed a proposal, the Rural Development Investment Zone Act (H.R. 1445), co-sponsored by Congressman Fred Grandy (R-IA), which would target federal tax incentives to encourage businesses to bring jobs and opportunities into distressed rural areas.

The "enterprise zone" proposals that have been offered by the President have been targeted only towards urban areas suffering unemployment and economic distress. In rural America, we face the same onomic distress that has forced rural workers to grate to urban centers in search of jobs.

The Rural Development Investment Zone Act would designate certain rural areas as investment zones based on factors specific to rural regions such as outmigration and job loss. We hope to provide employment-related tax incentives to attract new business and retain and build existing businesses within designated investment zones. It's time to make a commitment to rebuild rural America to provide for jobs and opportunity and economic growth in our future.

Byron L. Dorgan

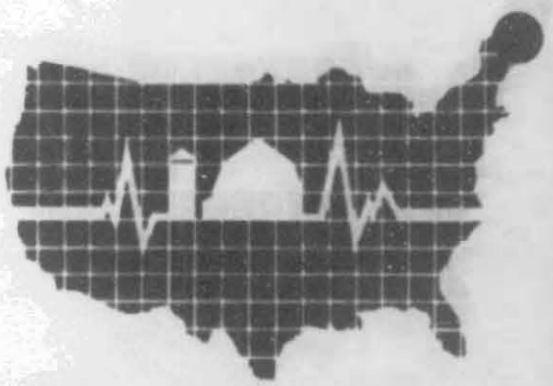
Member of 102nd U.S. Congress

United printing

Paid for by the Friends of Byron Dorgan

"The Rural Development Investment Zone Act"

(H.R. 1445)



A Plan to Promote Investment and Economic Development in Rural America

By

Byron L. Dorgan
U.S. Congressman

Here's what people are saying about the Dorgan Rural Development Investment Zone Act:

"The (Rural Development Investment Zone Act) proposal is of vital concern to the Heartland because it addresses the urgent need to include rural America in the enterprise-zone legislation."
-Heidi Heitkamp
North Dakota State Tax Commissioner

"Creation of rural enterprise zones as outlined in this proposal will put tax incentives where they can do a great deal of good by stimulating the creation of new businesses in rural America. Those new businesses will keep people in North Dakota."
-Wally Beyer, General Manager
Verendrye Electric Cooperative

"There is no doubt that the health and welfare of our rural communities is one of the most pressing public policy challenges facing our great nation today. I am confident that with the help of those who implement rural economic development programs, we will come forward with a bold and workable program to help rural America."
-U.S. Rep Fred Grandy (R-IA)
Co-sponsor of RDIZ proposal

Here's What the Dorgan RDIZ Bill Does

DESIGNATES ECONOMICALLY DISTRESSED RURAL AREAS AS INVESTMENT ZONES

* Creates up to 100 rural development zones in 12 years
* Targets Federal-State economic help to rural areas
* Uses designation criteria, such as outmigration and job loss, that are characteristic of economically-distressed rural America

PROVIDES TARGETED FEDERAL INCOME TAX INCENTIVES TO BUSINESSES AND EMPLOYERS WHO CREATE NEW JOBS IN DESIGNATED INVESTMENT ZONES

* Ten percent tax credit for depreciable real property placed in service and located in a designated rural zone
* Ten percent tax credit against corporate income taxes for wages paid to qualified employees

FORGES FEDERAL-STATE PARTNERSHIP TO REVITALIZE ECONOMICALLY-DISTRESSED RURAL COMMUNITIES

* Works toward both a Federal and State commitment to rural revitalization
* Enlists both State and Federal governments to provide technical assistance and streamlined government requirements to businesses in investment zones

MUR # 3574

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM LOCATIONS.

93040990198

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3574

DATE FILMED 10/28/93 CAMERA NO. 2

CAMERAMAN MC

9304099019 9

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

✓ Microfilm

_____ Public Reds

_____ Press

THE FOLLOWING DOCUMENTATION IS ADDED TO

THE PUBLIC RECORD IN CLOSED MUR 3574.

12/10/93

93043543015

THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS

FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.

2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.

3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.

4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.

5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

93043543016

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1992

Senator Byron Dorgan
2010 N. Xavier Street
No. 211
Bismark, ND 58501

RE: MUR 3574

Dear Senator Dorgan:

On August 11, 1992, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against you. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jose H. Rodriguez
Attorney

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1992

93043543017

MUR 3574
Friends of Byron Dorgan

This complaint filed by opposing candidate Steve Sydness alleged that the Committee failed to provide disclaimers on certain solicitations. The Committee responded that disclaimers were provided for all communications requiring them.

The case had little or no impact on the process and did not involve any significant issues relative to the other issues pending before the Commission or substantial amounts. Moreover, there was no indication of any serious intent by Respondents to violate the Act and Respondents took significant remedial action upon knowledge of the violation.

93043543018

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1993

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Steve Sydness
2702 First Avenue North
P.O. Box 9303
Fargo, ND 58106

RE: MUR 3574

Dear Mr. Sydness:

On August 7, 1992, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Friends of Byron Dorgan and B. Timothy Durick, as treasurer, or Byron Dorgan. See attached narrative. Accordingly, the Commission closed its file in this matter. This matter will become part of the public record within 30 days.

The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

Jose M. Rodriguez
Attorney

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

23043543019

MUR 3574
Friends of Byron Dorgan

This complaint filed by opposing candidate Steve Sydness alleged that the Committee failed to provide disclaimers on certain solicitations. The Committee responded that disclaimers were provided for all communications requiring them.

The case had little or no impact on the process and did not involve any significant issues relative to the other issues pending before the Commission or substantial amounts. Moreover, there was no indication of any serious intent by Respondents to violate the Act and Respondents took significant remedial action upon knowledge of the violation.

93043543020

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

B. Timothy Durick, Treasurer
Friends of Byron Dorgan
P.O. Box 871
Bismark, ND 58502

DEC 10 1993

RE: MUR 3574

Dear Mr. Durick:

On August 11, 1992, the Federal Election Commission notified you of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against Friends of Byron Dorgan and you, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Jose M. Rodriguez
Attorney

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

93043543021

MUR 3574
Friends of Byron Dorgan

This complaint filed by opposing candidate Steve Sydness alleged that the Committee failed to provide disclaimers on certain solicitations. The Committee responded that disclaimers were provided for all communications requiring them.

The case had little or no impact on the process and did not involve any significant issues relative to the other issues pending before the Commission or substantial amounts. Moreover, there was no indication of any serious intent by Respondents to violate the Act and Respondents took significant remedial action upon knowledge of the violation.

93043543022