

Arlen Specter

U.S. Senator
Pennsylvania

May 16, 2001

The Honorable Danny Lee McDonald
Chairman
Federal Election Commission
999 E Street
Washington, DC 20463

AOR 2001-08

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COMMISSION
OFFICE OF GENERAL

Dear Chairman McDonald:

With this letter, I am enclosing my letter to the Senate Select Committee on Ethics dated March 16, 2001 and the Committee's response to me dated May 3, 2001 which specify the facts on which I seek clearance to have Citizens for Arlen Specter give books to CAS contributors.

As you will note, the Senate Ethics Committee wrote on page two:

"The Committee notes, however, that the circumstances of the current proposal are not identical to the circumstances before the FEC in Advisory Opinion 1995-46, so that you should contact the FEC for an opinion pursuant to the FEC's Regulations on personal use of campaign funds at 11 C.F.R.113.1(g)."

Accordingly, I would appreciate the opinion of the Federal Election Commission pursuant to the FEC's Regulations on personal use of campaign funds at 11C.F.R.113.1(g).

Thank you very much for your attention to this request.

Sincerely,


Arlen Specter

AS/ph

By Telefax

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United States Senate

SELECT COMMITTEE ON ETHICS

HART SENATE OFFICE BUILDING, ROOM 220
SECOND AND CONSTITUTION AVENUE, NE.
WASHINGTON, DC 20510-6425
TELEPHONE (202) 224-2981

May 3, 2001

The Honorable Arlen Specter
United States Senate
Washington, D.C. 20510

Dear Senator Specter:

This responds to your March 16, 2001 letter concerning your book.

You inform the Committee that your political and financial support group, Citizens for Arlen Specter (CAS), would like to purchase copies of your book, "Passion for Truth" to give donors who have given \$1,000. All royalties attributable to these books would be given to charity. You have been advised by your publisher that royalties due on sales have now exceeded the advance on royalties previously received from the publisher.

The Committee understands that the books purchased by CAS will only be used for distribution to campaign supporters and will not either be sold or promoted for sale by the campaign. The Committee also understands that the campaign's purchase of the books will be conducted at arm's length, at the bulk rate available as the standard fair market price that publishers under normal industry practice make available to large purchasers under standard conditions (e.g., that the book not be resold through normal book distribution channels and that the author receive no royalties on those copies purchased by the campaign). Furthermore, to the extent not contemplated by the foregoing, and regardless of any contract provision, the Committee understands that copies purchased by the campaign will not be included in any count that increases or escalates the royalty calculation (percentage earned) based on the number of copies sold (regardless of method of sale). The Committee further understands that all uses of the book by your campaign committee will be for the purpose of influencing a Federal election and the quantity purchased will not exceed the number needed for those campaign purposes.

As you know, Senate Rule 38.2 provides that no contribution (as defined in section 301(e) of the Federal Election Campaign Act of 1972) shall be converted to the personal use of any Member or any former Member. The Committee previously has approved an arrangement involving the bulk purchase from a publisher by a Senator's principal campaign committee of a book authored by the Senator. The Federal Election Commission (FEC), also considered the proposed bulk purchase in that case and concluded that it would not constitute a personal use of campaign funds by the Senator and would not result in the Senator's campaign committee receiving an in-kind corporate contribution from the publisher (FEC Advisory Opinion 1995-46,

attached). In that case, however, all royalties from all sales of the book, either to the public or to the campaign, were to be donated to charity.

Under the circumstances you have proposed, where the terms of the proposed bulk sales are usual and customary in the publishing trade, and where neither you nor any member of your family will receive proceeds or any other financial benefit from sales of the book to CAS, the Committee has concluded that the activity would not constitute a personal use under Senate Rule 38.2, and would be consistent with the Senate Code of Official Conduct. The Committee notes, however, that the circumstances of the current proposal are not identical to the circumstances before the FEC in Advisory Opinion 1995-46, so that you should contact the FEC for an opinion pursuant to the FEC's Regulations on personal use of campaign funds at 11 C.F.R.113.1(g).

Thank you for bringing this matter to the Committee's attention.

Sincerely,



Victor Baird
Staff Director
and Chief Counsel

ARLEN SPECTER
PENNSYLVANIA

COMMITTEES:
JUDICIARY
APPROPRIATIONS
VETERANS' AFFAIRS
ENVIRONMENT AND PUBLIC WORKS

United States Senate

WASHINGTON, DC 20510-3802

March 16, 2001

Honorable Pat Roberts
Chairman
Senate Ethics Committee
SH-220
Washington, DC

Dear Senator Roberts:

I would very much appreciate Ethics Committee approval for Citizens for Arlen Specter (CAS), my political and financial support group, to give copies of my book, "Passion for Truth", to donors who have given \$1,000.00 or more.

In order to avoid any possible concern that CAS funds were being used for my personal benefit, I would contribute to charity the royalties attributable to these books. I am advised that royalties due on sales have now exceeded the advance from the publisher.

Thank you very much for your consideration of this request.

Sincerely,



Arlen Specter

AS/ph

cc: Honorable Harry Reid,
Vice Chairman
Senate Ethics Committee