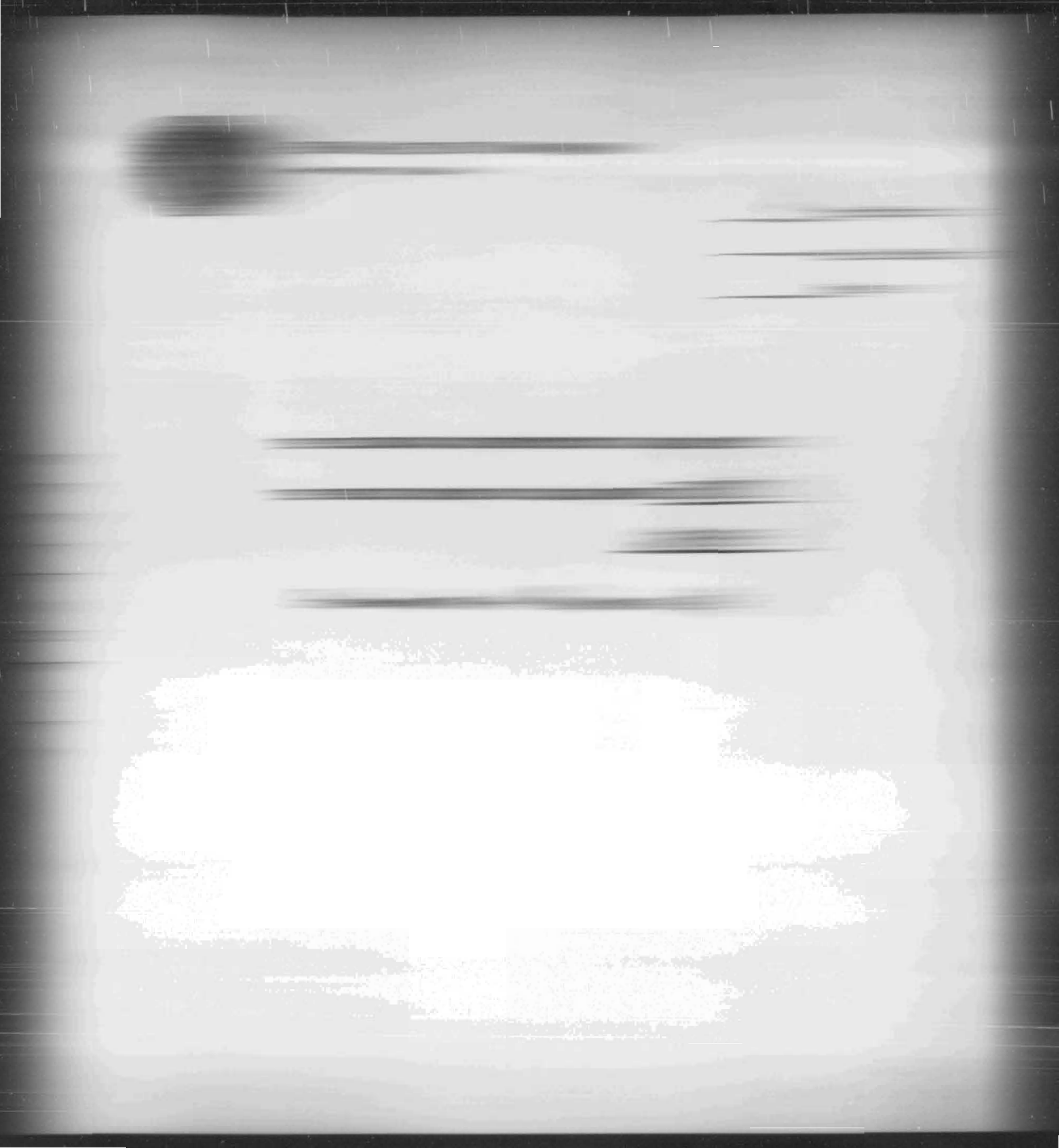

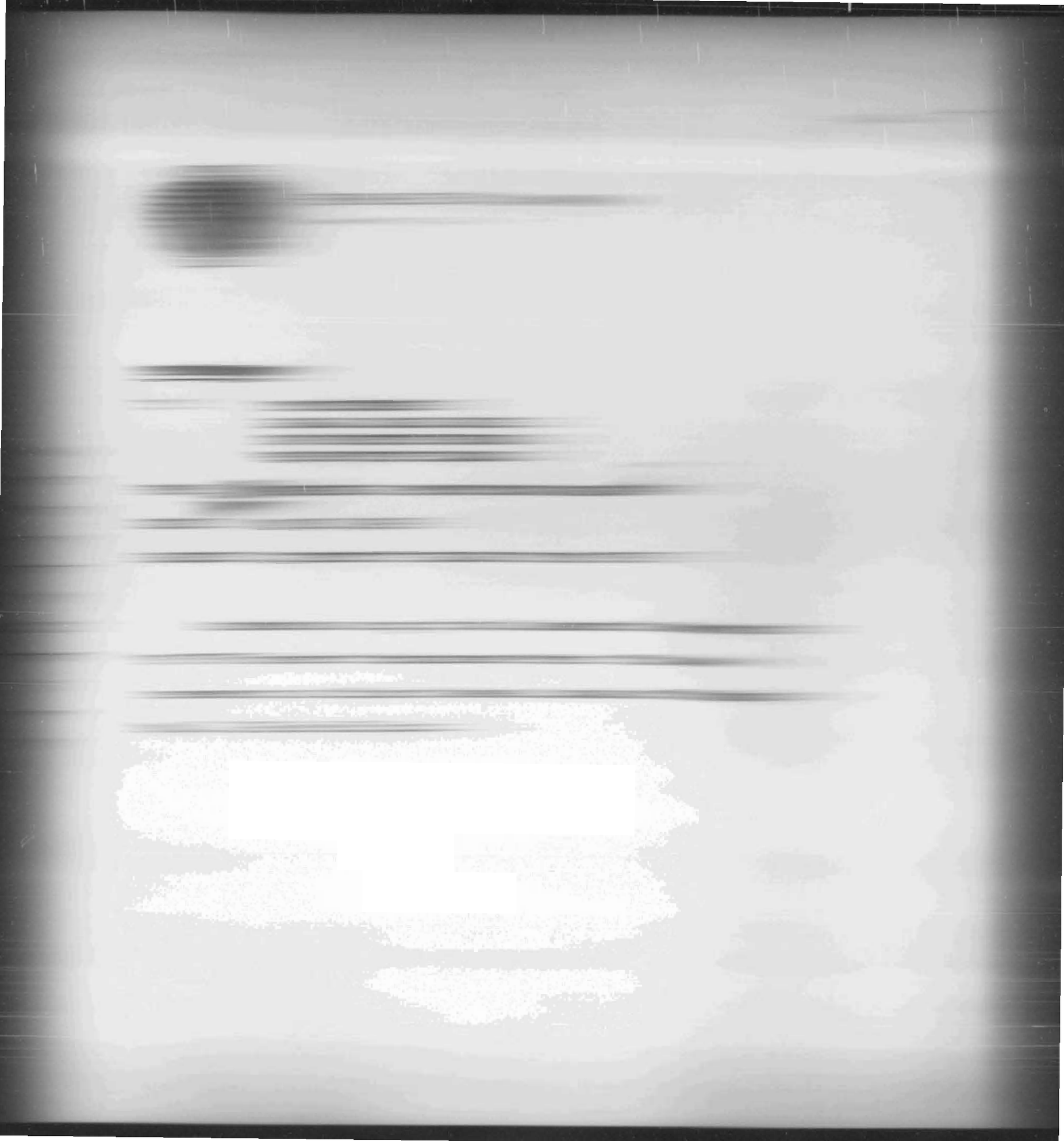

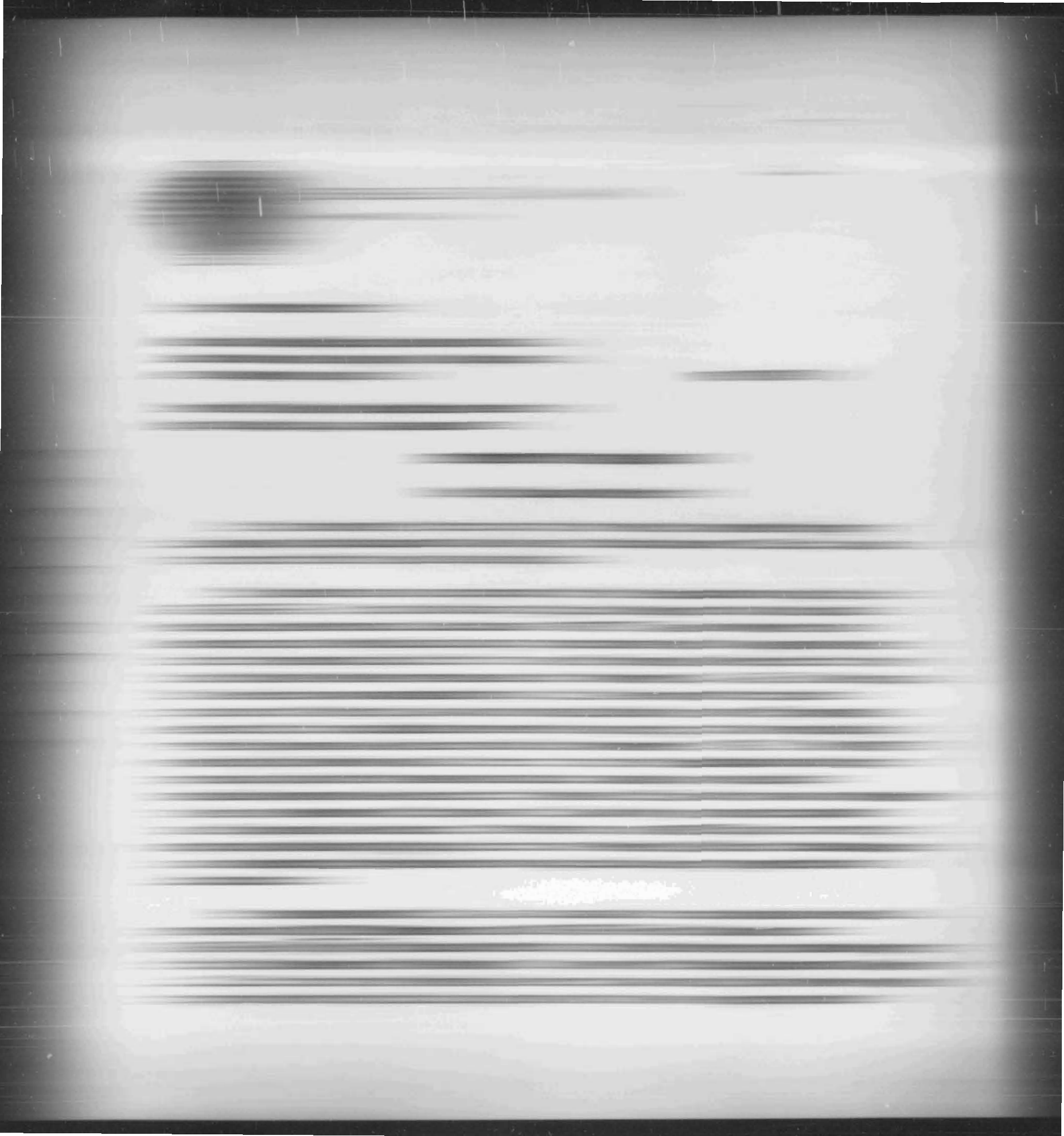

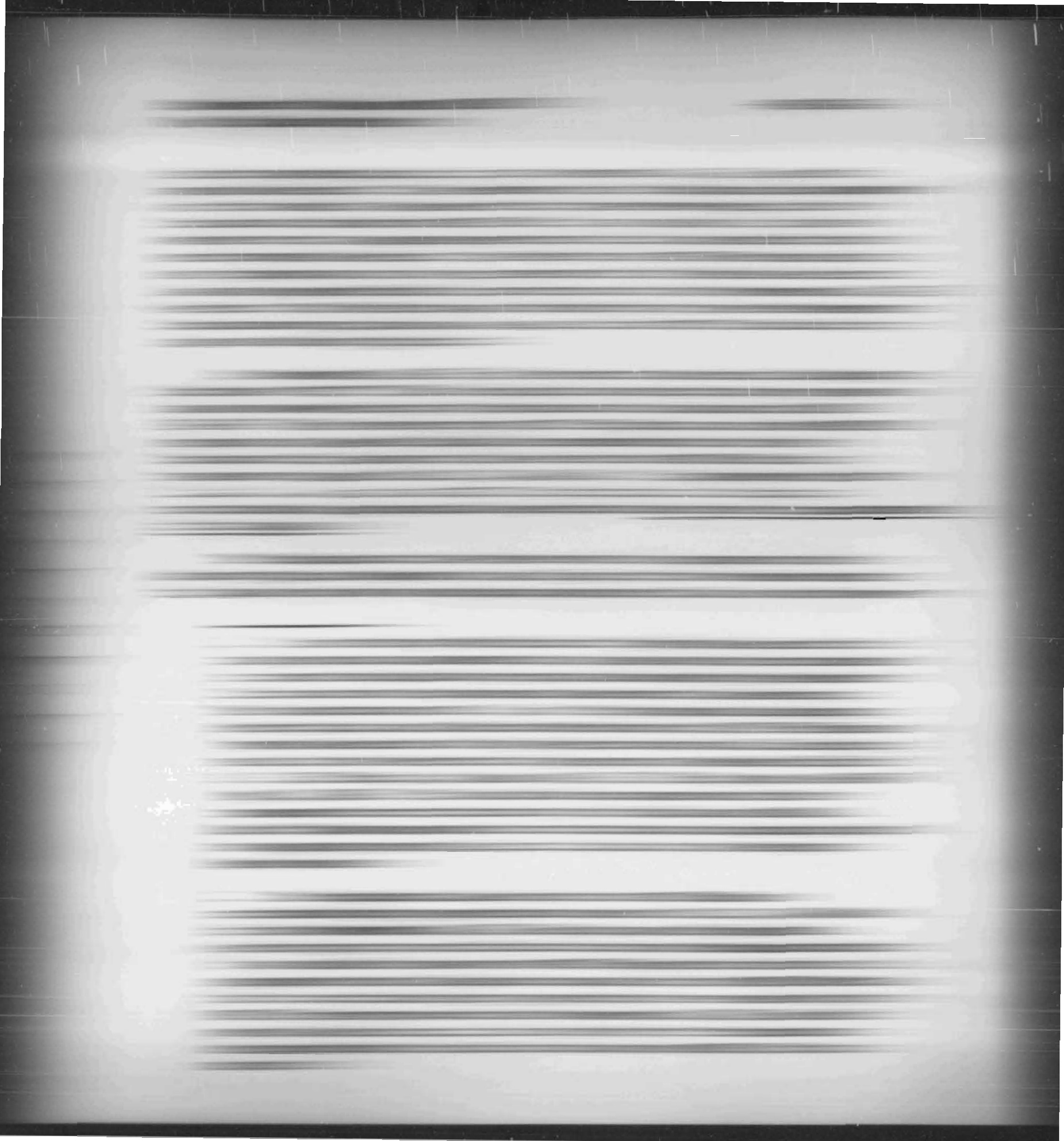

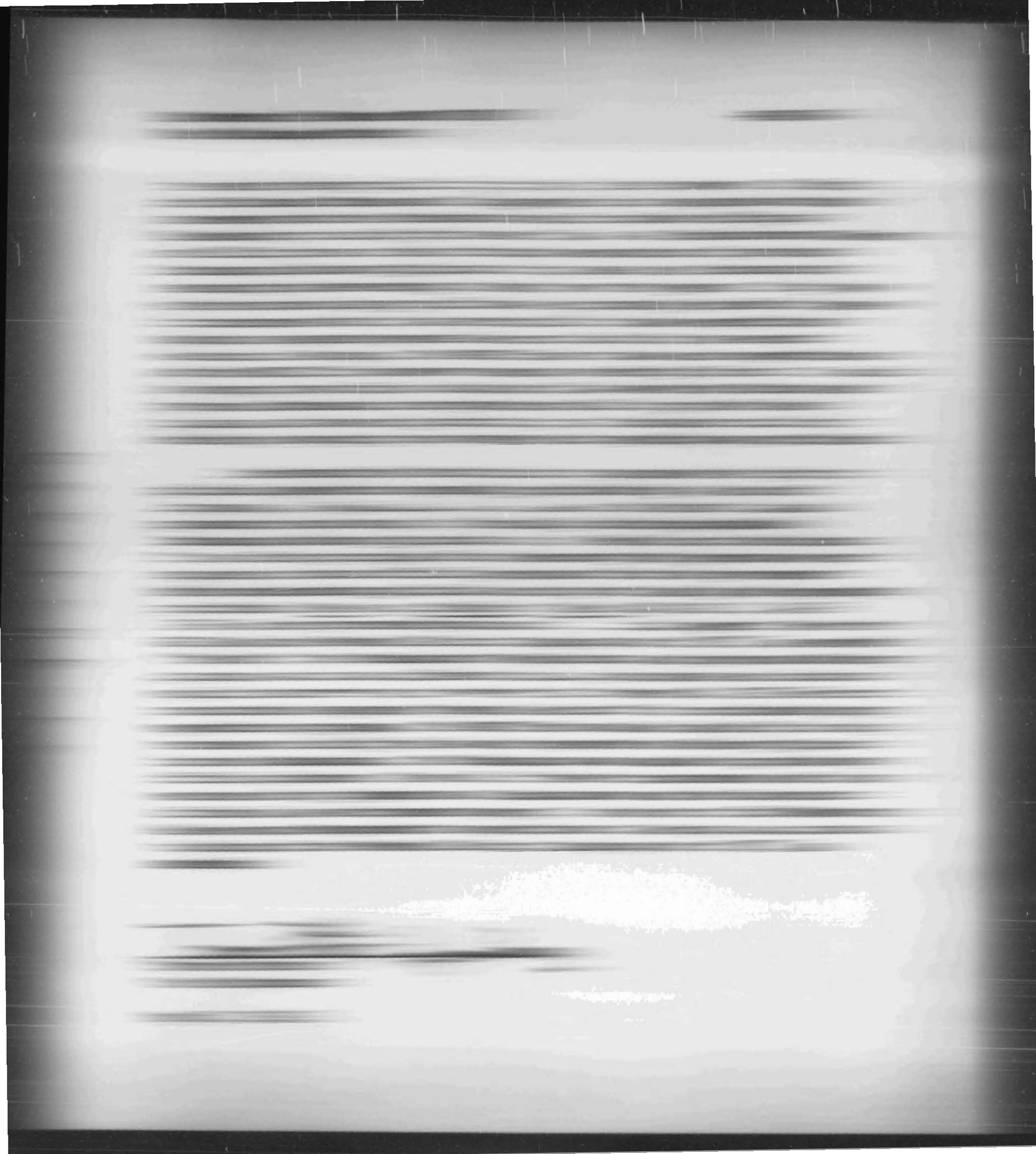

[11 C.F.R. 100.2(b)(2)] which defines a "general election" as "an election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake . . . ." The General Counsel interprets this section of the Commission's regulations in tandem with 11 C.F.R 100.2(b)(1) to limit the definition of "general election" solely to those elections either in even numbered years on the Tuesday following the first Monday in November, or special elections to fill vacancies. I can find no support in the Act for this restrictive definition.

A better view of "general election" would be "any election which may have the legal result of electing a single individual to the office at stake," or similar language. Not only is such a definition consistent with the language of the Act, but it logically follows from the Commission's previous position that special elections, general elections and run-off elections each have a separate $1,000 limit on individuals, multi-candidate political committees, and other persons pursuant to 2 U.S.C. § 441a(a)(1) and (2). See Advisory Opinions 1986-31 and 1984-42. It seems more than illogical to say that this November 24, 1992 election is merely a continuation of the general election for the purposes of political party limits, but a new and separate election for individual and political action committee contribution purposes. Why should party committee's be the only entities prohibited from treating each election as

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distinct?

As a public policy matter I see no harm in allowing a separate and distinct 441a(d) coordinated party expenditure limit for unforeseen "run-off" general elections that have the legal result of electing a single individual to the office at stake, and are in all ways equivalent to any other general election. In fact I believe such a separate limit is beneficial to the political process. First, if a run-off general election is seen as a possibility, a separate and distinct limit encourages candidates to campaign wholeheartedly for the initial contest without holding back 441a(d) funds out of fear of needing them in a second run-off general election. Second, if neither candidate has gained a majority of the votes cast and a new run-off general election is required to be scheduled relatively soon after the inconclusive general election (in the Georgia case before us a mere 21 days separates the inconclusive general election and the new general election), each candidate will quickly need to raise additional funds to communicate with voters. Without funds for campaigning, and for get out the vote projects, the run-off general election may provide a classic case study in low voter turn-out. By placing each candidate on an equal footing and treating each "general election" as distinct with a new 441a(d) limit and no carry over from the previous inconclusive election, candidates may rely on the party funds, instead of spending much of the 21 day election period at private fundraising functions. This is not a mere theoretical proposition: the potential overall 441a(d) limits for each

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party in Georgia are $535,600, more than enough to finance a serious, short, campaign.

Ultimately, these ideas need to be debated and commented upon in a rulemaking. Of necessity, the Act and regulations need to balance the specificity to deal with complicated issues and the breadth to deal with aberrant situations. Unfortunately as written, the present regulatory definition of "general election" does neither. Furthermore, to deny party committees a distinct 441a(d) expenditure limit for this new and decisive election would thwart the intent of the Act as it relates to a group specifically guaranteed a central place in the political process. Finally, I believe that the conclusion of Advisory Opinion 1983-16, which is relied on by the General Counsel here and which in dicta establishes a new contribution limit for individuals and political action committees, but denies such a separate limit to party committees, is illogical and ill-advised. For these reasons, I was not prepared at this time to support the General Counsel's draft in Advisory Opinion 1992-39.

Trevor Potter
Commissioner

November 19, 1992

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

DISSENT OF VICE CHAIRMAN POTTER
TO ADVISORY OPINION 1993-2

This Advisory Opinion Request concerns the provisions of federal election law allowing the national and state committees of a political party to "make expenditures in connection with the general election campaign of candidates for Federal office," subject to certain limits. See 2 U.S.C. § 441a(d).

We start with the fact that the term "general election" is nowhere defined in the Act. How, then, should we interpret this term? I believe State law, established political practice, and public policy arguments all lead to the conclusion that "general elections" should be defined as those elections which may directly result in the election of persons to Congress.[1]

In Advisory Opinion 1983-16 the Commission dealt with a California law which called for an election, open to all candidates, with the power to elect a Member of Congress. If no one candidate obtained a majority of the votes cast, however, then state law provided for a subsequent election between the two top vote getters. In that Advisory Opinion the Commission, without being asked, or having the issue briefed by the parties, stated that the first election was the only "general election," and that if a second election were held it would be a "run-off election" not entitled to its own general election Section 441a(d) political party coordinated expenditure limit. Had I been a Commissioner in 1983, I would not have voted for that result. Rather, I would have applied California law as found in Kellam v. Zu, 83 Cal. App. 3d 463, (1978), which was cited (but not followed) in Advisory Opinion 1983-16. Kellam v. Zu held that under California law there could be two "general elections": a preliminary general election, followed if needed by a run-off general election.

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1. See Statement of Commissioner Potter in Advisory Opinion Request 1992-39, involving the November 24, 1992 Georgia run-off election for the United States Senate.

I would have taken this position not only because of California's interpretation of its own election laws, but because I believe that under our Act any election which can have the legal effect of qualifying a person to sit in Congress is a general election. Indeed, the Commission's own regulations define "general election" as "[a]n election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake . . . (emphasis added)." 11 C.F.R. 100.2(b)(2). Thus, I believe the Commission should over-rule its mistaken conclusion in AO 1983-16, and in accord with the language of the statute and our Regulations hold that there may be two general elections, and thus two 441(a)(d) limits, in the 1993 Texas Senate race.

There are practical reasons supporting the interpretation of the situation at hand as constituting two general elections. As an example of these considerations, I note the Comment to this Advisory Opinion Request of the Chairman of the Texas Democratic Party that "under the one election rule, the amount of money provided for by Federal formula was grossly inadequate for the Party to fully and fairly participate in the run-offs." Of necessity, the Commission majority's position here would require candidates and party committees to engage in a calibration of the chances of particular candidates winning the first election, versus the likelihood that they will continue to a run-off. This gamesmanship serves no public purpose in our system of elections, which as a practical matter is currently dependent on substantial sums of money to enable a candidate to campaign. Second, interpreting the present situation as two general elections with separate Section 441a(d) limits allows candidates to spend more of their time between the first and second elections with voters, rather than with fundraisers. Why not let the political parties take some of that fundraising burden off the candidate's backs? This would seem to be the point of political party Section 441a(d) expenditures. I again note the comments of the Chairman of the Texas Democratic Party in this regard.

Finally, it may be useful to correct the suggestion by the requester in this AOR that it is my view that the Commission must initiate a rulemaking before establishing a two-limit policy. A footnote in the request makes the statement that "Commissioner Potter . . . states that a rulemaking would be required to reverse the Commission's position taken in AO 1983-16". For the record, I note that my statement in AOR 1992-39 says only that "ultimately these ideas need to be debated and commented upon in a rulemaking." I believe as a general principle that we have a duty to the public and those we regulate to state our policies clearly and explicitly in our Regulations. As I outlined in my statement in AOR 1992-39, I believe our current regulations on this issue are unclear and subject to misinterpretation, and that they do not adequately express the meaning of the statutory provision they are intended

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to explicate. Further, I believe the Commission benefits from full public comment and discussion when it deals with issues which may be contentious or controversial. For these reasons, I would support a Rulemaking for the purpose of clarifying our Regulations in this area, if that were my colleagues' desire.

However, as a legal matter the Commission may over-rule a previous Advisory Opinion if four Commissioners agree that the previous AO wrongly interpreted the statute. Thus, a rulemaking is not, as a matter of law, necessary to over-rule Advisory Opinion 1983-16.

While I respect my colleagues' differing views, and understand them, I do not subscribe to the result in this Advisory Opinion. For all of the above reasons, I believe the preferable reading of the statute to be that there may be two general elections with separate Section 441a(d) limits in the 1993 Texas Senate race.

Trevor Potter
Vice Chairman

Dated: March 4, 1993

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FEDERAL ELECTION COMMISSION

MEMORANDUM

TO: COMMISSIONERS
GENERAL COUNSEL NOBLE
STAFF DIRECTOR SURINA

FROM: MARJORIE W. EMMONS/DONNA ROACH
COMMISSION SECRETARY

DATE: MAY 18, 1993

SUBJECT: STATEMENT OF REASONS FOR MUR 3708

Attached is a copy of the Statement of Reasons in MUR 3708 signed by Commissioners Aikens and Elliott. This was received in the Office of General Counsel on Thursday, May 27, 1993 at 5:11 p.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

STATEMENT OF REASONS

In the Matter of:

National Republican Senatorial Committee and Sonya M. Vasquez, as treasurer, and Coverdell Senate Committee and Marvin Smith, as treasurer

MUR 3760

Commissioner Joan D. Aikens
Commissioner Lee Ann Elliott

Introduction

On March 29, 1993, the General Counsel recommended the Commission find reason to believe the National Republican Senatorial Committee (NRSC) violated 2 U.S.C. §441a(d) in connection with coordinated expenditures the NRSC made for the November 24, 1992 run-off election for U.S. Senate in the State of Georgia.

We believe the General Counsel's recommendation was improper, and the Commission would have been ill-advised to adopt it. Counsel's recommendation was incompatible with the Commission's recent action on this very question, since four months earlier this agency split 3-3 in Advisory Opinion Request 1992-39 on whether the NRSC could make coordinated expenditures during the Georgia run-off election. In our opinion, this agency would be misusing its prosecutorial authority if it commenced an enforcement matter saying these coordinated expenditures were illegal after failing to advise the NRSC these expenditures would be illegal.

Accordingly, we voted against finding reason to believe the Senatorial Committee and Coverdell for Senate violated 2 U.S.C. §441a(d) and instead voted to close the file in this matter.

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Our colleagues will attempt to over-simplify this matter by contending that Advisory Opinion 1983-16 (California) is controlling precedent and that its rationale is the only way to analyze whether §441a(d) limits are available in run-off elections. It clearly is not. There is no precedent to this enforcement matter or the Georgia Advisory Opinion Request.

There is, however, more to today's case than just Advisory Opinion 1983-16. Earlier this year, after deadlocking in Advisory Opinion Request 1992-39 (Georgia), our colleagues admitted in Advisory Opinion 1993-2 (Texas) that Advisory Opinion 1983-16 (California) is not the exclusive way to analyze §441a(d) limits in run-off elections. Our colleagues voted to delete key parts of the California opinion's rationale in a draft of the Texas opinion. They now wish to rehabilitate the California opinion in full and apply it to the Georgia elections. Fidelity to the law, however, requires Commissioners not to succumb to political pressures which result in one rule for one day and another rule for the next.

Fortunately, the undersigned have been consistent in our views regarding election limits and stand by our votes in this matter. To document this point, this statement will (1) analyze Advisory Opinion Request 1992-39 and this MUR, (2) prove that Advisory Opinion 1983-16 (California) is not precedent and that its rationale has been mooted, and that Commission regulations grant a §441a(d) limit in this case, (3) analyze Advisory Opinion 1993-2 (Texas) and (4) advance other legal and policy arguments relevant to the Commission's consideration of this matter.

1. Advisory Opinion 1992-39 (Georgia) and MUR 3708

On July 21 1992, the State of Georgia held a political primary so each major party could nominate candidates for federal and state office. On November 3, 1992, the State of Georgia conducted a general election. Among the races on the ballot was one for United States Senator. The incumbent, Wyche Fowler, received a plurality of the votes: 1,108,416 votes or 49.22%. His Republican opponent, Paul Coverdell, received 1,073,282 votes or 47.66%. Libertarian candidate Jim Hudson received 69,878 votes or 3.1%. Because no candidate received an absolute majority, a run-off election between Sen. Fowler and Mr. Coverdell was lawfully set for November 24, 1992, pursuant to O.G.C.A. §21-2-501

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(1987).[1] Public Citizen, Inc. et. al. v. Zell Miller, et. al., 1:92-cv-2840-RHH (N.D. Ga. Jan. 4, 1993).

On November 6, 1992, the National Republican Senatorial Committee sought an expedited Advisory Opinion (designated Advisory Opinion Request 1992-39) from the FEC pursuant to 2 U.S.C. §437f(a)(2) of the Federal Election Campaign Act (FECA) and 11 C.F.R. §112.4 of the our regulations.[2] The NRSC asked, in relevant part, whether it (and its Democratic Senatorial Committee counterpart) could make "full new 441a(d) expenditures on behalf of its U.S. Senate candidate in Georgia given the fact that the initial general election is complete and that a second election is to occur." The NRSC evidently believed, and we agree, that the Commission had not previously faced a case involving a regularly-scheduled general election which was followed by a run-off election.[3]

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1. O.G.C.A. §21-2-501 provides, in part, that "no candidate shall be ... elected to public office in any election unless such candidate shall have received a majority of the votes cast .... In instances where no candidate receives a majority of the votes cast, a run-off ... election between the candidates receiving the two highest numbers of votes shall be held. ... The ... run-off election shall be a continuation of the ... election for the particular office concerned, and only the electors who were entitled to vote in the ... election for that particular office shall be entitled to vote therein; and only those votes cast for the persons designated as candidates in such ... run-off election shall be counted ..."

2. Section 437f(a) of the FECA provides that "Not later than 60 days after the Commission receives from a person a complete written request concerning the application of this Act ... or a rule or regulation prescribed by the Commission, with respect to a specific transaction or activity by the person, the Commission shall render a written advisory opinion relating to such transaction or activity to the person." Subsection (a)(2) requires the Commission to issue an Advisory Opinion in 20 days if the request is made within 60 days of an election.

3. In fact, Georgia is the only state that has an absolute-majority requirement for federal offices in regularly-scheduled general elections, and this is the only instance in Georgia's history where the absolute-majority statute has been invoked in a federal election. This is clearly a case of first impression.

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The Federal Election Campaign Act and Commission regulations provide that political party committees may make expenditures in connection with the general election campaigns of their candidates for federal office. 2 U.S.C. §441a(d); 11 C.F.R. §110.7.[4] According to the Supreme Court, "Section 441a(d) fits into the general scheme by assuring that political parties will continue to have an important role in federal elections." FEC v. Democratic Senatorial Campaign Committee, 454 U.S. 27, 41 (1981) (footnote omitted). In fact, if it was not for §441a(d)'s additional expenditure allowance, the NRSC and its Democratic counterpart could not have expended any money for the November 24, 1992, election since 2 U.S.C. §441a(h) places a $17,500 limit on the amount political parties may contribute to each Senate candidate "during the year in which the election is held."[5]

The General Counsel's draft of Advisory Opinion 1992-39 recommended, based on Advisory Opinion 1983-16, that a separate §441a(d) coordinated limit was not available for the Georgia run-off election. We disagreed. We argued that Advisory Opinion 1983-16 was quite

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4. Specifically, 2 U.S.C. §441a(d)(1) and (3)(A)(i) provide that "Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party ... may make expenditures in connection with the general election campaign of candidates for Federal office ... in the case of a candidate for election to the office of Senator ... [the limit is] 2 cents multiplied by the voting age population of the State."

This additional spending amount is commonly called the "coordinated limit" for political parties. The coordinated limit for the 1992 United States Senate general election in Georgia was $535,606. See FEC v. Democratic Senatorial Campaign Committee, 454 U.S. 27 (1981).

5. Section 2 U.S.C. §441a(h) states "Notwithstanding any other provision of this Act, amounts totaling not more than $17,500 may be contributed to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate, by the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees."

Both the NRSC and the DSCC had exhausted their $17,500 contribution limit before the November 3, 1992, election.

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distinguishable from the present case, and that the Georgia November 24th election should properly be viewed as its own general election for purposes of §441a(d).

The Commissioners thoroughly debated this issue, and three separate positions emerged, none of which commanded a four-vote majority of the Commission. Therefore, the Commission could not give the NRSC any guidance as to whether there was or was not a new §441a(d) expenditure limit for the Georgia November 24, 1992, election.

Because the Commission could not give an answer, the FEC's General Counsel wrote the requester saying the:

> Commission considered [his draft denying an extra limit] but did not approve it for the required affirmative votes of four members. ... Accordingly, pursuant to Commission regulations at 11 CFR 112.4(a) ... the Commission has concluded its consideration of Advisory Opinion Request 1992-39 (emphasis added).[6]

FEC General Counsel Letter to Telequest (Nov. 19, 1992).

To supplement the record, we promptly issued written statements to fully explain our rationale for allowing both the Republican and Democratic Senatorial Committees to make §441a(d) expenditures in the upcoming election. See Statement of Commissioners Aikens & Elliott on Advisory Opinion Request 1992-39 (Nov. 20, 1992). See also Statement of Commissioner Potter in Advisory Opinion Request 1992-39 (Nov. 19, 1992)(allowing the limit but for different reasons); Statement of Vice Chairman Thomas re Advisory Opinion Request 1992-39 (Nov. 19, 1992) (denying an additional limit).

Also on November 19, 1992, the Democratic Senatorial Campaign Committee filed a complaint with the Commission (designated MUR 3708) alleging that the National Republican Senatorial Committee was violating 2 U.S.C. §441a(d) by proceeding to make coordinated expenditures for the November 24th Georgia election. The General Counsel again tried to convince the Commission to prohibit political party expenditures during this election. In

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6. Section 112.4(a) of the Commission's regulations state "Within 60 calendar days after receiving an advisory opinion request ... the Commission shall issue to the requesting person a written advisory opinion or shall issue a written response stating that the Commission was unable to approve an advisory opinion by the required affirmative vote of 4 members."

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fact, Counsel recommended we immediately find "reason to believe" the NRSC had violated the law. 2 U.S.C. §437g(a)(2).

Our votes against OGC's recommendations were more than a repeat of our position in the identical Advisory Opinion Request. The vote in this enforcement matter centers on whether the Commission should now penalize the NRSC for making expenditures in Georgia after the Commission was unable to respond to its request for guidance. Having split 3-3 on this same question in the advisory opinion context, we do not believe the Commission should penalize the NRSC for the expenditures it made in the belief the law permitted, or did not expressly forbid, additional party spending in connection with the November 24, 1992, election. We would maintain this view regardless of which side we were on in the advisory opinion request. Unless there were four votes to say no, we would not subsequently penalize the conduct.

Further, we found footnote nine of the General Counsel's report in this MUR particularly shocking. That footnote said:

> this office recognizes the difficulty presented in pursuing this matter given the outcome in the NRSC's advisory opinion request; however, 2 U.S.C. §437f(c) provides a safe harbor only for activity approved by the Commission pursuant to the advisory opinion procedures of the Act. Here, no activity was sanctioned given the Commission's deadlock on the NRSC request; hence at the time of the Georgia run-off election, Advisory Opinion 1983-16 [controlled].

This is not what 437f(c) means at all, and this footnote actually begs the question rather than answers it. Section 437f(c) says an advisory opinion issued by the Commission may be relied upon by another party whose situation is materially indistinguishable from that opinion, and that anyone who relies on an opinion in good faith shall not be penalized by the Commission.[7]

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7. Section 437f(c) of the FECA provides:

(1) Any advisory opinion rendered by the Commission under subsection (a) of this section may be relied upon by-

(A) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered; and

(B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with

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In this case, no Advisory Opinion was issued to the requester and there was no precedent for it to rely on, since the only other Advisory Opinion in this area, 1983-16, was materially distinguishable. Further, the fact that "no activity was sanctioned" by the Commission, as the General Counsel puts it, does not make the proposed activity illegal. Just as it takes four votes to approve an activity, it takes four votes to disapprove it, and all ties do not go against the requester.[8] In our opinion, the NRSC is not limited to undertake only the activity the Commission allows it. We respectfully read the Constitution and election laws to permit all political activity not expressly prohibited, rather than to allow people to only engage in that political speech the FEC specifically approves.[9] As the Supreme Court said in FEC v. NRA, "thus, our decision of a prohibition [in the FECA] on the agency arrangements at issue ... prevent us from finding that the Commission's determination [allowing §441a(d) agency arrangements] was 'contrary to law'." 454 U.S. at 42. (emphasis added).

Therefore, we could not penalize conduct this agency did not say was illegal, and accordingly did not vote to find "reason to believe" the Respondents violated the Act.

We now turn to the merits of the underlying case to show that Advisory Opinion 1983-16 is not controlling precedent and that a separate §441a(d) limit for the Georgia run-off election was appropriate.

(Footnote 7 continued from previous page)
respect to which such advisory opinion is rendered.

(2) Notwithstanding any other provisions of law, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraph (1) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of title 26.

8. During the Commission's deliberation of this case, one of our colleagues made the startling statement that the NRSC may have committed a "knowing and willful" violation since it had requested an advisory opinion on this issue. See 2 U.S.C. §437g(a)(5)(C),(6)(C).

9. One of our colleagues specifically disagrees with this, and stated during the Commission's deliberation of this case that "fundamentally, I have taken the position and do take the position that it takes four affirmative votes for anyone to proceed in this area."

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2. Advisory Opinion 1983-16, Commission Regulations and §441a(d) Spending in Run-off Elections.

(A). In Advisory Opinion 1983-16, the Commission was asked whether §441a(d) limits were available for a June 21, 1983, special election to fill a vacancy in the Fifth Congressional District of California.

California election law required that all candidates for the vacancy, whether affiliated with a political party or independent, enter an initial "special primary election" to be held on June 21, 1983. If any candidate received an absolute majority of all votes cast in that election, he or she would be declared the winner. If no candidate received an absolute majority, a subsequent special general election would be held on August 16, 1983. Candidates in the special general election would be limited to the top vote-getter in each qualified political party and any independent candidates. There was no absolute-majority requirement in the general. CAL ELECT. CODE §§7200-7204 (West 1977).

On its own initiative, the Federal Election Commission decided it had to change the name of the California June 21st "special primary election" to a "general election" in order to grant §441a(d) spending limits for that race. The Commission also renamed the special general election a "run-off" election and concluded, although the question was not asked, that a separate §441a(d) would not be available in the run-off since that second election would be "a continuation of the general election campaign."[10] To support these conclusions, the Commission strangely cited, but did not actually follow, Kellam v. Zu, 83 Cal. App. 3d 463 (1978). In Kellam, a California appellate court said:

> special primary election ... differs fundamentally from the primary for a regular general election ... what actually occurs in a special primary election is actually in effect a preliminary general election with all candidates on a single ballot, and a

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10. Advisory Opinion 1983-16 states "Although not expressly presented by your request, a further question raised is whether §441a(d) expenditures may be made ... [in] the runoff election scheduled for August 16 assuming it is necessary. ... [T]he Commission concludes that for §441a(d) purposes the runoff election of August 16 may be viewed as a continuation of the general election campaign ... Thus only a single set of §441a(d) limits is available." Advisory Opinion 1983-16 at 4.

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subsequent "runoff" general election is held only if one of these many candidates does not receive a majority on the first ballot. (emphasis added)[11]

Despite this contradiction, our colleagues say that 1983-16's dicta stating California's special "run-off" election[12] was a "continuation of the 'general' election campaign" (and therefore not entitled to a §441a(d) limit) is "indistinguishable in all its material aspects" from the elections in Georgia. Nothing could be further from the truth.

Unlike the case in California, the Georgia matter did not involve a special election for a vacancy. Georgia involved a regularly-scheduled primary, followed by a general election, which was followed by a run-off general election. Even the court in Kellam v. Eu noted that a special election "differs fundamentally" from a primary for a regular general election. 83 Cal. App. 3d at 466.

The cosmetic similarity between California's absolute-majority provision in an initial special election and Georgia's absolute-majority requirement for regularly-scheduled general elections does not make the situations materially indistinguishable. First, California law does not require its winners to have received absolute-majorities as Georgia law does. Second, special elections, like the one in California, are designed to fill a vacancy as quickly as possible. Absolute-majority provisions in special elections are really step-savers, and are designed to save the states' money and ease election administration by allowing one ballot to be prepared with cross-party voting. Also, it would be arithmetically and politically pointless to require a candidate who received more than 50% of the vote

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11. If you literally follow the court's opinion, it is suggesting that there are two general elections. This could be interpreted to mean there should be two §441a(d) limits available in California and other special elections. See, for example, Concurring Opinion of Commissioners Aikens & Elliott to Advisory Opinion 1993-2 at n.2; Dissent of Vice Chairman Potter to Advisory Opinion 1993-2.

12. Importantly, the second California special election was never held, since Ms. Sala Burton received 55% of the vote in the initial special election. Congressional Quarterly, Vol. 41 No. 25, p. 1300 (June 25, 1983). Therefore, it cannot be said the Commission has ever really applied the superfluous statement in 1983-16 to any run-off election.

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in a crowded multi-party field to run again in a second, special election against his or her nearest competitor.[13]

What further distinguishes these two scenarios are the Commission's regulations themselves. The Federal Election Campaign Act does not define the term "general election." See 2 U.S.C. §431(1). Commission regulations, however, define "general election" as an "election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake ..." 11 C.F.R. §100.2(b)(2). (emphasis added).[14]

In California, only the second special election meets the literal definition of a "general election" since it is clearly intended to result in the final selection of a single individual to the office at stake." 11 C.F.R. §100.2(b)(2) (emphasis added). Although the first election may result in one candidate taking office if he or she receives over 50% of the vote, it cannot be said that is the intent (or even the usual outcome) of that first election. See, for example, Comment of Bob Slagle, Chairman, Texas Democratic Party, to Advisory Opinion

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13. See, for example, La. Rev. Stat. Ann. 401, et. seq.; Advisory Opinions 1978-9 and 1984-54 (regarding Louisiana's unique October open-primary system where an absolute-majority winner does not have to compete in the regular November general election).

14. Commission regulations at 100.2(b) and (d) state:
(b) General election. A general election is an election which meets either of the following conditions:
(1) An election held in even numbered years on the Tuesday following the first Monday in November is a general election.
(2) An election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake is a general election. See CFR 100.2(f). ...
(d) Runoff election. Runoff election means the election which meets either of the following conditions:
(1) The election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as a nominee for the Federal office sought, is a runoff election.
(2) The election held after a general election and prescribed by applicable State law as the means for deciding which candidate should be certified as an officeholder elect, is a runoff election.

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Request 1993-2 (March 3, 1993).[15] If the first election did produce an absolute winner, then it essentially operated as a general election. As a general election, §441a(d) expenditures could be made in it, and there is no subsequent election or "continuing general election campaign." See part 2(B) of this Statement, infra, showing that the FEC now makes no distinction as to when §441a(d) expenditures may be made in regular elections.

Obviously, Georgia's regularly-scheduled November 3rd election was a general election. 11 C.F.R. §100.2(b)(1). The November 24th election (in addition to meeting the definition of run-off at 11 C.F.R. 100.2(d)(2)) was also "intended to result in the final selection of a single individual to the office at stake," which also meets the definition of general election. 11 C.F.R. §100.2(b)(1) (emphasis added). This means the Georgia November 24th election is entitled to its own §441a(d) limit. As we said in 1992-39, an election can be considered to be both a general and a run-off, and there is no support in the FECA for the restrictive definition of §100.2(b) advocated by our colleagues and the General Counsel.[16] See Concurring Opinion of Commissioners Aikens and Elliott to Advisory Opinion 1993-2 at 5; Statement of Commissioners Aikens and Elliott in Advisory Opinion Request 1992-39 at 3 n.2. Accord, Dissent of Vice Chairman Potter to Advisory Opinion 1993-2 at 2; Statement of Commissioner Potter in Advisory Opinion Request 1992-39 at 1-2.

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15. Mr. Slagle stated "as Chairman I have had the opportunity to preside over Democratic Party efforts in three Special elections for Congressional seats in this state (1983, 1985, 1989). The last two '85 and '89 had run-offs." We also note the current 1993 special Senate election in Texas requires a run-off.

16. The General Counsel's Report in this MUR said that an election cannot be both a "general" and a "run-off" since §431(1)(A) defines an election "as a general, special, primary or run-off." (emphasis in original). Our Counsel, however, usually stresses just the opposite: that "or" usually means "and" so the two terms may be used interchangeably. See, e.g., MUR 2804; Advisory Opinion 1987-31; Proposed Rulemaking on Membership (advising the Commission the Supreme Court meant to say "and" when it held that members of non-stock corporations must have "some relatively enduring and independently significant financial or organizational attachment" in FEC vs. NRWC, 459 U.S. 197, 204 (1982)(emphasis added). We suppose this same argument would apply to any attempt to say the word "and" in §100.2(b)(2) must be read in the conjunctive.

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Also, although California's vacancy law is somewhat common, Georgia has a unique law that does not lend itself to broad application. No other state has an absolute-majority law in general elections as Georgia does, and the 1992 Senatorial race is the only election to which it has been applied. It is also reported the Georgia legislature may repeal this law in the near future.

The participants in the Georgia run-off election also materially differ from those in the California special election. In California, no nominations preceded the first special election and candidates of the same political party competed against each other. If no one received more than 50%, the top vote-getters of each political party plus independents would compete in a special general election. In Georgia, there was an initial primary election in which candidates of the same party competed against each other, followed by a regularly-scheduled general election with the top vote getters of each party and independents. After that, a run-off general election was held with only the top two vote-getters. With these clear differences, no one can credibly contend Georgia's run-off is "materially indistinguishable" from California's special election.

Further, Advisory Opinion 1983-16 can distinguished from the Georgia election by reading the recent decision sustaining the Georgia run-off on constitutional grounds. Public Citizen, Inc. et. al. v. Zell Miller, et. al., 1:92-cv-2840-RHH (N.D. Ga. Jan. 7, 1993). In Miller, the defendants argued, and the court noted that the Georgia statute creating run-off elections called them a "continuation" of the initial general election. slip op. at 16, 21. Yet, the court sustained the run-off provision against invalidation on constitutional grounds because:

> a plurality outcome in the general election is similar to an election postponed due to natural disaster or voided due to fraud in that each is contemplated, yet beyond the state's ability to produce. ... A failure to elect due to a plurality outcome is no more a state construct than is a failure to elect due to state common law fraud. ... Otherwise, neither a tie vote nor fraud discovered after the election could warrant a new election. ... [S]ection 8 [of Title 2 of the U.S. Code] does permit states to prescribe different times for elections when they experience a legitimate failure to elect due to exigent circumstances after making an honest attempt to do so. That is what occurred here.

slip op. at 21-22.

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Accordingly, Georgia's "failure to elect" a United States Senator created the legitimate need for a second election. Just as we would allow a second §441a(d) limit for a new election if there was a "failure to elect" due to voter fraud or a tie vote, we similarly would accord a second §441a(d) limit when there has been a "failure to elect" due to non-satisfaction of majority-vote requirement."[17]

Finally, our General Counsel tried to bolster the application of Advisory Opinion 1983-16 to this case by relying on the Georgia state statute which characterized the run-off as a "continuation" of the general election. That reliance is misplaced, as Georgia's "continuation" language was not written for campaign finance purposes, but is designed to (1) keep voter registration rolls closed between the two elections and (2) prevent write-ins votes so that only ballots cast for the two remaining candidates are counted to determine the overall percentage. See note 1, supra. Further, a state's election administration statutes do not have any bearing on federal election campaign finance laws. An argument that the FEC must bend its interpretation of the FECA to fit a state law will cause that state statute to be pre-empted by operation of 2 U.S.C. §453.[18]

(B). Not only is Advisory Opinion 1983-16 not precedent for the election process in Georgia, but its rationale is incredibly misguided and its major premise has been altered by the Commission's decision in Advisory Opinions 1984-15 and 1985-14.

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17. In his statement to Advisory Opinion Request 1992-39 advocating only one §441a(d) limit for both elections, Commissioner Thomas noted "there is some merit in letting the parties read the election code, evaluate the risk of a runoff, and spend the [single limit] as they see fit." Under this theory, we suppose parties would also have to evaluate the risk of a tie vote, and hold-back spending money in the general in case the top two candidates got the same number of votes! We cannot take this kind of advice seriously. It is politically unrealistic to advise parties to hold-back on spending money because an election is going to be close. Just the opposite, a close race encourages candidates to spend to win, not to tie and run again.

18. Section 453 of the FECA states "The provisions of this Act, and of rules prescribed under this Act, supersede and pre-empt any provision of State law with respect to election to Federal office."

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As previously stated, Advisory Opinion 1983-16 renamed the initial special primary a "general" election in order to give it a $441a(d) limit. The opinion also stated that a possible run-off election was merely a "continuation of the general election campaign" and not entitled to an additional expenditure limit under 2 U.S.C. §441a(d). Advisory Opinion 1983-16 at page 3.

We do not think the above-quoted rationale of Advisory Opinion 1983-16 wisely answered the question presented there or in today's case. First, there is simply no support in the Act or regulations for classifying an election on the basis of whether it "continues the campaign" of another election. Those words simply do not appear anywhere in our law. If they did, then every regular general election would in some respect, "continue the campaign" started in the primaries.

Second, we do not support the subjective notion of a "continuing general election campaign" as a rationale for deciding these cases. The FECA does not single-out or define the word "campaign." We instead choose to rely on the legally defined term "election" at 2 U.S.C. §431(1), and gauge what that election does or is "intended" to accomplish. 11 C.F.R. §§100.2(a),(b)&(f).[19] Here, the clear intent of the final Georgia election was to fulfill

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19. In our statement in 1992-39 we noted with some approval Commissioner Potter's notion that a better view of "general election" would be any election which may have the result of electing a single individual to the office at stake. See Statement of Commissioners Aikens and Elliott on Advisory Opinion Request 1992-39 at page 3; Statement of Commissioner Potter in Advisory Opinion 1992-39 at page 2. Accord Dissent of Vice Chairman Potter to Advisory Opinion 1993-2. This yields two §441a(d)) limits in the California, Texas and Georgia cases. Commissioner Potter believes two §441a(d)) limits logically follow the Commission's position that primaries, special elections, general elections and run-off elections each have a separate contribution limit for individuals, political committees and other persons pursuant to 2 U.S.C. §§441a(a)((1)) and ((2)). See Advisory Opinions 1986-31 and 1984-42. Although there is some appeal to his view, we noted in the majority opinion in 1993-2 that Congress may have really intended to draw a distinction between the contribution limits of §441a(a)) and §441a(d)). We also feel as Commissioner Thomas does that such a dramatic change in Commission policy would have to be preceded by a regulations project. See Statement of Vice Chairman Thomas re Advisory Opinion Request 1992-39 at 1-2.

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the seat. Our three colleagues' restrictive use of 1983-16 to limit interpretation of 11 C.F.R. §§100.2(b)(1) and (2) to define "general election" solely to those elections either in even-numbered years on the Tuesday following the first Monday in November, or special elections, is not simply supported in the Act."[20]

We do not quarrel with the one-limit result reached in the California opinion, but we do with the opinion's rationale. As we said last year during the deliberation of the Georgia Advisory Opinion Request, "[n]owhere in the FECA is there a definition of, or provision for, a [illegible] phrase's use in 1983-16 to have been "erroneous." Statement of Commissioners Aikens and Elliott in Advisory Opinion Request 1991-19 at page 2.

Just to be clear that our criticism of 1983-16's rationale is not a last-minute inspiration on our part, we also criticized 1983-16 and our colleagues' attempt to use the word "campaign" as a legal term seven years ago in Advisory Opinion 1986-31 (North Carolina). In that opinion, the General Counsel attempted to cite Advisory Opinion 1983-16, but it was not included in the final draft by a 3-3 vote.

Also in 1986-31, we joined former-Commissioner Josefiak's concurrence which said "the Act and Commission regulations do not define "campaign," and that word does not appear to have independent meaning in §441a(d)(3) within the phrase "general election campaign'." Commissioner Josefiak also stated a "one-campaign concept ... is flatly inconsistent with the Act's provisions which do not use the word "campaign" (and) [i]mplementation of the one-campaign concept would call for a nightmare of subjective line-drawing." Concurring Opinion of Commissioner Josefiak to Advisory Opinion 1986-31 at page 3. See also Concurrence of Commissioners Aikens & Elliott to Advisory Opinion 1986-31.

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20. The practical result of the difference in Commissioner Potter's and Commissioners Aikens' & Elliott's approach is that Commissioner Potter would have accorded two §441a(d) limits in California whereas Commissioners Aikens and Elliott would have accorded one, but not for the rationale stated in the opinion. That difference does not, however, effect our unanimity in that the run-off election in Georgia is entitled to its own, separate §441a(d) limit.

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In our opinion, it was unnecessary to rename the elections in California, and we could not repeat that fictitious rationale in deciding this case. In fact, the very premise of 1983-16 (that an election must somehow be called or act like a "general" election to have §441a(d) expenditures made in them) has been mooted by the Commission's determination in Advisory Opinion 1984-15.[21]

((C). In Advisory Opinion 1984-15, the Commission was asked whether the "timing" of certain expenditures would effect their characterization as coordinated party expenditures under §441a(d). Advisory Opinion 1984-15 at page 3. The Commission answered that "nothing in the Act, its legislative history, Commission regulations, or court decisions, indicates that coordinated party expenditures must be restricted to the time period between nomination and general election." The Commission continued:

> Where a candidate appears assured of his party's presidential nomination, the general election campaign, at least from the political party's perspective, may begin prior to formal nomination ... [W]hether a specific nominee has been chosen, or a candidate assured of nomination at the time the expenditure is made, is immaterial.

Advisory Opinion 1984-15 at page 4. See also Advisory Opinion 1985-14 at pages 6-7 (expenditures pursuant to §441a(d) may be made before the party's general election candidates are nominated in Congressional elections). Further, the Commission has stated §441a(d) "does not by its terms refer to candidates for federal office as the party's nominees; it refers to such candidates only as those who are 'affiliated with' the political party." Advisory Opinion 1984-15 at page 4, n.4.

Thus, the Commission has determined that parties may make coordinated expenditures during the primaries, before

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21. Advisory Opinion 1983-16's premise that an election must somehow be re-named or operate as a "general" is made clear by the fact that 1983-16 "superseded an opinion of counsel (OC 1976-7) issued by the Commission's General Counsel ... that opinion concluded that [an initial] special election was not equivalent to a general election since several candidates from each of the two major political parties were entered in the special election and notwithstanding the fact that the election would fill the vacancy if one candidate received a majority of the votes cast."

the general election has begun. Therefore, candidates do not have to be participating in an election named, renamed or acting like a "general" election for political parties to make coordinated expenditures on their behalf.

Although the Commission did not have the benefit of Advisory Opinions 1994-13 and 1995-14 when it decided 1983-16, those two opinions (and our criticism of 1983-16 in 1996-31, 1992-39 and 1993-2) guided our decision today. Accordingly, we believe Advisory Opinion 1983-16's use of a "continuing general election campaign" as a basis for analyzing §441a(d) is outmoded, subjective and unsupported by our law. The fact that an election is named a run-off, or occurs after a general election, does not forbid parties from making §441a(d) expenditures in them.

However, not only do we think Advisory Opinion 1983-16 is unwise and out-dated, even our three colleagues abandoned its rationale earlier this year in Advisory Opinion 1993-2 regarding a Texas special election.

3. Advisory Opinion 1993-2 (Texas)

In Advisory Opinion Request 1993-2, the Commission was asked whether 2 U.S.C. §441a(d) "confers a single spending limitation on parties supporting candidates in a [Texas] special election together with any run-off." Advisory Opinion Request at page 1 (emphasis supplied).[22]

The Commission concluded there was no practical difference between Advisory Opinion 1983-16 and the situation presented in the special election in Texas. Thus, the Commission determined there will be one §441a(d) limitation applicable to both special elections in Texas. Advisory Opinion 1993-2 at page 3.[23]

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22. In Texas, candidates from all parties, including any independents, compete in special Senatorial elections. Under Texas law, if no candidate receives a majority of votes in the special election, a run-off between the top two finishers (regardless of party affiliation) will occur to determine who will hold the seat. See Texas Election Code §§2.021, 2.023, 203.003 and 204.005.

23. Although we voted for 1993-2, Commissioner Potter voted against that opinion in the belief that each special election in Texas is eligible for a §441a(d) limit. See Dissent of Vice Chairman Potter to Advisory Opinion 1993-2 at 2; Statement of Commissioner Potter in Advisory Opinion Request 1992-39 at 2-3.

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Most importantly, our colleagues voted to abandon the rationale of 1983-16 in a draft in 1993-2. Our colleagues approved a final version of the Texas opinion that specifically and deliberately deleted the following language taken from the text and rationale of 1983-16:

> The Commission noted that, under Commission regulations, an election is classified according to one type only. See 11 CFR 100.2. With respect to special elections, no provision is made for characterizing the same election as both a general and run-off election. See 11 CFR 100.2(f)

General Counsel's Draft Advisory Opinion 1993-2, Agenda Document #93-20 (February 18, 1993) at 4.

Moreover, our colleagues voted to delete the following rationale from Counsel's draft:

> The election process always has a single general election and the process may entail other elections either before or after the general election: e.g. nominating convention, popular primary, post-primary or post-general run-offs. All of these are focused on the general election, either as a means to narrow the field before the general election, or afterwards, if the general election is inconclusive. See Advisory Opinion 1983-16. (emphasis added).

General Counsel's Draft Advisory Opinion 1993-2, Alternative A, Agenda Document #93-28 (March 2, 1993) at 6.

Accordingly, the final opinion in 1993-2 has none of the rationale from the California opinion. The first deletion shows our colleagues now recognize elections may be viewed as more than one type, and that 1983-16 is not the exclusive rationale for deciding these cases. We are glad the second deletion was made since we obviously do not agree with it, and, of course, it is not really true! Statement of Commissioners Aikens and Elliott to Advisory Opinion Request 1992-39; La. Rev. Stat. Ann. 401, et. seq.; Advisory Opinions 1978-79, 1984-54 (regarding the state of Louisiana's unique October open-primary system).

Fortunately, the Commission agreed to a result in the Texas opinion that does not use the rationale of Advisory Opinion 1983-16 as the sole basis for deciding the request, and acknowledges that different interpretations are acceptable. It is now capricious for our colleagues to resuscitate the complete rationale of 1983-16, after abandoning it only two months ago, and intimate we are arbitrary and capricious for not adhering to it.

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We are sure our colleagues will contend our approval for one §441a(d) limit in Texas and California but two limits in Georgia is inconsistent or capricious. There is one point we hope this statement makes clear - we think the result in 1983-16 was reasonable, that is why we applied it in 1993-2. We think the rationale in dicta of 1983-16 was misguided, mooted by 1984-15 and 1985-14, not used in 1986-13, factually inapplicable in 1992-39, and clearly abandoned in 1993-2. We think what our colleagues really want from us is to say the same result must occur in every case. Clearly, different facts sometimes mandate different conclusions and a result-based approach is a foolish consistency.

4. State Level Expenditures and Policy Concerns

(A). Our colleagues and the General Counsel make much of the fact that the legislative history surrounding 2 U.S.C. §441a(d) states that parties are given "limited permission" to make coordinated expenditures during the "election process" and no matter how many elections there were in Georgia, it is still only "one process." General Counsel's Report in MUR 3708 at pages 10-11.

Counsel's quotes of the legislative history are so out of context that a fuller examination of Congress' intent in enacting §441a(d) is warranted. In 1974, Congress recognized that its campaign finance legislation provided too inadequate a role for the national parties. While parties could engage in issue-oriented discussion and party-building activity, their only means of directly supporting candidates was subject to annual contribution limits. To correct this imbalance, §441a(d) was added to give party committees additional spending authority. See FEC vs. DSCC, 454 U.S. at 41; S. Rep. No. 689, 93rd Cong., 2d Sess. 15 (1974), reprinted in Legislative History of the Federal Election Campaign Act of 1974, 111 (GPO 1977); H.R. Rep. No. 1057, 94th Cong., 2d Sess. 59 (1976), reprinted in Legislative History of the Federal Election Campaign Act Amendments of 1976, 1053 (GPO 1977).

In 1974, when Congress was considering legislation to publicly finance Congressional and Senatorial elections, the conferees agreed that "a vigorous party system is vital to American politics." 1974 History at 103. Even though candidates were to receive public money, the Committee recognized "that pooling resources from many small contributors is a legitimate function and an integral part of party politics." Id. Accordingly, candidates may "receive substantial private funding, in addition to the public grant, in the form of expenditures

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by state and national party committees." Id. These coordinated expenditures (on the Congressional and Presidential level) "preserve the place of political parties in the elective process." Id. at 111.[24]

In 1976, Congress restated its support for the additional political party spending limits under §441a(d). The Conference Report stated:

> with regard to political party expenditures on behalf of the party's candidates [t]his limited permission allows the political parties to make contributions in kind by spending money for certain functions to aid the individual candidates during the election process. Thus, but for this subsection, these expenditures would be covered by the contribution limitations stated in [Section 441a(a)] of the statute].

1976 History at 1053.

Apparently, the General Counsel construes "limited permission" to mean the Commission should find an election is not a "general election" as often as possible to prevent parties from having too much §441a(d) "permission." This is silly. The "limited" nature of §441a(d) relates to the fixed amount a party can spend, not when they can spend it. Second, counsel elevates the word "process" in the legislative history to some magical legal pronouncement that a "process" means every election for any particular office. We completely disagree with that over-reading of the legislative history. Nowhere in the FECA is there any definition or use of the words "election process" or any indication Congress specifically chose to exclude post-general run-offs from separate §441a(d) limits. Third, our Counsel boasts that "but for" the provision at §441a(d), parties would be limited to their smaller, direct contribution limits. In our opinion, this "but for" language does not mean section 441a(d) is anemic. In fact, Congress went out of its way to deliberately create this additional spending authority to ensure parties would not be limited to only their contribution limits.

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24. Today's case, however, is not about whether political parties can make unlimited expenditures, it is whether political parties will receive an extra §441a(d) spending limit, not whether there is no limit to the amount of expenditures they may make. In fact, the Senate debated several different proposals on the level of party activity before agreeing on the current §441a(d) limits. See, e.g. 1974 History at 417-421 (Floor Debate of Senators Clark, Brock and Cannon).

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In our opinion, the General Counsel's analysis of the legislative history is just a re-run of his long and unsuccessful attempts to convince the Commission to restrict §441a(d) by any means necessary. See, for example, MURs 2116 and 2186. The problem with Counsel's opinion is best summed up in his own words:

> Thus, Section 441a(d) is intended to preserve a role for political parties ... while also meeting the **Act's objective of imposing overall limitations on campaign expenditures** and contributions. (emphasis added).

General Counsel's Report in MUR 3708 at 11.

The Supreme Court, however, has squelched any notion that the FECA may constitutionally "impose overall limitations on campaign expenditures." Buckley v. Valeo, 424 U.S. 1, 19-20, 39-51, 54-57, (1976). Although such a limit may have been Congress' initial objective, Buckley states:

> the First Amendment requires invalidation of ... ceilings on overall campaign expenditures ... These provisions place substantial and direct restrictions on the ability of candidates, citizens and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate.

Buckley at 58-59.[25]

Commissioner Thomas also makes two points relevant to §441a(d) in his Statement to Advisory Opinion Request 1992-39 that are worth recutting. In criticizing the Commission's failure to prohibit §441a(d) spending during the Georgia run-off, Commissioner Thomas notes "the proposition that party committees are purifying filters not capable of conveying the appearance of quid pro quo arrangements is 'softly' being eroded." Thomas at 1.

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25. It is clear the Supreme Court includes political parties within its use of the word "associations." See e.g., Buckley at 19 (quoting Kusper v. Pontikes, 414 U.S. 51, 56, 57)("freedom to associate with others for the common advancements of political beliefs and ideas [is] a freedom that encompasses 'the right to associate with the political party of one's choice.'")

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There has never been any indication that the courts believe party committee expenditures pose the same quid pro quo dangers that prompted the Supreme Court in Buckley to sustain contribution limits on individual contributors. Buckley at 26-27. Quite the opposite, "the accumulating of individual contributions by political parties for the purpose of making their own expenditures may combat corruption and the appearance of corruption since the candidate may not know precisely where the original money came from." Service Employees International Union v. Fair Political Practices Commission, 747 F. Supp. 580 (E.D. Cal. 1991), aff'd, 955 F.2d 1312 (9th Cir. 1992).

Also, Commissioner Thomas' reference to large soft money contributions as a reason that party spending limits are "softly" being eroded is disingenuous. Soft money is only used in non-federal campaigns. In fact, Commissioner Thomas was a major advocate of new Commission regulations clarifying that point. See 11 C.F.R. §§102, 104 & 106; 55 Fed. Reg. No. 123 26,058-26,073 (June 26, 1990). To be clear, party committees can only use contributions from individual donors that are completely permissible under federal law to make coordinated expenditures.[26] Therefore, there is no non-federal or soft money present here, and no threat to existing contribution limits if a §441a(d) limit is accorded the Georgia run-off election.

(B). We also note that our three colleagues' attempt to create a rule of law from Advisory Opinion 1983-16 and apply it to this case violates 2 U.S.C. §437d(b). That section requires that any "rule of law" not stated in the statute "may be initially proposed by the Commission only as a rule or regulation." (emphasis added).

We think a 10-year old Advisory Opinion which has never been cited by the Commission in a subsequent Opinion (except in Advisory Opinion 1993-2 without its underlying rationale), that over-ruled an earlier opinion of counsel, that incorrectly applied a California state court decision, that did not apply our regulations at §100.2(b)(2) and which in dicta pronounced judgment about a run-off election that has never held makes a very pathetic rule of law indeed. If we did succumb to our colleague's attempts to enforce it in this distinguishable situation, the Commission would be violating §437d(b).

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26. These contributions average around $40 dollars a person. See Testimony of Michael Hess, then-Acting General Counsel of the Republican National Committee, FEC "Best Efforts" Rulemaking, March 31, 1993.

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But the Commission's decade of neglect regarding 1983-16 shows no viable rule of law exists - especially since the Commission had ample opportunity to debate or incorporate Advisory Opinion 1983-16's rationale into our regulations since it was issued. To avoid any further confusion, we agree that after this case has been judicially resolved, the Commission should commence a rulemaking to establish clear guidelines on spending limits for run-off elections."[27]

(C). Next, we need to address our colleagues' allegation that we did not have an adequate foundation for our vote in this matter because the 3-3 split in Advisory Opinion Request 1992-39 did not "overrule" 1983-16.

While we agree with our colleagues that Commission practice requires four votes to overturn an opinion, we did not have to "overrule" 1983-16 to decide today's case as we did. We simply recognized 1983-16 is factually inapplicable and that its rationale has either been ignored or destroyed in subsequent Advisory Opinions.

Our colleagues' complaint is truly an overstatement of our actions. There is no "tyranny of the half" at work here. All the 3-3 split in 1992-39 and this case means is that the Commission has not established a prohibition against the expenditures at issue. At most, Commissioner Potter's and our position on this matter gives the Republican Commissioners the burden of being sued. Because our colleagues' three-person voting-block does not constitute a position of this agency, they will not have to justify their votes in this case.

We, on the other hand, must prove that our actions were not arbitrary and capricious or contrary to law. To make judicial review a meaningful exercise, we are required to provide this statement of reasons explaining our vote in this matter. DCCC v. FEC, 831 F.2d 1131, 1133 (D.C. Cir. 1987). When the meaning of the FECA is not clear, the views of dissenting Commissioners are entitled to deference, since our rationale necessarily states the Commission's reasons for acting as it did. FEC v. NRSC, 966 F.2d 1471, 1476 (D.C. Cir. 1992). This is consistent with the Supreme Court's observation that "the Commission is precisely the type of agency to which deference should presumptively be afforded." FEC v. DSCC, 454 U.S. at 37.

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27. Commissioners Potter and Thomas already expressed their support for a rulemaking in this area in their separate statements in Advisory Opinion Request 1992-39.

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(D). Our colleagues also ignore significant First Amendment principles at work in this area. In making expenditures on behalf of its candidates, the NRSC is exercising core First Amendment rights of political free speech and association. Buckley v. Valeo, 424 U.S. 1, 14, 19 (1976); FEC v. NCPAC, 470 U.S. 480, 493-94 (1985); Tashjian v. Republican Party of Conn., 479 U.S. 208, 214 (1986). Such conduct can only be regulated with "narrow specificity." NAACP v. Button, 371 U.S. 415, 433 (1963). In fact, "bright-line" standards are "virtually mandated." Orloski v. FEC, 795 F.2d 156, 167 (D.C. Cir. 1986).

When an FECA statute is ambiguous, we believe it should be resolved in a manner that minimizes constitutional doubts and maximizes First Amendment freedoms. Absent a specific prohibition, we believe the activity should be allowed, not subject to a vague or subjective theory such as "one campaign" or a "continuation of an election."

In our opinion, First Amendment jurisprudence abhors defendants refraining from constitutionally protected activity to avoid running afoul of vague legal standards. Grayned v. City of Rockford, 408 U.S. 104, 109 (1972) (where a vague statute abuts sensitive areas of basic First Amendment freedoms, it operates to either trap the innocent by not providing fair warning or inhibit the exercise of those freedoms). The whole reason the First Amendment requires precision in governmental regulation in this area is so that groups, like the NRSC, may exercise their constitutional rights without being chilled. Buckley at 41; NAACP at 433; Speiser v. Randall, 357 U.S. 513, 525 (1957). After this agency split 3-3 in the advisory context, it is constitutionally unsound for our three colleagues to ask the NRSC to risk a substantial fine to simply learn their rights.

(E). We would next like to address some collateral concerns that are implicated by this enforcement case. We agree with former-Commissioner Josefiak's Concurring Opinion in 1986-31 that "increased party support for candidates, where the candidates and the parties are being treated equally, does not constitute a threat to our political system." Concurring Opinion of Commissioner Josefiak to Advisory Opinion 1986-31 at page 3. See also Concurrence of Commissioners Aikens and Elliott to Advisory Opinion 1986-31. A party's grassroots support of its candidates is not corruption, nor the appearance of corruption, it is politics in the best sense of the word.

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In fact, we believe a separate limit is beneficial to the political process. First, if a run-off election is a possibility, a separate §441a(d) limit encourages candidates to run wholeheartedly for the initial contest without the parties holding back on coordinated expenditures for fear of needing them in the run-off. Our three colleagues' position would require party committees to estimate the chance of a particular candidate winning an absolute-majority versus a mere plurality necessitating a run-off. See Statement of Commissioner Thomas re Advisory Opinion Request 1992-39 at 1. This gamesmanship serves no public purpose in our system of elections.

Second, when no candidate gains an absolute majority, a run-off election must be scheduled soon after the inconclusive initial election (in Georgia, a mere 21 days separated the two elections). Each candidate will need to quickly raise funds to communicate with the voters. By allowing a new §441a(d) limit, candidates may rely on party funds to campaign, instead of spending much of the 21 day campaign period at private fundraising functions.

Our colleagues may decry the increasing cost of campaigns and say this case is an example of the Commission encouraging more expenditures in the elections. Buckley v. Valeo, however, definitively answered this small complaint 17 years ago when the Supreme Court said "the mere growth in the cost of federal election campaigns in and of itself provides no basis for governmental restrictions on the quantity of campaign spending and the resulting limitation on the scope of federal campaigns." 424 U.S. at 57, see also Id. at 26.

Conclusion

In sum, our position in this unique matter is a logical and legally forceful explanation of a vague statute. We could not penalize conduct we had not advised was illegal, and we could not apply Advisory Opinion 1983-16 as precedent when it is not. Accordingly, we believe the NRSC violated no campaign finance law in expending §441a(d) money in the Georgia run-off election.

Joan D. Aikens
Commissioner Joan D. Aikens

Lee Ann Elliott
Commissioner Lee Ann Elliott

May 26, 1993

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: COMMISSIONERS
GENERAL COUNSEL NOBLE
STAFF DIRECTOR SURINA
PRESS OFFICER EILAND

FROM: MARJORIE W. EMMONS/DONNA ROACH

DATE: MAY 28, 1993

SUBJECT: STATEMENT OF REASONS FOR MUR 3708

Attached is a copy of the Statement of Reasons in MUR 3708 signed by Commissioners McDonald, McGarry, and Thomas. This was received in the Office of General Counsel on Thursday, May 27, 1993 at 5:32 p.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

In the Matter of	)	
	)	
National Republican Senatorial Committee and Sonya M. Vazquez, as treasurer	)	MUR 3708
	)	
Coverdell Senate Committee and Marvin Smith, as treasurer	)	

STATEMENT OF REASONS

CHAIRMAN SCOTT E. THOMAS
COMMISSIONER JOHN WARREN MCGARRY
COMMISSIONER DANNY L. MCDONALD

The issue in Matter Under Review ("MUR") 3708 was whether a national party senatorial committee could spend an extra half million dollars on behalf of its candidate during the closing days of a tightly contested election, contrary to the plain meaning of Commission regulations and clear-cut Commission precedent. The resulting amount spent was approximately twice the coordinated expenditure allowance provided in connection with the general election campaign of a candidate for the United States Senate. Applying the Commission regulations, as well as Commission precedent on this precise issue, we agreed with the General Counsel's legal analysis and recommendation to find reason to believe that the National Republican Senatorial Committee ("NRSC") violated 2 U.S.C. §441a(f).

I.

The Federal Election Campaign Act of 1971, as amended ("the Act"), limits the contributions and expenditures that may be made by party committees to or on behalf of candidates for federal office. One provision of the Act, 2 U.S.C. §441a(d), allows the national and state committees of the political parties to make so-called 'coordinated expenditures' in connection with "the

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general election campaign" of the parties' candidates. The Act further provides that these expenditures may not exceed a certain dollar limitation. 2 U.S.C. §441a(d)(3).[1]

Congress specifically considered and rejected the proposition that party committees should not be limited in the amount of support they can give to candidates. See 120 Cong. Rec. S5411-15 (daily ed. Apr. 8, 1974), reprinted in Legislative History of Federal Election Campaign Act Amendments of 1974 (GPO 1977) at 417-21 (Senator Clark: "To permit unlimited expenditures would be a serious mistake."). Donors should not be able to undermine the contribution limits in the Act through gifts to the party committees. Though limits on federal account donations exist, contributors are able to make unlimited donations to party nonfederal accounts and are doing so with increasing frequency. See FEC Press Release, Jan. __, 1993; see also Christian Science Monitor, "Give Money and They Call Back," Nov. 3, 1992. Thus, some brake on the spending of parties is needed, and §441a(d) is that brake.

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1. Specifically, §441a(d) provides in pertinent part:

> (3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds--
>
> (A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of--
>
> (i) 2 cents multiplied by the voting age population of the State (as certified under subsection (e) of this section); or
>
> (ii) $20,000.....

2 U.S.C. §441a(d)(3).

Because the NRSC is not considered a "national" or "state" committee of a political party for §441a(d) purposes, it is not authorized by §441a(d) to make expenditures on behalf of candidates for election to the Senate. The national and state party committees may authorize the NRSC, however, to expend their respective §441a(d) allowance on their behalf. See FEC v. Democratic Senatorial Campaign Committee, 454 U.S. 27 (1981) ("FEC v. DSCC").

[illegible]

[redacted]

III.

This is not a complicated case. Commission regulations and Commission precedent clearly establish that the November 24, 1992 runoff does not constitute a general election triggering an additional §441a(d) expenditure allowance. The Commission's regulations and established precedent are not confusing, and we believe that had they been consistently applied, there would not be the current controversy

A.

The plain meaning of the Commission's regulations resolves the matter before us. The regulations at 11 C.F.R. §100.2(b) provide as follows:

> (b) General election. A general election is an election which meets either of the following conditions:
>
> (1) An election held in even numbered years on the Tuesday following the first Monday in November is a general election.
>
> (2) An election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake is a general election. See 11 C.F.R. 100.2(f).

The election held in Georgia on November 3, 1992, was plainly a general election. See 11 C.F.R. 100.2(b)(1).

By contrast, the runoff election held in Georgia on November 24, 1992, does not qualify as a "general election" as defined by the Commission's regulations. The November 24, 1992 runoff is plainly not "[a]n election held in even numbered years on the Tuesday following the first Monday in November." 11 C.F.R. 100.2(b)(1). Nor, since there was no vacancy in the Georgia Senate seat, was the November 24, 1992 runoff "[a]n election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake." 11 C.F.R. 100.2(b)(2). Moreover, Commission regulations specifically

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(Footnote 3 continued from previous page)
and give every indication of having been made expressly and exclusively on behalf of Mr. Coverdell, they must be regarded as in-kind contributions received by the Coverdell Senate Committee in excess of the contribution limits.

distinguish a "runoff election" from a "general election" by defining a runoff as "'the election held after a general election and prescribed by applicable State law as the means for deciding which candidate should be certified as an officeholder elect.'" 11 C.F.R. 100.2(b)(2) (emphasis added). Since the §441a(d) coordinated expenditure allowance only applies to the "general election campaign," and the Georgia runoff, under Commission regulations, cannot be a general election, it is clear on the face of the regulations that an additional coordinated expenditure allowance under §441a(d) is not allowed for the Georgia runoff.[4]

Our colleagues argue that the November 24, 1992 runoff is a general election "since this election will definitively decide which of two candidates will serve in the U.S. Senate." Advisory Opinion Request 1992-39, Statement of Commissioners Aikens and Elliott at 1. See also Advisory Opinion Request 1992-39, Statement of Commissioner Potter at 2 ("A better view of 'general election' would be 'any election which may have the legal result of electing a single individual to the office at stake,' or similar language.") These definitions of "general election" upon which our colleagues rely, are found nowhere in the Act or the Commission's regulations or Commission precedent.

To the extent that our colleagues' argument relies on 11 C.F.R. 100.2(b)(2), the argument misunderstands and misapplies that provision. The language of the second half of §100.2(b)(2) ("intended to result in the final selection of a single individual to the office at stake") does not stand alone. Rather, it is joined by the conjunctive "and" to modify the first half of the provision. Thus, read as a whole, the regulation states that "[a]n election which is held to fill a vacancy in a Federal office (i.e., a special election) and which is intended to result in the final selection of a single individual to the office at stake is a general election. See 11 C.F.R. 100.2(f)." 11 C.F.R. 100.2(b)(2) (emphasis added). As we point out, supra, the November 24, 1992

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4. Contrary to Vice Chairman Potter's assertion, Chairman Thomas did not suggest in his written statement regarding Advisory Opinion Request 1992-39 that "the Commission should consider holding a Rulemaking to clarify this area of law." Statement from the Office of Vice Chairman Potter, MUR 3708 (undated) (emphasis added). As we state above, the regulations are clear on their face and are in no need of clarification. Chairman Thomas did state, "Like Commissioner Potter, I would be willing to reexamine the regulations to determine if a wiser rule can be written." Statement of Commissioner Thomas, Advisory Opinion Request 1992-39. This statement was intended only to indicate that the proper forum for considering Vice Chairman Potter's public policy concerns and proposals for rewriting the regulation's definition of general election was in the context of a rulemaking and not the advisory opinion process, where the Commission is charged with applying the regulations as currently written.

runoff was not a special election held to fill a vacancy; the incumbent's six year term did not expire until January 1993. Accordingly, the November 24, 1992 runoff does not qualify as a [illegible].

Our colleagues also argue that since the Commission has allowed separate contribution limits for general and run-off elections, the Commission should allow separate §441a(d) allowances for general and runoff elections. Advisory Opinion Request 1992-39, Statement of Commissioners Aikens and Elliott at 2 and 3; see also Advisory Opinion Request 1992-39, Statement of Commissioner Potter at 2. This argument fails to consider, however, the distinction which Congress has drawn in the statute between contribution limits and §441a(d). As the Commission has long recognized, the contribution limits found in 2 U.S.C. §441a(a) "apply with respect to 'any election' or 'each election,' and do not relate specifically to the determination of what constitutes a general election or a 'general election campaign' for the purposes of section 441a(d)." Advisory Opinion 1993-2 (not yet published) at 3, relying on Advisory Opinion 1983-16, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5717. Thus, in Advisory Opinion 1993-2 which involved a Texas special election and runoff, the Commission concluded that there would be only one §441a(d) expenditure allowance for both the special election and runoff combined, but that there could be two §441a(a) contribution limits if a runoff election was necessary.[5] Accordingly, we can see no merit in the argument that the treatment of §441a(a) contribution limits should somehow control our analysis with respect to the §441a(d) expenditure allowance.

B.

Not only do the Commission's regulations clearly establish that the November 24, 1992 Georgia runoff is not a "general election" triggering an additional §441a(d) allowance; Commission precedent applying the regulations mandates the same legal conclusion. In Advisory Opinion 1983-16, supra, the Commission considered the application of §441a(d) to a special election in California where, if no candidate received a majority, a runoff election was held for the top vote getters in each political party or political body. The Commission found that the California special election met the characteristics of a "general election" as set out in the regulations at [illegible], accordingly, allowed the party committee to make §441a(d) expenditures with respect to that election.

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5. Commissioners Aikens and Elliott, we note, voted for both Advisory Opinion 1993-2 and Advisory Opinion 1983-16.

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With respect to the runoff election, however, the Commission concluded that the "runoff is not a separate or additional general election." Advisory Opinion 1983-16, supra (emphasis added).[6] Rather, the Commission found that the runoff election is merely "a continuation of the general election campaign." Id. Accordingly, the Commission held that "only a single set of §441a(d) limits is available" in connection with both the special election and the runoff election. Id.

The Commission approved Advisory Opinion 1983-16 by a vote of 5-1 with Commissioners Aikens and Elliott voting to approve the result and rationale of that decision. Just as the Commission found in Advisory Opinion 1983-16 that a runoff election is not a general election under the regulations entitled to a separate §441a(d) allowance, so too the November 24, 1992 Georgia runoff is not a general election entitled to a separate §441a(d) allowance.

We see no material factual distinction between Advisory Opinion 1983-16 and MUR 3708. It is true that Advisory Opinion 1983-16 involved a runoff election following a special election while MUR 3708 involved a runoff election following a regularly scheduled election. Yet, for purposes of the Act, this is a distinction without a difference. Under Commission regulations (11 C.F.R. 100.2(b)), both the initial special election in Advisory Opinion 1983-16 and the regularly scheduled election in MUR 3708 are considered "general elections." In each case, the subsequent election qualified as a "runoff." Thus, both Advisory Opinion 1983-16 and MUR 3708 concern the discrete legal issue of whether a runoff election following a general election should be accorded a separate §441a(d) allowance.

IV.

Respondents argue that the Commission should find no reason to believe and dismiss this matter because "[t]hree Commissioners agreed that it was appropriate for both parties to have a separate coordinated expenditure limit in connection with the November 24 election." Joint Response at 5. Respondents contend that "[b]ased upon the FEC's action, NRSC made coordinated expenditures in connection with the election." Id. (emphasis added).

We cannot accept respondents' argument for two reasons. First, there was no "FEC action" in Advisory Opinion Request 1992-39 upon which to "base" the expenditures later undertaken by respondents. Congress has ensured that a person to whom an advisory opinion "is rendered" and persons involved in any activity which is indistinguishable in all its material aspects from the activity with respect to which an advisory opinion "is

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6. The Opinion explained that "[s]ignificantly, under Commission regulations an election is classified according to one type only. See 11 C.F.R. 100.2."

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rendered" may rely on the opinion. 2 U.S.C. §437f(c). These safe harbor provisions, however, are available only in advisory opinions that, according to statute, have been approved by the affirmative vote of four members of the Commission. 2 U.S.C. §437f(c) and 2 U.S.C. §437c(c).

Congress made no provision in the statute for the interpretation urged by respondents, that a safe harbor is also provided for the requestor if only three Commissioners agree with a course of action proposed by the requestor. The Commission issued no opinion in response to Advisory Opinion Request 1992-39. Accordingly, there is no opinion or Commission action upon which respondents can rely to sanction their subsequent activity.

Second, respondents' argument ignores the fact that the applicable Commission regulations and advisory opinion precedent have not been overruled, and therefore remain intact. In the past, the Commission has not hesitated to use the advisory opinion process to supersede wrongly-decided interpretations of the statute and the regulations. These decisions, however, have

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7. See, e.g., Advisory Opinion 1978-10, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5340 (superseding Advisory Opinion Requests 1976-72 and 1976-83 at 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶6934 and 6936 respectively); Advisory Opinion 1978-30, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5325 (superseding Advisory Opinion 1975-54, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5165); Advisory Opinion 1978-46, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5348 (superseding Advisory Opinion Request 1976-65, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶6929); Advisory Opinion 1980-38, 1 Fed. Elec Camp. Fin. Guide (CCH) ¶5489 (superseding Advisory Opinion 1976-110 and 1978-67 at 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5234 and 5356 respectively); Advisory Opinion 1980-89, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5537 (superseding Advisory Opinion 1975-14, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5107 and OC 1975-125); Advisory Opinion 1981-37, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5623 (superseding Advisory Opinion 1975-8, 1975-13, 1975-20 and 1975-108 at 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5112, 5113, 5121 and 5190 respectively); Advisory Opinion 1981-41, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5626 (superseding original version of opinion or recommendation); Advisory Opinion 1982-60, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5699 (superseding OC 1975-63); Advisory Opinion 1983-16, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5717 (superseding OC 1976-7); Advisory Opinion 1986-17, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶5857 (superseding Avisory Opinion 1982-49, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5693); Advisory Opinion 1986-21, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶5859 (superseding Advisory Opinion 1978-41 and 1978-65, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5331 and 5360 respectively); Advisory Opinion 1987-7, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶5889 (superseding Advisory Opinion 1983-43 and 1984-14 at 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5746 and 5761 respectively); Advisory Opinion 1989-8, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶5959

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always been made with the votes of at least four Commissioners. Indeed, as Commissioner Potter correctly recognizes in his recent dissent to Advisory Opinion 1993-2, "as a legal matter the Commission may over-rule a previous Advisory Opinion if four Commissioners agree that the previous Advisory Opinion wrongly interpreted the statute." Advisory Opinion 1993-2 dissent of Commissioner Potter at 3 (emphasis added). To adopt respondents' argument would effectively reverse eighteen years of Commission procedure and say that three votes are sufficient to overturn Commission precedent and regulations.

Since there have not been four votes to overturn either the Commission regulations applicable in this matter or Advisory Opinion 1983-16, they remain the law.[8] Accordingly, the regulations and the result and reasoning in Advisory Opinion 1983-16 should have been the guidepost for respondents' activity in this matter, not the inconclusive Commission vote in Advisory Opinion Request 1992-39. We agree with the General Counsel's legal conclusion that "at the time of the Georgia run-off election, Advisory Opinion 1983-16 represented the Commission's pronouncement with regard to coordinated expenditures for run-off elections." General Counsel's Report at 12 n.9. Legally and logically, the runoff in Georgia's Senate election was nothing more than a continuation of the general election.

(Footnote 7 continued from previous page)
(superseding Advisory Opinion 1979-77, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5454); Advisory Opinion 1990-4, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶5983 (superseding Advisory Opinion 1978-68, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5357); and Advisory Opinion 1992-17, 2 Fed. Elec. Camp. Fin. Guide (CCH) ¶6060 (superseding Advisory Opinion 1981-56 and 1981-54 at 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶¶5646 and 5644, respectively).

8. Commissioners Aikens and Elliott suggest that the Commission has overturned Advisory Opinion 1983-16 in later opinions. See Advisory Opinion 1993-2, concurring opinion of Commissioners Aikens and Elliott at 4-6. For example, they argue that the Commission, in Advisory Opinion 1984-15, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶5766, somehow superseded or weakened Advisory Opinion 1983-16. We think it goes too far to say that because the Commission provided a wide time frame for national party committees to spend their §441a(d) funds, the Commission intended to supersede Advisory Opinion 1983-16. Nowhere in Advisory Opinion 1984-15 is Advisory Opinion 1983-16 even cited or mentioned.

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The fact that respondents chose to disregard the applicable Commission regulations and precedent should not serve to excuse their later activity. Indeed, that the respondents in this case proceeded to spend the money in the face of existing law warrants severe action by the Commission.

V.

Fidelity to the regulations and prior rulings takes the capricious element out of the law and provides stability and uniformity to the decision-making process. Indeed, "consistency of administrative rulings is essential, for to adopt different standards for similar situations is to act arbitrarily." R-C Motor Lines, Inc. v. United States, 350 F. Supp. 1169, 1172 (M.D. Fla. 1972). It serves neither the Commission nor the regulated community well for there to be one rule for Monday, another for Tuesday.[9]

When precedent is not followed, cases such as MUR 3708 result. The parties involved in the Georgia special election were faced with reading the Georgia statute that provides for a post-general runoff, reading the Commission's pronouncements involving the coordinated expenditure limit, and budgeting their resources as they thought best. The Democratic Senatorial Campaign Committee chose to follow the Commission's regulations and precedent and confined their expenditures for the Georgia general election campaign to a single §441a(d) expenditure limit.

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9. Commissioners Aikens and Elliott have now established a record of voting for just about every conceivable position on the discrete issue at hand. They have labeled the analysis of Advisory Opinion 1983-16, for which they voted, as "superfluous...non-binding and erroneous." Statement of Commissioners Aikens and Elliott on Advisory Opinion Request 1992-39, p.2. Having voted for one §441a(d) limit in the California situation (Advisory Opinion 1983-16), but then for two limits in the Georgia situation (Advisory Opinion Request 1992-39), they then voted for one limit in the Texas situation (Advisory Opinion 1993-2), but for reasons entirely different than those they supported earlier in Advisory Opinion 1983-16. Yet, in each instance the regulations stayed the same; the first election fit the definition of "general election," and the second election did not.

See 2 U.S.C. §437f(c). The NRSC, however, chose to ignore the plain meaning of the regulations and the clear-cut precedent and pumped an extra half million dollars into a close runoff election which their candidate won. By choosing not to pursue this matter, our colleagues send an unmistakable message that diminishes not only the Commission but the integrity of the statute.

5 25 93
Date

Scott E. Thomas
Chairman

5/25/93
Date

John Warren McGarry
Commissioner

5/26/93
Date

Danny L. McDonald
Commissioner

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3586

DATE FILMED 5-1-97 CAMERA NO. 4

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California Republican Party
1903 West Magnolia Blvd. • Burbank, California 91506 • (818) 841-5210

MUR 3586

August 17, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 AUG 20 AM 11: 16

Mr. Lawrence Noble, General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Complaint Against the Democratic State Central Committee of California - Federal

Dear Mr. Noble:

The Republican Party of California ("RPC" or "the Party") and the undersigned, who is the Chairman of the Party, hereby complain formally against the California Democratic Party in general, and in particular, its Democratic State Central Committee of California - Federal Committee.

This complaint is filed pursuant to Title 2, United States Code, section 437g(a)(1) and 11 Code of Federal Regulations section 111.4, for violation of the following provisions of the Federal Election Campaign Act of 1971, as amended, and the regulations of the Federal Election Commission:

Alleged Violations

(1) The California Democratic Party violated Title 2, U.S.C., section 441b(a), by accepting in excess of $250,000 in corporate contributions and loans during the period January 1 through June 30, 1992 in connection with federal elections.

(2) The California Democratic Party violated Title 2, U.S.C., section 441a(a), by accepting contributions or loans in excess of $5,000 during the calendar year 1992 from individual contributors in connection with federal elections.

(3) The California Democratic Party conspired with the contributors to violate sections 441b and 441a by accepting illegal corporate contributions and contributions in excess of $5,000 during calendar year 1992.

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The Complainants therefore request an investigation by the Federal Election Commission and, if necessary, referral to the United States Attorney for criminal investigation.

Legal Basis for Complaint

Section 441b(a) of Title 2, U.S.C., prohibits the making and acceptance of corporate and labor organization contributions in connection with federal elections. Section 441a(a)(1) and (2) of Title 2, U.S.C., limits contributions by individuals and qualified political committees to a political party committee to $5,000 per calendar year.

A contribution is defined in section 431(8)(A)(i) as:

> Any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.

A "contribution" includes a loan. A loan "includes a guarantee, endorsement and any other form of security." (11 Code of Federal Regulations section 100.7(a)(1)(i)).

The California Democratic Party is a "political party committee" as defined in section 431(4) of Title 2, U.S.C. and 11 C.F.R. section 100.5(e)(4).

The California Democratic Party has a federal account and a non-federal account and, because it receives contributions and makes expenditures in connection with federal and non-federal elections, it is subject to the requirements of 11 C.F.R. Part 106 regarding the allocation of expenditures between its federal and non-federal accounts.

The California Democratic Party is also an "ongoing committee" as defined in 11 C.F.R. section 116.1(b). As such, the California Democratic Party is subject to the provisions of Part 116 regarding the treatment of debts owed by ongoing committees.

Factual Basis for Alleged Violations

1. The California Democratic Party Has Incurred Illegal Extensions of Credit and Loans in Violation of the Prohibition on Corporate Contributions and the Limitation on Contributions from Persons of $5,000 or More per Calendar Year.

Attached as Exhibits A, B, C, and D, and made a part hereof by this reference, are portions of the FEC 3X filings of the

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Democratic State Central Committee of California - Federal for the periods July 1 through December 31, 1991; January 1 through March 31, 1992; April 1 through May 13, 1992; and, May 14 through June 30, 1992.

These FEC 3X reports disclose that the California Democratic Party had debts and unpaid obligations disclosed in the reports of the following amounts as of the closing dates of each report:

December 31, 1991	$446,502
March 31, 1992	$366,725
May 13, 1992	$517,485
June 30, 1992	$407,736

As indicated on Exhibit E, well over one-half of the total debt owed during this reporting period is to two "vendors." Notwithstanding the fact that the Committee raised over $4,190,463.00 during the same reporting period, no attempt was made to extinguish this debt. Due to the apparent ability to pay, the failure to pay, and the length of time (over six months), the only rational conclusion that can be drawn from these facts is that there is no expectation of payment anytime in the near future and that unlawful "loans" have been made to the committee.[1]

2. The California Democratic Party Has Failed to Comply with the Allocation and Debt Settlement Rules.

The Allocation Rules set forth in Part 106 of the FEC Regulations were intended to prevent illegal contributor subsidization of federal election campaigns. The Debt Forgiveness and Settlement Rules set forth in Part 116 of the FEC Regulations were also intended to prevent illegal contributor subsidization of federal election campaigns. Both rules underlie the basic contribution prohibitions and limitations of section 441 of the Act, and in this particular situation, sections 441a and 441b thereof.

The Commission's revision of the Allocation Rules were designed to limit the improper use of "soft money" in federal

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[1] Note that tracing this debt is made more difficult due to numerous reporting errors in carrying over balances owed from one reporting period to the next.

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elections. Under the old Allocation Rules, party committees were able to pay joint state/federal expenses from their state account and then under-reimburse or extend credit to their federal account.

The new rules require the federal committee to pay these joint expenses and to report in great detail reimbursement from the state committee. The California Democratic Party is circumventing the new Allocation Rules by replacing the state account with corporate vendors. The result is the same--illegal and substantial "soft money" is being used to fund federal election activities.

Under 11 C.F.R. section 116.4, the Commission has promulgated rules for the forgiveness or settlement of debts. Section 116.4(d)(3) requires vendors to collect a debt within a commercially reasonable time before that debt may be forgiven. Similarly, under section 116.4(d)(2), a committee must make reasonable efforts to satisfy outstanding debts before a debt may be forgiven or settled.

The California Democratic Party has made expenditures, by incurring debt to corporate vendors and non-corporate vendors whom it has failed to repay within a commercially reasonable time, or with whom it has failed to arrange a lawful debt settlement under the requirements of Part 116.

All of these activities are part of a scheme to finance federal election activities for which it had insufficient funds to pay.

During the pendency of the extensions of credit and the outstanding debt, the California Democratic Party continued and continues to pay its regular and ongoing costs of administrative operations and current campaign expenses, bypassing payment of the older, outstanding indebtedness to such corporate vendors and non-corporate vendors who are owed in excess of $5,000 in the calendar year.

Unlike other political party committees which are obliged to comply with the provisions of the Act and the regulations of the FEC (including the prohibition on corporate contributions, the limitation on contributions to $5,000 per calendar year per contributor, and the requirement to pay for its expenditures under the allocation rules and the debt settlement procedures), the California Democratic Party is flagrantly violating both the letter and the intent of these rules.

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Unless immediate action is taken to remedy this situation, the California Democratic Party will continue to unlawfully fund its federal election activities to the detriment of committees which do comply with the law, such as the Republican Party of California.

3. The California Democratic Party and the Corporate and Over $5,000 Non-Corporate Vendors Have Conspired to Violate Federal Law for Political Purposes.

Complainants further allege that the vendors who have outstanding obligations to the California Democratic Party know or have reason to know that such extensions of credit are unlawful, but have continued to provide services for which they know or have reason to know cannot and will not be paid.

Because many of these vendors do regular business with the California Democratic Party or other Democratic Party candidates, campaign committees, or related entities, Complainants surmise that the vendors have agreed to violate the law by illegally extending credit without any real expectation of repayment, or by accepting the fact that they have not and will not be paid for their services, for the "good of the party".

Such activities constitute willful and deliberate violations of the Federal Election Campaign Act, and Complainants request that the Federal Election Commission co-refer the investigation of these matters to the appropriate United States Attorney.

Conclusion

The Federal Election Campaign Act is "the playing field" for federal election activities. Whether we like or dislike the rules of the playing field, what applies for one group must apply for all others similarly regulated by the Act. When one team openly and flagrantly disregards the rules of the playing field, the "other team" cannot sit idly by.

Complainants seek fairness and compliance with the "soft money" rules. The California Democratic Party and the National Democratic Party have pledged not only to support, but also to tighten significantly in the future these "soft money" rules. However, this year the State Democratic Party has chosen to ignore them. This cannot stand.

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Complainants hereby request that the Federal Election Commission issue a cease and desist order to the respondent. Complainants further request that the respondent be ordered to immediately pay all outstanding debts before being permitted to spend money for other purposes.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and based upon a reasonable belief.

Executed this 18th day of August 1992 at Houston, Texas.

James Digman, Chairman
Individually and on Behalf of
The Republican Party of California

Attachments: Exhibits A, B, C, D, and E
3 copies of this complaint

State of Texas)
) as
County of Harris)

Subscribed and sworn before me
this 18 day of August 1992
at Houston, Texas

Frances D Schott, Notary Public

My Commission Expires 10-11-94

9704300327

REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee

(Summary Page)

RECEIVED AND FILED
In the Office of the Secretary of State of the State of California
MAY 26 1992
MARCH FONG EU, Secretary of State

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Democratic State Central Committee of California - Federal

ADDRESS (number and street) ☐ Check if different than previously reported
2424 "K" Street, Suite 100

CITY, STATE and ZIP CODE
Sacramento, CA 95816

2. FEC IDENTIFICATION NUMBER
C00105668

3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

Monthly Report Due On:
☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? ☒ YES ☐ NO

SUMMARY

5. Covering Period 7/1/91 through 12/31/91

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.	(a) Cash on Hand January 1, 19 91		$ 2,103.83
	(b) Cash on Hand at Beginning of Reporting Period	$ 14,805.67	
	(c) Total Receipts (from Line 18)	$ 1,882,053.39	$ 3,318,803.41
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 1,896,859.06	$ 3,320,907.24
7.	Total Disbursements (from Line 28)	$ 1,836,580.78	$ 3,260,628.96
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 60,278.28	$ 60,278.28
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$	
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 446,502.91	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

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

Type or Print Name of Treasurer
Martin Eber

Signature of Treasurer

Date
5/22/92

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X

97044380013328

DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/91)

NAME OF COMMITTEE: Democratic State Central Committee of CA - Federal

REPORT COVERING PERIOD: FROM 7/1/91 TO: 12/31/91

	I. Receipts	COLUMN A Total This Period	COLUMN B Calendar Year
11.	Contributions (other than loans) From:		
	a. Individual/Persons Other Than Political Committees		
	i. Itemized (use Schedule A)	111,742.00	126,431.00
	ii. Unitemized	1,221,892.13	2,352,258.08
	iii. Total (add i and ii) ➤	1,333,634.13	2,478,689.08
	b. Political Party Committees		
	c. Other Political Committees (such as PACs)	55,600.00	63,536.00
	d. Total Contributions (add a iii, b and c) ➤	1,389,234.13	2,542,225.08
12.	Transfers From Affiliated/Other Party Committees	33,300.00	33,300.00
13.	All Loans Received		
14.	Loan Repayments Received		
15.	Offsets To Operating Expenditures (Refunds, Rebates, etc.)	47,324.32	48,368.77
16.	Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17.	Other Federal Receipts (Dividends, Interest, etc.)		
18.	Transfers from Nonfederal Account for Joint Activity	412,194.94	695,057.56
19.	Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) ➤	1,882,053.39	3,318,951.41
20.	Total Federal Receipts (subtract line 18 from line 19) ➤	1,469,858.45	1,469,858.45
	II. Disbursements		
21.	Operating Expenditures:		
	a. Shared Federal/Non-Federal Activity (from Schedule H4)		
	i. Federal Share	482,887.26	863,175.06
	ii. Non-Federal Share	444,379.54	768,674.49
	b. Other Federal Operating Expenditures	899,811.02	1,613,348.42
	c. Total Operating Expenditures (Add a i, a ii, and b)) ➤	1,827,077.82	3,245,197.97
22.	Transfers to Affiliated/Other Party Committees	8,502.96	14,430.99
23.	Contributions to Federal Candidates/Committees and Other Political Committees		
24.	Independent Expenditures (use Schedule E)		
25.	Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)		
26.	Loan Repayments Made		
27.	Loans Made		
28.	Refunds of Contributions To:		
	a. Individuals/Persons Other Than Political Committees	1,000.00	1,000.00
	b. Political Party Committees		
	c. Other Political Committees (such as PACs)		
	d. Total Contribution Refunds (Add a, b and c) ➤	1,000.00	1,000.00
29.	Other Disbursements		
30.	Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) ➤	1,836,580.78	3,260,628.96
31	Total Federal Disbursements (subtract line 21 a ii from line 30) ➤	1,392,201.24	2,491,954.47
	III. Net Contributions/Operating Expenditures		
32.	Total Contributions (other than loans)(from line 11d)	1,389,234.13	2,542,225.08
33.	Total Contribution Refunds (from line 28d)	1,000.00	1,000.00
34.	Net Contributions (other than loans)(subtract line 33 from 32)	1,388,234.13	2,541,225.08
35.	Total Federal Operating Expenditures (add 21 a i and 21 b) ➤	1,382,698.28	2,476,523.48
36.	Offsets to Operating Expenditures (from line 15)	47,324.32	48,368.77
37.	Net Operating Expenditures (subtract line 36 from 35) ➤	1,335,373.96	2,429,154.71

97043801329

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Consumer Products Division 8950 California Ctr. Drive, Ste, 210 Sacramento, CA 95826	141.95	0.00	141.95	0.00
Nature of Debt (Purpose): Service Phone Systems				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Consumer Products Division 8950 California Ctr. Drive, Ste, 210 Sacramento, CA 95826	128.00	0.00	128.00	0.00
Nature of Debt (Purpose): Service Charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Consumer Products Division 8950 California Ctr. Drive, Ste, 210 Sacramento, CA 95826	542.40	0.00	542.40	0.00
Nature of Debt (Purpose): Installation Srvc.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Maitland P.O. Box 945800 Maitland, FL 32794-5800	0.00	73.31	0.00	73.31
Nature of Debt (Purpose): telephone service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Merlin P.O. Box 834 Parsippany, NJ 07054	1485.22	868.35	1485.22	868.35
Nature of Debt (Purpose): System Lease				

1) SUBTOTALS This Period This Page (optional)	941.66
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801330

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Akropolis Construction 1957 Rockwood Drive Sacramento, CA 95864	0.00	323.26	0.00	323.26
Nature of Debt (Purpose): maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Angela Alioto City Hall, Room 235 San Francisco, CA 94102	1522.89	135.67	1522.89	135.67
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Allied Printing Co. 1912 O Street Sacramento, CA 95814	86.05	0.00	86.05	0.00
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Alpha Press, Inc. 80 Tanforan Ave. No. 4 S. San Francisco, CA 94080	4642.73	0.00	4642.73	0.00
Nature of Debt (Purpose): Printing and Programs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Darius Anderson 1100 Howe Avenue, Apt. 569 Sacramento, CA 95825	2146.92	0.00	2146.92	0.00
Nature of Debt (Purpose): Reimb. for travel and supplies				

1) SUBTOTALS This Period This Page (optional)	458.93
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801331

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2216618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Phil Angelides 1957 - 13th Ave. Sacramento, CA 95818	11909.27	337.68	8882.81	3364.14
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Arrowhead Drinking Water Co. 601 E. Potrero Grande Dr. Monterrey Park, CA 91754	1.86	0.00	1.86	0.00
Nature of Debt (Purpose): Water				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Associated Sound 1417 Del Paso Blvd. Sacramento, CA 95815	0.00	310.19	0.00	310.19
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Association of State Democratic Chairs 430 South Capitol Street, N.E. Washington, DC 20003	0.00	5000.00	0.00	5000.00
Nature of Debt (Purpose): dues				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Athanasia Manikes 1020 Los Molinos Way Sacramento, CA 95864	0.00	950.00	0.00	950.00
Nature of Debt (Purpose): catering services				

1) SUBTOTALS This Period This Page (optional)	9624.33
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Autumn Press Inc. 1280 65th St. Emeryville, CA 94608	16.02	0.00	16.02	0.00
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Balloon Celebration 5410 Braninburg Lane Carmichael, CA 95608	0.00	105.06	0.00	105.06
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bekins Moving & Storage Co. Inc. 526 Forbes Blvd. S. San Francisco, CA 94080	3175.25	0.00	3175.25	0.00
Nature of Debt (Purpose): Moving Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Black Mountain Spring Water 800 Alameda San Carlos, CA 94070	67.30	0.00	67.30	0.00
Nature of Debt (Purpose): Water				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bon Appetit 444 DeHaro Street St 123 San Francisco, CA 94107	2600.96	0.00	2600.96	0.00
Nature of Debt (Purpose): Convention Dinner				

1) SUBTOTALS This Period This Page (optional)	105.06
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Brownie's Blueprint & Company Inc. 1322 V Street Sacramento, CA 95814-0326	0.00	1276.12	0.00	1276.12
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Business Media Services 3112 O Street, Suite #5 Sacramento, CA 95816	0.00	1374.01	0.00	1374.01
Nature of Debt (Purpose): media clips				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor C & R News, Inc. P.O. Box 2401 Sacramento, CA 95811	0.00	135.76	0.00	135.76
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cali-Color 191 Lathrop Way, Suite H Sacramento, CA 95815	21.51	0.00	21.51	0.00
Nature of Debt (Purpose): Photo prints				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor California Journal 1714 Capitol Ave. Sacramento, CA 95814	32.00	0.00	32.00	0.00
Nature of Debt (Purpose): Subscription				

1) SUBTOTALS This Period This Page (optional)	2785.89
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor California Service Agency 1601 Exposition Blvd. Sacramento, CA 95815	31.95	0.00	31.95	0.00
Nature of Debt (Purpose): Agricultural Directory				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Selma Calnan 19321 E. Tudor Covina, CA 91722	285.68	0.00	285.68	0.00
Nature of Debt (Purpose): Reimbursement for phone expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor David Cameron 815 17th St. Sacramento, CA 95814	50.00	111.85	50.00	111.85
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Campaign California 926 J Street, Suite 1400 Sacramento, CA 95814	1433.30	0.00	851.71	581.59
Nature of Debt (Purpose): Reimb. for Phone expense and supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Carla Carstens Designs, Inc. 716 Capitola Ave, Suite G Capitola, CA 95010	0.00	2365.11	0.00	2365.11
Nature of Debt (Purpose): office furniture				

1) SUBTOTALS This Period This Page (optional)	3058.55
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801335

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cellular One P.O.Box 600000 San Francisco, CA 94160-1404	243.28	139.39	243.28	139.39
Nature of Debt (Purpose): Phone expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor City & County Tax Collector 107 City Hall San Francisco, CA 94107	233.80	0.00	233.80	0.00
Nature of Debt (Purpose): Property Tax				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor CompuWorld 9760 Admiral Callaghan Lane Vallejo, CA 94591	0.00	2242.60	0.00	2242.60
Nature of Debt (Purpose): software				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Computers Software Repair 1343 May Street West Sacramento, CA 95605	0.00	175.00	0.00	175.00
Nature of Debt (Purpose): computer service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Corporate Colour Printing Inc. 13075 E. Garvey Ave., Suite C Baldwin Park, CA 91706	1001.32	0.00	1001.32	0.00
Nature of Debt (Purpose): Printing				

1) SUBTOTALS This Period This Page (optional).....	2556.99
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

97043801336

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Creative Travel 9321 La Riviera Drive Sacramento, CA 95826	493.00	0.00	493.00	0.00
Nature of Debt (Purpose): Travel Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor DCARA 1537 Webster St., Suite 8 Oakland, CA 94612	643.25	0.00	643.25	0.00
Nature of Debt (Purpose): Interpreter Serv.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor DNC Western Caucus P.O. Box 488 Ketchum, ID 83340	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): dues				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Dancing Tree Recycled Paper 2253 Glen Ave. Berkeley, CA 94709	2824.05	3321.30	2824.05	3321.30
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Data Recovery Service 1429 South Mayfair Daly City, CA 94015	512.37	0.00	512.37	0.00
Nature of Debt (Purpose): Computer Repair				

1) SUBTOTALS This Period This Page (optional).....	3321.30
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

97043801337

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Leslie Decker 3336 Moraga Blvd. LaFayette, CA 94549	64.39	0.00	64.59	0.00
Nature of Debt (Purpose): Reimb. for Phone Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Delancey Street Foundation 2563 Divisadero St. San Francisco, CA 94115	929.28	0.00	929.28	0.00
Nature of Debt (Purpose): Moving Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Dem Foundation of Orange County 824 N. Broadway Santa Ana, CA 92701	284.35	0.00	284.35	0.00
Nature of Debt (Purpose): Reimb. for bkfst.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jeff Dethlefson 5806 Shadowbrook Way Fair Oaks, CA 95628	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): video services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Carla Dillard Smith 1075 61st St. Oakland, CA 94608	154.00	0.00	154.00	0.00
Nature of Debt (Purpose): Travel				

1) SUBTOTALS This Period This Page (optional)	200.00
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801338

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Doggett P.O. Box 69A32 Los Angeles, CA 90069	0.00	230.56	0.00	230.56
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Downey Brand Seymor & Rohwer 555 Capitol Mall, 10th Floor Sacramento, CA 95814-0131	0.00	249.20	0.00	249.20
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor EGBOK Professional Couriers 812 J Street, Suite #62 Sacramento, CA 95814	0.00	19.75	0.00	19.75
Nature of Debt (Purpose): courier				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Eagle Press 8111 37th Avenue Sacramento, CA 95824-7850	0.00	619.56	0.00	619.56
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Ernie's 847 Montgomery Street San Francisco, CA 94133	0.00	1691.50	0.00	1691.50
Nature of Debt (Purpose): food				

1) SUBTOTALS This Period This Page (optional)	2810.57
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801339

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Event Specialties 6234 Greenback Lane Citrus Heights, CA 95621-6129	0.00	264.00	0.00	264.00
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Fairmont Hotel Atop Nob Hill San Francisco, CA 94108	0.00	2574.40	0.00	2574.40
Nature of Debt (Purpose): hotel accomodations				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Election Commission 999 E. Street, N.E., Room 657 Washington, DC 20463	0.00	7000.00	0.00	7000.00
Nature of Debt (Purpose): penalty fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Express P.O.Box 1140, Dept. A Memphis, TN 38101-1140	1473.25	472.50	1308.75	637.00
Nature of Debt (Purpose): Shipping Charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Firefighter Publications 1780 Creekside Oaks #200 Sacramento, CA 95833	0.00	3279.93	0.00	3279.93
Nature of Debt (Purpose): printing				

1) SUBTOTALS This Period This Page (optional)	13755.33
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801343C

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fulbright, Jaworski and Reavis 700 South Flower Street Los Angeles, CA 90017	10992.35	997.68	10992.35	997.68
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor GLAD 616 S. Westmoreland Ave., 2nd Floor Los Angeles, CA 90005	760.00	0.00	760.00	0.00
Nature of Debt (Purpose): Interpreter Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Goodwin Cole Co. 8320 Belvadere Sacramento, CA 95826	0.00	2624.79	0.00	2624.79
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer, Inc. 550 N. Continental Blvd., Suite 180 El Segundo, CA 90245	480614.49	631504.24	827187.80	284930.93
Nature of Debt (Purpose): Fundraising Fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Graphline Printing Service 2866 Black Hills Way Sacramento, CA 95827	0.00	953.58	0.00	953.58
Nature of Debt (Purpose): printing				

1) SUBTOTALS This Period This Page (optional)..... 289506.98

2) TOTAL This period (last page this line number only).....

3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....

4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor H & S Electric, Inc. 5710 Auburn Blvd., Shop #12 Sacramento, CA 95628	0.00	268.10	0.00	268.10
Nature of Debt (Purpose): electric services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Marlissa Hernandez 9328 Ivydale Circle Elk Grove, CA 95758	50.00	0.00	50.00	0.00
Nature of Debt (Purpose): Travel Expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Forescee Hogan Rowles 972 W. 244th St. Harbor City, CA 90710	393.96	0.00	393.96	0.00
Nature of Debt (Purpose): Reimb. for Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Stephen K. Hopcraft 3551 "N" Street Sacramento, CA 95816	0.00	1000.00	0.00	1000.00
Nature of Debt (Purpose): radio ads				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail Advertising 920 Striker Avenue, Suite B Sacramento, CA 95834	0.00	2205.67	0.00	2205.67
Nature of Debt (Purpose): mail services				

1) SUBTOTALS This Period This Page (optional)	3473.77
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hyatt at Los Angeles Airport #5601 Los Angeles, CA 90074	149.41	0.00	149.41	0.00
Nature of Debt (Purpose): Hotel Accomodation				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor J & S Keypunch Service 6056 Rutland Drive, Suite 10 Carmichael, CA 95608	0.00	149.25	0.00	149.25
Nature of Debt (Purpose): keypunch service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Just Desserts 1970 Carroll Ave. San Francisco, CA 94124	27.90	0.00	27.90	0.00
Nature of Debt (Purpose): cakes				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Mary Keene 1512 - 13 St., #2 Sacramento, CA 95814	650.00	0.00	650.00	0.00
Nature of Debt (Purpose): Consulting Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Susan Kennedy 4029 McClain Road, Apt. 37 Carmichael, CA 95608	155.44	55.00	155.44	55.00
Nature of Debt (Purpose): Reimbursement for Travel Expenses				

1) SUBTOTALS This Period This Page (optional)	204.25
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kinetic Desk 2017 Mercury Way Sacramento, CA 95864	3189.72	0.00	3189.72	0.00
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kinko's P.O. Box 8033 Ventura, CA 93002-8033	0.00	1891.92	0.00	1891.92
Nature of Debt (Purpose): Copies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Landmark Strategies 101 S. Whitting St., Alexandria, VA 22021	1812.38	0.00	0.00	1812.38
Nature of Debt (Purpose): Research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Landry Personnel Group 2020 Hurley Way, Suite 200 Sacramento, CA 95825	0.00	78.16	0.00	78.16
Nature of Debt (Purpose): temporary services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Legi-Tech 1029 J Street #450 Sacramento, CA 95814	1800.00	0.00	1800.00	0.00
Nature of Debt (Purpose): Computer time and service				

1) SUBTOTALS This Period This Page (optional)	3782.46
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 96-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lithographics 1616 J Street Sacramento, CA 95814	0.00	10.78	0.00	10.78
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor M.D. Printing & Publishing 2522 J Street Sacramento, CA 95814	2265.15	0.00	2265.15	0.00
Nature of Debt (Purpose): Printing and Publishing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor M & M Printing 1011 9th Street Sacramento, CA 95814	2653.08	122.11	2653.08	122.11
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Patricia Nar 1505 Danica Way Sacramento, CA 95833	224.20	396.63	224.20	396.63
Nature of Debt (Purpose): Reimb. for office supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Marin Telemanagement Corp. 448 Ignacio Blvd. Novato, CA 94949	142.27	1332.75	142.27	1332.75
Nature of Debt (Purpose): Telephones				

1) SUBTOTALS This Period This Page (optional)	2662.27
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Master Lease Corporation Dept. 438 Denver, CO 80271-0438	338.53	292.87	338.53	292.87
Nature of Debt (Purpose): Copier Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Maynard Electronics 36 Skyline Drive, Lake Mary, FL 32746	0.00	58.29	0.00	58.29
Nature of Debt (Purpose): software repair				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Melissa Mayorga 6261 Denslow Way Sacramento, CA 95823	65.00	0.00	65.00	0.00
Nature of Debt (Purpose): Contract Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lucy McCoy 8000 Westlawn Avenue Los Angeles, CA 90045	8000.00	0.00	8000.00	0.00
Nature of Debt (Purpose): Fundraising Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Heilman & Lazarus 1054 31st Street, N.W. Suite 530 Washinton, DC 20007	0.00	692.50	0.00	692.50
Nature of Debt (Purpose): legal services				

1) SUBTOTALS This Period This Page (optional)	1043.66
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Metro Flyers Inc. 912 15th Street Sacramento, CA 95814	14.88	0.00	14.88	0.00
Nature of Debt (Purpose): Messenger Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wollborg Michelson 120 Montgomery Street San Francisco, CA 94104	396.56	0.00	396.56	0.00
Nature of Debt (Purpose): Temp Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bob Mulholland 1814 Broadway Street Chico, CA 95928	50.00	4076.77	50.00	4076.77
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor NEC America Inc. P.O. Box 38850 Louisville, KY 40233-8850	0.00	95.00	0.00	95.00
Nature of Debt (Purpose): equipment maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor NORCAL Center on Deafness, Inc. 2045 Hallmark Drive, Suite 4 Sacramento, CA 95825	0.00	205.32	0.00	205.32
Nature of Debt (Purpose): interpreter services				

1) SUBTOTALS This Period This Page (optional)	4377.09
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214615	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Navigator Press P.O.Box 2089 Beverly Hills, CA 90012	1177.00	0.00	1177.00	0.00
Nature of Debt (Purpose): Slate Mailer				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor North American Alarm, Inc. 2018 Oakdale Avenue San Francisco, CA 94124-2041	80.00	0.00	80.00	0.00
Nature of Debt (Purpose): Alarm Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor CMI P.O. Box 1568 San Francisco, CA 94161	327.45	0.00	327.45	0.00
Nature of Debt (Purpose): Copier Maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Oakland Convention Center 550 Tenth St. Oakland, CA 94607	3929.00	0.00	3929.00	0.00
Nature of Debt (Purpose): Rental Fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Office Club 855 Harrison Street San Francisco, CA 94107	1579.97	3948.17	1579.97	3948.17
Nature of Debt (Purpose): supplies				

1) SUBTOTALS This Period This Page (optional)	3948.17
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Control Comm. of CA-Federal 96-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Olson, Connally, Nagel, Feng & Leidigh 300 Capitol Mall, Ste. 350 Sacramento, CA 95814	13915.82	25696.81	29191.10	10419.53
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Overnight Copies 221 Lathrop Way, Ste. G Sacramento, CA 95818	190.37	0.00	190.37	0.00
Nature of Debt (Purpose): Copies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor P. L. Lowry & Associates 20 Park Plaza, Suite 230 Boston, MA 02116	0.00	547.84	0.00	547.84
Nature of Debt (Purpose): donor list maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor PR Newswire 150 East 58th Street New York, NY 10155	210.00	680.00	210.00	680.00
Nature of Debt (Purpose): newsline				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell Payment Center Sacramento, CA 95887-0001	5956.10	2388.19	5956.10	2388.99
Nature of Debt (Purpose): Telephone				

1) SUBTOTALS This Period This Page (optional)..... 14036.36

2) TOTAL This period (last page this line number only).....

3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....

4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Dynasty Building 9911 W. Pico Blvd., Suite 50 Los Angeles, CA 90035	1687.50	0.00	1687.50	0.00
Nature of Debt (Purpose): Rent				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Satellite Connection, Inc. 1121 L Street, Suite 109 Sacramento, CA 95814	0.00	2038.88	0.00	2038.88
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Telecommunications Company 168 W. Pomona Ave. Monrovia, CA 91016	1644.57	0.00	411.14	1233.43
Nature of Debt (Purpose): installation & equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Tours International 1537 Howe Ave., #200 Sacramento, CA 95825	0.00	1300.00	0.00	1300.00
Nature of Debt (Purpose): airfare				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pactel Business Systems P.O.Box 71869 San Francisco, CA 94160	1854.23	0.00	1854.23	0.00
Nature of Debt (Purpose): Installation				

1) SUBTOTALS This Period This Page (optional)	4572.11
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pactel Cellular P.O. Box 39000 San Francisco, CA 94139-5703	0.00	939.02	0.00	939.02
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Parc Oakland Hotel 1001 Broadway Oakland, CA 94607	11801.81	0.00	11801.81	0.00
Nature of Debt (Purpose): Banquet Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Parker and Son Publications, Inc. P.O. Box 9040 Oakland, CA 94607	34.35	0.00	34.35	0.00
Nature of Debt (Purpose): Directory				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Chuck Pick 13437 Ventura Blvd., #218 Sherman Oaks, CA 91423	220.00	0.00	220.00	0.00
Nature of Debt (Purpose): Parking Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Credit Corp. P.O. Box 38460 Louisville, KY 40233	536.94	103.51	536.94	103.51
Nature of Debt (Purpose): Postage Meter				

1) SUBTOTALS This Period This Page (optional).....	1042.53
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-3214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Inc. P.O. Box 85390 Louisville, KY 40285-5390	350.60	326.10	350.60	326.10
Nature of Debt (Purpose): postage machine				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Postmaster Bulk Mail Unit, Main P.O., Rm 154-U Oakland, CA 94615-9514	0.00	75.00	0.00	75.00
Nature of Debt (Purpose): bulk mail permit				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Professional Moving Service 2529 Mercantile Dr. #E Rancho Cordova, CA 95742	217.35	0.00	217.35	0.00
Nature of Debt (Purpose): Moving Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor R.L. Milsner P.O. Box 3529, 2125 Oak Grove Rd. St 110 Walnut Creek, CA 94598	0.00	269.00	0.00	269.00
Nature of Debt (Purpose): insurance brokerage				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John Ragasa 2400 West Ninth Street Los Angeles, CA 90006	0.00	66.03	0.00	66.03
Nature of Debt (Purpose): production				

1) SUBTOTALS This Period This Page (optional)	736.13
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214818	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kenneth Raley 273 27th Street San Francisco, CA 94131	659.54	0.00	659.54	0.00
Nature of Debt (Purpose): Consulting				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Carol Reu 4125 Hollow View Court Fair Oaks, CA 95628	0.00	54.46	0.00	54.46
Nature of Debt (Purpose): telephone expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Regional Office Supply P.O. Box 35084 Los Angeles, CA 90035	516.14	0.00	0.00	516.14
Nature of Debt (Purpose): Supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Reming Office Products, Inc. 1038 Howard Street San Francisco, CA 94103-6	0.00	79.00	0.00	79.00
Nature of Debt (Purpose): maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Remy and Thomas 901 F Street, Suite 200 Sacramento, CA 95814	19.77	0.00	0.00	19.77
Nature of Debt (Purpose): Reimb. for Phone Expenses				

1) SUBTOTALS This Period This Page (optional)	669.37
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Rentech Computer Rentals 10398 Rockingham Dr. Sacramento, CA 95827	151.85	0.00	151.85	0.00
Nature of Debt (Purpose): Equipment Rental				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Research Group, Inc. 218 North Jefferson, 4th Flr. Chicago, IL 60606	2500.00	0.00	2500.00	0.00
Nature of Debt (Purpose): Research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor River City Communications Corp. P.O. Box 255785 Sacramento, CA 95865	689.16	179.87	689.16	179.87
Nature of Debt (Purpose): Installation				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor River West Development Inc. 7700 College Town Drive Sacramento, CA 95826	610.20	0.00	610.20	0.00
Nature of Debt (Purpose): Postage				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John D. Rockefeller 313 Third Street, N.E. Washington, DC 20002	0.00	2182.61	0.00	2182.61
Nature of Debt (Purpose): travel expenses				

1) SUBTOTALS This Period This Page (optional).....	2362.48
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Rococo 6734 Valjean Avenue Van Nuys, CA 91406	2237.37	0.00	2237.37	0.00
Nature of Debt (Purpose): Catering Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Rule Dale Auto Plaza P.O. Box 4119 Modesto, CA 95356	845.63	0.00	845.63	0.00
Nature of Debt (Purpose): Repairs on Leased Car				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Runyon Saltzman Waagraff, Sieg 2503 K Street Sacramento, CA 95816	0.00	328.90	0.00	328.90
Nature of Debt (Purpose): Clippings				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Russell Collins Stiger 3200 Truxel Road, #417 Sacramento, CA 95833	0.00	411.65	0.00	411.65
Nature of Debt (Purpose): photographer				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sacket Corporation 3620 Fair Oaks Blvd. Ste. 200 Sacramento, CA 95824	8192.00	0.00	8192.00	0.00
Nature of Debt (Purpose): Rent				

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1) SUBTOTALS This Period This Page (optional).....	740.55
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Sacramento Bee P.O. Box 15779 Sacramento, CA 95852	0.00	33.13	0.00	33.13
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Francisco Newspaper Agency P.O. Box 7747 San Francisco, CA 94120	58.34	0.00	58.34	0.00
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sharp Financial Services Co. P.O. Box 87-0 Kansas City, MO 64187-0101	835.92	13.28	835.92	13.28
Nature of Debt (Purpose): Copier				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sierra Office Supplies & Printing 2689A Citrus Road Rancho Cordova, CA 95742	0.00	575.15	0.00	575.15
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sierra Spring Water Co. P.O. Box 13798 Sacramento, CA 95853-4798	32.30	16.25	32.30	16.25
Nature of Debt (Purpose): Water				

1) SUBTOTALS This Period This Page (optional)	637.81
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Skelton & Associates 1010 21st Street Sacramento, CA 95814	0.00	460.00	0.00	460.00
Nature of Debt (Purpose): research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Standard Office Systems 4515 Auburn Blvd. Sacramento, CA 95841	436.23	2323.85	436.23	2323.85
Nature of Debt (Purpose): Copier Maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor State Compensation Insurance Fund P.O. Box 7980 San Francisco, CA 94120	1552.14	0.00	1552.14	.00
Nature of Debt (Purpose): Insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Statewide Information Systems 201 Lathrop Way, Suite A Sacramento, CA 95815	0.00	3000.00	0.00	3000.00
Nature of Debt (Purpose): file development				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Stationery Place 1936 Wilshire Blvd., Suite R Los Angeles, CA 90057	0.00	3024.50	0.00	3024.50
Nature of Debt (Purpose): printing				

1) SUBTOTALS This Period This Page (optional)	8808.35
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Paul Stensland 329 Bryant St., Suite 3C San Francisco, CA 94107	325.79	968.95	325.79	968.95
Nature of Debt (Purpose): Utilities				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sterling Hotel 1300 H Street Sacramento, CA 95814	0.00	1236.79	0.00	1236.79
Nature of Debt (Purpose): hotel accomodations				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Samantha Stevens 15301 Valley Vista Blvd. Sherman Oaks, CA 91403	0.00	127.29	0.00	127.29
Nature of Debt (Purpose): parking expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sunrise Liquors Inc. 8101 Greenback Lane Fair Oaks, CA 95826	0.00	690.54	0.00	690.54
Nature of Debt (Purpose): beverages				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Systems One Action Temps. 2339 Gold Meadow Way #109 Gold River, CA 95670	1360.49	0.00	1360.49	0.00
Nature of Debt (Purpose): Temp. Service				

1) SUBTOTALS This Period This Page (optional)	3023.57
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-3214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Richard Ybarra P.O. Box 82 Bonita, CA 91908-0082	0.00	341.17	0.00	341.17
Nature of Debt (Purpose): Consulting				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Target Computer Rentals 1164 Triton Ave. Foster City, CA 94404	1254.30	0.00	1254.30	0.00
Nature of Debt (Purpose): Printer Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Peter Taylor 1921 Cedar Lodge Terrace Los Angeles, CA 90039-3501	0.00	432.78	0.00	432.78
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Teledynamic Communications, Inc. 1333 Evans Avenue San Francisco, CA 94124	374.43	0.00	374.43	0.00
Nature of Debt (Purpose): telephone service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Sacramento Bee 2100 Q Street Sacramento, CA 95852	30.75	0.00	30.75	0.00
Nature of Debt (Purpose): Subscription				

1) SUBTOTALS This Period This Page (optional)	773.95
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Shed Mini & R.V. Storage 1717-29th Street Sacramento, CA 95816	281.00	0.00	281.00	0.00
Nature of Debt (Purpose): storage rent				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Townsend & Company 1717 I Street, Suite 8 Sacramento, CA 95814	365.13	11855.04	0.00	12220.17
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John Tsakopoulos 809 Commons Drive Sacramento, CA 95825	0.00	113.70	0.00	113.70
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Unique Travel, Inc. 507 Mission Street Santa Cruz, CA 95060	273.00	0.00	273.00	0.00
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor United Parcel Service P.O. Box 344002 Merced, CA 95344-9002	31.00	187.91	31.00	187.91
Nature of Debt (Purpose): Shipping Charges				

1) SUBTOTALS This Period This Page (optional)	12521.78
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 96-2214615	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Tess Vega 3347 Broken Branch Court Sacramento, CA 95834	552.00	0.00	552.00	0.00
Nature of Debt (Purpose): Contract Employee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Vision Service Plan 100 Howe Avenue, Suite 100 S. Sacramento, CA 95825	250.15	116.40	250.15	116.40
Nature of Debt (Purpose): Insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Walsmith Production 2404 L Street Sacramento, CA 95816	0.00	1663.59	0.00	1663.59
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nicole Ward 1326 Oak Terrace Court Sacramento, CA 95825	50.00	0.00	50.00	0.00
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Waterworld U.S.A. 1600 Exposition Blvd. Sacramento, CA 95815	0.00	2743.43	0.00	2743.43
Nature of Debt (Purpose): tickets				

1) SUBTOTALS This Period This Page (optional)	4523.42
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal 94-2214618

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Watts Time 6404 Wilshire Blvd. St701 Los Angeles, CA 90048	545.00	0.00	545.00	0.00
Nature of Debt (Purpose): Advertisement				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank P.O. Box 272639 Concord, CA 94527	4527.90	4153.29	4527.90	4153.29
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Western Messenger 75 Columbia Square San Francisco, CA 94103	82.26	0.00	82.26	0.00
Nature of Debt (Purpose): Shipping Charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Catherine Whiting 24681 La Vida Laguna Niguel, CA 92677	0.00	1171.62	0.00	1171.62
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wilder Communications Systems 622 C Alcatraz Ave. Oakland, CA 94609	0.00	124.48	0.00	124.48
Nature of Debt (Purpose): computer services				

1) SUBTOTALS This Period This Page (optional).....	5449.39
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 94-2214618	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Howard Wilkins 3701 P Street Sacramento, CA 95816	338.75	0.00	338.75	0.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Xerox Corporation P.O.Box 25177 Santa Ana, CA 92799	3563.65	0.00	3563.65	0.00
Nature of Debt (Purpose): Rental				

1) SUBTOTALS This Period This Page (optional)	0.00
2) TOTAL This period (last page this line number only)	408115.26
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	15100.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	423215.26

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REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee

(Summary Page)

RECEIVED AND FILED
In the office of the Secretary of State of the State of California
MAY 26 1992
MARCH FONG EU, Secretary of State

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Democratic State Central Committee of California - Federal

ADDRESS (number and street) ☐ Check if different than previously reported
2424 "K" Street, Suite 100

CITY, STATE and ZIP CODE
Sacramento, CA 95816

2. FEC IDENTIFICATION NUMBER
C00105668

3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) ☒ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

Monthly Report Due On:
☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? ☒ YES ☐ NO

SUMMARY

5. Covering Period 1/1/92 through 3/31/92

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
6.	(a) Cash on Hand January 1, 19 92		$ 60,278.28
	(b) Cash on Hand at Beginning of Reporting Period	$ 60,278.28	
	(c) Total Receipts (from Line 16)	$ 998,205.72	$ 999,205.72
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 1,058,484.00	$ 1,058,484.00
7.	Total Disbursements (from Line 28)	$ 1,017,043.17	$ 1,017,043.17
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 41,440.83	$ 41,440.83
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ .00	
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 366,725.17	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

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

Type or Print Name of Treasurer
Martin Eberhardt

Signature of Treasurer

Date
5/22/92

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. 437g.

FEC FORM 3X

97044380013364

DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/91)

NAME OF COMMITTEE: Democratic State Central Committee of CA - Federal

REPORT COVERING PERIOD FROM 1/1/92 TO 3/31/92

	I. Receipts	COLUMN A Total This Period	COLUMN B Calendar Year
11.	Contributions (other than loans) From:		
	a. Individual/Persons Other Than Political Committees		
	i. Itemized (use Schedule A)	68,126.00	68,126.00
	ii. Unitemized	589,833.11	589,833.11
	iii. Total (add i and ii) ➤	657,959.11	657,959.11
	b. Political Party Committees		
	c. Other Political Committees (such as PACs)	22,099.00	22,099.00
	d. Total Contributions (add a iii, b and c) ➤	680,058.11	680,058.11
12.	Transfers From Affiliated/Other Party Committees	12,500.00	12,500.00
13.	All Loans Received		
14.	Loan Repayments Received		
15.	Offsets To Operating Expenditures (Refunds, Rebates, etc.)		
16.	Refunds of Contributions Made to Federal Candidates and Other Political Committees		
17.	Other Federal Receipts (Dividends, Interest, etc.)		
18.	Transfers from Nonfederal Account for Joint Activity	284,384.41	284,384.41
19.	Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) ➤	998,205.72	998,205.72
20.	Total Federal Receipts (subtract line 18 from line 19) ➤	713,821.31	713,821.31
	II. Disbursements		
21.	Operating Expenditures:		
	a. Shared Federal/Non-Federal Activity (from Schedule H4)		
	i. Federal Share	292,025.56	292,025.56
	ii. Non-Federal Share	295,599.33	295,599.33
	b. Other Federal Operating Expenditures	428,167.28	428,167.28
	c. Total Operating Expenditures (Add a i, a ii, and b) ➤	1,015,792.17	1,015,792.17
22.	Transfers to Affiliated/Other Party Committees		
23.	Contributions to Federal Candidates/Committees and Other Political Committees	1,251.00	1,251.00
24.	Independent Expenditures (use Schedule E)		
25.	Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)		
26.	Loan Repayments Made		
27.	Loans Made		
28.	Refunds of Contributions To:		
	a. Individuals/Persons Other Than Political Committees		
	b. Political Party Committees		
	c. Other Political Committees (such as PACs)		
	d. Total Contribution Refunds (Add a, b and c) ➤		
29.	Other Disbursements		
30.	Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) ➤	1,017,043.17	1,017,043.17
31.	Total Federal Disbursements (subtract line 21 a ii from line 30) ➤	721,443.84	721,443.84
	III. Net Contributions/Operating Expenditures		
32.	Total Contributions (other than loans)(from line 11d)	680,058.11	680,058.11
33.	Total Contribution Refunds (from line 28d)	.00	.00
34.	Net Contributions (other than loans)(subtract line 33 from 32)	680,058.11	680,058.11
35.	Total Federal Operating Expenditures (add 21 a i and 21 b) ➤	720,192.84	720,192.84
36.	Offsets to Operating Expenditures (from line 15)	21,263.20	21,263.20
37.	Net Operating Expenditures (subtract line 36 from 35) ➤	698,929.64	698,929.64

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 1 of ___ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor A and R Maintenance Co. 35 Hidden Valley Road Pomona, CA 91766	120.00	26.66	146.66	0.00
Nature of Debt (Purpose): Janitorial Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Maitland P.O. Box 945800 Maitland, FL 32794-5800	0.00	66.78	0.00	66.78
Nature of Debt (Purpose): telephone service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Merlin P.O. Box 834 Parsippany, NJ 07054	0.00	714.44	714.44	0.00
Nature of Debt (Purpose): System Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT& T -Sac P.O. Box 10193 Van Nuys, CA 91410-0193	527.00	0.00	527.00	0.00
Nature of Debt (Purpose): maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Act 1 1515 South El Camino Real, 3rd Floor San Mateo, CA 94402	313.32	1807.45	313.32	1807.45
Nature of Debt (Purpose): temp. service				

1) SUBTOTALS This Period This Page (optional)	1874.23
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Angela Alioto City Hall, Room 235 San Francisco, CA 94102	135.67	0.00	135.67	0.00
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Darius Anderson 1100 Howe Avenue, Apt. 569 Sacramento, CA 95825	207.46	19.75	207.46	19.75
Nature of Debt (Purpose): Reimb. for travel and supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Phil Angelides 1957 - 13th Ave. Sacramento, CA 95818	3364.14	0.00	0.00	3364.14
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aster Travel Agency, Inc. 910 Geneva Avenue San Francisco, CA 94112	0.00	123.00	0.00	123.00
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Athanasia Manikas 1020 Los Molinos Way Sacramento, CA 95864	950.00	0.00	950.00	0.00
Nature of Debt (Purpose): catering services				

1) SUBTOTALS This Period This Page (optional)	3506.89
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
The Beverly Hilton 9876 Wilshire Blvd. Beverly Hills, CA 90210	585.12	0.00	0.00	585.12
Nature of Debt (Purpose): banquet				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Bradley New West Notes P.O. Box 221364 Sacramento, CA 95822	0.00	150.00	0.00	150.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Biltmore Hotel -Los Angeles 506 South Grand Avenue Los Angeles, CA 90071	0.00	11537.75	0.00	11537.75
Nature of Debt (Purpose): banquet				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Blue Horizons Travel 4301 North Fairfax Drive, Suite 190 Arlington, VA 22203	0.00	700.00	0.00	700.00
Nature of Debt (Purpose): travel service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Brownie's Blueprint & Company Inc. 1322 V Street Sacramento, CA 95814-0326	1177.27	0.00	650.52	526.75
Nature of Debt (Purpose): printing				

1) SUBTOTALS This Period This Page (optional)	13499.62
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 4 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Business Media Services 3112 C Street, Suite #5 Sacramento, CA 95816	47.71	93.20	0.00	140.91
Nature of Debt (Purpose): media clips				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor C & R News, Inc. P.O. Box 2401 Sacramento, CA 95811	0.00	135.76	135.76	0.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor California Journal 1716 Capitol Ave. Sacramento, CA 95814	210.11	64.65	210.11	64.65
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor David Cameron 815 17th St. Sacramento, CA 95814	47.20	379.58	47.20	379.58
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Capitol Advantage P.O. Box 1223 McLean, VA 22101-1223	9.50	0.00	0.00	9.50
Nature of Debt (Purpose): Directory				

1) SUBTOTALS This Period This Page (optional)	594.64
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Carla Carstens Designs, Inc. 716 Capitola Ave, Suite 6 Capitola, CA 95010	999.06	0.00	999.06	0.00
Nature of Debt (Purpose): office furniture				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cathedral Hill Hotel 1101 Van Ness Avenue San Francisco, CA 94109	0.00	1063.15	0.00	1063.15
Nature of Debt (Purpose): Luncheon				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Arlie E. Caudle 4597 Chippewa Lane Redding, CA 96003	183.60	0.00	0.00	183.60
Nature of Debt (Purpose): phone and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cavalier Limousine Service P.O. Box 84565 Los Angeles, CA 90073	0.00	163.90	0.00	163.90
Nature of Debt (Purpose): Limousine Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cellular One P.O.Box 600000 San Francisco, CA 94160-1484	583.67	3.92	587.59	0.00
Nature of Debt (Purpose): Phone expense				

1) SUBTOTALS This Period This Page (optional)	1410.65
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor CompuWorld 9760 Admiral Callaghan Lane Vallejo, CA 94591	896.61	407.55	896.61	407.55
Nature of Debt (Purpose): software and hardware				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Computers Software Repair 1343 May Street West Sacramento, CA 95605	725.00	0.00	725.00	0.00
Nature of Debt (Purpose): computer service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Comstock, Inc. The Comstock Bldg, 30 Irving Place New York, NY 10003	0.00	317.50	0.00	317.50
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cooking & Company P.O. Box 11038 Arlington, VA 22210	1147.07	0.00	1147.07	0.00
Nature of Debt (Purpose): catering service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kia Currie 100 Bush Street San Francisco, CA 94404	145.99	82.45	228.44	0.00
Nature of Debt (Purpose): reimburse travel expense				

1) SUBTOTALS This Period This Page (optional).....	725.05
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Dancing Tree Recycled Paper 2253 Glen Ave. Berkeley, CA 94709	5454.06	0.00	3451.01	2003.05
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor DeSousa's Furniture Restoring, Inc. 2435 West Capitol Avenue West Sacramento, CA 95691	127.50	0.00	127.50	0.00
Nature of Debt (Purpose): office furniture				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Details Details 3200 Cutter Way Sacramento, CA 95818	0.00	623.45	623.45	0.00
Nature of Debt (Purpose): reimb for phone and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jeff Dathlefson 5806 Shadowbrook Way Fair Oaks, CA 95628	225.00	0.00	225.00	0.00
Nature of Debt (Purpose): video services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Charlotte H. Dobbs 1888 Greenfield Ave., Ste.104 Los Angeles, CA 90025	0.00	5000.00	0.00	5000.00
Nature of Debt (Purpose): Fundraising Conculting				

1) SUBTOTALS This Period This Page (optional)	7003.05
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00103668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Doggett P.O. Box 69A32 Los Angeles, CA 90069	0.00	700.37	0.00	700.37
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Michael Dolan 100 Bush Street San Francisco, CA 94104	323.00	430.40	392.40	361.00
Nature of Debt (Purpose): reimburse for postage and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Doug Austin Photography 2310 Fairfield Sacramento, CA 95815	70.04	134.69	0.00	204.73
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Downey Brand Seymor & Rohwer 555 Capitol Mall, 10th Floor Sacramento, CA 95814-0131	249.20	0.00	249.20	0.00
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor EGBOK Professional Couriers 812 J Street, Suite #62 Sacramento, CA 95814	0.00	19.75	0.00	19.75
Nature of Debt (Purpose): courier				

1) SUBTOTALS This Period This Page (optional).....	1285.85
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105658	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Eagle Press 8111 37th Avenue Sacramento, CA 95824-7850	0.00	10386.11	0.00	10386.11
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor El Dorado County 6205 Enterprise Drive, Suite H Diamond Springs, CA 95619	0.00	9.80	0.00	9.80
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fast Signs 624 Watt Avenue Sacramento, CA 95864	0.00	294.15	0.00	294.15
Nature of Debt (Purpose): signs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Election Commission 999 E. Street, N.E., Room 657 Washington, DC 20463	4000.00	0.00	2000.00	2000.00
Nature of Debt (Purpose): penalty fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Express P.O.Box 1140, Dept. A Memphis, TN 38101-1140	13.00	166.50	179.50	0.00
Nature of Debt (Purpose): Shipping Charges				

1) SUBTOTALS This Period This Page (optional)	12690.06
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801374

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00165668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Firefighter Publications 1780 Creekside Oaks #200 Sacramento, CA 95833	11322.39	4612.21	4275.54	11659.06
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fullbright, Jaworski and Reavis 700 South Flower Street Los Angeles, CA 90017	7172.85	0.00	0.00	7172.85
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Galanty & Company 1640 Fifth Street Santa Monica, CA 90401	10512.39	15000.00	1212.81	24299.58
Nature of Debt (Purpose): media consultant, phone and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer, Inc. 550 N. Continental Blvd., Suite 180 El Segundo, CA 90245	42929.78	0.00	700.00	42229.78
Nature of Debt (Purpose): Fundraising Fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer Inc. -FLA 550 N. Continental Blvd., #180 El Segundo, CA 90245	137023.99	0.00	0.00	137023.99
Nature of Debt (Purpose): fundraising services				

1) SUBTOTALS This Period This Page (optional)	322385.26
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801375

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 11 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Graphis Type 2400 West Ninth Street Los Angeles, CA 90006	371.40	208.38	371.40	208.38
Nature of Debt (Purpose): graphics				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greenberg-Lake the Analysis Group Inc. 515 Second Street, NE Washington, DC 20002	15000.00	0.00	15000.00	0.00
Nature of Debt (Purpose): research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greyhound Exposition Services Inc. 13861 Rosecrans Avenue Santa Fe Springs, CA 90670	0.00	4516.39	0.00	4516.39
Nature of Debt (Purpose): exposition services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Marion T. Hack Marketing & Mgmt Consultant 810 Via Maria Salinas, CA 93901	30.00	0.00	0.00	30.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hanna Graphics 5770 Melrose Ave., #101 Los Angeles, CA 90038	0.00	179.00	0.00	179.00
Nature of Debt (Purpose): Banners				

1) SUBTOTALS This Period This Page (optional)	4933.77
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greg Hayes 425 San Antonio Sacramento, CA 95819	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Stephen K. Hopcraft 3551 "N" Street Sacramento, CA 95816	500.00	0.00	0.00	500.00
Nature of Debt (Purpose): radio ads				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail Advertising -Sac 920 Striker Avenue, Suite B Sacramento, CA 95834	2911.66	948.03	246.00	3613.69
Nature of Debt (Purpose): mail services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail -Oakland 669 20th Street Oakland, CA 94612-1312	234.89	0.00	0.00	234.89
Nature of Debt (Purpose): mailing services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Independent Printers 12834 Victory Blvd. N. Hollywood, CA 91606	0.00	607.28	0.00	607.28
Nature of Debt (Purpose): Printing				

1) SUBTOTALS This Period This Page (optional)	5155.86
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00195668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Iron Mountain Media Film & Video Production 1955 A Railroad Drive Sacramento, CA 95815	666.67	75.43	0.00	742.10
Nature of Debt (Purpose): Film/Video Production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jim Wise Associates, Inc. 104 N. West Street Alexandria, VA 22314	1550.00	12.86	775.00	787.86
Nature of Debt (Purpose): consulting service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John's International Flowers 11956 Martha Street North Hollywood, CA 91607	0.00	1185.34	0.00	1185.34
Nature of Debt (Purpose): Flowers				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor KRC Research & Consulting, Inc. 145 Avenue of the Americas New York, NY 10013	4531.53	0.00	0.00	4531.53
Nature of Debt (Purpose): research, phone and shipping expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Robert Kaplan Company 12021 Wilshire Blvd., Suit 542 Los Angeles, CA 90025	0.00	1100.00	0.00	1100.00
Nature of Debt (Purpose): consulting services				

1) SUBTOTALS This Period This Page (optional)	8346.83
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 14 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Susan Kennedy 4029 McClain Road, Apt. 37 Carmichael, CA 95608	108.00	81.28	108.00	81.28
Nature of Debt (Purpose): Reimbursement for Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Keystone Communications 303 East South Temple Salt Lake City, UT 84111-1226	185.00	0.00	185.00	0.00
Nature of Debt (Purpose): media services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor King Air F - 90 N17TS 7700 College Town Drive, Suite 105 Sacramento, CA 95826	3684.06	0.00	2616.75	1067.31
Nature of Debt (Purpose): travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Latino Democratic Club of Sacramento 2500 42nd Street Sacramento, CA 95817	119.00	0.00	119.00	0.00
Nature of Debt (Purpose): local support				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Legi-Tech 1029 J Street #450 Sacramento, CA 95814	163.20	0.00	0.00	163.20
Nature of Debt (Purpose): Computer time and service				

1) SUBTOTALS This Period This Page (optional)	1311.79
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 15 of ___ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lisa Sacchini Graphic Design and Illustration P.O. Box 162323 Sacramento, CA 95816	447.16	215.50	447.16	215.50
Nature of Debt (Purpose): graphics and design				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lithographics 1616 J Street Sacramento, CA 95814	373.37	10.78	0.00	384.15
Nature of Debt (Purpose): graphics				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Looks Scenery 13005 Saticoy Street North Hollywood, CA 91605	0.00	216.50	0.00	216.50
Nature of Debt (Purpose): scenery production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Los Angeles Times P.O. Box 60062 Los Angeles, CA	150.75	0.00	0.00	150.75
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor M & M Printing 1011 9th Street Sacramento, CA 95814	0.00	80.88	0.00	80.88
Nature of Debt (Purpose): Printing				

1) SUBTOTALS This Period This Page (optional)	1047.76
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801380

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 16 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Manatt, Phelps, Phillips & Kantor 11355 West Olympic Blvd. Los Angeles, CA 90064-1614	7756.24	52.54	1000.00	6808.78
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Patricia Mar 1505 Danica Way Sacramento, CA 95833	185.69	322.80	185.69	322.80
Nature of Debt (Purpose): Reimb. for office supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Marin Telemanagement Corp. 448 Ignacio Blvd. Novato, CA 94949	2580.73	0.00	2580.73	0.00
Nature of Debt (Purpose): Telephones				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Master Lease Corporation Dept. 638 Denver, CO 80271-0638	0.00	600.38	292.87	307.51
Nature of Debt (Purpose): Copier Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor McGuire & Co. 2962 Fillmore Street San Francisco, CA 94123	0.00	11442.54	0.00	11442.54
Nature of Debt (Purpose): consulting and office expenses				

1) SUBTOTALS This Period This Page (optional)	18881.63
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Heilman & Lazarus 1054 31st Street, N.W. Suite 530 Washinton, DC 20007	107.32	1.07	0.00	108.39
Nature of Debt (Purpose): travel expense/consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Membership Campaign 100 Bush Street, Suite 428 San Francisco, CA 94104	0.00	3528.01	3528.01	0.00
Nature of Debt (Purpose): non-staff wages, rent, postage, and printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Minnesota Western Visual Presentation Systems 5828 Vallejo Street Oakland, CA 94608-2697	225.07	0.00	0.00	225.07
Nature of Debt (Purpose): equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Mayra Morales 2700 Atlas Avenue Sacramento, CA 95820	0.00	90.00	90.00	0.00
Nature of Debt (Purpose): non-staff wages/fees				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Morikawa Group 3391 Shadow Tree Drive, Suite 3448 Sacramento, CA 95834	0.00	4234.37	2484.37	1750.00
Nature of Debt (Purpose): consulting services, postage, and travel exp.				

1) SUBTOTALS This Period This Page (optional)	2083.46
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bob Mulholland 1814 Broadway Street Chico, CA 95928	538.69	1104.32	538.69	1104.32
Nature of Debt (Purpose): Travel and office supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Haderlander Production Co. 810 7th Avenue New York, NY 10019	0.00	2500.00	0.00	2500.00
Nature of Debt (Purpose): theatre tickets				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nieto and Associates Marketing & Advertising 1430 Truxtun Ave., Ste 802 Bakersfield, CA 93301	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): consultanting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Ken Hurst-NotzArt P.O. Box 577341 Modesto, CA 95357-7341	698.75	0.00	698.75	0.00
Nature of Debt (Purpose): T-shirts				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Office Depot 855 Harrison Street San Francisco, CA 94107	1242.61	3897.93	0.00	5140.54
Nature of Debt (Purpose): supplies				

1) SUBTOTALS This Period This Page (optional).....	8944.86
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Lester Olmstead-Rose 2300 Prince Street Berkeley, CA 94705	54.35	0.00	54.35	0.00
Nature of Debt (Purpose): hotel accomodation				
Olson, Connelly, Nagel, Fong & Leidigh 300 Capitol Mall, Ste. 350 Sacramento, CA 95814	30581.03	8609.23	10000.00	29190.26
Nature of Debt (Purpose): legal services				
Osborn's Central Printing Inc. 2541 Del Paso Blvd. Sacramento, CA 95815	488.11	0.00	488.11	0.00
Nature of Debt (Purpose): office supplies				
P. L. Lowry & Associates 20 Park Plaza, Suite 230 Boston, MA 02116	0.00	495.90	0.00	495.90
Nature of Debt (Purpose): donor list maintenance				
P.J. Deli Int'l 404 S. Figueroa, 4th Level, #412 Los Angeles, CA 90071	0.00	2341.75	2341.75	0.00
Nature of Debt (Purpose): meals				

1) SUBTOTALS This Period This Page (optional)	29686.16
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 20 of ____ for Line Number (10)

Name of Committee (in full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor PR Newswire 150 East 58th Street New York, NY 10155	1110.00	1540.00	0.00	2650.00
Nature of Debt (Purpose): newsline				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Sac Payment Center Sacramento, CA 95887-0001	1245.20	928.90	1245.20	928.90
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Van Nuys Payment Center Van Nuys, CA 91388	469.96	0.00	469.96	0.00
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Satellite Connection, Inc. 1121 L Street, Suite 109 Sacramento, CA 95814	1993.10	0.00	1993.10	0.00
Nature of Debt (Purpose): media				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Travel International 1537 Howe Avenue Sacramento, CA 95825	3526.00	0.00	0.00	3526.00
Nature of Debt (Purpose): travel service				

1) SUBTOTALS This Period This Page (optional)	7104.90
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801385

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Pactel Cellular P.O. Box 39000 San Francisco, CA 94139-5703	0.00	891.11	487.56	403.55
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Personnel Services, Inc. 5900 Wilshire Blvd., Suite 400 Los Angeles, CA 90036	0.00	897.60	0.00	897.60
Nature of Debt (Purpose): Temp. services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Credit Corp. P.O. Box 38460 Louisville, KY 40233	0.00	98.51	0.00	98.51
Nature of Debt (Purpose): equipment lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Inc. P.O. Box 85390 Louisville, KY 40285-5390	61.49	434.84	0.00	496.33
Nature of Debt (Purpose): postage machine				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Political Animal P.O. Box 3249 Torrance, CA 90510	150.00	0.00	0.00	150.00
Nature of Debt (Purpose): subscription				

1) SUBTOTALS This Period This Page (optional)	2045.99
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Political Data Inc. P.O. Box 1706 Burbank, CA 91507	924.38	0.00	0.00	924.38
Nature of Debt (Purpose): research				
Lisa Presta 3345 N Street Sacramento, CA 95816	45.00	0.00	45.00	0.00
Nature of Debt (Purpose): meals and travel expenses				
R.L. Milsner P.O. Box 3529, 2125 Oak Grove Rd. St 110 Walnut Creek, CA 94598	269.00	0.00	0.00	269.00
Nature of Debt (Purpose): insurance broker				
John Ragasa 2400 West Ninth Street Los Angeles, CA 90006	66.03	0.00	66.03	0.00
Nature of Debt (Purpose): graphics				
Registration and Elections Stanislaus County 912 11th Street, Room 100 Modesto, CA 95354	0.00	100.00	0.00	100.00
Nature of Debt (Purpose): copies/reproduction				

1) SUBTOTALS This Period This Page (optional)	1293.38
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 23 of ____ for Line Number (10)

Name of Committee (in full) Democratic State Central Comm. of CA-federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance At Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Remy and Thomas 901 F Street, Suite 200 Sacramento, CA 95814	19.77	0.00	0.00	19.77
Nature of Debt (Purpose): Reimb. for Phone Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Rentech Computer Rentals 10398 Rockingham Dr. Sacramento, CA 95827	0.00	123322.00	0.00	123322.00
Nature of Debt (Purpose): Equipment Rental				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Research Group, Inc. 218 North Jefferson, 4th Flr. Chicago, IL 60606	2164.50	9531.87	0.00	11696.37
Nature of Debt (Purpose): Research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor River West Development Inc. 2424 K Street Sacramento, CA 65816	13932.04	3737.88	0.00	17669.92
Nature of Debt (Purpose): phone, postage and staff services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Steve Rivera 200 W. Big Springs Road, #6 Riverside, CA 92507	100.00	0.00	0.00	100.00
Nature of Debt (Purpose): non-staff wages/fees				

1) SUBTOTALS This Period This Page (optional)	152808.06
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801383

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Runyon Saltzman Weagraff, Sieg 2503 K Street Sacramento, CA 95816	68.68	0.00	0.00	68.68
Nature of Debt (Purpose): Clippings				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Sacramento Bee P.O. Box 15779 Sacramento, CA 95852	0.00	69.50	69.50	0.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Francisco Newspaper Agency P.O. Box 7572 San Francisco, CA 94120	0.00	24.00	24.00	0.00
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Joaquin County Registrar of Voters 24 South Hunter Street, Rm 202 Stockton, CA 95201	0.00	20.60	0.00	20.60
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jane Sanchez 15 Gerke Alley #1 San Francisco, CA 94133	0.00	58.00	0.00	58.00
Nature of Debt (Purpose): Consultant				

1) SUBTOTALS This Period This Page (optional)	147.28
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Servinet Consulting Group 100 Spear Street, Suite 1430 San Francisco, CA 94105	0.00	5538.68	2860.00	2678.68
Nature of Debt (Purpose): consulting service				
Sierra Office Supplies & Printing 2689A Citrus Road Rancho Cordova, CA 95742	601.43	18.04	610.45	9.02
Nature of Debt (Purpose): printing				
Signs Now 2318 J Street Suite A Sacramento, CA 95816	0.00	96.98	0.00	96.98
Nature of Debt (Purpose): signs				
Skelton & Associates 1010 21st Street Sacramento, CA 95814	1900.00	0.00	1672.00	228.00
Nature of Debt (Purpose): research				
Robin Patrice Smith 3009 Third Street Santa Monica, CA 90405	0.00	45.38	0.00	45.38
Nature of Debt (Purpose): travel expenses				

1) SUBTOTALS This Period This Page (optional)..... 3058.06

2) TOTAL This period (last page this line number only).....

3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....

4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 26 of ___ for Line Number (10)

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Rick Speers 8317 Alpinmead Circle Sacramento, CA 95828	64.65	0.00	0.00	64.65
Nature of Debt (Purpose): artwork & design				
Sprint - SF P.O. Box 52243 Phoenix, AZ 85072-2243	0.00	612.04	0.00	612.04
Nature of Debt (Purpose): Long Distance Phone				
Standard Office Systems 4515 Auburn Blvd. Sacramento, CA 95841	0.00	1010.44	1010.44	0.00
Nature of Debt (Purpose): Copier Maintenance				
State Services Organization 444 North Capitol Street Washington, DC 20001	10.00	0.00	0.00	10.00
Nature of Debt (Purpose): conference facilities				
State of Colorado 136 State Capitol Denver, CO 80203	0.00	952.00	0.00	952.00
Nature of Debt (Purpose): reimburse airfare for Governor Romer				

970438013911

1) SUBTOTALS This Period This Page (optional)	1638.69
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Statewide Information Systems 201 Lathrop Way, Suite A Sacramento, CA 95815	1500.00	161.62	750.00	911.62
Nature of Debt (Purpose): file development				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Stationery Place 1936 Wilshire Blvd., Suite R Los Angeles, CA 90057	5871.49	0.00	3490.78	2380.71
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Paul Stensland 329 Bryant St., Suite 3C San Francisco, CA 94107	0.00	404.98	0.00	404.98
Nature of Debt (Purpose): Utilities				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jim Suennen 729 Santa Ray Avenue Oakland, CA 94610-1722	0.00	149.40	0.00	149.40
Nature of Debt (Purpose): reimburse travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor TV Clips 101-B W. McKnight Way, Suite 13 Grass Valley, CA 95949	640.00	330.00	520.00	450.00
Nature of Debt (Purpose): clipping				

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1) SUBTOTALS This Period This Page (optional).....	4296.71
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Peter Taylor 1921 Cedar Lodge Terrace Los Angeles, CA 90039-3501	0.00	1698.04	1196.96	501.08
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jeri Timmons 3124 Petty Lane Carmichael, CA 95608	0.00	293.36	293.36	0.00
Nature of Debt (Purpose): reimburse for travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aileen Tokunaga 7485 Rush River Drive, Suite 710-142 Sacramento, CA 95831	0.00	1572.00	1572.00	0.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Townsend & Company 1717 I Street, Suite B Sacramento, CA 95814	2671.75	0.00	750.00	1921.75
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor United Parcel Service P.O. Box 7031 Norwalk, CA 90651-1031	117.42	284.00	247.92	353.50
Nature of Debt (Purpose): Shipping Charges				

1) SUBTOTALS This Period This Page (optional)	2576.33
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00185668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor United Parcel Service -Sac P.O. Box 13649 Sacramento, CA 95853-4649	0.00	691.09	581.26	109.83
Nature of Debt (Purpose): shipping charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor VISA P.O. Box 182158 Columbus, OH 43218-2158	1927.27	17.20	0.00	1944.47
Nature of Debt (Purpose): Supplies, office equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Vision Service Plan 100 Howe Avenue, Suite 100 S. Sacramento, CA 95825	0.00	132.24	132.24	0.00
Nature of Debt (Purpose): Insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Walsmith Production 2404 L Street Sacramento, CA 95816	748.43	1811.43	748.43	1811.43
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/NC/LP P.O. Box 272639 Concord, CA 94527-2639	1025.82	0.00	42.00	983.82
Nature of Debt (Purpose): travel expense and gift (frame)				

1) SUBTOTALS This Period This Page (optional).....	4849.55
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DA P.O. Box 272639 Concord, CA 94527-2639	1292.94	0.00	1292.94	0.00
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SK P.O. Box 272639 Concord, CA 94527-2639	810.33	2352.30	810.33	2352.30
Nature of Debt (Purpose): travel expense/meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DC P.O. Box 272639 Concord, CA 94527-2639	1507.99	567.27	61.00	2014.26
Nature of Debt (Purpose): meals and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PT P.O. Box 272639 Concord, CA 94527-2639	1706.28	281.00	1706.28	281.00
Nature of Debt (Purpose): travel and meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/YG P.O. Box 272639 Concord, CA 94527-2639	908.28	144.93	37.00	1016.21
Nature of Debt (Purpose): meals and travel expense				

1) SUBTOTALS This Period This Page (optional).....	5663.77
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PA P.O. Box 272639 Concord, CA 94527-2639	1811.74	2452.60	1811.74	2452.60
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SB P.O. Box 272639 Concord, CA 94527-2639	15.00	0.00	15.00	0.00
Nature of Debt (Purpose): membership fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank MC/KC P.O. Box 272639 Concord, CA 94527-2639	0.00	381.67	0.00	381.67
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Western Union Priority Services 1651 Old Meadow Road McLean, VA 22102	40.74	0.00	0.00	40.74
Nature of Debt (Purpose): mailgrams				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wilder Communications Systems 622 C Alcatraz Ave. Oakland, CA 94609	124.48	0.00	0.00	124.48
Nature of Debt (Purpose): computer services				

1) SUBTOTALS This Period This Page (optional)	2999.49
2) TOTAL This period (last page this line number only)	533849.65
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	2000.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	535849.65

97043013396

USE FEC MAILING LABEL OR TYPE OR PRINT

For Other Than An Authorized Committee
(Summary Page)

FILED
In the office of the Secretary of State
of the State of California
JUL 17 1992
MARCH FONG EU, Secretary of State

1. NAME OF COMMITTEE (in full)
Democratic State Central Committee of California - Federal

ADDRESS (number and street) — Check if different than previously reported
2424 "K" Street, Suite 100

CITY, STATE and ZIP CODE
Sacramento, CA 95816

2. FEC IDENTIFICATION NUMBER
C00105668

3. ___ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) ___ April 15 Quarterly Report
___ July 15 Quarterly Report
___ October 15 Quarterly Report
___ January 31 Year End Report
___ July 31 Mid Year Report (Non-election Year Only)
___ Termination Report

Monthly Report Due On:
___ February 20 ___ June 20 ___ October 20
___ March 20 ___ July 20 ___ November 20
___ April 20 ___ August 20 ___ December 20
___ May 20 ___ September 20 ___ January 31

X Twelfth day report preceding Primary (Type of Election) election on 6/2/92 in the State of California

___ Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? X YES ___ NO

SUMMARY

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5.	Covering Period 4/1/92 through 5/13/92		
6.	(a) Cash on Hand January 1, 19 92		$ 60,278.28
	(b) Cash on Hand at Beginning of Reporting Period	$ 41,440.83	
	(c) Total Receipts (from Line 19)	$ 382,873.07	$ 1,381,078.79
	(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 424,313.90	$ 1,441,357.07
7.	Total Disbursements (from Line 30)	$ 400,795.75	$ 1,417,838.92
8.	Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 23,518.15	$ 23,518.15
9.	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ .00	
10.	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 517,485.68	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

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

Type or Print Name of Treasurer
Martin Eiber

Signature of Treasurer
X Martin Eiber

Date
7/7/92

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X
(revised 2/91)

97043801397

DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/91)

NAME OF COMMITTEE
Democratic State Central Committee of CA - Federal

REPORT COVERING PERIOD
FROM 4/1/92 TO: 5/13/92

	I. Receipts	COLUMN A Total This Period	COLUMN B Calendar Year
11.	Contributions (other than loans) From:		
	a. Individual/Persons Other Than Political Committees		
	i. Itemized (use Schedule A)	33,844.98	100,656.98
	ii. Unitemized	171,207.00	762,354.11
	iii. Total (add i and ii) ➤	205,051.98	863,011.09
	b. Political Party Committees	10,000.00	10,000.00
	c. Other Political Committees (such as PACs)	24,609.00	46,708.00
	d. Total Contributions (add a iii, b and c) ➤	239,660.98	919,719.09
12.	Transfers From Affiliated/Other Party Committees	10,000.00	22,500.00
13.	All Loans Received	.00	.00
14.	Loan Repayments Received	.00	.00
15.	Offsets To Operating Expenditures (Refunds, Rebates, etc.)	3,758.30	25,021.50
16.	Refunds of Contributions Made to Federal Candidates and Other Political Committees	.00	.00
17.	Other Federal Receipts (Dividends, Interest, etc.)	.00	.00
18.	Transfers from Nonfederal Account for Joint Activity	129,453.79	413,838.20
19.	Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) ➤	382,873.07	1,381,078.79
20.	Total Federal Receipts (subtract line 18 from line 19) ➤	253,419.28	967,240.59
	II. Disbursements		
21.	Operating Expenditures:		
	a. Shared Federal/Non-Federal Activity (from Schedule H4)		
	i. Federal Share	192,533.14	484,558.70
	ii. Non-Federal Share	170,457.24	465,056.57
	b. Other Federal Operating Expenditures	32,305.37	460,472.65
	c. Total Operating Expenditures (Add a i, a ii, and b) ➤	395,295.75	1,411,087.92
22.	Transfers to Affiliated/Other Party Committees	.00	.00
23.	Contributions to Federal Candidates/Committees and Other Political Committees	.00	.00
24.	Independent Expenditures (use Schedule E)	.00	.00
25.	Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)	.00	.00
26.	Loan Repayments Made	.00	.00
27.	Loans Made	.00	.00
28.	Refunds of Contributions To:		
	a. Individuals/Persons Other Than Political Committees	5,500.00	5,500.00
	b. Political Party Committees	.00	.00
	c. Other Political Committees (such as PACs)	.00	.00
	d. Total Contribution Refunds (Add a, b and c) ➤	5,500.00	5,500.00
29.	Other Disbursements	.00	.00
30.	Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) ➤	400,795.75	1,417,838.92
31.	Total Federal Disbursements (subtract line 21 a ii from line 30) ➤	230,338.51	951,782.35
	III. Net Contributions/Operating Expenditures		
32.	Total Contributions (other than loans)(from line 11d)	239,660.98	919,719.09
33.	Total Contribution Refunds (from line 28d)	5,500.00	5,500.00
34.	Net Contributions (other than loans)(subtract line 33 from 32)	234,160.98	914,219.09
35.	Total Federal Operating Expenditures (add 21 a i and 21 b) ➤	224,838.51	945,031.35
36.	Offsets to Operating Expenditures (from line 15)	3,758.30	25,021.50
37.	Net Operating Expenditures (subtract line 36 from 35) ➤	221,080.21	920,009.85

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor A and R Maintenance Co. 35 Hidden Valley Road Pomona, CA 91766	120.00	26.66	146.66	0.00
Nature of Debt (Purpose): Janitorial Services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Maitland P.O. Box 945800 Maitland, FL 32794-5800	0.00	66.78	0.00	66.78
Nature of Debt (Purpose): telephone service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Merlin P.O. Box 834 Parsippany, NJ 07054	0.00	714.44	714.44	0.00
Nature of Debt (Purpose): System Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT& T -Sac P.O. Box 10193 Van Nuys, CA 91410-0193	527.00	0.00	527.00	0.00
Nature of Debt (Purpose): maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Act 1 1515 South El Camino Real, 3rd Floor San Mateo, CA 94402	313.32	1807.56	313.32	1807.56
Nature of Debt (Purpose): temp. service				

1) SUBTOTALS This Period This Page (optional).....	1874.34
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sally Alexander 8072 Driftwood Dr. Huntington Beach, CA 92646	141.30	43.78	0.00	185.08
Nature of Debt (Purpose): Mailing & phone expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Supervisor Angela Alioto 2606 Pacific Ave. San Francisco, CA 94102	135.67	0.00	135.67	0.00
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Amward Publications, Inc. 2000 National Press Building Washington, DC 20045	147.00	0.00	0.00	147.00
Nature of Debt (Purpose): Directories				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Darius Anderson 1100 Howe Avenue, Apt. 569 Sacramento, CA 95825	207.46	19.75	207.46	19.75
Nature of Debt (Purpose): Reimb. for travel and supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Phil Angelides 1957 - 13th Ave. Sacramento, CA 95818	6897.91	0.00	0.00	6897.91
Nature of Debt (Purpose): Travel Expenses				

1) SUBTOTALS This Period This Page (optional)	7249.74
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aster Travel Agency, Inc. 910 Geneva Avenue San Francisco, CA 94112	0.00	123.00	0.00	123.00
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Athanasia Manikas 1020 Los Molinos Way Sacramento, CA 95864	950.00	0.00	950.00	0.00
Nature of Debt (Purpose): catering services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Beverly Hilton 9876 Wilshire Blvd. Beverly Hills, CA 90210	585.12	0.00	0.00	585.12
Nature of Debt (Purpose): banquet				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Bradley New West Notes P.O. Box 221364 Sacramento, CA 95822	0.00	150.00	0.00	150.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Biltmore Hotel -Los Angeles 506 South Grand Avenue Los Angeles, CA 90071	0.00	11537.75	0.00	11537.75
Nature of Debt (Purpose): banquet				

1) SUBTOTALS This Period This Page (optional)	12395.87
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Blue Horizons Travel 4301 North Fairfax Drive, Suite 190 Arlington, VA 22203	0.00	700.00	0.00	700.00
Nature of Debt (Purpose): travel service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Brownie's Blueprint & Company Inc. 1322 V Street Sacramento, CA 95814-0326	1177.27	0.00	650.52	526.75
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Business Media Services 3112 O Street, Suite #5 Sacramento, CA 95816	47.71	93.20	0.00	140.91
Nature of Debt (Purpose): media clips				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor C & R News, Inc. P.O. Box 2401 Sacramento, CA 95811	0.00	135.76	135.76	0.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor California Journal 1714 Capitol Ave. Sacramento, CA 95814	210.11	64.65	210.11	64.65
Nature of Debt (Purpose): Subscription				

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1) SUBTOTALS This Period This Page (optional)	1432.31
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor David Cameron 815 17th St. Sacramento, CA 95814	47.20	379.58	47.20	379.58
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Capitol Advantage P.O. Box 1223 McLean, VA 22101-1223	9.50	0.00	0.00	9.50
Nature of Debt (Purpose): Directory				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Carla Carstens Designs, Inc. 716 Capitola Ave, Suite G Capitola, CA 95010	999.06	0.00	999.06	0.00
Nature of Debt (Purpose): office furniture				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cathedral Hill Hotel 1101 Van Ness Avenue San Francisco, CA 94109	0.00	1063.15	0.00	1063.15
Nature of Debt (Purpose): Luncheon				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Artie E. Caudle 4597 Chippewa Lane Redding, CA 96003	183.60	104.45	0.00	288.05
Nature of Debt (Purpose): phone and travel expenses				

1) SUBTOTALS This Period This Page (optional)	1740.28
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cavalier Limousine Service P.O. Box 84565 Los Angeles, CA 90073	0.00	163.90	0.00	163.90
Nature of Debt (Purpose): Limousine Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cellular One P.O.Box 600000 San Francisco, CA 94160-1484	583.67	3.92	587.59	0.00
Nature of Debt (Purpose): Phone expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor CompuWorld 9760 Admiral Callaghan Lane Vallejo, CA 94591	896.61	0.00	896.61	0.00
Nature of Debt (Purpose): software and hardware				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Computers Software Repair 1343 May Street West Sacramento, CA 95605	725.00	0.00	725.00	0.00
Nature of Debt (Purpose): computer service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Comstock, Inc. The Comstock Bldg, 30 Irving Place New York, NY 10003	0.00	317.50	0.00	317.50
Nature of Debt (Purpose): photography				

1) SUBTOTALS This Period This Page (optional)	481.40
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cooking & Company P.O. Box 11038 Arlington, VA 22210	1147.07	0.00	1147.07	0.00
Nature of Debt (Purpose): catering service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kia Currie 100 Bush Street San Francisco, CA 94404	145.99	82.45	228.44	0.00
Nature of Debt (Purpose): reimburse travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Dancing Tree Recycled Paper 2253 Glen Ave. Berkeley, CA 94709	5454.06	0.00	3451.01	2003.05
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor DeSousa's Furniture Restoring, Inc. 2435 West Capitol Avenue West Sacramento, CA 95691	127.50	0.00	127.50	0.00
Nature of Debt (Purpose): office furniture				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Details Details 3200 Cutter Way Sacramento, CA 95818	0.00	623.45	623.45	0.00
Nature of Debt (Purpose): reimb for phone and travel expenses				

1) SUBTOTALS This Period This Page (optional)	2003.05
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

27043801405

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jeff Dethlefson 5806 Shadowbrook Way Fair Oaks, CA 95628	225.00	0.00	225.00	0.00
Nature of Debt (Purpose): video services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Charlotte M. Dobbs 1888 Greenfield Ave., Ste.104 Los Angeles, CA 90025	0.00	5000.00	0.00	5000.00
Nature of Debt (Purpose): Fundraising Consulting				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Doggett P.O. Box 69A32 Los Angeles, CA 90069	0.00	700.37	0.00	700.37
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Michael Dolan 100 Bush Street San Francisco, CA 94104	323.00	430.40	392.40	361.00
Nature of Debt (Purpose): reimburse for postage and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Doug Austin Photography 2390 Fairfield Sacramento, CA 95815	70.04	134.69	0.00	204.73
Nature of Debt (Purpose): photography				

1) SUBTOTALS This Period This Page (optional)	1266.10
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801406

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (In Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Downey Brand Seymor & Rohwer 555 Capitol Mall, 10th Floor Sacramento, CA 95814-0131	249.20	0.00	249.20	0.00
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor EGBOK Professional Couriers 812 J Street, Suite #62 Sacramento, CA 95814	0.00	67.00	0.00	67.00
Nature of Debt (Purpose): courier				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Eagle Press 8111 37th Avenue Sacramento, CA 95824-7850	0.00	10386.11	0.00	10386.11
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor El Dorado County 6205 Enterprise Drive, Suite H Diamond Springs, CA 95619	0.00	9.80	0.00	9.80
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fast Signs 624 Watt Avenue Sacramento, CA 95864	0.00	294.15	0.00	294.15
Nature of Debt (Purpose): signs				

1) SUBTOTALS This Period This Page (optional)	10757.06
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801407

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Election Commission 999 E. Street, N.E., Room 657 Washington, DC 20463	4000.00	0.00	2000.00	2000.00
Nature of Debt (Purpose): penalty fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Express P.O.Box 1140, Dept. A Memphis, TN 38101-1140	13.00	217.00	179.50	50.50
Nature of Debt (Purpose): Shipping Charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Firefighter Publications 1780 Creekside Oaks #200 Sacramento, CA 95833	11322.39	4612.21	4275.54	11659.06
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Raymond Flynn City Hall, Room 968 Boston, MA 02201	0.00	675.00	0.00	675.00
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fulbright, Jaworski and Reavis 700 South Flower Street Los Angeles, CA 90017	7172.85	0.00	0.00	7172.85
Nature of Debt (Purpose): legal services				

1) SUBTOTALS This Period This Page (optional)	21557.41
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Galanty & Company 1640 Fifth Street Santa Monica, CA 90401	10512.39	15000.00	1212.81	24299.58
Nature of Debt (Purpose): media consultant, phone and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer, Inc. 550 N. Continental Blvd., Suite 180 El Segundo, CA 90245	42929.78	0.00	700.00	42229.78
Nature of Debt (Purpose): fundraising services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer Inc. -FLA 550 N. Continental Blvd., #180 El Segundo, CA 90245	137023.99	72700.00	0.00	209723.99
Nature of Debt (Purpose): fundraising services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Graphis Type 2400 West Ninth Street Los Angeles, CA 90006	371.40	206.73	371.40	206.73
Nature of Debt (Purpose): grapnics				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greenberg-Lake the Analysis Group Inc. 515 Second Street, NE Washington, DC 20002	15000.00	347.00	15000.00	347.00
Nature of Debt (Purpose): research				

1) SUBTOTALS This Period This Page (optional)	276807.08
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801409

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greyhound Exposition Service P.O. Box 98818 Chicago, IL 60693	0.00	4516.39	0.00	4516.39
Nature of Debt (Purpose): exposition services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Marion T. Hack Marketing & Mgmt Consultant 810 Via Maria Salinas, CA 93901	30.00	0.00	0.00	30.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hana Grafix 5770 Melrose Ave., #101 Los Angeles, CA 90038	0.00	179.00	0.00	179.00
Nature of Debt (Purpose): Banners				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greg Hayes 425 San Antonio Sacramento, CA 95819	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Stephen K. Hopcraft 3551 "N" Street Sacramento, CA 95816	500.00	0.00	0.00	500.00
Nature of Debt (Purpose): radio ads				

1) SUBTOTALS This Period This Page (optional)	5425.39
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail Advertising -Sac 920 Striker Avenue, Suite B Sacramento, CA 95834	2911.66	948.03	246.00	3613.69
Nature of Debt (Purpose): mail services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail -Oakland 669 20th Street Oakland, CA 94612-1312	234.89	0.00	0.00	234.89
Nature of Debt (Purpose): mailing services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Independent Printers 12834 Victory Blvd. N. Hollywood, CA 91606	0.00	607.28	0.00	607.28
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Iron Mountain Media Film & Video Production 1955 A Railroad Drive Sacramento, CA 95815	666.67	75.43	0.00	742.10
Nature of Debt (Purpose): Film/Video Production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jim Wise Associates, Inc. 104 N. West Street Alexandria, VA 22314	1550.00	12.86	775.00	787.86
Nature of Debt (Purpose): consulting service				

1) SUBTOTALS This Period This Page (optional)	5985.82
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801411

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00165668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John's International Flowers 11956 Martha Street North Hollywood, CA 91607	0.00	1185.34	0.00	1185.34
Nature of Debt (Purpose): Flowers				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor KRC Research & Consulting, Inc. 145 Avenue of the Americas New York, NY 10013	4531.53	14.57	0.00	4546.10
Nature of Debt (Purpose): research, phone and shipping expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Robert Kaplan Company 12021 Wilshire Blvd., Suit 542 Los Angeles, CA 90025	0.00	1100.00	0.00	1100.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Susan Kennedy 4029 McClain Road, Apt. 37 Carmichael, CA 95608	108.00	81.28	108.00	81.28
Nature of Debt (Purpose): Reimbursement for Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Keystone Communications 303 East South Temple Salt Lake City, UT 84111-1226	185.00	0.00	185.00	0.00
Nature of Debt (Purpose): media services				

1) SUBTOTALS This Period This Page (optional)	6912.72
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor King Air F - 90 N777S 7700 College Town Drive, Suite 105 Sacramento, CA 95826 Nature of Debt (Purpose): travel expense	3684.06	0.00	2616.75	1067.31
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kinko's P.O. Box 8033 Ventura, CA 93002-8033 Nature of Debt (Purpose): Copies	17.22	4521.52	0.00	4538.74
Full Name, Mailing Address and ZIP Code of Debtor or Creditor La Costa Resort Costa Del Mar Road Carlsbad, CA 92009 Nature of Debt (Purpose): deposit	0.00	12787.32	0.00	12787.32
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Latino Democratic Club of Sacramento 2500 42nd Street Sacramento, CA 95817 Nature of Debt (Purpose): local support	119.00	0.00	119.00	0.00
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Legi-Tech 1029 J Street #450 Sacramento, CA 95814 Nature of Debt (Purpose): Computer time and service	163.20	172.80	0.00	336.00

1) SUBTOTALS This Period This Page (optional)	18729.37
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Howard Leibowitz City Hall, Room 960 Boston, MA 02201	0.00	675.00	0.00	675.00
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lisa Bacchini Graphic Design and Illustration P.O. Box 162323 Sacramento, CA 95816	447.16	215.50	447.16	215.50
Nature of Debt (Purpose): graphics and design				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lithographics 1616 J Street Sacramento, CA 95814	373.37	10.78	0.00	384.15
Nature of Debt (Purpose): graphics				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Looks Scenery 13005 Saticoy Street North Hollywood, CA 91605	0.00	216.50	0.00	216.50
Nature of Debt (Purpose): scenery production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Los Angeles Times P.O. Box 60062 Los Angeles, CA	150.75	0.00	0.00	150.75
Nature of Debt (Purpose): Subscription				

1) SUBTOTALS This Period This Page (optional)	1641.90
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801414

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
M & M Printing 1011 9th Street Sacramento, CA 95814	0.00	80.88	0.00	80.88
Nature of Debt (Purpose): Printing				
Manatt, Phelps, Phillips & Kantor 11355 West Olympic Blvd. Los Angeles, CA 90064-1614	7756.24	52.54	1000.00	6808.78
Nature of Debt (Purpose): legal services				
Patricia Mar 1505 Danica Way Sacramento, CA 95833	185.69	322.80	185.69	322.80
Nature of Debt (Purpose): Reimb. for office supplies				
Marin Telemanagement Corp. 448 Ignacio Blvd. Novato, CA 94949	2580.73	2961.35	2580.73	2961.35
Nature of Debt (Purpose): Telephones				
Master Lease Corporation Dept. 638 Denver, CO 80271-0638	0.00	600.38	307.51	292.87
Nature of Debt (Purpose): Copier Lease				

1) SUBTOTALS This Period This Page (optional)	10466.68
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801415

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor McGuire & Co. 2962 Fillmore Street San Francisco, CA 94123	5000.00	6442.54	0.00	11442.54
Nature of Debt (Purpose): consulting and office expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hellman & Lazarus 1054 31st Street, N.W. Suite 530 Washinton, DC 20007	107.32	1.07	0.00	108.39
Nature of Debt (Purpose): travel expense/consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Membership Campaign 100 Bush Street, Suite 428 San Francisco, CA 94104	0.00	3528.01	3528.01	0.00
Nature of Debt (Purpose): non-staff wages, rent, postage, and printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Minnesota Western Visual Presentation Systems 5828 Vallejo Street Oakland, CA 94608-2697	225.07	0.00	0.00	225.07
Nature of Debt (Purpose): equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Mayra Morales 2700 Atlas Avenue Sacramento, CA 95820	0.00	90.00	90.00	0.00
Nature of Debt (Purpose): non-staff wages/fees				

1) SUBTOTALS This Period This Page (optional)	11776.00
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801416

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal E00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Morikawa Group 3391 Shadow Tree Drive, Suite 3448 Sacramento, CA 95834	0.00	2484.37	2484.37	0.00
Nature of Debt (Purpose): consulting services, postage, and travel exp.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bob Mulholland 1814 Broadway Street Chico, CA 95928	538.69	1104.32	538.69	1104.32
Nature of Debt (Purpose): Travel and office supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nederlander Production Co. 810 7th Avenue New York, NY 10019	0.00	2500.00	0.00	2500.00
Nature of Debt (Purpose): theatre tickets				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nieto and Associates Marketing & Advertising 1430 Truxtun Ave., Ste 802 Bakersfield, CA 93301	0.00	200.00	0.00	200.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Ken Hurst-NotzArt P.O. Box 577341 Modesto, CA 95357-7341	698.75	0.00	698.75	0.00
Nature of Debt (Purpose): T-shirts				

1) SUBTOTALS This Period This Page (optional)	3804.32
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801417

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) "Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Office Depot P.O. Box 650340 Dept. 80 Dallas, TX 75265-0340	1242.61	3897.93	0.00	5140.54
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Lester Olmstead-Rose 2300 Prince Street Berkeley, CA 94705	54.35	0.00	54.35	0.00
Nature of Debt (Purpose): hotel accomodation				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Olson, Connelly, Hagel, Fong & Leidigh 300 Capitol Mall, Ste. 350 Sacramento, CA 95814	30581.00	8609.23	10000.00	29190.23
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Osborn's Central Printing Inc. 2541 Del Paso Blvd. Sacramento, CA 95815	488.11	0.00	488.11	0.00
Nature of Debt (Purpose): office supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor P. L. Lowry & Associates 20 Park Plaza, Suite 230 Boston, MA 02116	0.00	495.90	0.00	495.90
Nature of Debt (Purpose): donor list maintenance				

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1) SUBTOTALS This Period This Page (optional)	34826.67
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor P.J. Deli Int'l 404 S. Figueroa, 4th Level, #412 Los Angeles, CA 90071	0.00	2341.75	2341.75	0.00
Nature of Debt (Purpose): meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor PR Newswire 150 East 58th Street New York, NY 10155	1070.00	1708.00	0.00	2778.00
Nature of Debt (Purpose): newsline				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Sac Payment Center Sacramento, CA 95887-0001	1245.20	1127.78	1245.20	1127.78
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Van Nuys Payment Center Van Nuys, CA 91388	469.96	2265.12	469.96	2265.12
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Satellite Connection, Inc. 1121 L Street, Suite 109 Sacramento, CA 95814	1993.10	0.00	1993.10	0.00
Nature of Debt (Purpose): media				

1) SUBTOTALS This Period This Page (optional)	6170.90
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Travel International 1537 Howe Avenue Sacramento, CA 95825	3526.00	0.00	0.00	3526.00
Nature of Debt (Purpose): travel service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pactel Cellular P.O. Box 39000 San Francisco, CA 94139-5703	0.00	891.11	487.56	403.55
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Personnel Services, Inc. 5900 Wilshire Blvd., Suite 400 Los Angeles, CA 90036	0.00	897.60	0.00	897.60
Nature of Debt (Purpose): Temp. services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Credit Corp. P.O. Box 38460 Louisville, KY 40233	0.00	98.51	0.00	98.51
Nature of Debt (Purpose): equipment lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Inc. P.O. Box 85390 Louisville, KY 40285-5390	61.49	434.84	0.00	496.33
Nature of Debt (Purpose): postage machine				

1) SUBTOTALS This Period This Page (optional).....	5421.99
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Political Data Inc. P.O. Box 1706 Burbank, CA 91507	924.38	0.00	0.00	924.38
Nature of Debt (Purpose): research				
Lisa Presta 3345 N Street Sacramento, CA 95816	45.00	0.00	45.00	0.00
Nature of Debt (Purpose): meals and travel expenses				
R.L. Milsner P.O. Box 3529, 2125 Oak Grove Rd. St 110 Walnut Creek, CA 94598	269.00	0.00	0.00	269.00
Nature of Debt (Purpose): insurance broker				
John Ragosa 2400 West Ninth Street Los Angeles, CA 90006	66.03	0.00	66.03	0.00
Nature of Debt (Purpose): graphics				
Registration and Elections Stanislaus County 912 11th Street, Room 100 Modesto, CA 95354	0.00	100.00	0.00	100.00
Nature of Debt (Purpose): copies/reproduction				

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1) SUBTOTALS This Period This Page (optional)	1293.38
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Remy and Thomas 901 F Street, Suite 200 Sacramento, CA 95814	19.77	0.00	0.00	19.77
Nature of Debt (Purpose): Reimb. for Phone Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Research Group, Inc. 218 North Jefferson, 4th Flr. Chicago, IL 60606	2164.50	9531.87	0.00	11696.37
Nature of Debt (Purpose): Research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor River West Development Inc. 2424 K Street Sacramento, CA 65816	10481.22	3925.76	0.00	14406.98
Nature of Debt (Purpose): phone, postage and staff services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Steve Rivera 200 W. Big Springs Road, #6 Riverside, CA 92507	100.00	0.00	0.00	100.00
Nature of Debt (Purpose): non-staff wages/fees				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Runyon Saltzman Wesgraff, Sieg 2503 K Street Sacramento, CA 95816	68.68	0.00	0.00	68.68
Nature of Debt (Purpose): Clippings				

1) SUBTOTALS This Period This Page (optional)	26291.80
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 25 of 33 for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Sacramento Bee P.O. Box 15779 Sacramento, CA 95852	0.00	69.50	69.50	0.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Francisco Newspaper Agency P.O. Box 7572 San Francisco, CA 94120	0.00	24.00	24.00	0.00
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Joaquin County Registrar of Voters 24 South Hunter Street, Rm 202 Stockton, CA 95201	0.00	20.60	0.00	20.60
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jana Sanchez 15 Gerke Alley #1 San Francisco, CA 94133	0.00	58.00	0.00	58.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Servinet Consulting Group 100 Spear Street, Suite 1430 San Francisco, CA 94105	0.00	6665.87	2860.00	3805.87
Nature of Debt (Purpose): consulting service				

1) SUBTOTALS This Period This Page (optional)	3884.47
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sierra Office Supplies & Printing 2689A Citrus Road Rancho Cordova, CA 95742	601.43	9.02	610.45	0.00
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Signs Now 2318 J Street Suite A Sacramento, CA 95816	0.00	96.98	0.00	96.98
Nature of Debt (Purpose): signs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Skelton & Associates 1010 21st Street Sacramento, CA 95814	1900.00	0.00	1672.00	228.00
Nature of Debt (Purpose): research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Robin Patrice Smith 3009 Third Street Santa Monica, CA 90405	0.00	45.38	0.00	45.38
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sprint - SF P.O. Box 52243 Phoenix, AZ 85072-2243	0.00	612.04	0.00	612.04
Nature of Debt (Purpose): Long Distance Phone				

97043801424

1) SUBTOTALS This Period This Page (optional)	982.40
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Squire/Eskew/Knapp/Ochs Communications 511 2ND Street, NE Washington, DC 20002	0.00	1034.00	0.00	1034.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Standard Office Systems 4515 Auburn Blvd. Sacramento, CA 95841	0.00	1910.71	1010.44	900.27
Nature of Debt (Purpose): Copier Maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor State Services Organization 444 North Capitol Street Washington, DC 20001	10.00	0.00	0.00	10.00
Nature of Debt (Purpose): conference facilities				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor State of Colorado 136 State Capitol Denver, CO 80203	0.00	952.00	0.00	952.00
Nature of Debt (Purpose): reimburse airfare for Governor Romer				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Statewide Information Systems 201 Lathrop Way, Suite A Sacramento, CA 95815	1500.00	161.62	750.00	911.62
Nature of Debt (Purpose): file development				

1) SUBTOTALS This Period This Page (optional)	3807.89
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
The Stationery Place 1956 Wilshire Blvd., Suite R Los Angeles, CA 90057	5871.49	3131.67	3490.78	5512.38
Nature of Debt (Purpose): printing				
Jim Suennen 729 Santa Ray Avenue Oakland, CA 94610-1722	0.00	149.40	0.00	149.40
Nature of Debt (Purpose): reimburse travel expenses				
TV Clips 101-B W. McKnight Way, Suite 13 Grass Valley, CA 95949	640.00	830.00	520.00	950.00
Nature of Debt (Purpose): clippings				
Peter Taylor 1921 Cedar Lodge Terrace Los Angeles, CA 90039-3501	0.00	1698.04	1196.96	501.08
Nature of Debt (Purpose): travel expenses				
Jeri Timmons 3124 Petty Lane Carmichael, CA 95608	0.00	293.36	293.36	0.00
Nature of Debt (Purpose): reimburse for travel expense				

1) SUBTOTALS This Period This Page (optional).....	7112.86
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aileen Tokunaga 7485 Rush River Drive, Suite 710-142 Sacramento, CA 95831	0.00	1572.00	1572.00	0.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Townsend & Company 1717 I Street, Suite B Sacramento, CA 95814	2671.75	0.00	750.00	1921.75
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Trustee Industrial Fund P.O. Box 10391 Des Moines, IA 50306	0.00	1790.57	0.00	1790.57
Nature of Debt (Purpose): insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor United Parcel Service P.O. Box 1031 Norwalk, CA 90651-1031	117.42	284.00	247.92	153.50
Nature of Debt (Purpose): Shipping Charges				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor United Parcel Service -Sac P.O. Box 13649 Sacramento, CA 95853-4649	0.00	691.09	581.26	89.08
Nature of Debt (Purpose): shipping charges				

1) SUBTOTALS This Period This Page (optional).....	3954.90
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal COO105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor VISA P.O. Box 182158 Columbus, OH 43218-2158	1927.27	17.20	0.00	1944.47
Nature of Debt (Purpose): Supplies, office equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Vision Service Plan 100 Howe Avenue, Suite 100 S. Sacramento, CA 95825	0.00	132.24	132.24	0.00
Nature of Debt (Purpose): Insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Volk's Cake & Cooky Co. 5489-C Sunrise Blvd. Citrus Heights, CA 95610	0.00	169.00	0.00	169.00
Nature of Debt (Purpose): Cake				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Walsmith Production 2404 L Street Sacramento, CA 95816	748.43	1925.39	748.43	1925.39
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/LP P.O. Box 272639 Concord, CA 94527-2639	1025.82	696.94	42.00	1680.76
Nature of Debt (Purpose): travel expense and gift (frame)				

1) SUBTOTALS This Period This Page (optional)	5719.62
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DA P.O. Box 272639 Concord, CA 94527-2639	1292.94	650.00	1292.94	650.00
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SK P.O. Box 272639 Concord, CA 94527-2639	810.33	1176.15	810.33	1176.15
Nature of Debt (Purpose): travel expense/meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DC P.O. Box 272639 Concord, CA 94527-2639	1507.99	575.22	61.00	2022.21
Nature of Debt (Purpose): meals and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PT P.O. Box 272639 Concord, CA 94527-2639	1706.28	281.00	1706.28	281.00
Nature of Debt (Purpose): travel and meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/VC P.O. Box 272639 Concord, CA 94527-2639	908.28	144.93	37.00	1016.21
Nature of Debt (Purpose): meals and travel expense				

1) SUBTOTALS This Period This Page (optional)	5145.57
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PA P.O. Box 272639 Concord, CA 94527-2639	1811.74	2452.60	1811.74	2452.60
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SB P.O. Box 272639 Concord, CA 94527-2639	15.00	0.00	15.00	0.00
Nature of Debt (Purpose): membership fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/KC P.O. Box 272639 Concord, CA 94527-2639	0.00	381.67	0.00	381.67
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Western Union Priority Services 1651 Old Meadow Road McLean, VA 22102	40.74	0.00	0.00	40.74
Nature of Debt (Purpose): mailgrams				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Westin Bonaventure 404 South Figueroa Street Los Angeles, CA 90071	0.00	2329.50	0.00	2329.50
Nature of Debt (Purpose): Convention Site				

1) SUBTOTALS This Period This Page (optional)	5204.51
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wilder Communications Systems 622 C Alcatraz Ave. Oakland, CA 94609	124.48	0.00	0.00	124.48
Nature of Debt (Purpose): computer services				

97043801431

1) SUBTOTALS This Period This Page (optional)	124.48
2) TOTAL This period (last page this line number only)	517248.28
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	2000.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	519248.28

For Other Than An Authorized Committee
(Summary Page)

RECEIVED AND FILED
In the office of the Secretary of State of the State of California

JUL 17 1992

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Democratic State Central Committee of California -Federal

ADDRESS (number and street) — Check if different than previously reported
2424 "K" Street, Suite 100

CITY, STATE and ZIP CODE
Sacramento, CA 95816

2. FEC IDENTIFICATION NUMBER
C00[illegible]

3. — This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

4. TYPE OF REPORT

(a) — April 15 Quarterly Report
XX July 15 Quarterly Report
— October 15 Quarterly Report
— January 31 Year End Report
— July 31 Mid Year Report (Non-election Year Only)
— Termination Report

Monthly Report Due On:
— February 20 — June 20 — October 20
— March 20 — July 20 — November 20
— April 20 — August 20 — December 20
— May 20 — September 20 — January 31

— Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

— Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? — YES [X] NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 5/14/92 through 5/30/92		
6. (a) Cash on Hand January 1, 19 92		$ 60278.28
(b) Cash on Hand at Beginning of Reporting Period	$ 23518.15	
(c) Total Receipts (from Line 19)	$ 927332.63	$ 2308411.42
(d) Subtotal (Add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 950850.78	$ 2368689.70
7. Total Disbursements (from Line 30)	$ 650780.81	$ 2069519.73
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 300069.97	$ 299169.97
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	$ .00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	$ 407736.91	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

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

Type or Print Name of Treasurer
Martin Eber

Signature of Treasurer
X [signature]

Date
7/7/92

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X
(revised 3/1/91)

97043801432

DETAILED SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS
PAGE 2, FEC FORM 3X

(revised 1/1/91)

NAME OF COMMITTEE

REPORT COVERING PERIOD FROM TO:

	COLUMN A Total This Period	COLUMN B Calendar Year
I. Receipts		
11. Contributions (other than loans) From:		
a. Individual/Persons Other Than Political Committees		
i. Itemized (use Schedule A)	19630.00	117131.98
ii. Unitemized	410789.59	1176298.70
iii. Total (add i and ii) ➤	430419.59	1293430.68
b. Political Party Committees	0.00	10000.00
c. Other Political Committees (such as PACs)	50300.00	97008.00
d. Total Contributions (add a iii, b and c) ➤	480719.59	1400438.68
12. Transfers From Affiliated/Other Party Committees	25000.00	47500.00
13. All Loans Received	0.00	0.00
14. Loan Repayments Received	0.00	0.00
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)	8804.30	33825.80
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees	0.00	0.00
17. Other Federal Receipts (Dividends, Interest, etc.)	0.00	0.00
18. Transfers from Nonfederal Account for Joint Activity	412808.74	826646.94
19. Total Receipts (add 11d, 12, 13, 14, 15, 16, 17, and 18) ➤	927332.63	2308411.42
20. Total Federal Receipts (subtract line 18 from line 19) ➤	514523.89	1481764.48
II. Disbursements		
21. Operating Expenditures:		
a. Shared Federal/Non-Federal Activity (from Schedule H4)		
i. Federal Share	166918.23	651989.93
ii. Non-Federal Share	214207.83	680651.40
b. Other Federal Operating Expenditures	269334.75	729807.40
c. Total Operating Expenditures (Add a i, a ii, and b)) ➤	650460.81	2062448.73
22. Transfers to Affiliated/Other Party Committees	0.00	0.00
23. Contributions to Federal Candidates/Committees and Other Political Committees	0.00	1251.00
24. Independent Expenditures (use Schedule E)	0.00	0.00
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)	0.00	0.00
26. Loan Repayments Made	0.00	0.00
27. Loans Made	0.00	0.00
28. Refunds of Contributions To:		
a. Individuals/Persons Other Than Political Committees	320.00	5820.00
b. Political Party Committees	0.00	0.00
c. Other Political Committees (such as PACs)	0.00	0.00
d. Total Contribution Refunds (Add a, b and c) ➤	320.00	5820.00
29. Other Disbursements	0.00	0.00
30. Total Disbursements (add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) ➤	650780.81	2069519.73
31. Total Federal Disbursements (subtract line 21 a ii from line 30) ➤	436572.98	1388868.33
III. Net Contributions/Operating Expenditures		
32. Total Contributions (other than loans)(from line 11d)	480719.59	1400438.68
33. Total Contribution Refunds (from line 28d)	320.00	5820.00
34. Net Contributions (other than loans)(subtract line 33 from 32)	480399.59	1394618.68
35. Total Federal Operating Expenditures (add 21 a i and 21 b) ➤	436252.98	1381797.33
36. Offsets to Operating Expenditures (from line 15)	8804.30	33825.80
37. Net Operating Expenditures (subtract line 36 from 35) ➤	427448.68	1347971.53

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T P.O. Box 10193 Van Nuys, CA 91410-0193	0.00	128.85	0.00	128.85
Nature of Debt (Purpose): Service Phone Systems				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Maitland P.O. Box 945800 Maitland, FL 32794-5800	66.78	44.95	66.78	44.95
Nature of Debt (Purpose): telephone service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor AT & T Merlin P.O. Box 834 Parsippany, NJ 07054	0.00	1428.88	714.44	714.44
Nature of Debt (Purpose): System Lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Act 1 1515 South El Camino Real, 3rd Floor San Mateo, CA 94402	1807.56	0.00	0.00	1807.56
Nature of Debt (Purpose): temp. service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sally Alexander 8072 Driftwood Dr. Huntington Beach, CA 92646	185.08	37.72	0.00	222.80
Nature of Debt (Purpose): Mailing & phone expenses				

1) SUBTOTALS This Period This Page (optional)	2918.60
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 2 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105665	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Supervisor Angela Alioto 2606 Pacific Ave. San Francisco, CA 94102	0.00	840.00	0.00	840.00
Nature of Debt (Purpose): Travel Expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Allen's Press Clipping Bureau 657 Mission Street San Francisco, CA 94105	0.00	806.00	806.00	0.00
Nature of Debt (Purpose): Press clippings				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Amward Publications, Inc. 2000 National Press Building Washington, DC 20045	147.00	0.00	0.00	147.00
Nature of Debt (Purpose): Directories				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Darius Anderson 1100 Howe Avenue, Apt. 569 Sacramento, CA 95825	19.75	356.40	0.00	376.15
Nature of Debt (Purpose): Reimb. for travel and supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Phil Angelides 1957 - 13th Ave. Sacramento, CA 95818	6897.91	7842.72	0.00	14740.63
Nature of Debt (Purpose): Travel Expenses				

1) SUBTOTALS This Period This Page (optional)	16103.78
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Associated Sound 1417 Del Paso Blvd. Sacramento, CA 95815	0.00	415.06	0.00	415.06
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Association of State Demo. Chairs 430 South Sapitol St, S.E. Washington, DC 20003	0.00	2500.00	0.00	2500.00
Nature of Debt (Purpose): Membership dues				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Assured Processing Services 11344 Coloma Rd., Bldg.100, #115 Rancho Cordova, CA 95670	0.00	263.88	0.00	263.88
Nature of Debt (Purpose): Data entry				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aster Travel Agency, Inc. 910 Geneva Avenue San Francisco, CA 94112	123.00	0.00	123.00	0.00
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Beverly Hilton 9876 Wilshire Blvd. Beverly Hills, CA 90210	585.12	0.00	0.00	585.12
Nature of Debt (Purpose): banquet				

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1) SUBTOTALS This Period This Page (optional)	3764.06
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 4 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Bradley New West Notes P.O. Box 221364 Sacramento, CA 95822	150.00	0.00	0.00	150.00
Nature of Debt (Purpose): subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Biltmore Hotel -Los Angeles 506 South Grand Avenue Los Angeles, CA 90071	11537.75	0.00	5775.00	5762.75
Nature of Debt (Purpose): banquet				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Blue Horizons Travel 4301 North Fairfax Drive, Suite 190 Arlington, VA 22203	700.00	0.00	0.00	700.00
Nature of Debt (Purpose): travel service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Brownie's Blueprint & Company Inc. 1322 V Street Sacramento, CA 95814-0326	526.75	230.17	526.75	230.17
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Business Media Services 3112 O Street, Suite #5 Sacramento, CA 95816	140.91	0.00	0.00	140.91
Nature of Debt (Purpose): media clips				

1) SUBTOTALS This Period This Page (optional)	6983.83
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801437

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 5 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor California Journal 1714 Capitol Ave. Sacramento, CA 95814	64.65	0.00	64.65	0.00
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor David Cameron 815 17th St. Sacramento, CA 95814	379.58	0.00	379.58	0.00
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Capitol Advantage P.O. Box 1223 McLean, VA 22101-1223	9.50	0.00	0.00	9.50
Nature of Debt (Purpose): Directory				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cathedral Hill Hotel 1101 Van Ness Avenue San Francisco, CA 94109	1063.15	0.00	0.00	1063.15
Nature of Debt (Purpose): Luncheon				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Arlie E. Coudle 4597 Chippewa Lane Redding, CA 96003	288.05	54.48	183.60	158.93
Nature of Debt (Purpose): phone and travel expenses				

1) SUBTOTALS This Period This Page (optional)	1231.58
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801438

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105658	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Cavalier Limousine Service P.O. Box 84565 Los Angeles, CA 90073	163.90	0.00	0.00	163.90
Nature of Debt (Purpose): Limousine Service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Central Maintenance Co. P.O. Box 2027 Roseville, CA 95746	0.00	119.06	0.00	119.06
Nature of Debt (Purpose): Supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor CompuWorld 9760 Admiral Calleghan Lane Vallejo, CA 94591	0.00	524.46	422.57	101.89
Nature of Debt (Purpose): software and hardware				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Computerland LA-Airport 5270 West Century Blvd. Los Angeles, CA 90045	0.00	1580.45	0.00	1580.45
Nature of Debt (Purpose): Hardware & software				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Computers Software Repair 1343 May Street West Sacramento, CA 95605	0.00	893.75	681.25	212.50
Nature of Debt (Purpose): computer service				

1) SUBTOTALS This Period This Page (optional).....	2177.80
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Comstock, Inc. The Comstock Bldg, 30 Irving Place New York, NY 10003	317.50	0.00	0.00	317.50
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kia Currie 100 Bush Street San Francisco, CA 94404	0.00	63.13	0.00	63.13
Nature of Debt (Purpose): reimburse travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor DCARA 1537 Webster St., Suite B Oakland, CA 94612	0.00	287.00	0.00	287.00
Nature of Debt (Purpose): Interpreter Serv.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Dancing Tree Recycled Paper 2253 Glen Ave. Berkeley, CA 94709	2003.05	0.00	1799.41	203.64
Nature of Debt (Purpose): Printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Charlotte M. Dobbs 1888 Greenfield Ave., Ste.104 Los Angeles, CA 90025	5000.00	0.00	5000.00	0.00
Nature of Debt (Purpose): Fundraising Consulting				

1) SUBTOTALS This Period This Page (optional)	871.27
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 8 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bill Doggett P.O. Box 69A32 Los Angeles, CA 90069	700.37	0.00	700.37	0.00
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Michael Dolan 100 Bush Street San Francisco, CA 94104	361.00	0.00	361.00	0.00
Nature of Debt (Purpose): reimburse for postage and travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Louis Dominguez 845 West 30th Street San Pedro, CA 90731	0.00	208.00	0.00	208.00
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Doug Austin Photography 2310 Fairfield Secramento, CA 95815	204.73	0.00	0.00	204.73
Nature of Debt (Purpose): photography				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor EGBOK Professional Couriers 812 J Street, Suite #62 Sacramento, CA 95814	67.00	0.00	0.00	67.00
Nature of Debt (Purpose): courier				

1) SUBTOTALS This Period This Page (optional)	479.73
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801441

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans — Page 9 of ____ for Line Number (10)

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00185868	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Eagle Press 8111 37th Avenue Sacramento, CA 95824-7850	10386.11	0.00	6105.58	4280.53
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor El Dorado County 6205 Enterprise Drive, Suite H Diamond Springs, CA 95619	9.80	0.00	0.00	9.80
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fast Signs 624 Watt Avenue Sacramento, CA 95864	294.15	0.00	0.00	294.15
Nature of Debt (Purpose): signs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Election Commission 999 E. Street, N.E., Room 657 Washington, DC 20463	2000.00	0.00	1000.00	1000.00
Nature of Debt (Purpose): penalty fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Federal Express P.O.Box 1140, Dept. A Memphis, TN 38101-1140	50.50	99.25	113.75	36.00
Nature of Debt (Purpose): Shipping Charges				

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1) SUBTOTALS This Period This Page (optional)	5620.48
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00185668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jerry Feldman 2141 Empire Grade Road Santa Cruz, CA 95060	0.00	1571.50	0.00	1571.50
Nature of Debt (Purpose): Travel				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Firefighter Publications 1780 Creekside Oaks #200 Sacramento, CA 95833	11659.06	0.00	11659.06	0.00
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Raymond Flynn City Hall, Room 968 Boston, MA 02201	675.00	0.00	0.00	675.00
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Fullbright, Jaworski and Reavis 700 South Flower Street Los Angeles, CA 90017	7172.85	0.00	7172.85	0.00
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Galanty & Company 1640 Fifth Street Santa Monica, CA 90401	24299.58	0.00	24299.58	0.00
Nature of Debt (Purpose): media consultant, phone and travel expenses				

1) SUBTOTALS This Period This Page (optional)	2246.50
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Terry Garcia 555 So. Flower, Suite 3700 Los Angeles, CA 90071	0.00	208.00	0.00	208.00
Nature of Debt (Purpose): Travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Goodwin Cole Co. 8320 Belvedere Sacramento, CA 95826	0.00	380.04	48.43	331.61
Nature of Debt (Purpose): supplies				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer, Inc. 550 W. Continental Blvd., Suite 380 El Segundo, CA 90245	42229.78	31102.16	50990.00	22341.94
Nature of Debt (Purpose): fundraising services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Gordon & Schwenkmeyer Inc. -PLA 550 W. Continental Blvd., #380 El Segundo, CA 90245	209723.99	215931.05	202750.00	222905.04
Nature of Debt (Purpose): fundraising services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Graphis Type 2400 West Ninth Street Los Angeles, CA 90006	206.73	97.43	0.00	304.16
Nature of Debt (Purpose): graphics				

1) SUBTOTALS This Period This Page (optional)	245690.75
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Greenberg-Lake the Analysis Group Inc. 515 Second Street, NE Washington, DC 20002	347.00	0.00	0.00	347.00
Nature of Debt (Purpose): research				
Greyhound Exposition Service P.O. Box 98818 Chicago, IL 60693	4516.39	0.00	0.00	4516.39
Nature of Debt (Purpose): exposition services				
Marion T. Mack Marketing & Mgmt Consultant 810 Via Maria Salinas, CA 93901	30.00	0.00	0.00	30.00
Nature of Debt (Purpose): consulting services				
Hana Grafix 5770 Melrose Ave., #101 Los Angeles, CA 90038	179.00	458.00	0.00	637.00
Nature of Debt (Purpose): Banners				
Harry S. Truman Club 3445 American River Dr., Ste. A Sacramento, CA 95864	0.00	1134.24	0.00	1134.24
Nature of Debt (Purpose): Printing, postage				

1) SUBTOTALS This Period This Page (optional)	6664.63
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Greg Hayes 425 San Antonio Sacramento, CA 95819	200.00	0.00	200.00	0.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Stephen K. Hopcraft 3551 "N" Street Sacramento, CA 95816	500.00	0.00	0.00	500.00
Nature of Debt (Purpose): radio ads				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail Advertising -Sac 920 Striker Avenue, Suite 8 Sacramento, CA 95834	3613.69	0.00	3613.69	0.00
Nature of Debt (Purpose): mail services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Hunter Mail -Oakland 669 20th Street Oakland, CA 94612-1312	234.89	0.00	0.00	234.89
Nature of Debt (Purpose): mailing services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Independent Printers 12834 Victory Blvd. N. Hollywood, CA 91606	607.28	0.00	0.00	607.28
Nature of Debt (Purpose): Printing				

1) SUBTOTALS This Period This Page (optional)	1142.17
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801446

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal 000105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Iron Mountain Media Film & Video Production 1955 A Railroad Drive Sacramento, CA 95815	742.10	0.00	0.00	742.10
Nature of Debt (Purpose): Film/Video Production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor It's My Party 444 Howe Ave. Sacramento, CA 95825	0.00	1400.00	0.00	1400.00
Nature of Debt (Purpose): Decorations				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor J.B. Ranch P.O. Box 288 Elverta, CA 95626	0.00	100.00	0.00	100.00
Nature of Debt (Purpose): Equipment rental				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jim Wise Associates, Inc. 104 N. West Street Alexandria, VA 22314	787.86	0.00	787.86	0.00
Nature of Debt (Purpose): consulting service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor John's International Flowers 11956 Martha Street North Hollywood, CA 91607	1185.34	0.00	1185.34	0.00
Nature of Debt (Purpose): Flowers				

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1) SUBTOTALS This Period This Page (optional).....	2242.10
2) TOTAL This period (last page this line number only).....	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).....	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only).....	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor XITS Camera 2200 "J" Street Sacramento, CA 95816	0.00	35.35	0.00	35.35
Nature of Debt (Purpose): Photographs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor KRC Research & Consulting, Inc. 145 Avenue of the Americas New York, NY 10013	4546.10	0.00	4500.00	46.10
Nature of Debt (Purpose): research, phone and shipping expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Robert Kaplan Company 12021 Wilshire Blvd., Suit 542 Los Angeles, CA 90025	1100.00	1100.00	2200.00	0.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Kato's Katering 1020 Joellis Way Sacramento, CA 95815	0.00	11039.69	5520.00	5519.69
Nature of Debt (Purpose): Catering				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Susan Kennedy 4029 McClain Road, Apt. 37 Carmichael, CA 95608	81.28	0.00	81.28	0.00
Nature of Debt (Purpose): Reimbursement for Travel Expenses				

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1) SUBTOTALS This Period This Page (optional)	5601.14
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
King Air F - 90 H17TS 7700 College Town Drive, Suite 105 Sacramento, CA 95826	1067.31	0.00	1067.31	0.00
Nature of Debt (Purpose): travel expense				
Kinko's P.O. Box 8033 Ventura, CA 93002-8033	4538.74	35.56	0.00	4574.30
Nature of Debt (Purpose): Copies				
Angela Kufasimes 521 35th Street Sacramento, CA 95816	0.00	125.97	0.00	125.97
Nature of Debt (Purpose): Travel expenses				
La Costa Resort Costa Del Mar Road Carlsbad, CA 92009	12787.32	0.00	0.00	12787.32
Nature of Debt (Purpose): deposit				
Legi-Tech 1029 J Street #450 Sacramento, CA 95814	336.00	0.00	336.00	0.00
Nature of Debt (Purpose): Computer time and service				

1) SUBTOTALS This Period This Page (optional)	17487.59
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor / Nature of Debt (Purpose)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Howard Leibowitz City Hall, Room 968 Boston, MA 02201 Travel expense	675.00	0.00	0.00	675.00
Lisa Bacchini Graphic Design and Illustration P.O. Box 162323 Sacramento, CA 95816 graphics and design	215.50	0.00	107.75	107.75
Lithographics 1616 J Street Sacramento, CA 95814 graphics	384.15	70.58	384.15	70.58
Looks Scenery 13005 Saticoy Street North Hollywood, CA 91605 scenery production	216.50	0.00	0.00	216.50
Los Angeles Times P.O. Box 60062 Los Angeles, CA Subscription	150.75	0.00	150.75	0.00

1) SUBTOTALS This Period This Page (optional)	1069.83
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
M & M Printing 1011 9th Street Sacramento, CA 95814	80.88	66.27	80.88	66.27
Nature of Debt (Purpose): Printing				
Manatt, Phelps, Phillips & Kantor 11355 West Olympic Blvd. Los Angeles, CA 90064-1614	6808.78	0.00	2000.00	4808.78
Nature of Debt (Purpose): legal services				
Patricia Mar 1505 Danica Way Sacramento, CA 95833	322.80	666.60	322.80	666.60
Nature of Debt (Purpose): Reimb. for office supplies				
Marin Telemanagement Corp. 448 Ignacio Blvd. Novato, CA 94949	2961.35	0.00	2961.35	0.00
Nature of Debt (Purpose): Telephones				
Master Lease Corporation Dept. 638 Denver, CO 80271-0638	292.87	307.51	600.38	0.00
Nature of Debt (Purpose): Copier Lease				

1) SUBTOTALS This Period This Page (optional)	5541.65
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor McGuire & Co. 2962 Fillmore Street San Francisco, CA 94123	11442.54	5320.82	5717.82	11045.54
Nature of Debt (Purpose): consulting and office expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Heilman & Lazarus 1054 31st Street, N.W. Suite 530 Washinton, DC 20007	108.39	0.00	0.00	108.39
Nature of Debt (Purpose): travel expense/consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Minnesota Western Visual Presentation Systems 5828 Vallejo Street Oakland, CA 94608-2697	225.07	0.00	0.00	225.07
Nature of Debt (Purpose): equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Morikawa Group 3391 Shadow Tree Drive, Suite 3448 Sacramento, CA 95834	0.00	1114.99	1050.00	64.99
Nature of Debt (Purpose): consulting services, postage, and travel exp.				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Bob Mulholland 1814 Broadway Street Chico, CA 95928	1104.32	1112.80	1104.32	1112.80
Nature of Debt (Purpose): Travel and office supplies				

1) SUBTOTALS This Period This Page (optional)	12556.79
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Munday & Collins, Inc. P.O. Box 640483 San Jose, CA 95164-0483	0.00	120.00	0.00	120.00
Nature of Debt (Purpose): Equipment rental				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nederlander Production Co. 810 7th Avenue New York, NY 10019	2500.00	0.00	2500.00	0.00
Nature of Debt (Purpose): theatre tickets				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nieto and Associates Marketing & Advertising 1430 Truxtun Ave., Ste 802 Bakersfield, CA 93301	200.00	0.00	200.00	0.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Beth O'Connor 5124 Laurelview Carmichael, CA 95608	0.00	80.00	0.00	80.00
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Office Depot P.O. Box 650340 Dept. 80 Dallas, TX 75265-0340	5140.54	332.18	2500.00	2972.72
Nature of Debt (Purpose): supplies				

1) SUBTOTALS This Period This Page (optional)	3172.72
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105666	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Olson, Connelly, Hagel, Fong & Leidigh 300 Capitol Mall, Ste. 350 Sacramento, CA 95814	29190.23	2780.68	14899.62	17071.29
Nature of Debt (Purpose): legal services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor P. L. Lowry & Associates 20 Park Plaza, Suite 230 Boston, MA 02116	495.90	0.00	0.00	495.90
Nature of Debt (Purpose): donor list maintenance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor PR Newswire 150 East 58th Street New York, NY 10155	2778.00	1363.00	1887.00	2254.00
Nature of Debt (Purpose): newsline				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Sac Payment Center Sacramento, CA 95887-0001	1127.78	247.48	1127.78	247.48
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Bell -Van Nuys Payment Center Van Nuys, CA 91388	2265.12	687.86	2302.15	650.83
Nature of Debt (Purpose): telephone				

1) SUBTOTALS This Period This Page (optional)	20719.50
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801454

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of this Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pacific Travel International 1537 Howe Avenue Sacramento, CA 95825	3526.00	0.00	2774.00	752.00
Nature of Debt (Purpose): travel service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pactel Cellular P.O. Box 39000 San Francisco, CA 94139-5703	403.55	800.46	403.55	800.46
Nature of Debt (Purpose): telephone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Personnel Services, Inc. 5900 Wilshire Blvd., Suite 400 Los Angeles, CA 90036	897.60	0.00	0.00	897.60
Nature of Debt (Purpose): Temp. services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Credit Corp. P.O. Box 38460 Louisville, KY 40233	98.51	103.51	202.02	0.00
Nature of Debt (Purpose): equipment lease				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Pitney Bowes Inc. P.O. Box 85390 Louisville, KY 40285-5390	496.33	32.33	312.00	216.66
Nature of Debt (Purpose): postage machine				

1) SUBTOTALS This Period This Page (optional)	2566.72
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801455

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Plants By Muranaka P.O. Box 277847 Sacramento, CA 95827-7847	0.00	950.00	0.00	950.00
Nature of Debt (Purpose): Flowers & plants				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Political Data Inc. P.O. Box 1706 Burbank, CA 91507	924.38	0.00	0.00	924.38
Nature of Debt (Purpose): research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor R.L. Nilsner P.O. Box 3529, 2125 Oak Grove Rd. St 110 Walnut Creek, CA 94598	269.00	0.00	0.00	269.00
Nature of Debt (Purpose): insurance broker				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Registration and Elections Stanislaus County 912 11th Street, Room 100 Modesto, CA 95354	100.00	0.00	0.00	100.00
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Remy and Thomas 901 F Street, Suite 200 Sacramento, CA 95814	19.77	0.00	19.77	0.00
Nature of Debt (Purpose): Reimb. for Phone Expenses				

1) SUBTOTALS This Period This Page (optional)	2243.38
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801456

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Research Group, Inc. 218 North Jefferson, 4th Flr. Chicago, IL 60606	11696.37	3528.12	11696.37	3528.12
Nature of Debt (Purpose): Research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor River West Development Inc. 2424 K Street Sacramento, CA 65816	14406.98	1161.41	10481.22	5087.17
Nature of Debt (Purpose): phone, postage and staff services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Steve Rivera 200 W. Big Springs Road, #6 Riverside, CA 92507	100.00	0.00	100.00	0.00
Nature of Debt (Purpose): non-staff wages/fees				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Runyon Saltzman Weagraff, Sieg 2503 K Street Sacramento, CA 95816	68.68	0.00	0.00	68.68
Nature of Debt (Purpose): Clippings				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sacramento Cable 4350 Pell Drive Sacramento, CA 95838-2531	0.00	64.50	64.50	0.00
Nature of Debt (Purpose): subscription				

1) SUBTOTALS This Period This Page (optional)	8683.97
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801457

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sacramento Theatrical Lighting 950 Richards Blvd. Sacramento, CA 95814	0.00	2678.00	1050.00	1628.00
Nature of Debt (Purpose): Staging and Lighting				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sacramento Grand Ballroom 631 J Street Sacramento, CA 95814	0.00	1153.63	0.00	1153.63
Nature of Debt (Purpose): Catering				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Francisco Newspaper Agency P.O. Box 7572 San Francisco, CA 94120	0.00	155.16	0.00	155.16
Nature of Debt (Purpose): Subscription				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Joaquin County Registrar of Voters 24 South Hunter Street, Rm 202 Stockton, CA 95201	20.60	0.00	0.00	20.60
Nature of Debt (Purpose): copies/reproduction				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor San Sierra Business Systems 1326 North Market Blvd. Sacramento, CA 95834	0.00	109.91	0.00	109.91
Nature of Debt (Purpose): Equipment lease				

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1) SUBTOTALS This Period This Page (optional)	3067.30
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jena Sanchez 15 Gerke Alley #1 San Francisco, CA 94133	58.00	0.00	0.00	58.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Servinet Consulting Group 100 Spear Street, Suite 1430 San Francisco, CA 94105	3805.87	0.00	1127.19	2678.68
Nature of Debt (Purpose): consulting service				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Signs Now 2318 J Street Suite A Sacramento, CA 95816	96.98	0.00	96.98	0.00
Nature of Debt (Purpose): signs				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Skelton & Associates 1010 21st Street Sacramento, CA 95814	228.00	0.00	228.00	0.00
Nature of Debt (Purpose): research				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Robin Patrice Smith 3009 Third Street Santa Monica, CA 90405	45.38	294.49	0.00	339.87
Nature of Debt (Purpose): travel expenses				

1) SUBTOTALS This Period This Page (optional)	3076.55
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801459

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Courtney Spitz 4553 Woodfair Way Carmichael, CA 95608	0.00	147.08	0.00	147.08
Nature of Debt (Purpose): Travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Sprint - SF P.O. Box 52243 Phoenix, AZ 85072-2243	612.04	0.00	612.04	0.00
Nature of Debt (Purpose): Long Distance Phone				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Squire/Eskew/Knapp/Ochs Communications 511 2ND Street, NE Washington, DC 20002	1034.00	0.00	0.00	1034.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Stan Draenos Communications 7718 Los Rancho Way Sacramento, CA 95831	0.00	900.00	0.00	900.00
Nature of Debt (Purpose): Consultant				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Standard Office Systems 4575 Auburn Blvd. Sacramento, CA 95841	900.27	845.46	900.27	845.46
Nature of Debt (Purpose): Copier Maintenance				

1) SUBTOTALS This Period This Page (optional)	2926.54
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801460

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor State Services Organization 444 North Capitol Street Washington, DC 20001	10.00	0.00	0.00	10.00
Nature of Debt (Purpose): conference facilities				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor State of Colorado 136 State Capitol Denver, CO 80203	952.00	0.00	0.00	952.00
Nature of Debt (Purpose): reimburse airfare for Governor Romer				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Statewide Information Systems 201 Lathrop Way, Suite A Sacramento, CA 95815	911.62	0.00	750.00	161.62
Nature of Debt (Purpose): file development				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor The Stationery Place 1936 Wilshire Blvd., Suite R Los Angeles, CA 90057	5512.38	0.00	1470.32	4042.06
Nature of Debt (Purpose): printing				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Jim Suennen 729 Santa Ray Avenue Oakland, CA 94610-1722	149.40	0.00	149.40	0.00
Nature of Debt (Purpose): reimburse travel expenses				

1) SUBTOTALS This Period This Page (optional)	5165.68
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801461

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor TV Clips 101-B W. McKnight Way, Suite 13 Grass Valley, CA 95949	950.00	2924.00	450.00	3424.00
Nature of Debt (Purpose): clippings				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Peter Taylor 1921 Cedar Lodge Terrace Los Angeles, CA 90039-3501	501.08	255.36	501.08	255.36
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Aileen Tokunaga 7485 Rush River Drive, Suite 710-142 Sacramento, CA 95831	0.00	1771.70	0.00	1771.70
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Townsend & Company 1717 I Street, Suite B Sacramento, CA 95814	1921.75	0.00	1921.75	0.00
Nature of Debt (Purpose): consulting services				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Trustee Industrial Fund P.O. Box 10391 Des Moines, IA 50306	1790.57	3131.16	1790.57	3131.16
Nature of Debt (Purpose): insurance				

1) SUBTOTALS This Period This Page (optional)	8582.22
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full): Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
USA Today P.O. Box 79040 Baltimore, MD 21279-0040	0.00	69.06	0.00	69.06
Nature of Debt (Purpose): Subscription				
United Airlines P.O. Box 55-270A Detroit, MI 48255	0.00	32.94	0.00	32.94
Nature of Debt (Purpose): Shipping				
United Parcel Service P.O. Box 1031 Norwalk, CA 90651-1031	153.50	356.89	279.89	230.50
Nature of Debt (Purpose): Shipping Charges				
United Parcel Service - Sac P.O. Box 13649 Sacramento, CA 95853-4649	109.83	879.15	384.40	583.58
Nature of Debt (Purpose): shipping charges				
V.I.P. Limousines & Coaches 36-380 Bankside Drive Cathedral City, CA 92234	0.00	328.25	0.00	328.25
Nature of Debt (Purpose): Limousine Service				

1) SUBTOTALS This Period This Page (optional)	1244.58
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor VISA P.O. Box 182158 Columbus, OH 43218-2158	1944.47	0.00	1944.47	0.00
Nature of Debt (Purpose): Supplies, office equipment				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Vision Service Plan 100 Howe Avenue, Suite 100 S. Sacramento, CA 95825	0.00	143.26	0.00	143.26
Nature of Debt (Purpose): Insurance				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Volk's Cake & Cooky Co. 5489-C Sunrise Blvd. Citrus Heights, CA 95610	169.00	0.00	0.00	169.00
Nature of Debt (Purpose): Cake				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Walsmith Production 2404 L Street Sacramento, CA 95816	1925.39	2580.75	1402.22	3103.92
Nature of Debt (Purpose): production				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Nicole Ward 1326 Oak Terrace Court Sacramento, CA 95825	0.00	28.44	0.00	28.44
Nature of Debt (Purpose): Travel				

1) SUBTOTALS This Period This Page (optional)	3444.62
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

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SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor James Ward 2606 Tilden Ave. Los Angeles, CA 90064	0.00	24.37	0.00	24.37
Nature of Debt (Purpose): Telephone expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/LP P.O. Box 272639 Concord, CA 94527-2639	1680.76	0.00	1680.76	0.00
Nature of Debt (Purpose): travel expense and gift (frame)				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DA P.O. Box 272639 Concord, CA 94527-2639	650.00	49.62	699.62	0.00
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SK P.O. Box 272639 Concord, CA 94527-2639	1176.15	0.00	1176.15	0.00
Nature of Debt (Purpose): travel expense/meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/DC P.O. Box 272639 Concord, CA 94527-2639	2022.21	0.00	2022.21	0.00
Nature of Debt (Purpose): meals and travel expenses				

1) SUBTOTALS This Period This Page (optional)	24.37
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801465

SCHEDULE D

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (in Full) Democratic State Central Comm. of CA-Federal C00105668	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PT P.O. Box 272639 Concord, CA 94527-2639	281.00	441.00	722.00	0.00
Nature of Debt (Purpose): travel and meals				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/YG P.O. Box 272639 Concord, CA 94527-2639	1016.21	0.00	1016.21	0.00
Nature of Debt (Purpose): meals and travel expense				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/PA P.O. Box 272639 Concord, CA 94527-2639	2452.60	1101.00	3553.60	0.00
Nature of Debt (Purpose): travel expenses				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/SB P.O. Box 272639 Concord, CA 94527-2639	0.00	201.91	201.91	0.00
Nature of Debt (Purpose): membership fee				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wells Fargo Bank/MC/KC P.O. Box 272639 Concord, CA 94527-2639	381.67	234.50	616.17	0.00
Nature of Debt (Purpose): Travel				

1) SUBTOTALS This Period This Page (optional)	0.00
2) TOTAL This period (last page this line number only)	
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

97043801466

SCHEDULE D — DEBTS AND OBLIGATIONS Excluding Loans

Name of Committee (in Full)
Democratic State Central Comm. of CA-Federal C00105668

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Western Union Priority Services 1651 Old Meadow Road McLean, VA 22102	40.74	0.00	40.74	0.00
Nature of Debt (Purpose): mailgrams				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Westin Bonaventure 404 South Figueroa Street Los Angeles, CA 90071	2329.50	0.00	2329.50	0.00
Nature of Debt (Purpose): Convention Site				
Full Name, Mailing Address and ZIP Code of Debtor or Creditor Wilder Communications Systems 622 C Alcatraz Ave. Oakland, CA 94609	124.48	0.00	0.00	124.48
Nature of Debt (Purpose): computer services				

1) SUBTOTALS This Period This Page (optional)	124.48
2) TOTAL This period (last page this line number only)	405736.91
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)	2000.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	407736.91

97043801467

DEMOCRATIC STATE CENTRAL COMMITTEE OF CALIFORNIA – FEDERAL

CATEGORY	07/01/91 – 12/31/91	01/01/92 – 03/31/92	04/01/92 – 05/13/92	05/14/92 – 06/30/92
TOTAL RECEIPTS	$1,882,053.00	$998,205.00	$382,873.00	$927,332.00
TOTAL ENDING DEBTS	$446,502.00	$366,725.00	$517,485.00	$407,736.00
GORDON & SCHWENKMEYER, INC. ENDING DEBT	$284,930.00	$179,253.00	$251,953.00	$244,846.00
RIVER WEST DEVELOPMENTS, INC. AND ITS OWNER'S INDIVIDUAL DEBT	$3,364.00	$21,303.00	$21,303.00	$19,827.00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 26, 1992

James Dignan, Chairman
Republican Party of California
1903 West Magnolia Boulevard
Burbank, California 91506

RE: MUR 3586

Dear Mr. Dignan:

This letter acknowledges receipt on August 20, 1992, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the California Democratic Party in general and its Democratic State Central Committee of California in particular. 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 3586. 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,

Lisa E. Klein
Assistant General Counsel

Enclosure
Procedures

9704380014 62

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 26, 1992

Martin H. Eber, Treasurer
Democratic State Central Committee of
California - Federal
2424 K Street, Suite 100
Sacramento, California 95816

RE: MUR 3586

Dear Mr. Eber:

The Federal Election Commission received a complaint which indicates that the Democratic State Central Committee of California - Federal (the "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 3586. 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.

9704380147C

If you have any questions, please contact Veronica N. Gillespie, the attorney 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,

Lisa E. Klein
Assistant General Counsel

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

9704380147

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 26, 1992

Edmund G. Brown, Jr., Chair
California Democratic Party
329 Bryant Street, Suite 3C
San Francisco, California 94107

RE: MUR 3586
California Democratic Party

Dear Mr. Brown:

The Federal Election Commission received a complaint which indicates that the California Democratic Party 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 3586. 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.

9704380147 2

If you have any questions, please contact Veronica M. Gillespie, the attorney 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,

Lisa E. Klein
Assistant General Counsel

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

97043801473

Law Offices of
OLSON
CONNELLY
HAGEL
FONG &
LEIDIGH

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

SEP 21 11 07 AM '92

September 15, 1992

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

92 SEP 21 PM 3:35

Veronica M. Gillespie, Esq.
Office of the General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 3586

Dear Ms. Gillespie:

This office represents the respondents in the above-referenced MUR. Enclosed is the Statement of Designation of Counsel.

We are requesting an extension of time until October 16, 1992, to respond to the complaint. The reasons for our request are that it will take considerable time to gather, review and analyze the materials related to the subject of the complaint, and the undersigned, who is responsible for preparing the response, is scheduled to attend the California State Bar convention from October 2 through October 5, 1992.

If for any reason our request cannot be granted, please advise the undersigned. Thank you for your consideration.

Very truly yours,

OLSON, CONNELLY, HAGEL, FONG & LEIDIGH

Leroy Y. Fong

LEROY Y. FONG
LYF:ccz
cc: DSCC, Martin Eber

89103-2/Gilles1.ltr

9704380147 4

LANCE H. OLSON
BRUCE J. HAGEL
LEROY Y. FONG
ROBERT E. LEIDIGH
GEORGE WATERS
DIANE M. FISHBURN

Of Counsel
LLOYD G. CONNELLY

CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, CA 95814

Telephone [916] 442-2952
Facsimile [916] 442-1280

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3586

NAME OF COUNSEL: Leroy Y. Fong, Esq.

ADDRESS: Olson, Connelly, Hagel, Fong & Leidigh
300 Capitol Mall, Suite 350
Sacramento, CA 95814

TELEPHONE: 916-442-2952

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.

California Democratic Party

9/14/92
Date

By: Alexandra C Gaw
Signature

RESPONDENT'S NAME: Democratic State Central Committee of California - Federal, Martin H. Eber, Treasurer

ADDRESS: 2424 K Street, Suite 100
Sacramento, CA 95816

HOME PHONE:

BUSINESS PHONE: 916-442-5707

9704380014475

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 24, 1992

Leroy Y. Fong, Esq.
Olson, Connelly, Hagel Fong & Leidigh
Capitol Bank Center
300 Capitol Mall, Suite 350
Sacramento, California 95814

RE: MUR 3586

Dear Mr. Fong:

This is in response to your fax dated September 15, 1992, which we received on September 16, 1992, requesting an extension of 30 days until October 16, 1992 to file a response in the above-referenced matter. After considering all the circumstances presented in your letter and pursuant to our discussion on September 21, 1992, the Office of the General Counsel has granted the requested extension for 20 days. Accordingly, your response is due by the close of business on October 7, 1992.

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

Sincerely,

Veronica M. Gillespie

Veronica M. Gillespie
Attorney

9704380I476

Law Offices of
OLSON
CONNELLY
HAGEL
FONG &
LEIDIGH

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October 6, 1992

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Veronica M. Gillespie, Esq.
Office of the General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 3586

Dear Ms. Gillespie:

I'm requesting an additional extension of time until October 16, 1992, to respond to the complaint in the above-referenced MUR.

The respondent, Democratic State Central Committee of California-Federal, is in the process of amending the FEC 3X reports that formed the bases for the complaint (the amendments were prompted by preliminary review of the FEC Reports Analysis Division, and not by the complaint). The amendments will be completed within the next 10 days, and obviously I need the corrected information to prepare the response.

Thank you for your cooperation and courtesy.

Very truly yours,

OLSON, CONNELLY, HAGEL, FONG & LEIDIGH

LEROY Y. FONG
LYF:ccz
cc: Martin Eber

LANCE H. OLSON
BRUCE J. HAGEL
LEROY Y. FONG
ROBERT E. LEIDIGH
GEORGE WATERS
DIANE M. FISHBURN

Of Counsel
LLOYD G. CONNELLY

CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, CA 95814

Telephone [916] 442-2952
Facsimile [916] 442-1280

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Law Offices of
OLSON
CONNELLY
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FONG &
LEIDIGH

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October 16, 1992

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Veronica M. Gillespie, Esq.
Office of the General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 3586; Response

Dear Ms. Gillespie:

The Republican Party of California complains that the respondent Democratic State Central Committee of California - Federal ("Committee"), in 1992 accepted corporate contributions and loans, and excess contributions from individual contributors, in violation of 2 U.S.C. §§ 441a and 441b. The allegations are based on reported obligations owing to Gordon & Schwenkmeyer, Inc. ("GSI"), River West Development, Inc. ("River West"), and Phil Angelides.

There were no prohibited contributions. GSI is a vendor that extended credit to respondent in the normal course of GSI's operation, on terms available to all its clients. The obligations owing to River West and Angelides were for reimbursement for travel expenses incurred on behalf of respondent committee.

GSI Obligation

GSI is a telemarketing firm engaged in the business of raising funds for its clients. GSI solicits funds for the Committee through an agreement with the California Democratic Party (see attached declaration of Kris Schwenkmeyer), under which the Party is fully responsible for all costs incurred in the solicitation, in addition to the fees to GSI. Under the agreement, GSI would look first to the funds raised for payment of fees and expenses, but if the funds raised were not sufficient, the Party would ultimately have to pay the difference.

By the very nature of the telemarketing operation, there will always be considerable lag time between the solicitation and obtaining the pledges and the actual collection of the funds. The fees and expenses, which

LANCE H. OLSON
BRUCE J. HAGEL
LEROY Y. FONG
ROBERT E. LEIDIGH
GEORGE WATERS
DIANE M. FISHBURN

Of Counsel
LLOYD G. CONNELLY

CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, CA 95814

Telephone (916) 442-2952
Facsimile (916) 442-1280

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are generally incurred at the time the telephone solicitation is made, will not be paid for a period of time until the pledged funds are actually collected. But from experience, GSI would have a pretty good idea whether there will be sufficient funds based on the amount of the pledges obtained during any given round of solicitation. If it feels that there would be sufficient funds to pay the fees and expenses, GSI would be willing to wait for the collected funds.

During the first three quarters of 1992, GSI has been paid almost three quarter million dollars as follows:

FEES AND EXPENSES PAID TO GSI

PERIOD	AMOUNT PAID
January 1, 1992 - March 31, 1992	$385,510
April 1, 1992 - June 30, 1992	$254,440
July 1, 1992 - September 30, 1992	$108,200
Total	$748,150

As a result of the payments made during 1992, the outstanding obligation owed to GSI has been reduced from approximately $285,000 at the beginning of the year to about $160,000 (Schwenkmeyer declaration). Relying on that established trend, GSI expects full payment from future collections; there is no contribution or loan involved.

River West and Angelides Obligations

These obligations are reimbursements for travel expenses incurred on behalf of the Committee and most are on credit cards. After the charges are billed by the credit card to River West or Angelides, they are then submitted to the Committee. Sometimes there are delays between the time of the credit card billing and submission to the Committee. There are also times when additional information or backup invoices are requested by the Committee for certain charges and this resulted in delayed payments by the Committee. As of September 30, 1992, all outstanding reimbursements have been paid.

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Because there were no prohibited contributions involved, we urge the Commission to take no further action on the complaint herein.

Very truly yours,

OLSON, CONNELLY, HAGEL, FONG & LEIDIGH

LEROY Y. FONG
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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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DECLARATION OF KRIS SCHWENKMEYER

I, KRIS SCHWENKMEYER, declare:

I am a principal of Gordon & Schwenkmeyer, Inc. (GSI), a telemarketing firm specializing in fundraising. GSI has been in business for over seven years and has raised over $25 million for its clients over that period.

The California Democratic Party (CDP) has been a client of GSI since 1987. A copy of our current agreement with CDP is attached, and under this agreement, GSI has raised over $12 million for CDP. This agreement is typical of GSI's arrangements with its clients.

Under our agreements, the client is responsible for all costs involved in the telephone solicitations, and GSI collects its costs and fees from funds raised. In the event that funds raised are insufficient to pay all costs and fees, the client is still obligated to pay the difference. However, in any given time period in which the funds raised are insufficient to meet all costs and fees, GSI has two options: demand immediate payment from the client, or recover the payments from future funds raised. The option chosen depends on GSI's assessment of the program's future performance.[1] Our practice in this respect is standard method of operation in the industry.

As to our arrangement with CDP, GSI has not demanded immediate payment of accrued costs and fees because GSI, from experience, is totally confident that future funds will be sufficient to pay such

[1] Even if future funds raised are insufficient, GSI may still seek payment from the client.

costs and fees. Indeed, as of September 30, 1992, the amount owed to GSI has been reduced to approximately $160,000.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct to the best of knowledge.

DATED: October 15, 1992

KRIS SCHWENKMEYER

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AGREEMENT

This Agreement ("Agreement") is made this 6th day of December, 1989 by and between the CALIFORNIA DEMOCRATIC PARTY ("CDP") and GORDON & SCHWENKMEYER, INC., a California corporation ("GSI").

W I T N E S S E T H:

WHEREAS, GSI has presented to CDP a proposal for providing services in raising funds through a phone solicitation program and CDP desires to utilize the services of GSI;

NOW THEREFORE, in consideration of the mutual promises contained herein, CDP and GSI hereby agree as follows:

92 OCT 20 AM 11:16

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ARTICLE 1.

TERM OF AGREEMENT

1.1 TERM. This Agreement shall be effective from December 1, 1989 through January 31, 1993 unless sooner terminated as provided in Article 6.

ARTICLE 2.

OBLIGATIONS OF GSI

2.1 AMOUNT OF SERVICE. GSI agrees to devote the time necessary to complete performance of responsibilities described herein. GSI shall consult with CDP on the timing of each cycle of calling, the frequency of calling cycles and the duration

between the start and the finish of each cycle. All pledges will be billed up to three times. GSI is not precluded hereunder from representing or performing services for, and being employed by other persons or companies.

2.2 METHOD OF PERFORMANCE. GSI will determine the method, details and means of performing the responsibilities described herein after consultation with CDP. GSI will consult with CDP on a weekly basis on the progress of the program and the need to develop targeted program techniques.

2.3 INDEPENDENT CONTRACTOR. GSI shall perform the services under this Agreement as an independent contractor and shall not be treated as an employee of CDP for federal, state or local tax purposes or any other purposes.

2.4 OWNERSHIP OF LISTS. CDP shall own all newly developed donor lists.

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ARTICLE 3.

OBLIGATIONS OF CDP

3.1 RESPONSIBILITIES OF CDP. CDP shall:

(a) Cooperate to the greatest extent possible with GSI to ensure a successful phone solicitation program;

(b) Provide GSI with lists of names of prior donors and potential donors, with their phone numbers and addresses if available; and

(c) Pay all costs incurred by GSI for telephone

service, and costs of collection. Any non-GSI program related expense collection costs will be billed at $1.50 per pledge.

ARTICLE 4.

COMPENSATION

4.1 FEES. For its services performed pursuant to this Agreement, GSI shall receive twenty-six dollars ($26.00) per phoner hour for solicitation of previous donors and shall receive twenty-two dollars ($22.00) for each phoner hour for solicitation of prospective donors.

4.2 TIME FOR PAYMENT. Upon preparation by GSI of a monthly financial statement and presentation to CDP, GSI is authorized to withdraw any accrued fees owed to GSI pursuant to Section 4.1 and costs incurred pursuant to Section 3.1(c) from the custodial checking account.

ARTICLE 5.

TERMINATION

5.1 TERMINATION BY CDP. CDP shall have the right to terminate this Agreement immediately if GSI is unwilling or unable to perform the services required by the terms of this Agreement in a timely fashion, or for cause constituting breach of this Agreement. Said termination shall be provided in writing. CDP shall pay GSI all fees earned and expenses incurred through the date of termination.

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5.2 TERMINATION BY EITHER PARTY. GSI or CDP shall have the right to terminate this Agreement for any reason on receipt of written notice. GSI shall terminate all phoning and perform services necessary to collect all pledges completed prior to written notice. GSI shall be paid its fees and expenses incurred until termination.

5.3 MUTUAL TERMINATION. If GSI and CDP otherwise mutually agree to terminate this Agreement, CDP agrees that GSI shall be paid its fees and expenses incurred through the termination date.

5.4 RIGHT TO CONTINUE SOLICITATION. Notwithstanding any other term of this Agreement, if, at the time of termination of this Agreement, GSI is still owed money for services performed hereunder, GSI shall retain the right to continue to solicit donations on behalf of CDP and GSI may retain moneys obtained from such solicitations, until GSI is paid in full for its services rendered hereunder. Additionally, GSI may add to the amount due it from CDP any sums due it for the continued solicitation provided for in this Section 5.4. Such additional sums shall include all fees and costs which would be due GSI pursuant to Article 4 hereof had this Agreement not been terminated. This Paragraph 5.4 shall apply regardless of whether this Agreement is terminated under the provisions of this Article 5 or due to the expiration of the term of this Agreement.

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ARTICLE 6.

GENERAL PROVISIONS

6.1 NOTICES. Any notices to be given hereunder by either party to the other may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing at the end of this Agreement, but each party may change the address by written notice in accordance with this Section 6.1. Notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of two (2) days after mailing.

6.2 PARTIAL INVALIDITY. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

6.3 ARBITRATION. Any controversy between the parties hereto involving the construction, interpretation, application or enforcement of any part of this Agreement will on the written request of one party served on the other, be submitted to arbitration. The arbitration will comply with and be governed by the provisions of the California Arbitration Act, Section 1280 through 1294.2 of the California Code of Civil Procedures, and as

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may be amended.

Any such arbitration shall be decided by an arbitrator agreeable to the parties or otherwise selected in accordance with the California Arbitration Act. Such arbitration shall be held in California and shall be binding on the parties.

6.4 ATTORNEYS' FEES. If any action at law or in equity, including an action for declaratory relief or for arbitration, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court or arbitrator in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

6.5 INDEMNIFICATION. GSI will not be liable to CDP, or to any other person or entity for any acts or omissions in the performance of services under the terms of this Agreement or on the part of the employees or agents of GSI unless such acts or omissions are due to wilful misconduct. CDP will indemnify and hold GSI free and harmless from any obligations, cots, claims, judgments, attorneys' fees, and attachments arising from, growing out of or in any way connected with the services rendered to CDP under the terms of this Agreement, unless GSI is judged by a court or competent jurisdiction to be guilty of wilful misconduct.

6.6 GOVERNING LAW. This Agreement will be governed by

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and construed in accordance with the laws of the State of California.

6.7 AUTHORIZATION TO SIGN. The parties hereby represent and warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement.

6.8 ENTIRE AGREEMENT. This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to rendering of services by GSI for CDP and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding. This Agreement may be signed in counterparts. Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged.

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The parties hereto acknowledge that each has read this Agreement consisting of eight (8) pages and agree to its terms and conditions.

GORDON & SCHWENKMEYER, INC.
550 North Continental Blvd.
Suite 180
El Segundo, California 90245

By: _____
Mike Gordon
President

CALIFORNIA DEMOCRATIC PARTY

By: _____
Edmund G. Brown, Jr.
State Chair

Federal Employer
ID No: 942214618

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 21, 1992

MEMORANDUM

TO: The Commission

SENSITIVE

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

SUBJECT: MUR 3566 (California Democratic Party and its Democratic State Central Committee of California - Federal Committee)

9704380491

I. BACKGROUND

On August 20, 1992, Mr. James Dignan, individually and on behalf of the Republican Party of California, filed a complaint alleging that the California Democratic Party and its Democratic State Central Committee of California - Federal Committee ("Committee") (collectively "the Respondents") violated the Federal Election Campaign Act of 1971, as amended ("the Act"). Specifically, the Complainants allege that the Respondents received illegal extensions of credit resulting in prohibited corporate and excessive contributions; that Respondents circumvented the Commission's allocation regulations; and that Respondents conspired with unidentified vendors, who have outstanding debts to the Respondents, to violate the Act and the Commission's regulations.

In addition to alleging violations of the Act and regulations, the complainants request an investigation by the Commission, and, if necessary a referral to the United States Attorney for criminal investigation. Moreover, Complainants request that the Commission order Respondents to immediately pay all outstanding debts before being permitted to spend money for other purposes and that the Commission issue a "cease and desist order" to Respondents.

II. LEGAL AND FACTUAL ANALYSIS

The Commission is empowered to initiate a civil suit for injunctive relief if it is unable to correct or prevent a violation of the Act. 2 U.S.C. §§ 437d(a)(6) and 437g(a)(6).

In considering whether injunctive relief should be sought, the Commission has used the criteria for obtaining a preliminary injunction as the appropriate standard. This standard examines the requested relief in these terms:

(1) whether there is a substantial likelihood that a violation of the Act has or is about to occur;

(2) whether the failure by the Commission to obtain an injunction will result in irreparable harm to the complainant or some other party;

(3) whether the injunctive relief will not result in undue harm or prejudice to the interests of other persons; and

(4) whether the public interest would be served by such injunctive relief.

III. DISCUSSION

The Complainants' allegations, although lodged in very general and vague terms, relate to very factually specific issues. Essentially, Complainants allege that Respondents are involved in an illegal scheme to use "soft money" to fund federal election activities. According to Complainants, Respondents have received illegal extensions of credit from corporate and non-corporate vendors, thereby resulting in prohibited corporate and excessive contributions; Respondents have continued to pay regular and ongoing costs of administrative operations and current campaign expenses without having paid older outstanding indebtedness to such vendors, thereby bypassing the Commission's allocation regulations; and Respondents have conspired with vendors since each entity knew, or should have known, that such extensions of credit and/or services are unlawful. Complainants thus allege that Respondents' activities fail to comply with the allocation and debt settlement rules in violation of 2 U.S.C.§§ 441a and 441b and 11 C.F.R. §§ 106 and 116. Accordingly, Complainants posit that unless immediate action is taken to remedy this situation, the Respondents will continue to unlawfully fund its federal election activities to the detriment of all other committees which do comply with the law.

Counsel for Respondents faxed a response to the complaint on October 16, 1992. Respondents deny such conduct and deny that any prohibited or excessive contributions are involved. Counsel claims that Complainants' allegations regarding obligations owing to Gordon & Schwenkmeyer, Inc. ("GSI"), River West Development, Inc. ("River West"), and Phil Angelides are unfounded. Counsel relies on an affidavit submitted by GSI which states that GSI is a telemarketing firm that extended credit to Respondents in the ordinary course of business, that the outstanding obligation owed to GSI has now been reduced from approximately $285,000 at the beginning of the year to about $160,000 and that GSI expects full payment from future collections. Furthermore, counsel contends

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that the obligations owing to both River West and Angelides were for reimbursement for travel expenses incurred by the Committee which have been completely paid as of September 30, 1992. Accordingly, counsel argues that since there were no prohibited contributions involved, the Commission should take no further action on the complaint.

A preliminary review of this matter indicates that whether violations of the Act have occurred will require a more complete response and further analysis. An investigation to ascertain the essential facts regarding the circumstances surrounding the transactions in question may also be necessary. Thus, based on the information as it presently appears, it is difficult to say that the first requirement for injunctive relief is met. Also, it appears that the other three criteria for seeking injunctive relief are not met here as well. For example, we do not believe that the failure to seek such relief will result in irreparable harm to the Complainants or other parties. Conversely, we do conclude that to seek injunctive relief would seriously harm or prejudice the interest of the Respondents and would not serve the public interest.

Based on the foregoing, this Office recommends that the Commission proceed with this complaint following the regular course for other matters under review. This Office is preparing to submit a First General Counsel's Report to the Commission making appropriate recommendations without undue delay.

IV. RECOMMENDATIONS

1. Decline at this time to seek injunctive relief.

2. Approve the appropriate letters.

Attachments
Complaint
Response

Staff assigned: Veronica M. Gillespie

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
California Democratic Party and its Democratic State Central Committee of California - Federal Committee.	)	MUR 3586

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 26, 1992, the Commission decided by a vote of 6-0 to take the following actions in MUR 3586:

1. Decline at this time to seek injunctive relief.

2. Approve the appropriate letters, as recommended in the General Counsel's Memorandum dated October 21, 1992.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

10-27-92
Date

for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Wed., October 21, 1992 3:35 p.m.
Circulated to the Commission: Wed., October 21, 1992 4:00 p.m.
Deadline for vote: Mon., October 26, 1992 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1992

James Dignan, Chairman
Republican Party of California
1903 West Magnolia Boulevard
Burbank, California 91506

RE: MUR 3586

Dear Mr. Dignan:

On August 20, 1992, the Federal Election Commission received your letter alleging that the California Democratic Party and its Democratic State Central Committee of California - Federal (the "Committee") and Martin H. Eber, as treasurer, violated the Federal Election Campaign Act of 1971, as amended.

Your letter seeks injunctive relief to prevent the California Democratic Party and its Committee and Martin H. Eber, as treasurer, from continuing to engage in the allegedly improper activity. At this time there is insufficient evidence to warrant the Commission's seeking such relief. Accordingly, the Commission has decided to deny your request at this juncture. The Commission will notify you at such time when the entire file is closed in this matter.

If you have any questions, please contact Veronica M. Gillespie, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

9704380149 5

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 5, 1992

Leroy Y. Fong, Esq.
Olson, Connelly, Hagel Fong & Leidigh
Capitol Bank Center
300 Capitol Mall, Suite 350
Sacramento, California 95814

RE: MUR 3586

Dear Mr. Fong:

On August 26, 1992, the Federal Election Commission notified your clients, the California Democratic Party and its Democratic State Central Committee of California - Federal ("Committee") and Martin H. Eber, as treasurer, of a complaint alleging that they violated certain sections of the Federal Campaign Act of 1971, as amended. A copy of the complaint was forwarded to your clients at that time.

The complainant seeks injunctive relief to prevent the California Democratic Party and its Committee and Martin H. Eber, as treasurer, from continuing to engage in allegedly improper activity. At this time there is insufficient evidence to warrant the Commission's seeking such relief. Accordingly, the Commission has decided to deny the complainant's request for injunctive relief at this juncture. The Commission will nonetheless proceed with the processing of the complaint pursuant to 2 U.S.C. § 437g(a).

If you have any further questions, please contact Veronica M. Gillespie, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1992

Mr. Phil Angelides
River West Developments, Inc.
7700 College Town Drive
Sacramento, California 95826

RE: MUR 3586

Dear Mr. Angelides:

The Federal Election Commission received a complaint which indicates that River West Development, Inc., may have violated sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3586. Please refer to this number in all future correspondence.

The complaint was not sent to you earlier due to administrative oversight. 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 Office of the General Counsel, 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.

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If you have any questions, please contact Veronica M. Gillespie, the attorney 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,

Lisa E. Klein
Assistant General Counsel

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 29, 1992

Mike Gordon, President
Gordon & Schwenkmeyer, Inc.
550 N. Continental Boulevard
Suite 180
El Segundo, California 90245

RE: MUR 3586

Dear Mr. Gordon:

The Federal Election Commission received a complaint which indicates that Gordon & Schwenkmeyer, Inc., may have violated sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 3586. Please refer to this number in all future correspondence.

The complaint was not sent to you earlier due to administrative oversight. 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 Office of the General Counsel, 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.

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If you have any questions, please contact Veronica M. Gillespie, the attorney 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,

Lisa E. Klein
Assistant General Counsel

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

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR 3586
DATE COMPLAINT FILED: August 20, 1992
DATE OF NOTIFICATION: August 26, 1992;
October 29, 1992[1]
ACTIVATION DATE: August 31, 1993
STAFF MEMBER: Lawrence L. Calvert Jr.

COMPLAINANTS: James Dignan, individually and as Chairman of the Republican Party of California

RESPONDENTS: California Democratic Party
Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer
Gordon & Schwenkmeyer, Inc.
River West Developments
Phil Angelides

RELEVANT STATUTES:
2 U.S.C. § 431(8)(A)
2 U.S.C. § 431(8)(B)(4)
2 U.S.C. § 431(11)
2 U.S.C. § 434(b)(8)
2 U.S.C. § 441a(a)(1)(C)
2 U.S.C. § 441a(f)
2 U.S.C. § 441b(a)
2 U.S.C. § 441b(b)(2)
11 C.F.R. § 100.7(a)(4)
11 C.F.R. § 100.7(b)(8)
11 C.F.R. § 102.5
11 C.F.R. § 104.3(d)
11 C.F.R. § 104.10(b)(4)
11 C.F.R. § 104.11
11 C.F.R. § 106.5(a)
11 C.F.R. § 106.5(d)
11 C.F.R. § 106.5(f)
11 C.F.R. § 106.5(g)

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1. Respondents California Democratic Party and Democratic State Central Committee of California -- Federal were notified August 26, 1992. Through administrative oversight, respondents Gordon & Schwenkmeyer, Inc., River West Developments, and Phil Angelides were not notified until October 29, 1992. The notification to River West Developments and Phil Angelides was returned to the Commission by the Postal Service; the notification was resent to Angelides' personal address on November 6, 1992.

11 C.F.R. § 114.1(a)(1)
11 C.F.R. § 114.2(b)
11 C.F.R. § 116.3
11 C.F.R. § 116.5(b)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a complaint received August 20, 1992 from James Dignan, individually and as chairman of the Republican Party of California. The complaint alleges that between July 1, 1991, and June 30, 1992, the California Democratic Party ("State Party") and its Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer (the "Committee") accepted illegal extensions of credit from Gordon & Schwenkmeyer, Inc. ("GSI"), River West Developments ("RWD") and Phil Angelides.[2] The complaint also alleges that the Committee

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2. It appears that the State Party maintains separate Federal and non-Federal accounts and that the Committee is the State Party's Federal account. See 11 C.F.R. § 102.5. As there is no indication from the available facts that the State Party took any relevant actions in this matter separate from those of the Committee, the recommendations in this report will involve the Committee rather than the State Party.

Angelides was chair of the State Party during the 1991-92 election cycle. It appears from news reports that his term as chair ended in 1993 and that he is or may become a candidate for the Democratic nomination for Treasurer of the State of California in the June, 1994 primary election. See Bill Stall, State Candidates Face a Jaded Electorate in '94, Sacramento Times, Jan. 1, 1994, at A1. He is named as a respondent in this matter in his personal capacity.

Martin M. Eber was treasurer of the Committee at the time of the events analyzed in this report. On July 8, 1993, the Commission received an amended Statement of Organization from the Committee listing David Rosenberg as the Committee's new treasurer.

circumvented the Commission's allocation regulations.[3] See generally Attachment A.

A response has been received from the Committee and the State Party. See Attachment B. Although no response has been received directly from GSI, an unsworn declaration by Kris Schwenkmeyer, identified as a "principal" of GSI, is incorporated in the Committee's response. See id. at 4-5. No response has been received from Angelides or RWD.

II. FACTUAL AND LEGAL ANALYSIS

A. Prohibited and Excessive Contributions and Reporting Violations

1. Applicable Law

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits a corporation from making contributions or expenditures in connection with a Federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b). Further, 2 U.S.C. § 441b(a) prohibits any candidate, political committee, or person from knowingly accepting such a contribution. The term "contribution or expenditure" is defined to include "any direct or indirect payment, distribution, loan, advance, deposit or any gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization in connection with any [Federal] election." 2 U.S.C.

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3. The complaint also requested that the Commission order the Committee to immediately pay all outstanding debts before being permitted to spend money for other purposes and that the Commission issue a "cease and desist" order to the Committee. The Commission treated these requests as requests that it seek injunctive relief in U. S. District Court, and, on October 26, 1992, declined at that time to seek injunctive relief.

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§ 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

Furthermore, it is unlawful for a "person" to make contributions in excess of $5,000 in any calendar year to any political committee which is not the authorized committee of a Federal candidate or a committee established and maintained by a national political party. See 2 U.S.C. § 441a(a)(1). The Act prohibits political committees from knowingly accepting contributions in excess of this limitation. 2 U.S.C. § 441a(f). For purposes of this section, a "person" is defined as an individual, partnership, committee, association, corporation, labor organization or any other group of persons, 2 U.S.C. § 431(11), and "contribution" is defined as any 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. 2 U.S.C. § 431(8)(A).

Vendors, whether incorporated or not, are permitted to extend credit to a candidate, political committee, or other person in connection with a Federal election, provided that the extension of credit is in the ordinary course of the vendor's business practices and that the terms of the credit are substantially similar to those extended by the vendor to non-political entities. 11 C.F.R. §§ 116.3(a) and (b). Moreover, if a vendor fails to make a commercially reasonable attempt to collect a debt, a contribution will result. 11 C.F.R. § 100.7(a)(4).

The Act requires that each required report filed by a political committee must disclose the amount and nature of outstanding debts owed to or by the committee. 2 U.S.C.

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§ 434(b)(8); 11 C.F.R. § 104.3(d). Moreover, 11 C.F.R. § 104.11 requires that debts and obligations owed by a committee which remain outstanding shall be continuously reported until extinguished.

Pursuant to 11 C.F.R. § 116.5(b), the payment by an individual from his or her personal funds, including a personal credit card, for the costs incurred in providing goods or services to, or obtaining goods or services that are used by or on behalf of, a political committee is a contribution unless the payment is exempt under that section or under 11 C.F.R. § 100.7(b)(8). Under Section 100.7(b)(8) and 2 U.S.C. § 431(8)(B)(iv), unreimbursed payments for personal transportation expenses incurred by individuals while traveling on behalf of party committees are not contributions to the extent all such payments by the individual on behalf of all committees of the party do not exceed $2,000 per calendar year. Section 100.7(b)(8) also provides that unreimbursed personal funds expended by volunteers for usual and normal subsistence expenses incidental to volunteer activity (such as meals and lodging, see 11 C.F.R. § 116.5(b)) are not contributions. Additionally, Sections 116.5(b)(1) and (2) provide a "limited exception" for an individual's personal transportation expenses, and for subsistence expenses of an individual who is not a volunteer, but only "if the . . . expenses are reimbursed within sixty days [of the credit card billing date] for credit card transactions or thirty days [of when they were incurred] in other cases." Explanation and Justification of Regulations on Debts

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Owed by Candidates and Political Committees, 55 Fed Reg. 25378, 26382-83 (June 27, 1990).

2. Gordon & Schwenkmeyer, Inc.

a. Background

GSI is a telemarketing firm that, under a contract with the State Party, raises money for the Committee by telephone solicitations. See Attachment B at 1, 4. The State Party is to pay GSI $26 "per phoner hour for solicitation of previous donors" and $22 "per phoner hour for solicitation of prospective donors," in addition to "all costs incurred by GSI for telephone service, and costs of collection." Id. at 7-8. It appears from Section 4.2 of the contract that a "custodial checking account" has been established into which receipts from the solicitations are deposited and from which GSI is authorized to withdraw its fees. Id. at 4, 8. It is apparent from the Committee's disclosure reports that its relationship with GSI dates to some time in 1987. In the past, GSI has also raised money for the State Party's non-Federal account; it is unclear whether that arrangement continues.[4] From the declaration of Kris Schwenkmeyer, it appears that GSI has been in business since 1985, and "has raised over $25 million for its clients" from its inception through October, 1992.

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4. In MUR 3139, the Commission considered the relationships between GSI, the Committee, and the State Party's non-Federal account. There, the non-Federal account inadvertently wired $25,000 intended as a fee for GSI to the custodial checking account maintained for the Committee by GSI. Because the custodial account was an official depository of the Committee, the inadvertent wire amounted to a transfer-in of non-Federal funds. The Commission found reason to believe that the Committee violated the prohibition on commingling found at 11 C.F.R. § 102.5(a)(1), but took no further action and closed the file.

Attachment B at 4. Of that amount, the State Party, through its non-Federal account and through the Committee, appears to have accounted for $12 million, or 48 percent. Id.

The fundraising programs GSI conducted for the Committee appear to have been similar to GSI programs considered by the Commission in Advisory Opinion 1991-18. There, the New York State Democratic Committee asked the Commission whether two fundraising programs GSI proposed to operate on its behalf would conform to the Act. The Commission determined that one of the GSI proposals would be permitted, but one would be prohibited by 2 U.S.C. § 441b. Four factors guided the Commission's determination. First, the permitted program, which solicited established donors, "involve[d] short, specifically delineated periods in which the Committee [was] obligated to make full payment to the vendor by the end of the period." Approximately every two and one-half months, "the necessary adjustments [were] made to ensure that GSI receive[d] all earned commissions." By contrast, in the prohibited program, which solicited prospective donors, "full payment of commissions [was] tied to long-range contingencies," i.e., the raising of sufficient funds to cover GSI's costs and fees. GSI had no recourse to the committee's other funds if the program failed to pay for itself. Second, the Commission conditioned its approval of the permitted program by requiring that the projection of GSI's charges and the distribution of contribution proceeds "not be altered to accommodate the Committee's need for an additional amount of funds at any given point." Third, the Commission conditioned its approval "on the

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basis that the commissions retained by GSI fully cover all of its expenses plus reasonable profit for its services to the Committee." Finally, the Commission, pursuant to 11 C.F.R. §§ 116.3(b) and (c), required that the program be in GSI's ordinary course of business and on terms substantially similar to its extensions of credit to non-political debtors of similar risk and size of obligation.

b. Analysis

The Committee's amended disclosure reports indicate that during the period complained of it paid two GSI accounts. One of the accounts was identified on the reports as "Gordon & Schwenkmeyer, Inc." (hereinafter, "GSI Account") and one was identified as "Gordon & Schwenkmeyer, Inc. -- FLA" (hereinafter, "GSI/FLA Account"). The basis for distinguishing between the two accounts is not apparent from the response or the Committee's reports.[5] It appears from the Committee's reports that on July 1, 1991, the beginning of the period complained of, the Committee had owed $225,154.87 to the GSI/FLA account for at least six months, and failed to repay that amount to the GSI/FLA account for at least another six months. It also appears from the Committee's reports that the Committee failed to repay $29,616.06 it owed to the GSI Account on December 31, 1991 for more than four and a half

5. Because the Committee consistently reported disbursements to both accounts on Schedule B and not Schedule H4, it appears at this time that the issues involving the Committee and GSI do not implicate the allocation regulations of 11 C.F.R. § 106.5.

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months.[6]

From the declaration of Kris Schwenkmeyer, it appears that GSI did not attempt to collect debts due and owing directly from the Committee but attempted instead to recoup past due costs and fees from future funds raised in the Committee's name. Attachment B at 2, 4. Schwenkmeyer declared that in the event of a shortfall, GSI could "demand immediate payment . . . or recover the payments from future funds raised," and that GSI "ha[d] not demanded immediate payment" from the Committee because it was "totally confident that future funds will be sufficient to pay such expenses." Id. at 4-5.

Considering the length of time the debts were outstanding in light of Schwenkmeyer's admission that GSI made no attempt to collect the debts from the Committee's other funds, it would appear GSI did not make commercially reasonable attempts to collect the debts and thus made prohibited contributions to the Committee. See 11 C.F.R. § 100.7(a)(4). Although this conclusion stands on its own, AO 1991-18 lends it further support. The course of dealing between GSI and the Committee does not appear to meet the four-part test the Commission put forward in that opinion.

First of all, it appears that necessary adjustments were

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6. The Committee's Schedule B reports are in some instances not consistent with its Schedule D reports. For instance, while the Committee's Schedule Bs show that it paid a combined total of $832,272.13 to GSI during the 1991 Year End reporting period, its Schedule Ds for the same period show that it paid $1,339,660.47 to the GSI Account. The analysis of Committee/GSI transactions in this report is based on the Committee's Schedule D forms, because they are the most recently amended.

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not made in "short, specifically delineated periods" to ensure that GSI received all earned commissions. Both the $225,174.87 debt to the GSI/FLA account and the $29,616.06 owed to the GSI account were reported as outstanding for periods of time far beyond the two and a half months approved in AO 1991-18. Moreover, while GSI had the "option" to "demand immediate repayment" from the Committee if funds raised were insufficient to cover costs and fees, Schwenkmeyer admits that GSI never exercised that option. See Attachment A at 4. Instead, it chose to "recover the payments from future funds raised." Id. It thereby voluntarily "tied" its compensation to "long-range contingencies" in a manner disapproved in the advisory opinion.

Second, it appears that the long-term forbearances by GSI in favor of the Committee may have been made "to accommodate the Committee's need for an additional amount of funds." Although the Committee, according to its disclosure reports, disbursed $1,836,580 during the 1991 Year End reporting period, it appears to have paid none of the $225,184.87 it owed the GSI/FLA Account during that period; the debt was more than three and a half times the amount the Committee had in cash on hand at the end of the period.[7] Similarly, although the Committee disbursed $400,795.75 during the 1992 Pre-Primary reporting period, it paid only $700 of the $42,929.78 it owed the GSI Account during that period. The remaining debt, including $29,616.06 which was by then at least

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7. Although most of the Committee's total disbursements in the period appear to have been made to the GSI Account, this does not negate the fact that the Committee continued to report debt to the GSI/FLA Account that was at least a year old by the period's end.

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four and a half months old, far exceeded the $23,518 the Committee had in cash on hand at the end of the reporting period. Thus, GSI's forbearance from collecting debts due and owing appears to have allowed the Committee to spend money for other purposes until its cash on hand was actually less than the amount it owed GSI.

As for the third requirement of AO 1991-18, it is unclear whether GSI fully covered all of its expenses plus reasonable profit for its services; however, as discussed above, even if it did so it did not always do so within a "short, specifically delineated period." Finally, while the Schwenkmeyer declaration asserts that "Our practice [of recovering reimbursement from future funds raised] is standard method of operation in the industry," attachment B at 4, it provides no evidence supporting that claim, nor does it provide evidence that similar forbearances are granted to GSI's non-political clients of risk and size of obligation similar to that of the Committee.[8]

In summary, it appears that by failing to pursue collection

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8. In fact, it is not known whether GSI has any non-political clients. This Office is aware of three other GSI political clients -- the New York State Democratic Committee, which requested AO 1991-18; the Democratic State Central Committee (Colorado), whose relationship with GSI was investigated in MUR 2808; and the Carol Moseley Braun for U. S. Senate Committee, which was reported in news accounts to be a GSI client. It appears from disclosure reports that between July 1, 1991 and June 30, 1992, neither the New York State Democratic Committee nor the Democratic State Central Committee (Colorado) reported any debt to GSI; the New York committee appears to have settled accounts with GSI on a monthly basis, while the Colorado committee apparently did so quarterly. The Carol Moseley Braun for U. S. Senate Committee reported no debt to GSI until the 1992 October Quarterly report, when it reported $201,157.81 in debt to GSI for fundraising services rendered in September, 1992. Of that amount, $150,026.50 appears to have been paid within two weeks, and the balance within six weeks.

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of $225,154.87 owed by the Committee to the GSI/FLA Account on January 1, 1991, for more than a year, and by failing to pursue collection of $29,616.06 owed by the Committee to the GSI Account on December 31, 1991, for more than four and a half months, GSI made prohibited corporate contributions totaling $254,770.93. Accordingly, this office recommends that the Commission find reason to believe that Gordon & Schwenkmeyer, Inc., violated 2 U.S.C. § 441b(a). Additionally, it appears that the Committee knowingly accepted corporate contributions in the form of these extensions of credit. Therefore, this Office recommends that the Commission find reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 441b(a).[9]

c. Reporting Violations

In the course of preparing this analysis, staff from this Office examined the Committee's Schedule D reports for periods

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9. As noted, AO 1991-18 involved a proposed sale of telemarketing services by GSI to another client. Even though the opinion appears to indicate that GSI's course of dealing with the Committee was illegal, there is no evidence that GSI took action to collect the Committee's existing debt to the GSI/FLA Account for five and a half months after the opinion was issued. Moreover, it later failed to collect the Committee's debt to the GSI Account for four and a half months. These circumstances raise the possibility that GSI acted willfully. On the other hand, GSI did not request AO 1991-18, and its principals may not have been fully aware of the opinion's contents. Alternatively, they may have believed that slight differences between the terms of GSI's agreement with the Committee and the terms GSI proposed to offer the other client saved GSI's agreement with the Committee. Accordingly, this Office does not now recommend that the Commission find reason to believe that GSI's apparent violations were knowing and willful. However, this Office intends to pursue the question of willfulness during discovery. If evidence of willfulness is found, this Office will report it to the Commission and make appropriate recommendations at that time.

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prior to those complained of in an attempt to more precisely determine the age of the Committee's $225,154.87 debt to the GSI/FLA account. However, staff was unable to make this determination because of major discrepancies in the Schedule D reports.

The debt of $225,154.87 is reported as the beginning balance of the debt owed to the GSI/FLA Account on the Committee's most recently amended 1991 Mid Year Report. Because the GSI Account shows a zero beginning balance on this report, $225,184.87 also represents the combined beginning balance of the two accounts on this report. However, the Committee's immediately preceding report, the 1990 Year End, shows only a single entry for GSI, and that entry has an ending balance of $678,149.47. Between the 1990 Year End Report and the most recent amendment to the 1991 Mid Year Report, $452,994.60 in debt owed to GSI appears to have vanished from the Committee's Schedule D reports without explanation.[10]

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10. In fact, this discrepancy first appeared on the Committee's original 1991 Year End Report, filed January 31, 1992. The beginning balance on the original 1991 Year End was $452,993.58 less than the ending balance of the 1991 Mid Year. On May 22, 1992, the Committee amended its 1991 Mid Year Report. The amendment made the 1991 Mid Year Report consistent with the following report, the 1991 Year End; however, it also put the 1991 Mid Year Report more than $450,000 out of balance with the preceding report, the 1990 Year End.

Throughout 1992, the Committee's reports showed numerous discrepancies between the ending balance reported on a Schedule D report and the beginning balance reported on the next Schedule D report. These discrepancies involved debts owed to GSI and to several other creditors. The Commission's Reports Analysis Division sent repeated Requests for Additional Information (RFAI's) to the Committee, asking that it amend its reports to cure the discrepancies. On October 15, 1992 -- one day before the date of its response in this matter -- the Committee sent to the Commission amended Schedule D forms for the 1991 Mid Year, 1991

Moreover, the beginning balance reported as owed by the Committee to GSI on the 1990 Year End Schedule D is $670,151.54. The corresponding ending balance on the 1990 Post-General Schedule D is $532,343.09. Thus, between the 1990 Post-General Report and the 1990 Year End Report, $137,808.45 in debt owed to GSI appears on the Committee's Schedule D reports, equally without explanation.

It appears from these discrepancies that the Committee's 1990 Post-General, 1990 Year End, 1991 Mid Year, and possibly its subsequent reports may not have accurately reflected "the amount and nature of outstanding debts owed by" the Committee to GSI until those debts were extinguished. 2 U.S.C. § 434(b)(8); 11 C.F.R. § 104.11.

Therefore, this Office recommends that the Commission find reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 434(b)(8).[11]

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(Footnote 10 continued from previous page)
Year End, 1992 April Quarterly, and 1992 Pre-Primary Reports. With respect to the Committee's debt to GSI, these amended reports were all consistent with each other. However, the $452,994.60 discrepancy between the debt reported on the 1990 Year End Report and that reported on the 1991 Mid Year Report was not rectified.

11. In addition, it is possible that some of the incorrectly reported amounts could represent forgiveness by GSI of debt owed it by the Committee, or a transfer of some other thing of value from GSI to the Committee. If that were the case, the magnitude of the apparent Section 441b(a) violations by the Committee and GSI, discussed supra, would be larger.

3. River West Developments and Phil Angelides

a. Introduction

According to the Corporations Division of the Office of the Secretary of State of California, RWD is a California corporation and Phil Angelides, who was also chair of the State Party, is its president and registered agent.[12] It appears from the Committee's reports and from its response that RWD made at least $21,000.82 in reimbursable advances for joint Federal/non-Federal activity during the period at issue here.[13] Additionally, it appears from the Committee's reports that Angelides personally made in excess

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12. It appears from news reports that RWD's primary business is real estate development. See, e.g., Mary Lynne Vellinga, Reality Snags Dream Suburb, Sacramento Bee, Aug. 22, 1993, at A1.

13. Although the Committee's Schedule D forms describe the debt to RWD as being for "phone, postage and staff services," the Committee's response asserts that the obligations were for travel expenses, which were presumably incurred by Angelides. According to the response, most of the expenses "are on credit cards. After the charges are billed by the credit card to River West . . . they are then submitted to the Committee." Attachment B at 2.

The Committee reported more payments to RWD on its Schedule H4 forms than it did on its Schedule D forms. Most notably, the amounts on the Schedule D forms appear not to have included obligations the Committee incurred to RWD for "rent". It appears from the Committee's reports that the Committee began paying rent to RWD on October 8, 1991. On December 19, 1991, the Committee, which had been located in San Francisco, submitted an amended Statement of Organization to the Commission listing as its new address 2424 K Street, Suite 100, Sacramento. This was the Committee's address of record with the Commission until January 28, 1994. Beginning with the Committee's original 1992 Pre-Primary Report, RWD's address is also listed as 2424 K Street in Sacramento; no suite number is listed. The Corporations Division of the Office of the Secretary of State of California lists RWD's address as 2424 K Street, Second Floor, Sacramento.

Even though the Committee reported more payments to RWD on its Schedule H4 forms than on its Schedule Ds, it is possible to match specific payments reported on the H4s with the payments reported in the aggregate on the Schedule Ds.

of $30,000 in reimbursable advances for joint Federal/non-Federal activity to the Committee in 1991 and 1992.[14]

Advances for travel expenses are contributions unless they fall within the exemptions of 11 C.F.R. §§ 100.7(b)(8) or 116.5. These exemptions are available only to individuals. Corporations, therefore, are prohibited from making such advances. See 2 U.S.C. §§ 441b(a) and (b)(2). Thus, it appears that the RWD advances may have been contributions prohibited by Section 441b(a), and that Angelides' advances, if not exempt, were contributions which in turn may or may not have been in excess of the limitation of 2 U.S.C. § 441a(a)(1)(C).

However, the Committee reported payments associated with these obligations, unlike its payments to GSI, on its Schedule H4 forms as allocable administrative or fundraising expenses. Thus, it is necessary to determine whether the entire amount of the advances, or merely the Federal share of them, are contributions unless otherwise exempt under Sections 100.7(b)(8) or 116.5.[15]

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14. The Committee's response asserts that these advances were also for travel, and were made by Angelides personally in the same manner in which the RWD advances were made. See Attachment B at 2. Because 2 U.S.C. § 441a(a)(1)(C) (contribution limit) and 2 U.S.C. § 431(8)(B)(iv) (exemption from definition of contribution for certain personal transportation expenses) both contain calendar-year limitations, this report analyzes the Committee's transactions with Angelides in all of calendar years 1991 and 1992 even though the period complained of covers only portions of those years.

15. The Commission faced a similar, but distinguishable, situation in Advisory Opinion 1992-33. There, the Commission held that under certain circumstances national party committees could legally accept in-kind corporate contributions for allocable fundraising activities and administrative expenses. The Commission accepted the requesters' premise that the in-kind corporate contributions were made to the national party

This Office believes that only the Federal share should be considered a potential contribution. Both accounts receive only their allocable share of the advance's value while it is still outstanding. When it is reimbursed, the reimbursement must be paid by the committee's Federal account, or an allocation account also considered to be a Federal account. See 11 C.F.R. § 106.5(g)(1). However, so long as the committee's non-Federal account has transferred its share of the reimbursement to the Federal account or the allocation account in a timely manner, see 11 C.F.R. § 106.5(g)(2)(ii)(B), the advance would still appear to be an advance for the benefit of both accounts rather than the Federal account alone. Thus, there would be no reason to regard any amount in excess of the Federal share as a Federal contribution.

b. RWD

If the Federal share of a reimbursable advance for joint activity is a contribution, then the Federal share of such an advance is a prohibited contribution if made by a corporation. See 2 U.S.C. §§ 441b(a) and 441b(b)(2). Thus, it appears that when Angelides or other State Party staff members used RWD's credit card to pay travel expenses related to State Party business, RWD made and the Committee accepted prohibited corporate

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(Footnote 15 continued from previous page)
committees' non-Federal accounts. By contrast, in this situation, the contributions appear to have been in the form of reimbursable advances for the benefit of both accounts, rather than in-kind contributions to a non-Federal account. Moreover, AO 1992-33 deals only with corporate contributions, and is of little utility in answering the question presented here with respect to individual contributions.

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contributions in violation of 2 U.S.C. § 441b(a). The Federal share of the reimbursements to RWD, as reported by the Committee, amounts to $10,641.13.[16]

Accordingly, this Office recommends that the Commission find reason to believe that River West Developments and the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, each violated 2 U.S.C. § 441b(a).

c. Angelides

i. 1991 Expenses

The Committee's Schedule D reports indicate that Angelides made advances to the Committee by incurring $12,552.72 in reimbursable expenses in 1991. Pursuant to 11 C.F.R. § 116.5(b), the advances are contributions unless they are exempt under 11 C.F.R. § 100.7(b)(8) or unless they were for transportation or subsistence expenses which were reimbursed within 60 days of the credit card billing date for credit card transactions or 30 days of incurring the expenses for other transactions.

The Committee's Schedule H4 forms show that Angelides received reimbursements totaling $8,943.16 by the end of the year. The reported Federal share of these reimbursements was $5,097.60.

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16. It is unclear from the response whether RWD paid the credit card bills for the travel expenses and then sought reimbursement from the Committee, or if it waited until receiving reimbursement from the Committee and then paid the credit card bills. However, either sequence would result in a prohibited corporate contribution. In the latter sequence, the Committee would have received the value of RWD's credit rather than having to use its own, just as if RWD had signed a promissory note on behalf of the Committee and then received funds from the Committee sufficient to retire the note.

According to the H4 form, the reimbursements were made for "travel." Without documentation as to which of the expenses were for transportation, which were for subsistence, and which were for other travel-related expenses, it is impossible to determine which of the expenses were exempt under 11 C.F.R. § 116.5(b)(1), which were exempt under 11 C.F.R. § 100.7(b)(8), and which were not exempt. Moreover, without documentation as to when Angelides incurred the expenses or when his credit card company billed him for them, there is no evidence that the reimbursements were timely under 11 C.F.R. § 116.5(b)(2). As for the unreimbursed expenses of $3,609.56, there is likewise no documentation as to how much of this amount was for personal transportation expenses, or as to whether the expenses were chargeable to administrative or fundraising activity.[17] Without such documentation, it is not possible to determine how much of this amount was exempt, or what fraction of the amount represents the Federal share.

The Committee's disclosure reports also show that Angelides made a direct contribution of $5,000 to the Committee, which was received December 31, 1991. Accordingly, the Federal shares of any advances Angelides made in 1991 that were not exempt under 11 C.F.R. § 100.7(b)(8) or 11 C.F.R. § 116.5(b) were contributions in excess of the limits of the Act.

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17. The amount of $3,609.56 is derived by subtracting $8,943.16, which is the amount reported as reimbursed to Angelides on the Committee's 1991 Schedule H4 forms, from $12,552.72, which is the amount of debt incurred by the Committee to Angelides as reported on the Committee's 1991 Schedule D forms. The result, $3,609.56, is $60.35 less than the amount reported as the ending balance owed to Angelides on the Committee's 1991 Year End Schedule D form.

Therefore, with respect to Angelides' 1991 expenses, this Office recommends that the Commission find reason to believe that Phil Angelides made excessive contributions to the Committee in violation of 2 U.S.C. § 441a(a)(1)(C), and that the Committee knowingly accepted the contributions in violation of 2 U.S.C. § 441a(f).

ii. 1992 Expenses

The Committee's Schedule H4 reports indicate that in 1992, Angelides received reimbursements from the Committee totaling $23,584.21.[18] The Federal share of these reimbursements was reported by the Committee as $9,044.38. Of that amount, it appears from the Committee's Schedule H4 forms that $5,309.15 was for "travel," "meals," or "lodging", which might be subject to the timely reimbursement deadlines of 11 C.F.R. § 116.5(b)(2); $332.23 was reimbursement for the Federal share of advances for telephone charges; and $3,411.91 was for a combination of these types of charges not further itemized. Again, without further documentation as to when Angelides incurred the expenses, what he incurred them for, how he paid for them, or when he was reimbursed, there is no evidence that the expenses were exempt or, if they were, under which section of the regulations. Because the amount at issue is well in excess of $5,000, Angelides' advances

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18. This may have included reimbursement for the $3,699.56 in expenses which Angelides apparently incurred in 1991, but for which he was not reimbursed by the end of that year. However, the Committee's reports show no payment to Angelides until July 7, 1992. By that time, according to the Committee's Schedule D for the 1992 October Quarterly Report, the Committee owed Angelides $16,403.42.

may have resulted in contributions in excess of the limitation of 2 U.S.C. § 441a(a)(1)(C).

Therefore, with respect to Angelides' 1992 expenses, this Office recommends that the Commission find reason to believe that Phil Angelides made excessive contributions to the Committee in violation of 2 U.S.C. § 441a(a)(1)(C), and that the Committee knowingly accepted such contributions in violation of 2 U.S.C. § 441a(f).

B. Alleged Violations of Allocation Regulations

The complaint alleges that the Committee's acceptance of excessive or prohibited contributions circumvented the Commission's allocation regulations. It appears to argue that because allocable expenses must now be paid by the Federal account of a state party committee maintaining separate Federal and non-Federal accounts, any acceptance of excessive or prohibited advances or extensions of credit in connection with allocable activities violates 11 C.F.R. § 106.5. See Attachment A at 3-4.

This argument is unpersuasive. There is no indication in the complaint or other evidence that the Committee failed to allocate allocable expenses, see 11 C.F.R. § 106.5(a); that it used improper or incorrect allocation ratios, see 11 C.F.R. §§ 106.5(d) and (f); that the State Party's non-Federal account directly paid for allocable expenses, see 11 C.F.R. § 106.5(g)(1); or that the Committee failed to properly report allocable expenses, see 11 C.F.R. § 104.10(b)(4). Therefore, this Office recommends that the Commission find no reason to believe that the

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Committee violated 11 C.F.R. § 106.5 or 11 C.F.R. § 104.10(b)(d).[19]

III. PROPOSED DISCOVERY

Additional information is necessary to establish the full extent of the transactions between the Committee and GSI, RWD and Angelides. With respect to the Committee's transactions with GSI, this Office needs to determine, among other things, what the significance was of the two accounts, and whether they represented an arrangement like the one partially approved and partially disapproved in AO 1991-18; how aware GSI officials were of AO 1991-18 and the extent to which they discussed the opinion with representatives of the Committee; and how GSI determined when to take money from the custodial account to cover its fees, and when not to. Moreover, this Office will seek a full accounting for the more than $450,000 in debt that disappeared from the Committee's reports between the 1990 Year End Report and the amended 1991 Mid Year Report, and the more than $130,000 that appeared on the Committee's reports between the 1990 Post-General Report and the 1990 Year End Report.

With respect to the Committee's transactions with RWD and Angelides, this Office will need to examine all credit card statements, canceled checks, reimbursement vouchers, receipts, and other documentation with respect to the transactions questioned in this report. This information will enable this Office to reconstruct Angelides' Committee-related travel and reimbursement

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19. The complaint also alleged that the Committee conspired with the other respondents to violate the Act and regulations. However, it contains no evidence to support this allegation.

histories for 1991 and 1992.

Accordingly, this Office recommends that the Commission approve the proposed Orders to Submit Written Answers and Subpoenas to Produce Documents that are directed to the Committee, GSI, RWD and Angelides and attached to this report. See Attachment D.

IV. RECOMMENDATIONS

1. Find reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. §§ 434(b)(8), 441a(f) and 441b(a).

2. Find reason to believe that Gordon & Schwenkmeyer, Inc. violated 2 U.S.C. § 441b(a).

3. Find reason to believe that River West Developments violated 2 U.S.C. § 441b(a).

4. Find reason to believe that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C).

5. Find no reason to believe that the Democratic State Central Committee of California -- Federal or David Rosenberg, as treasurer, violated 11 C.F.R. §§ 104.10(b) or 106.5.

6. Approve the attached Factual and Legal Analyses.

7. Approve the attached Orders and Subpoenas.

8. Approve the appropriate letters.

Lawrence M. Noble
General Counsel

2/24/94
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Attachments:
A. Complaint
B. Committee Response
C. Factual and Legal Analyses
D. Proposed Subpoenas and Orders

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: MARCH 1, 1994

SUBJECT: MUR 3586 - FIRST GENERAL COUNSEL'S REPORT DATED FEBRUARY 24, 1994.

The above-captioned document was circulated to the Commission on Thursday, February 24, 1994 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Potter	_____
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for Tuesday, March 8, 1994.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3586
California Democratic Party;	)	
Democratic State Central Committee of California - Federal and David Rosenberg, as treasurer;	)	
Gordon & Schwenkmeyer, Inc.;	)	
River West Developments;	)	
Phil Angelides	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 8, 1994, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3586:

1. Find reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. §§ 434(b)(8), 441a(f), and 441b(a).

2. Find reason to believe that Gordon & Schwenkmeyer, Inc. violated 2 U.S.C. § 441b(a).

3. Find reason to believe that River West Developments violated 2 U.S.C. § 441b(a).

4. Find reason to believe that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C).

(continued)

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5. Find no reason to believe that the Democratic State Central Committee of California -- Federal or David Rosenberg, as treasurer, violated 11 C.F.R. §§ 104.10(b) or 106.5.

6. Approve the Factual and Legal Analyses recommended in the General Counsel's report dated February 24, 1994.

7. Approve the Orders and Subpoenas recommended in the General Counsel's report dated February 24, 1994.

8. Approve the appropriate letters as recommended in the General Counsel's report dated February 24, 1994.

Commissioners Aikens, Elliott, McDonald, McGarry, Potter, and Thomas voted affirmatively for the decision.

Attest:

3-8-94
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MARCH 10, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Phil Angelides
1957 13th Avenue
Sacramento, California 95818

RE: MUR 3586
Phil Angelides

Dear Mr. Angelides:

On October 29, 1992, the Federal Election 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 enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by other respondents in this matter, the Commission, on March 4, 1994, found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(C), a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted to the General Counsel's Office within 30 days of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, 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 notification or other communications from the Commission.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

If you have any questions, please contact Lawrence L. Calvert Jr., the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Designation of Counsel Form
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3586
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Phil Angelides
1957 13th Avenue
Sacramento, California 95818

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 10th day of March, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (2 pages)

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1991 to December 31, 1992.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"California Democratic Party" shall include the California Democratic Party, the Democratic State Central Committee of California -- Federal, the Democratic State Central Committee of California -- Non-federal, and any other account or committee maintained by the California Democratic Party pursuant to Federal or state law.

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1. State the dates on which your term of office as Chair of the California Democratic Party began and ended.

2. State whether you received a salary, wages, or other compensation (not including expense reimbursement) from the California Democratic Party.

3. This question refers to the following payments reportedly received by you from the Democratic State Central Committee of California -- Federal:

APPROXIMATE DATE	AMOUNT
8/2/91	$5,334.64
8/5/91	$3,608.52
7/2/92	$3,921.36
9/7/92	$3,921.36
9/7/92	$ 305.77
9/7/92	$ 648.00
9/7/92	$2,052.00
9/7/92	$ 528.00
9/7/92	$1,662.79
11/10/92	$ 340.37
12/28/92	$ 664.45
12/28/92	$6,175.97

a. For each listed payment, describe the nature, price, and, where applicable, amount or quantity of each good or service purchased with the payment. If a payment (or a portion thereof) was a reimbursement to you for goods or services provided by a third party vendor, identify the third party vendor, describe the nature, price and amount or quantity of each good or service for which reimbursement was made, and state the date on which you received the reimbursement. If a reimbursement was for expenses incurred in the course of travel on California Democratic Party business, your response should so indicate.

b. Provide all documents that support your response to question 3.a.

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4. Provide all bills, invoices, travel vouchers, or requests for reimbursement of any kind whatsoever sent by you to the California Democratic Party.

5. Provide all receipts, statements, bills, invoices or other requests for payment from any credit card company to you which reflect charges incurred by you on behalf of the California Democratic Party. For each such receipt, statement, bill, invoice or other request for payment, identify the specific charges so incurred.

6. Provide all receipts, statements, bills, invoices, or other requests for payment from any third party vendor to you which reflect charges incurred by you on behalf of the California Democratic Party.

7. Identify the person(s) who possesses the most knowledge with respect to your answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Phil Angelides MUR: 3586

This matter was generated by a complaint filed by James Dignan, individually and as chairman of the Republican Party of California.

Under the Federal Election Campaign Act of 1971, as amended ("the Act"), it is unlawful for a "person" to make contributions in excess of $5,000 in any calendar year to any political committee which is not the authorized committee of a Federal candidate or a committee established and maintained by a national political party. See 2 U.S.C. § 441a(a)(1). For purposes of this section, a "person" is defined as an individual, partnership, committee, association, corporation, labor organization or any other group of persons, 2 U.S.C. § 431(11), and "contribution" is defined as any 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. 2 U.S.C. § 431(8)(A).

Pursuant to 11 C.F.R. § 116.5(b), the payment by an individual from his or her personal funds, including a personal credit card, for the costs incurred in providing goods or services to, or obtaining goods or services that are used by or on behalf of, a political committee is a contribution unless the payment is exempt under that section or under 11 C.F.R. § 100.7(b)(8). Under Section 100.7(b)(8) and 2 U.S.C. § 431(8)(B)(iv), unreimbursed payments for personal transportation expenses incurred by

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individuals while traveling on behalf of party committees are not contributions to the extent all such payments by the individual on behalf of all committees of the party do not exceed $2,000 per calendar year. Section 100.7(b)(8) also provides that unreimbursed personal funds expended by volunteers for usual and normal subsistence expenses incidental to volunteer activity (such as meals and lodging, see 11 C.F.R. § 116.5(b)) are not contributions. Additionally, Sections 116.5(b)(1) and (2) provide a "limited exception" for an individual's personal transportation expenses, and for subsistence expenses of an individual who is not a volunteer, but only "if the . . . expenses are reimbursed within sixty days [of the credit card billing date] for credit card transactions or thirty days [of when they were incurred] in other cases." Explanation and Justification of Regulations on Debts Owed by Candidates and Political Committees, 55 Fed Reg. 25378, 26382-83 (June 27, 1990).

Phil Angelides was chair of the California Democratic Party during the 1991-92 election cycle. It appears from reports filed with the Commission by the Democratic State Central Committee of California -- Federal ("Committee") that Angelides personally made in excess of $30,000 in reimbursable advances for joint Federal/non-Federal activity in 1991 and 1992.[1]

The Committee's Schedule D reports indicate that Angelides

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1. Because 2 U.S.C. § 441a(a)(1)(C) (contribution limit) and 2 U.S.C. § 431(8)(B)(iv) (exemption from definition of contribution for certain personal transportation expenses) both contain calendar-year limitations, the scope of this analysis encompasses the Committee's transactions with Angelides in all of calendar years 1991 and 1992.

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made advances to the Committee by incurring $12,552.72 in reimbursable expenses in 1991. Pursuant to 11 C.F.R. § 116.5(b), the advances are contributions unless they are exempt under 11 C.F.R. § 100.7(b)(8) or unless they were for transportation or subsistence expenses which were reimbursed within 60 days of the credit card billing date for credit card transactions or 30 days of incurring the expenses for other transactions.

The Committee's Schedule H4 forms show that Angelides received reimbursements totaling $8,943.16 by the end of the year. The reported Federal share of these reimbursements was $5,097.60. According to the H4 form, the reimbursements were made for "travel." Without documentation as to which of the expenses were for transportation, which were for subsistence, and which were for other travel-related expenses, it is impossible to determine which of the expenses were exempt under 11 C.F.R. § 116.5(b)(1), which were exempt under 11 C.F.R. § 100.7(b)(8), and which were not exempt. Moreover, without documentation as to when Angelides incurred the expenses or when his credit card company billed him for them, there is no evidence that the reimbursements were timely under 11 C.F.R. § 116.5(b)(2). As for the unreimbursed expenses of $3,609.56, there is likewise no documentation as to how much of this amount was for personal transportation expenses, or as to whether the expenses were chargeable to administrative or

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fundraising activity.[2] Without such documentation, it is not possible to determine how much of this amount was exempt, or what fraction of the amount represents the Federal share.

The Committee's disclosure reports also show that Angelides made a direct contribution of $5,000 to the Committee, which was received December 31, 1991. Accordingly, the Federal shares of any advances Angelides made in 1991 that were not exempt under 11 C.F.R. § 100.7(b)(8) or 11 C.F.R. § 116.5(b) were contributions in excess of the limits of the Act.

Therefore, there is reason to believe that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C) with respect to his 1991 expenses.

The Committee's Schedule H4 reports indicate that in 1992, Angelides received reimbursements from the Committee totaling $23,584.21.[3] The Federal share of these reimbursements was reported by the Committee as $9,044.38. Of that amount, it appears from the Committee's Schedule H4 forms that $5,300.16 was for "travel," "meals," or "lodging", which might be subject to the

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2. The amount of $3,609.56 is derived by subtracting $8,943.16, which is the amount reported as reimbursed to Angelides on the Committee's 1991 Schedule H4 forms, from $12,552.72, which is the amount of debt incurred by the Committee to Angelides as reported on the Committee's 1991 Schedule D forms. The result, $3,609.56, is $60.35 less than the amount reported as the ending balance owed to Angelides on the Committee's 1991 Year End Schedule D form.

3. This may have included reimbursement for the $3,609.56 in expenses which Angelides apparently incurred in 1991, but for which he was not reimbursed by the end of that year. However, the Committee's reports show no payment to Angelides until July 2, 1992. By that time, according to the Committee's Schedule D for the 1992 October Quarterly Report, the Committee owed Angelides $16,403.42.

timely reimbursement deadlines of 11 C.F.R. § 116.5(b)(2); $332.23 was reimbursement for the Federal share of advances for telephone charges; and $3,411.91 was for a combination of these types of charges not further itemized. Again, without further documentation as to when Angelides incurred the expenses, what he incurred them for, how he paid for them, or when he was reimbursed, there is no evidence that the expenses were exempt or, if they were, under which section of the regulations. Because the amount at issue is well in excess of $5,000, Angelides' advances may have resulted in contributions in excess of the limitation of 2 U.S.C. § 441a(a)(1)(C).

Therefore, there is reason to believe that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C) with respect to his 1992 expenses.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MARCH 10, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Phil Angelides, President
River West Developments, Inc.
2424 K Street, Second Floor
Sacramento, California 95816

RE: MUR 3586
River West Developments, Inc.

Dear Mr. Angelides:

On October 29, 1992, the Federal Election 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 enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by other respondents in this matter, the Commission, on March 8, 1994, found that there is reason to believe River West Developments violated 2 U.S.C. § 441b(a), a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted to the General Counsel's Office within 30 days of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, 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 notification or other communications from the Commission.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

If you have any questions, please contact Lawrence L. Calvert Jr., the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Designation of Counsel Form
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3586

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: River West Developments, Inc.
c/o Phil Angelides, President
2424 K Street, Second Floor
Sacramento, California 95816

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 10th day of March, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (2 pages)

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INSTRUCTIONS

In answering this these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from July 1, 1991 to June 30, 1992.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"California Democratic Party" shall include the California Democratic Party, the Democratic State Central Committee of California -- Federal, the Democratic State Central Committee of California -- Non-federal, or any other account or committee maintained by the California Democratic Party pursuant to Federal or state law.

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1. Describe the principal business of River West Developments.

2. This question refers to the following payments reportedly made to you by the Democratic State Central Committee of California -- Federal:

APPROXIMATE DATE	AMOUNT
10/11/91	$ 610.20
2/28/92	$4,494.82
2/28/92	$ 336.48
5/20/92	$1,727.93
6/18/92	$6,130.71
6/18/92	$ 226.92
6/18/92	$ 288.59
6/18/92	$ 20.00
6/18/92	$1,564.22
6/18/92	$ 523.45
7/2/92	$3,737.88
7/30/92	$ 556.62
7/30/92	$ 187.88
7/30/92	$ 604.79

For each listed payment, describe the nature, price and, where applicable, the amount or quantity of each good or service purchased with the payment, and the date(s) on which each good or service was provided. If a payment (or a portion thereof) was a reimbursement to you for goods or services provided by a third party vendor, identify the third party vendor and describe the nature, price, and amount or quantity of each good or service for which the reimbursement was made. If such reimbursement was for expenses incurred in the course of travel on behalf of the California Democratic Party, your response should so indicate and should identify the person(s) who incurred the travel expenses. Provide all documents that support your response.

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3. Identify all contracts, understandings, memoranda, promises or agreements of any sort whatsoever between River West Developments and the California Democratic Party concerning:

a. the procurement of goods and services by River West Developments on behalf of the California Democratic Party;

b. the reimbursement of expenses by the California Democratic Party to River West Developments;

c. the use by, or on behalf of, the California Democratic Party of credit cards issued to River West Developments.

Where such contracts, understandings, memoranda, promises or agreements are in writing, provide them. Where they are oral or implied, describe them.

4. List all payments, other than those identified in response to the preceding questions, made by the California Democratic Party or anyone acting on its behalf to you for any goods or services provided by you or by third party vendors. For each such payment, describe the nature, price and, where applicable, the amount or quantity of each good or service purchased with the payment; the date(s) on which each good or service was provided; and the date on which each payment was made. If such a payment (or a portion thereof) was a reimbursement to River West Developments for goods or services provided by a third party vendor, identify the third party vendor and describe the nature, price and amount or quantity of each good or service for which reimbursement was made. If such reimbursement was for expenses incurred in the course of travel on behalf of the California Democratic Party, your response should so indicate and should identify the person(s) who incurred the travel expenses.

5. Identify the person(s) who possesses the most information with respect to your answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: River West Developments MUR: 3586

This matter was generated by a complaint filed by James Dignan, individually and as chairman of the Republican Party of California.

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits a corporation from making contributions or expenditures in connection with a Federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b). Further, 2 U.S.C. § 441b(a) prohibits any candidate, political committee, or person from knowingly accepting such a contribution. The term "contribution or expenditure" is defined to include "any direct or indirect payment, distribution, loan, advance, deposit or any gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization in connection with any [Federal] election." 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

According to the Corporations Division of the Office of the Secretary of State of California, River West Developments is a California corporation and Phil Angelides, who was also chair of the California Democratic Party ("State Party"), is its president and registered agent. It appears that between July 1, 1991 and June 30, 1992, RWD made $21,000.82 in reimbursable advances to the Democratic State Central Committee of California -- Federal ("Committee"). It further appears that most or all of the

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advances may have been made when Angelides or other staff members of the State Party used credit cards issued to RWD to pay expenses associated with travel on State Party business.

The Federal share of a reimbursable advance from a corporation to a political committee for joint Federal/non-Federal activity is a prohibited contribution. See 2 U.S.C. §§ 441b(a) and 441b(b)(2). Thus, it appears that when Angelides or other State Party staff members used RWD's credit card to pay the travel expenses, RWD made corporate contributions in violation of 2 U.S.C. § 441b(a). The Federal share of the reimbursements to RWD, as reported by the Committee, amounts to $10,641.13.[1]

Thus, there is reason to believe that River West Developments violated 2 U.S.C. § 441b(a).

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1. It is unclear whether RWD paid the credit card bills for the travel expenses and then sought reimbursement from the Committee, or if it waited until receiving reimbursement from the Committee and then paid the credit card bills. However, either sequence would result in a prohibited corporate contribution. In the latter sequence, the Committee would have received the value of RWD's credit rather than having to use its own, just as if RWD had signed a promissory note on behalf of the Committee and then received funds from the Committee sufficient to retire the note.

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MARCH 10, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Mike Gordon, President
Gordon & Schwenkmeyer, Inc.
550 N. Continental Boulevard
Suite 180
El Segundo, California 90245

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Mr. Gordon:

On October 29, 1992, the Federal Election 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 enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by other respondents in this matter, the Commission, on March 8, 1994, found that there is reason to believe Gordon & Schwenkmeyer, Inc. violated 2 U.S.C. § 441b(a), a provision of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted to the General Counsel's Office within 30 days of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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You may consult with an attorney and have an attorney assist you in the preparation of your responses to this order and subpoena. If you intend to be represented by counsel, 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 notification or other communications from the Commission.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

If you have any questions, please contact Lawrence L. Calvert Jr., the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Designation of Counsel Form
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3586

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Gordon & Schwenkmeyer, Inc.
c/o Mike Gordon, President
550 N. Continental Boulevard
Suite 180
El Segundo, California 90245

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 10th day of May, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (2 pages)

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from July 1, 1991 to June 30, 1992.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"California Democratic Party" shall include the California Democratic Party, the Democratic State Central Committee of California -- Federal, the Democratic State Central Committee of California -- Non-federal, and any other account or committee maintained by the California Democratic Party pursuant to Federal or state law.

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1. a. State whether, on January 1, 1991, you were owed $225,184.87 by the California Democratic Party. If your answer is in the negative, state what amount you were owed by the California Democratic Party on that date.

b. Indicate the dates on which, and amounts by which, the debt referenced in your answer to question 1.a. was incurred.

c. Describe all efforts you made dating from January 1, 1991 to collect the debt referenced in your answer to question 1.a. List each occasion on which you decided not to attempt to collect the debt by means other than soliciting additional contributions in the California Democratic Party's name. For each such occasion, explain in detail how and why the decision was made, and whether and how the decision was communicated to the California Democratic Party.

d. Provide all documents that support your responses to questions 1.a. through 1.c.

2. a. State whether, as of May 15, 1992, you had been owed $29,616.06 by the California Democratic Party since December 31, 1991 or earlier. If your answer is in the negative, state the amount you were owed by the California Democratic Party on May 15, 1992 that had been outstanding since December 31, 1991 or earlier.

b. Indicate the dates on which, and amounts by which, the debt referenced in question 2.a. was incurred.

c. Describe all efforts you made dating from December 31, 1991 to collect the debt referenced in question 2.a. List each occasion on which you decided not to attempt to collect the debt by means other than soliciting additional contributions in the California Democratic Party's name. For each such occasion, explain in detail how and why the decision was made, and whether and how the decision was communicated to the California Democratic Party.

d. Provide all documents that support your responses to questions 2.a. through 2.c.

3. Identify the persons who made decisions regarding the billing and collection of money owed by the California Democratic Party.

4. List each fundraising program or cycle you conducted on behalf of the California Democratic Party that gave rise to the debts referenced in your responses to questions 1 and 2. For each program or cycle listed, specify:

a. The dates of each program or cycle.

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b. The amount of funds raised on behalf of the California Democratic Party in each program or cycle.

c. Your costs associated with each program or cycle.

d. The amount you charged the California Democratic Party for your services associated with each program or cycle.

e. The dates on which each amount identified in response to question 4.d. was paid in full by the California Democratic Party.

Provide all documents that support your response.

5. Did your decisions or practices regarding the billing and collection of amounts owed by the California Democratic Party take into account whether the services for which the debts were incurred involved solicitation of persons who had not previously donated to the California Democratic Party? If so, explain in detail how this factor affected such decisions or practices.

6. a. List each of your non-political clients who has ever owed you more than $20,000 for four and a half months or longer. If no non-political client has ever owed you that amount of money for that length of time, list each of your political clients who has ever owed you more than $20,000 for four and a half months or longer.

b. For each client listed in response to question 6.a., state the amount of the obligation, the length of time the obligation was outstanding, and whether you made any attempts to collect the obligation, other than soliciting additional contributions in the client's name. If the obligation was never paid in full, describe the terms under which the obligation was settled.

c. Provide all documents which support your responses to questions 6.a. and 6.b.

7. Identify all officers, employees, or agents of Gordon & Schwenkmeyer, Inc. who have or had knowledge of the Federal Election Commission's Advisory Opinion 1991-18, and the dates on which each person identified acquired such knowledge. For each person so identified, state whether the person engaged in discussions or correspondence with any other person so identified or with any officer, employee, or agent of the California Democratic Party concerning Advisory Opinion 1991-18. Provide all such correspondence and explain in detail the substance of all such discussions.

8. Identify the person(s) who possesses the most knowledge with respect to the answers to these questions.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Gordon & Schwenkmeyer, Inc. MUR: 3586

This matter was generated by a complaint filed by James Dignan, individually and as chairman of the Republican Party of California.

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits a corporation from making contributions or expenditures in connection with a Federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b). Further, 2 U.S.C. § 441b(a) prohibits any candidate, political committee, or person from knowingly accepting such a contribution. The term "contribution or expenditure" is defined to include "any direct or indirect payment, distribution, loan, advance, deposit or any gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization in connection with any [Federal] election." 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

Vendors, whether incorporated or not, are permitted to extend credit to a candidate, political committee, or other person in connection with a Federal election, provided that the extension of credit is in the ordinary course of the vendor's business practices and that the terms of the credit are substantially similar to those extended by the vendor to non-political entities. 11 C.F.R. §§ 116.3(a) and (b). Moreover, if a vendor fails to make a commercially reasonable attempt to collect a debt, a

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contribution will result. 11 C.F.R. § 100.7(a)(4).

Gordon & Schwenkmeyer, Inc. ("GSI") is a telemarketing firm that, under a contract with the California Democratic Party ("State Party"), raises money for the Democratic State Central Committee of California -- Federal ("Committee") by telephone solicitations. The State Party is to pay GSI $26 "per phoner hour for solicitation of previous donors" and $22 "per phoner hour for solicitation of prospective donors," in addition to "all costs incurred by GSI for telephone service, and costs of collection." It appears that a "custodial checking account" has been established into which receipts from the solicitations are deposited and from which GSI is authorized to withdraw its fees. It is apparent from the Committee's disclosure reports that its relationship with GSI dates to some time in 1987. In the past, GSI has also raised money for the State Party's non-Federal account; it is unclear whether that arrangement continues. The Commission has in its possession a declaration made by Kris Schwenkmeyer, who is identified as a "principal" of GSI. From the Schwenkmeyer declaration, it appears that GSI has been in business since 1985, and "has raised over $25 million for its clients" from its inception through October, 1992. Of that amount, the State Party, through its non-Federal account and through the Committee, appears to have accounted for $12 million, or 48 percent.

The fundraising programs GSI conducted for the Committee appear to have been similar to GSI programs considered by the Commission in Advisory Opinion 1991-18. There, the New York State Democratic Committee asked the Commission whether two fundraising

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programs GSI proposed to operate on its behalf would conform to the Act. The Commission determined that one of the GSI proposals would be permitted, but one would be prohibited by 2 U.S.C. § 441b. Four factors guided the Commission's determination. First, the permitted program, which solicited established donors, "involve[d] short, specifically delineated periods in which the Committee [was] obligated to make full payment to the vendor by the end of the period." Approximately every two and one-half months, "the necessary adjustments [were] made to ensure that GSI receive[d] all earned commissions." By contrast, in the prohibited program, which solicited prospective donors, "full payment of commissions [was] tied to long-range contingencies," i.e., the raising of sufficient funds to cover GSI's costs and fees. GSI had no recourse to the committee's other funds if the program failed to pay for itself. Second, the Commission conditioned its approval of the permitted program by requiring that the projection of GSI's charges and the distribution of contribution proceeds "not be altered to accommodate the Committee's need for an additional amount of funds at any given point." Third, the Commission conditioned its approval "on the basis that the commissions retained by GSI fully cover all of its expenses plus reasonable profit for its services to the Committee." Finally, the Commission, pursuant to 11 C.F.R. §§ 116.3(b) and (c), required that the program be in GSI's ordinary course of business and on terms substantially similar to its extensions of credit to non-political debtors of similar risk and size of obligation.

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The Committee's amended disclosure reports indicate that during the period complained of it paid two GSI accounts. One of the accounts was identified on the reports as "Gordon & Schwenkmeyer, Inc." (hereinafter, "GSI Account") and one was identified as "Gordon & Schwenkmeyer, Inc. -- FLA" (hereinafter, "GSI/FLA Account"). The basis for distinguishing between the two accounts is not apparent from the Committee's reports. It appears from the Committee's reports that on July 1, 1991, the beginning of the period complained of, the Committee had owed $225,154.87 to the GSI/FLA account for at least six months, and failed to repay that amount to the GSI/FLA account for at least another six months. It also appears from the Committee's reports that the Committee failed to repay $29,616.06 it owed to the GSI Account on December 31, 1991 for more than four and a half months.[1]

From the declaration of Kris Schwenkmeyer, it appears that GSI did not attempt to collect debts due and owing directly from the Committee but attempted instead to recoup past due costs and fees from future funds raised in the Committee's name. Schwenkmeyer declared that in the event of a shortfall, GSI could "demand immediate payment . . . or recover the payments from future funds raised," and that GSI "ha[d] not demanded immediate payment" from the Committee because it was "totally confident that

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1. The Committee's Schedule B reports are in some instances not consistent with its Schedule D reports. For instance, while the Committee's Schedule Bs show that it paid a combined total of $832,272.13 to GSI during the 1991 Year End reporting period, its Schedule Ds for the same period show that it paid $1,339,660.47 to the GSI Account. The analysis of Committee/GSI transactions in this report is based on the Committee's Schedule D forms, because they are the most recently amended.

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future funds will be sufficient to pay such expenses."

Considering the length of time the debts were outstanding in light of Schwenkmeyer's admission that GSI made no attempt to collect the debts from the Committee's other funds, it would appear GSI did not make commercially reasonable attempts to collect the debts and thus made prohibited contributions to the Committee. See 11 C.F.R. § 100.7(a)(4). Although this conclusion stands on its own, AO 1991-18 lends it further support. The course of dealing between GSI and the Committee does not appear to meet the four-part test the Commission put forward in that opinion.

First of all, it appears that necessary adjustments were not made in "short, specifically delineated periods" to ensure that GSI received all earned commissions. Both the $225,174.87 debt to the GSI/FLA account and the $29,616.06 owed to the GSI account were reported as outstanding for periods of time far beyond the two and a half months approved in AO 1991-18. Moreover, while GSI had the "option" to "demand immediate repayment" from the Committee if funds raised were insufficient to cover costs and fees, Schwenkmeyer admits that GSI never exercised that option. Instead, it chose to "recover the payments from future funds raised." It thereby voluntarily "tied" its compensation to "long-range contingencies" in a manner disapproved in the advisory opinion.

Second, it appears that the long-term forbearances by GSI in favor of the Committee may have been made "to accommodate the Committee's need for an additional amount of funds." Although the

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Committee, according to its disclosure reports, disbursed $1,836,580 during the 1991 Year End reporting period, it appears to have paid none of the $225,184.87 it owed the GSI/FLA Account during that period; the debt was more than three and a half times the amount the Committee had in cash on hand at the end of the period.[2] Similarly, although the Committee disbursed $400,795.75 during the 1992 Pre-Primary reporting period, it paid only $700 of the $42,929.78 it owed the GSI Account during that period. The remaining debt, including $29,616.06 which was by then at least four and a half months old, far exceeded the $23,518 the Committee had in cash on hand at the end of the reporting period. Thus, GSI's forbearance from collecting debts due and owing appears to have allowed the Committee to spend money for other purposes until its cash on hand was actually less than the amount it owed GSI.

As for the third requirement of AO 1991-18, it is unclear whether GSI fully covered all of its expenses plus reasonable profit for its services; however, as discussed above, even if it did so it did not always do so within a "short, specifically delineated period." Finally, while the Schwenkmeyer declaration asserts that "Our practice [of recovering reimbursement from future funds raised] is standard method of operation in the industry," it provides no evidence supporting that claim, nor does it provide evidence that similar forbearances are granted to GSI's non-political clients of risk and size of obligation similar to

2. Although most of the Committee's total disbursements in the period appear to have been made to the GSI Account, this does not negate the fact that the Committee continued to report debt to the GSI/FLA Account that was at least a year old by the period's end.

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that of the Committee.[3]

In summary, it appears that by failing to pursue collection of $225,154.87 owed by the Committee to the GSI/FLA Account on January 1, 1991, for more than a year, and by failing to pursue collection of $29,616.06 owed by the Committee to the GSI Account on December 31, 1991, for more than four and a half months, GSI made prohibited corporate contributions totaling $254,770.93.

Thus, there is reason to believe that Gordon & Schwenkmeyer, Inc. violated 2 U.S.C. § 441b(a).

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3. In fact, it is not known whether GSI has any non-political clients. This Office is aware of three other GSI political clients -- the New York State Democratic Committee, which requested AO 1991-18; the Democratic State Central Committee (Colorado), whose relationship with GSI was investigated in MUR 2808; and the Carol Moseley Braun for U. S. Senate Committee, which was reported in news accounts to be a GSI client. It appears from disclosure reports that between July 1, 1991 and June 30, 1992, neither the New York State Democratic Committee nor the Democratic State Central Committee (Colorado) reported any debt to GSI; the New York committee appears to have settled accounts with GSI on a monthly basis, while the Colorado committee apparently did so quarterly. The Carol Moseley Braun for U. S. Senate Committee reported no debt to GSI until the 1992 October Quarterly report, when it reported $201,157.81 in debt to GSI for fundraising services rendered in September, 1992. Of that amount, $160,026.50 appears to have been paid within two weeks, and the balance within six weeks.

FEDERAL ELECTION COMMISSION

MARCH 10, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Leroy Y. Fong, Esq.
Olson, Connelly, Hagel, Fong & Leidigh
300 Capitol Mall, Suite 350
Sacramento, California 95814

RE: MUR 3586
Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer

Dear Mr. Fong:

On August 26, 1992, the Federal Election Commission notified your client, the Democratic State Central Committee of California -- Federal ("the Committee"), and its treasurer 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 enclosed with that notification.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on March 8, 1994, found that there is reason to believe the Committee and David Rosenberg, as treasurer, violated 2 U.S.C. §§ 434(b)(8), 441a(f) and 441b(a), provisions of the Act. However, the Commission, on the same date, found no reason to believe that the Committee or David Rosenberg, as treasurer, violated 11 C.F.R. §§ 104.10(b) or 106.5, provisions of the Commission's regulations. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Order to Answer Questions and Subpoena to Produce Documents must be submitted to the General Counsel's Office within 30 days of your receipt of this letter. Any additional materials or statements you wish to submit should accompany the response to the order and subpoena. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

If you have any questions, please contact Lawrence L. Calvert Jr., the attorney assigned to this matter, at (202) 219-3690.

For the Commission,

Trevor Potter
Chairman

Enclosures
Order and Subpoena
Factual and Legal Analysis

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
) MUR 3586
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: David Rosenberg, Treasurer
Democratic State Central Committee
of California -- Federal
c/o Leroy Y. Fong, Esq.
Olson, Connelly, Hagel, Fong & Leidigh
300 Capitol Mall, Suite 350
Sacramento, California 95814

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 10th day of March, 1994.

For the Commission,

Trevor Potter
Chairman

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions (5 pages)

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from October 21, 1990 to December 31, 1992.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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"California Democratic Party" shall include the California Democratic Party, the Democratic State Central Committee of California -- Federal, the Democratic State Central Committee of California -- Non-federal, and any other account or committee maintained by the California Democratic Party pursuant to Federal or state law.

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1. Beginning with your most recently amended 1991 Mid Year Report to the Federal Election Commission, reports of payments made and debts owed to Gordon & Schwenkmeyer, Inc. are divided into entries denoted "Gordon & Schwenkmeyer, Inc." and "Gordon & Schwenkmeyer, Inc -- FLA." Explain the significance of this distinction and provide all documents that support your answer.

2. State whether any of your accounts, ledgers, books, or other records pertaining to your transactions with Gordon & Schwenkmeyer, Inc. distinguish between solicitations of persons who have not previously contributed to the California Democratic Party and solicitations of persons who have previously contributed to the California Democratic Party. If your answer is in the affirmative, describe in detail how the records are distinguished and provide all documents that support your response.

3. a. Explain why the $225,184.87 reportedly owed to "Gordon & Schwenkmeyer, Inc. -- FLA" on January 1, 1991 remained unpaid as of December 31, 1991.

b. State the date(s) on which and amount(s) by which the debt referenced in question 3.a. was incurred.

c. State the date and amount of each payment made to retire the debt referenced in question 3.a.

d. Provide all documents that support your answers to questions 3.a through 3.c.

4. a. Explain why $29,616.06 of the debt reportedly owed to "Gordon & Schwenkmeyer, Inc." on December 31, 1991 remained unpaid as of May 15, 1992.

b. State the date(s) on which and amount(s) by which the amount of debt referenced in question 4.a. was incurred.

c. State the date and amount of each payment made to retire the amount of debt referenced in question 4.a.

d. Provide all documents that support your answers to questions 4.a. through 4.c.

5. a. State whether you received statements or invoices from the vendor for each debt identified in questions 3 and 4. If so, provide copies of the statements or invoices. If not, explain how you knew what debt was owed and provide all documents that support your answer.

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b. Explain how you decided whether to make payments to retire the debt and how the amounts of the payments were derived. If this decision was made by officers and employees of Gordon & Schwenkmeyer, Inc., explain how they informed you of the decision. Provide all documents that support your answers.

6. Identify all officers, employees, or agents of the California Democratic Party who have or had knowledge of the Federal Election Commission's Advisory Opinion 1991-18, and the dates on which each person identified acquired such knowledge. For each person so identified, state whether the person engaged in discussions or correspondence with any officer, employee, or agent of Gordon & Schwenkmeyer, Inc. concerning Advisory Opinion 1991-18. Provide all such correspondence and explain in detail all such discussions.

7. a. Explain why the ending balance of debt you owed to Gordon & Schwenkmeyer, Inc., as reported by you to the Federal Election Commission on Schedule D of your 1990 Year End Report is $452,994.60 more than the combined beginning balance of debt owed to the accounts listed as "Gordon & Schwenkmeyer, Inc." and "Gordon & Schwenkmeyer, Inc. -- FLA" reported on Schedule D of your most recently amended 1991 Mid Year Report.

b. State the date(s) on which and the amount(s) by which the $452,994.60 debt referenced in question 7.a. was incurred.

c. State the date and amount of each payment made to retire the $452,994.60 debt referenced in question 7.a.

d. Provide all documents that support your answers to questions 7.a. through 7.d.

8. a. Explain why the ending balance of debt you owed to Gordon & Schwenkmeyer, Inc., as reported by you to the Federal Election Commission on Schedule D of your 1990 Post-General Report, is $137,808.45 less than the beginning balance of debt owed to Gordon & Schwenkmeyer, Inc. reported on Schedule D of your 1990 Year End Report.

b. State the date(s) on which and the amount(s) by which the $137,808.45 debt referenced in question 8.b. was incurred.

c. State the date and amount of each payment made to retire the $137,808.45 debt referenced to in question 8.c.

d. Provide all documents that support your answers to questions 8.a. through 8.c.

9. Identify the person(s) who possesses the most knowledge with respect to the answers to questions 1 through 8.

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10. This question refers to the following payments reportedly made by you to River West Developments, Inc.:

APPROXIMATE DATE	AMOUNT
10/11/91	$ 610.20
2/28/92	$4,494.82
2/28/92	$ 336.48
5/20/92	$1,727.93
6/18/92	$6,130.71
6/18/92	$ 226.92
6/18/92	$ 288.59
6/18/92	$ 20.00
6/18/92	$1,564.22
6/18/92	$ 523.45
7/2/92	$3,737.88
7/30/92	$ 556.62
7/30/92	$ 187.88
7/30/92	$ 604.79

For each listed payment, describe the nature, price and, where applicable, the amount or quantity of each good or service purchased with the payment, and the date(s) on which each good or service was provided. If a payment (or a portion thereof) was a reimbursement to River West Developments for goods or services provided by a third party vendor, identify the third party vendor and describe the nature, price and amount or quantity of each good or service for which reimbursement was made. If such reimbursement was for expenses incurred in the course of travel on behalf of the California Democratic Party, your response should so indicate and should identify the person(s) who incurred the travel expenses. Provide all documents that support your response.

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11. Identify all contracts, understandings, memoranda, promises or agreements of any sort whatsoever between River West Developments and the California Democratic Party concerning:

a. the procurement of goods and services by River West Developments on behalf of the California Democratic Party;

b. the reimbursement of expenses by the California Democratic Party to River West Developments;

c. the use by, or on behalf of, the California Democratic Party of credit cards issued to River West Developments.

Where such contracts, understandings, memoranda, promises or agreements are in writing, provide them. Where they are oral or implied, describe them.

12. Your Schedule D forms filed with the Federal Election Commission indicate that the payments listed in question 10 were for "phone, postage and staff services;" your corresponding Schedule H4 forms indicate that the payments were for "shipping charges," "reimburse for staff services," "telephone expenses," "reimburse for travel expenses," "office supplies," "consulting services," "reimbursement for telephone expenses," and "meal expenses;" and your response to the complaint in this matter indicates that "these obligations are reimbursements for travel expenses." Explain why the purposes listed in the Schedule D forms, the Schedule H4 forms, and the response are not the same.

13. List all payments, other than those identified in response to the preceding questions, made by you, the California Democratic Party, or anyone acting on its behalf, to River West Developments for any goods or services provided by it or by third party vendors. For each such payment, describe the nature, price and, where applicable, the amount or quantity of each good or service purchased with the payment; the date(s) on which each good or service was provided; and the date on which each payment was made. If such a payment (or a portion thereof) was a reimbursement to River West Developments for goods or services provided by a third party vendor, identify the third party vendor and describe the nature, price and amount or quantity of each good or service for which reimbursement was made. If such reimbursement was for expenses incurred in the course of travel on behalf of the California Democratic Party, your response should so indicate and should identify the person(s) who incurred the travel expenses. Provide all documents that support your response.

14. Identify the person(s) who possesses the most knowledge with respect to your answers to questions 10 through 13.

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15. State the dates on which Phil Angelides' term of office as Chair of the California Democratic Party began and ended.

16. State whether Phil Angelides received a salary, wages, or other compensation (not including expense reimbursement) from the California Democratic Party.

17. This question refers to the following payments reportedly made by you to Phil Angelides:

APPROXIMATE DATE	AMOUNT
8/2/91	$5,334.64
8/5/91	$3,608.52
7/2/92	$3,921.36
9/7/92	$3,921.36
9/7/92	$ 305.77
9/7/92	$ 648.00
9/7/92	$2,052.00
9/7/92	$ 528.00
9/7/92	$1,662.79
11/10/92	$ 340.37
12/28/92	$ 664.45
12/28/92	$6,175.97

a. For each listed payment, describe the nature, price and, where applicable, amount or quantity of each good or service purchased with the payment. If a payment (or a portion thereof) was a reimbursement to Phil Angelides for goods or services provided by a third party vendor, identify the third party vendor and describe the nature, price and amount or quantity of each good or service for which reimbursement was made. If a reimbursement was for expenses incurred in the course of travel on California Democratic Party business, your response should so indicate.

b. Provide all bills, receipts, invoices, travel vouchers, requests for reimbursement, and canceled checks relating to the listed payments, and identify the person(s) who possesses the most knowledge with respect to your answers to this question and question 17.a.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer

MUR: 3586

I. GENERATION OF MATTER

This matter was generated by a complaint filed by James Dignan, individually and as chairman of the Republican Party of California.

II. PROHIBITED AND EXCESSIVE CONTRIBUTIONS AND REPORTING VIOLATIONS

A. Applicable Law

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits a corporation from making contributions or expenditures in connection with a Federal election. 2 U.S.C. § 441b(a); 11 C.F.R. § 114.2(b). Further, 2 U.S.C. § 441b(a) prohibits any candidate, political committee, or person from knowingly accepting such a contribution. The term "contribution or expenditure" is defined to include "any direct or indirect payment, distribution, loan, advance, deposit or any gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization in connection with any [Federal] election." 2 U.S.C. § 441b(b)(2); 11 C.F.R. § 114.1(a)(1).

Furthermore, it is unlawful for a "person" to make contributions in excess of $5,000 in any calendar year to any political committee which is not the authorized committee of a

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Federal candidate or a committee established and maintained by a national political party. See 2 U.S.C. § 441a(a)(1). The Act prohibits political committees from knowingly accepting contributions in excess of this limitation. 2 U.S.C. § 441a(f). For purposes of this section, a "person" is defined as an individual, partnership, committee, association, corporation, labor organization or any other group of persons, 2 U.S.C. § 431(11), and "contribution" is defined as any 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. 2 U.S.C. § 431(8)(A).

Vendors, whether incorporated or not, are permitted to extend credit to a candidate, political committee, or other person in connection with a Federal election, provided that the extension of credit is in the ordinary course of the vendor's business practices and that the terms of the credit are substantially similar to those extended by the vendor to non-political entities. 11 C.F.R. §§ 116.3(a) and (b). Moreover, if a vendor fails to make a commercially reasonable attempt to collect a debt, a contribution will result. 11 C.F.R. § 100.7(a)(4).

The Act requires that each required report filed by a political committee must disclose the amount and nature of outstanding debts owed to or by the committee. 2 U.S.C. § 434(b)(8); 11 C.F.R. § 104.3(d). Moreover, 11 C.F.R. § 104.11 requires that debts and obligations owed by a committee which remain outstanding shall be continuously reported until extinguished.

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Pursuant to 11 C.F.R. § 116.5(b), the payment by an individual from his or her personal funds, including a personal credit card, for the costs incurred in providing goods or services to, or obtaining goods or services that are used by or on behalf of, a political committee is a contribution unless the payment is exempt under that section or under 11 C.F.R. § 100.7(b)(8). Under Section 100.7(b)(8) and 2 U.S.C. § 431(8)(B)(iv), unreimbursed payments for personal transportation expenses incurred by individuals while traveling on behalf of party committees are not contributions to the extent all such payments by the individual on behalf of all committees of the party do not exceed $2,000 per calendar year. Section 100.7(b)(8) also provides that unreimbursed personal funds expended by volunteers for usual and normal subsistence expenses incidental to volunteer activity (such as meals and lodging, see 11 C.F.R. § 116.5(b)) are not contributions. Additionally, Sections 116.5(b)(1) and (2) provide a "limited exception" for an individual's personal transportation expenses, and for subsistence expenses of an individual who is not a volunteer, but only "if the . . . expenses are reimbursed within sixty days [of the credit card billing date] for credit card transactions or thirty days [of when they were incurred] in other cases." Explanation and Justification of Regulations on Debts Owed by Candidates and Political Committees, 55 Fed Reg. 25378, 26382-83 (June 27, 1990).

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B. Gordon & Schwenkmeyer, Inc.

1. Background

Gordon & Schwenkmeyer, Inc. ("GSI") is a telemarketing firm that, under a contract with the California Democratic Party ("State Party"), raises money for the Democratic State Central Committee of California -- Federal ("Committee") by telephone solicitations. The State Party is to pay GSI $26 "per phoner hour for solicitation of previous donors" and $22 "per phoner hour for solicitation of prospective donors," in addition to "all costs incurred by GSI for telephone service, and costs of collection." It appears from Section 4.2 of the contract that a "custodial checking account" has been established into which receipts from the solicitations are deposited and from which GSI is authorized to withdraw its fees. It is apparent from the Committee's disclosure reports that its relationship with GSI dates to some time in 1987. In the past, GSI has also raised money for the State Party's non-Federal account; it is unclear whether that arrangement continues. The Committee's response to the complaint in this matter includes a declaration by Kris Schwenkmeyer, who is identified as a "principal" of GSI. From the Schwenkmeyer declaration, it appears that GSI has been in business since 1985, and "has raised over $25 million for its clients" from its inception through October, 1992. Of that amount, the State Party, through its non-Federal account and through the Committee, appears to have accounted for $12 million, or 48 percent.

The fundraising programs GSI conducted for the Committee appear to have been similar to GSI programs considered by the

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Commission in Advisory Opinion 1991-18. There, the New York State Democratic Committee asked the Commission whether two fundraising programs GSI proposed to operate on its behalf would conform to the Act. The Commission determined that one of the GSI proposals would be permitted, but one would be prohibited by 2 U.S.C. § 441b. Four factors guided the Commission's determination. First, the permitted program, which solicited established donors, "involve[d] short, specifically delineated periods in which the Committee [was] obligated to make full payment to the vendor by the end of the period." Approximately every two and one-half months, "the necessary adjustments [were] made to ensure that GSI receive[d] all earned commissions." By contrast, in the prohibited program, which solicited prospective donors, "full payment of commissions [was] tied to long-range contingencies," i.e., the raising of sufficient funds to cover GSI's costs and fees. GSI had no recourse to the committee's other funds if the program failed to pay for itself. Second, the Commission conditioned its approval of the permitted program by requiring that the projection of GSI's charges and the distribution of contribution proceeds "not be altered to accommodate the Committee's need for an additional amount of funds at any given point." Third, the Commission conditioned its approval "on the basis that the commissions retained by GSI fully cover all of its expenses plus reasonable profit for its services to the Committee." Finally, the Commission, pursuant to 11 C.F.R. §§ 116.3(b) and (c), required that the program be in GSI's ordinary course of business and on terms substantially similar to

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its extensions of credit to non-political debtors of similar risk and size of obligation.

2. Analysis

The Committee's amended disclosure reports indicate that between July 1, 1991 and June 30, 1992, it paid two GSI accounts. One of the accounts was identified on the reports as "Gordon & Schwenkmeyer, Inc." (hereinafter, "GSI Account") and one was identified as "Gordon & Schwenkmeyer, Inc. -- FLA" (hereinafter, "GSI/FLA Account"). The basis for distinguishing between the two accounts is not apparent from the response or the Committee's reports. It appears from the Committee's reports that on July 1, 1991, the beginning of the period complained of, the Committee had owed $225,154.87 to the GSI/FLA account for at least six months, and failed to repay that amount to the GSI/FLA account for at least another six months. It also appears from the Committee's reports that the Committee failed to repay $29,616.06 it owed to the GSI Account on December 31, 1991 for more than four and a half months.[1]

From the declaration of Kris Schwenkmeyer, it appears that GSI did not attempt to collect debts due and owing directly from the Committee but attempted instead to recoup past due costs and fees from future funds raised in the Committee's name.

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1. The Committee's Schedule B reports are in some instances not consistent with its Schedule D reports. For instance, while the Committee's Schedule Bs show that it paid a combined total of $832,272.13 to GSI during the 1991 Year End reporting period, its Schedule Ds for the same period show that it paid $1,339,660.47 to the GSI Account. The analysis of Committee/GSI transactions herein is based on the Committee's Schedule D forms, because they are the most recently amended.

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Schwenkmeyer declared that in the event of a shortfall, GSI could "demand immediate payment . . . or recover the payments from future funds raised," and that GSI "ha[d] not demanded immediate payment" from the Committee because it was "totally confident that future funds will be sufficient to pay such expenses."

Considering the length of time the debts were outstanding in light of Schwenkmeyer's admission that GSI made no attempt to collect the debts from the Committee's other funds, it would appear GSI did not make commercially reasonable attempts to collect the debts and thus made prohibited contributions to the Committee. See 11 C.F.R. § 100.7(a)(4). Although this conclusion stands on its own, AO 1991-18 lends it further support. The course of dealing between GSI and the Committee does not appear to meet the four-part test the Commission put forward in that opinion.

First of all, it appears that necessary adjustments were not made in "short, specifically delineated periods" to ensure that GSI received all earned commissions. Both the $225,174.87 debt to the GSI/FLA account and the $29,616.06 owed to the GSI account were reported as outstanding for periods of time far beyond the two and a half months approved in AO 1991-18. Moreover, while GSI had the "option" to "demand immediate repayment" from the Committee if funds raised were insufficient to cover costs and fees, Schwenkmeyer admits that GSI never exercised that option. Instead, it chose to "recover the payments from future funds raised." It thereby voluntarily "tied" its compensation to "long-range contingencies" in a manner disapproved

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in the advisory opinion.

Second, it appears that the long-term forbearances by GSI in favor of the Committee may have been made "to accommodate the Committee's need for an additional amount of funds." Although the Committee, according to its disclosure reports, disbursed $1,836,580 during the 1991 Year End reporting period, it appears to have paid none of the $225,184.87 it owed the GSI/FLA Account during that period; the debt was more than three and a half times the amount the Committee had in cash on hand at the end of the period.[2] Similarly, although the Committee disbursed $400,795.75 during the 1992 Pre-Primary reporting period, it paid only $700 of the $42,929.78 it owed the GSI Account during that period. The remaining debt, including $29,616.06 which was by then at least four and a half months old, far exceeded the $23,518 the Committee had in cash on hand at the end of the reporting period. Thus, GSI's forbearance from collecting debts due and owing appears to have allowed the Committee to spend money for other purposes until its cash on hand was actually less than the amount it owed GSI.

As for the third requirement of AO 1991-18, it is unclear whether GSI fully covered all of its expenses plus reasonable profit for its services; however, as discussed above, even if it did so it did not always do so within a "short, specifically delineated period." Finally, while the Schwenkmeyer declaration asserts that "Our practice [of recovering reimbursement from

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2. Although most of the Committee's total disbursements in the period appear to have been made to the GSI Account, this does not negate the fact that the Committee continued to report debt to the GSI/FLA Account that was at least a year old by the period's end.

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future funds raised] is standard method of operation in the industry," it provides no evidence supporting that claim, nor does it provide evidence that similar forbearances are granted to GSI's non-political clients of risk and size of obligation similar to that of the Committee.

In summary, it appears that the Committee accepted $254,770.93 in corporate contributions in the form of an extension of credit of $225,154.87 dating to at least January 1, 1991, of which GSI failed to pursue collection for more than a year, and an extension of credit of $29,616.06 dating to at least December 31, 1991, of which GSI failed to pursue collection for more than four and a half months.

Thus, there is reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 441b(a).

3. Reporting Violations

In the course of preparing this analysis, Commission staff examined the Committee's Schedule D reports in an attempt to more precisely determine the age of the Committee's $225,154.87 debt to the GSI/FLA account. However, staff was unable to make this determination because of major discrepancies in the Schedule D reports.

The debt of $225,154.87 is reported as the beginning balance of the debt owed to the GSI/FLA Account on the Committee's most recently amended 1991 Mid Year Report. Because the GSI Account shows a zero beginning balance on this report, $225,184.87 also represents the combined beginning balance of the two accounts on

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this report. However, the Committee's immediately preceding report, the 1990 Year End, shows only a single entry for GSI, and that entry has an ending balance of $678,149.47. Between the 1990 Year End Report and the most recent amendment to the 1991 Mid Year Report, $452,994.60 in debt owed to GSI appears to have vanished from the Committee's Schedule D reports without explanation.[3]

Moreover, the beginning balance reported as owed by the Committee to GSI on the 1990 Year End Schedule D is $670,151.54. The corresponding ending balance on the 1990 Post-General Schedule D is $532,343.09. Thus, between the 1990 Post-General Report and the 1990 Year End Report, $137,808.45 in debt owed to GSI appears on the Committee's Schedule D reports, equally without explanation.

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3. In fact, this discrepancy first appeared on the Committee's original 1991 Year End Report, filed January 31, 1992. The beginning balance on the original 1991 Year End was $452,993.58 less than the ending balance of the 1991 Mid Year. On May 22, 1992, the Committee amended its 1991 Mid Year Report. The amendment made the 1991 Mid Year Report consistent with the following report, the 1991 Year End; however, it also put the 1991 Mid Year Report more than $450,000 out of balance with the preceding report, the 1990 Year End.

Throughout 1992, the Committee's reports showed numerous discrepancies between the ending balance reported on a Schedule D report and the beginning balance reported on the next Schedule D report. These discrepancies involved debts owed to GSI and to several other creditors. The Commission's Reports Analysis Division sent repeated Requests for Additional Information (RFAI's) to the Committee, asking that it amend its reports to cure the discrepancies. On October 15, 1992 -- one day before the date of its response in this matter -- the Committee sent to the Commission amended Schedule D forms for the 1991 Mid Year, 1991 Year End, 1992 April Quarterly, and 1992 Pre-Primary Reports. With respect to the Committee's debt to GSI, these amended reports were all consistent with each other. However, the $452,994.60 discrepancy between the debt reported on the 1990 Year End Report and that reported on the 1991 Mid Year Report was not rectified.

It appears from these discrepancies that the Committee's 1990 Post-General, 1990 Year End, 1991 Mid Year, and possibly its subsequent reports may not have accurately reflected "the amount and nature of outstanding debts owed by" the Committee to GSI until those debts were extinguished. 2 U.S.C. § 434(b)(8); 11 C.F.R. § 104.11.

Thus, there is reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 434(b)(8).

C. River West Developments and Phil Angelides

1. Introduction

According to the Corporations Division of the Office of the Secretary of State of California, River West Developments is a California corporation and Phil Angelides, who was also chair of the State Party, is its president and registered agent. It appears from the Committee's reports and from its response that RWD made $21,000.82 in reimbursable advances for joint Federal/non-Federal activity during the period at issue here.[4] Additionally, it appears from the Committee's reports that Angelides personally made in excess of $30,000 in reimbursable

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4. Although the Committee's Schedule D forms describe the debt to RWD as being for "phone, postage and staff services," the Committee's response asserts that the obligations were for travel expenses, which were presumably incurred by Angelides. According to the response, most of the expenses "are on credit cards. After the charges are billed by the credit card to River West . . . they are then submitted to the Committee."

Even though the Committee reported more payments to RWD on its Schedule H4 forms than on its Schedule Ds, it is possible to match specific payments reported on the H4s with the payments reported in the aggregate on the Schedule Ds.

advances for joint Federal/non-Federal activity in 1991 and 1992.[5]

2. RWD

The Federal share of a reimbursable advance made by a corporation to a political committee for joint Federal/non-Federal activity is a prohibited contribution. See 2 U.S.C. §§ 441b(a), 441b(b)(2). Thus, it appears that when Angelides or other State Party staff members used RWD's credit card to pay travel expenses related to State Party business, the Committee accepted prohibited corporate contributions in violation of 2 U.S.C. § 441b(a). The Federal share of the reimbursements to RWD, as reported by the Committee, amounts to $10,641.13.[6]

Accordingly, there is reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 441b(a).

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5. The Committee's response asserts that these advances were also for travel, and were made by Angelides personally in the same manner in which the RWD advances were made. Because 2 U.S.C. § 441a(a)(1)(C) (contribution limit) and 2 U.S.C. § 431(8)(B)(iv) (exemption from definition of contribution for certain personal transportation expenses) both contain calendar-year limitations, the scope of this analysis extends to the Committee's transactions with Angelides in all of calendar years 1991 and 1992.

6. It is unclear from the response whether RWD paid the credit card bills for the travel expenses and then sought reimbursement from the Committee, or if it waited until receiving reimbursement from the Committee and then paid the credit card bills. However, either sequence would result in a prohibited corporate contribution. In the latter sequence, the Committee would have received the value of RWD's credit rather than having to use its own, just as if RWD had signed a promissory note on behalf of the Committee and then received funds from the Committee sufficient to retire the note.

3. Angelides

a. 1991 Expenses

As noted, the Committee's Schedule D reports indicate that Angelides made advances to the Committee by incurring $12,552.72 in reimbursable expenses in 1991. Pursuant to 11 C.F.R. § 116.5(b), the advances are contributions unless they are exempt under 11 C.F.R. § 100.7(b)(8) or unless they were for transportation or subsistence expenses which were reimbursed within 60 days of the credit card billing date for credit card transactions or 30 days of incurring the expenses for other transactions.

The Committee's Schedule H4 forms show that Angelides received reimbursements totaling $8,943.16 by the end of the year. The reported Federal share of these reimbursements was $5,097.60. According to the H4 form, the reimbursements were made for "travel." Without documentation as to which of the expenses were for transportation, which were for subsistence, and which were for other travel-related expenses, it is impossible to determine which of the expenses were exempt under 11 C.F.R. § 116.5(b)(1), which were exempt under 11 C.F.R. § 100.7(b)(8), and which were not exempt. Moreover, without documentation as to when Angelides incurred the expenses or when his credit card company billed him for them, there is no evidence that the reimbursements were timely under 11 C.F.R. § 116.5(b)(2). As for the unreimbursed expenses of $3,609.56, there is likewise no documentation as to how much of this amount was for personal transportation expenses, or as to whether the expenses were chargeable to administrative or

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fundraising activity.[7] Without such documentation, it is not possible to determine how much of this amount was exempt, or what fraction of the amount represents the Federal share.

The Committee's disclosure reports also show that Angelides made a direct contribution of $5,000 to the Committee, which was received December 31, 1991. Accordingly, the Federal shares of any advances Angelides made in 1991 that were not exempt under 11 C.F.R. § 100.7(b)(8) or 11 C.F.R. § 116.5(b) were contributions in excess of the limits of the Act.

Therefore, with respect to Angelides' 1991 expenses, there is reason to believe that the Democratic State Central Committee of California -- Federal violated 2 U.S.C. § 441a(f).

b. 1992 Expenses

The Committee's Schedule H4 reports indicate that in 1992, Angelides received reimbursements from the Committee totaling $23,584.21.[8] The Federal share of these reimbursements was reported by the Committee as $9,044.38. Of that amount, it appears from the Committee's Schedule H4 forms that $5,300.16 was

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7. The amount of $3,609.56 is derived by subtracting $8,943.16, which is the amount reported as reimbursed to Angelides on the Committee's 1991 Schedule H4 forms, from $12,552.72, which is the amount of debt incurred by the Committee to Angelides as reported on the Committee's 1991 Schedule D forms. The result, $3,609.56, is $60.35 less than the amount reported as the ending balance owed to Angelides on the Committee's 1991 Year End Schedule D form.

8. This may have included reimbursement for the $3,609.56 in expenses which Angelides apparently incurred in 1991, but for which he was not reimbursed by the end of that year. However, the Committee's reports show no payment to Angelides until July 2, 1992. By that time, according to the Committee's Schedule D for the 1992 October Quarterly Report, the Committee owed Angelides $16,403.42.

for "travel," "meals," or "lodging", which might be subject to the timely reimbursement deadlines of 11 C.F.R. § 116.5(b)(2); $332.23 was reimbursement for the Federal share of advances for telephone charges; and $3,411.91 was for a combination of these types of charges not further itemized. Again, without further documentation as to when Angelides incurred the expenses, what he incurred them for, how he paid for them, or when he was reimbursed, there is no evidence that the expenses were exempt or, if they were, under which section of the regulations. Because the amount at issue is well in excess of $5,000, Angelides' advances may have resulted in contributions in excess of the limitation of 2 U.S.C. § 441a(a)(1)(C).

Therefore, with respect to Angelides' 1992 expenses, there is reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated 2 U.S.C. § 441a(f).

III. ALLEGED VIOLATIONS OF ALLOCATION REGULATIONS

The complaint alleges that the Committee's acceptance of excessive or prohibited contributions circumvented the Commission's allocation regulations. It appears to argue that because allocable expenses must now be paid by the Federal account of a state party committee maintaining separate Federal and non-Federal accounts, any acceptance of excessive or prohibited advances or extensions of credit in connection with allocable activities violates 11 C.F.R. § 106.5.

This argument is unpersuasive. There is no indication in the complaint or other evidence that the Committee failed to

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allocate allocable expenses, see 11 C.F.R. § 106.5(a); that it used improper or incorrect allocation ratios, see 11 C.F.R. §§ 106.5(d) and (f); that the State Party's non-Federal account directly paid for allocable expenses, see 11 C.F.R. § 106.5(g)(1); or that the Committee failed to properly report allocable expenses, see 11 C.F.R. § 104.10(b)(4).

Thus, there is no reason to believe that the Democratic State Central Committee of California -- Federal or David Rosenberg, as treasurer, violated 11 C.F.R. § 106.5 or 11 C.F.R. § 104.10(b)(4).

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Law Offices of
OLSON
HAGEL
FONG
LEIDIGH
WATERS &
FISHBURN

MUR 3586

FEDERAL ELECTION COMMISSION MAIL ROOM

MAR 31 11 24 AM '94

March 25, 1994

94 MAR 31 PM 12:47

FEDERAL ELECTION COMMISSION RECEIVED

Lawrence L. Calvert, Jr., Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 3586
River West Developments, Inc.
Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer

Dear Mr. Calvert:

Our office has been retained by River West Developments in connection with the above-referenced MUR. Enclosed you will find a completed Statement of Designation of Counsel form.

We also represent the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer ("DSCC").

Your communications to both clients were received in our office on March 18, 1994.

I write to request an extension of time in which to respond to the Subpoena to Produce Documents and Order to Submit Written Answers ("interrogatories") for both the DSCC and River West Developments, Inc. ("RWD").

The person who has the most familiarity with the requested records is currently out of town, and I am preparing for a trial which begins April 4, 1994. I anticipate the trial will last for about three weeks. I also have a pre-paid vacation planned for the first week of May. Because of the comprehensive nature of the interrogatories which require considerable review of records, I am requesting an extension of time in which to respond until the close of business on May 27, 1994.

At this time I would also like to request pre-probable cause conciliation.

LANCE H. OLSON
BRUCE J. HAGEL
LEROY Y. FONG
ROBERT E. LEIDIGH
GEORGE WATERS
DIANE M. FISHBURN

CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, CA 95814

Telephone (916) 442-2952
Facsimile (916) 442-1280

9704380159 96

Please contact me as soon as possible regarding my request for an extension of time.

Very truly yours,

OLSON, HAGEL, FONG, LEIDIGH,
WATERS & FISHBURN

LEROY Y. FONG
LYF:ccz

89103-4\CALVERT.LTR

cc: David Rosenberg

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 3586

NAME OF COUNSEL: Leroy Y. Fong

ADDRESS: Olson, Hagel, Fong, Leidigh, Waters & Fishburn
300 Capitol Mall, Suite 350
Sacramento, CA 95814

TELEPHONE: 916-442-2952

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.

3/27/94
Date

Signature

RESPONDENT'S NAME: Phil Angelides and River West Developments, Inc.

ADDRESS: 2424 K Street, Second Floor
Sacramento, CA 95816

HOME PHONE:

BUSINESS PHONE: 916-446-1115

97043801598

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

APRIL 1, 1994

Mr. Leroy Y. Fong, Esq.
Olson, Hagel, Fong, Leidigh,
Waters & Fishburn
CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, California 95814

RE: MUR 3586
Democratic State Central Committee
of California -- Federal and
David Rosenberg, as treasurer
River West Developments, Inc.
Phil Angelides

Dear Mr. Fong:

This confirms our telephone conversation of Friday, April 1, 1994, concerning your requests for an extension of time to respond to the Commission's Subpoenas and Orders and that the Commission enter into into conciliation with your clients prior to a finding of probable cause to believe in the above-captioned matter.

Your letter of March 25, 1994 requested an extension of time to respond until the close of business on May 27, 1994. After considering the circumstances presented in your letter, and in accordance with our telephone conversation, the Office of the General Counsel has granted an extension of time to respond until the close of business on Friday, May 13, 1994. This Office cannot guarantee that the Commission will approve any further request for an extension of time. Additionally, should you find it necessary to make such a request, it must be received by this Office not later than the close of business Friday, May 6 in order to allow for Commission consideration.

This Office understands you to have requested that the Commission enter into conciliation with your clients at the conclusion of discovery in this matter. Accordingly, this Office will submit your conciliation request to the Commission at that time.

Finally, this Office understands that you represent both River West Developments and Phil Angelides in his personal capacity in this matter.

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

Sincerely,

Lawrence L. Calvert Jr.
Attorney

97043801600

REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM
APR 5 9 23 AM '94

COC 792

VIA FACSIMILE
 # 202-219-3923 &
FIRST CLASS MAIL

April 4, 1994

FEDERAL ELECTION COMMISSION
94 APR -5 PM 12:14

Lawrence L. Calvert, Jr.
Federal Election Commission
999 E Street, NW
Washington D.C. 20463

Re: MUR 3586, Gordon & Schwenkmeyer, Inc.

Dear Mr. Calvert:

I am writing to request a 20-day extension to and including May 3, 1994 to respond to the Commission's subpoena to produce documents and order to submit written answers. The Commission served Gordon & Schwenkmeyer with the subpoena and order by certified mail on March 10, 1994. As you stated in our March 31, 1994 telephone conversation, the responses will be due on April 13, 1994 absent an extension.

The extension is necessary to enable the law firm of Remcho, Johansen & Purcell to review the facts and to assist Gordon & Schwenkmeyer in preparing its responses. Gordon & Schwenkmeyer contacted Joe Remcho of Remcho, Johansen & Purcell on this matter for the first time on March 28, 1994 and designated the firm as counsel on that date. Because we have just been retained, we need the extension to acquaint ourselves fully with this matter and to gather facts and any documents responsive to the subpoena and order.

Gordon & Schwenkmeyer has already sent the Statement of Designation of Counsel directly to the Commission. For your convenience, I have also enclosed a copy of it.

I would appreciate if you would advise me by telephone or facsimile of your response to our request for an extension. Please also do not hesitate to call me if you have any questions. Thank you for your consideration.

Sincerely,

Wendy S. Strimling

WSS:PJA
Enclosure
cc: Mike Gordon
Kris Schwenkmeyer

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COMMISSION
MAIL ROOM

3586 STATEMENT OF DESIGNATION OF COUNSEL 10 29 AM '94

NUR Joe Remcho

NAME OF COUNSEL: Remcho, Johansen, Purcell

ADDRESS: 220 Montgomery St. #800
San Francisco CA 94104

TELEPHONE: (415) 398-6230

94 APR -4 PM 12:21

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FEDERAL ELECTION COMMISSION

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.

3/28/94
Date

Michael P. Gordon
Signature

RESPONDENT'S NAME: Michael P. Gordon / Gordon & Schwenkmeyer, Inc.

ADDRESS: 550 N. Continental #180
El Segundo CA 90245

HOME PHONE: (310) 322-9891

BUSINESS PHONE: (310) 615-2300

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 6, 1994

Wendy S. Strimling, Esq.
Remcho, Johansen & Purcell
220 Montgomery Street, Suite 800
San Francisco, California 94104

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Ms. Strimling:

This is in response to your letter dated April 4, 1994, transmitted via facsimile, requesting an extension through May 3, 1994 to respond to the Subpoena and Order served on your client, Gordon & Schwenkmeyer, Inc., in the above-captioned matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on Tuesday, May 3, 1994.

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

Sincerely,

Lawrence L. Calvert Jr.
Attorney

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MUR # 1122

REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

RECEIVED
FEDERAL ELECTION
COMMISSION
ADMINISTRATIVE DIVISION
Apr 28 10 30 AM '94

CONFIDENTIAL--
Via Facsimile and Regular Mail

April 19, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Apr 28 3 17 PM '94

Lawrence L. Calvert, Jr.
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

Re: MUR 3586

Dear Mr. Calvert:

I am writing to request that the FEC stipulate to a protective order or enter into a mutually acceptable agreement to protect proprietary information which Gordon and Schwenkmeyer, Inc. plans to submit as part of its responses to the FEC's subpoena to produce responses and order to submit written answers.

Gordon and Schwenkmeyer, Inc.'s responses are due on May 3, 1994. To respond adequately to the questions, Gordon and Schwenkmeyer, Inc. (GIS) must reveal information about the profits which GIS has earned through its telemarketing business. Data pertaining to profits may be relevant to several of the questions, including but not limited to the following:

-- questions 1.c. and 2.c. which request that GIS "explain in detail how and why the decision was made" to collect outstanding expenses through solicitation of donors;

-- question 4 which requests data regarding funds raised, costs, and charges;

-- question 5 which requests a detailed explanation of whether and how GIS took into account "whether the services for which the debts were incurred involved solicitation of persons who had not previously donated to the California Democratic Party"; and

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-- question 6, which requests information about GIS's financial arrangements with non-political clients.

The simple fact is that GIS's arrangements with the California Democratic Party are part of a business arrangement that is profitable for GIS. Data about GIS's profits will support GIS's point that it did not make a contribution to the California Democratic Party but rather extended credit to the California Democratic Party in the ordinary course of its business and made commercially reasonable attempts to collect any unpaid amounts. (See 11 CFR §§ 100.7(a)(4), 116.3(b).)

Because GIS is engaged in running a business, information about its profits is proprietary and confidential. GIS would be harmed in its business and potentially put at a competitive disadvantage if the public, which could include current or future clients of GIS, had access to information about GIS's profits. GIS is additionally and specifically concerned that, by virtue of having been named in the complaint, the California Democratic Party (CDP) would have access to GIS profit data; such disclosure to a current client could harm GIS in its current and future business dealings.

Confidential financial and commercial information is exempt from disclosure under the FOIA. (5 U.S.C. § 552(b)(4).) We request that the FEC similarly recognize that any information which GIS provides to the FEC about GIS's profits or other financial information be held in strict confidence and not disclosed to the public (i.e., not disclosed to any person other than a Commissioner or Commission staff working on MUR 3586) at any time, whether during the investigation or after closure of the investigation, excepting that this agreement would not prohibit the introduction of information into evidence in a court of law, subject to an appropriate protective order. GIS also requests that the FEC guarantee that any co-respondents in this particular matter, including the California Democratic Party, not have access to information about GIS's profits or other GIS financial information. If the FEC already guarantees this level of confidentiality, we would appreciate written assurance of that fact. If this request goes beyond the customary level of confidentiality, we request that you work with us to establish a mutually acceptable confidentiality agreement.

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In light of the May 3, 1994 due date for GIS's responses, I would appreciate your immediate attention to this request. I would be happy to discuss the issue with you further and to work out a mutually acceptable arrangement. Given the slowness of the mail, please contact me via telephone or facsimile. Thank you.

Sincerely,

Wendy S. Strimling

Wendy S. Strimling

WSS:PJA

cc: Mike Gordon

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 20, 1994

BY TELEFAX AND FIRST CLASS MAIL

Ms. Wendy S. Strimling, Esq.
Remcho, Johansen & Purcell
220 Montgomery Street, Suite 800
San Francisco, California 94104

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Ms. Strimling:

Pursuant to our telephone conversations of Monday, April 18, 1994, and Tuesday, April 19, 1994, please find attached a copy of the complaint in this matter and a copy of the Commission's notification of the complaint to Mike Gordon, as president of Gordon & Schwenkmeyer, Inc.

As we discussed, only those portions of the complaint which are not copies of disclosure reports filed with the Commission are attached to the telefax copy of this letter. The entire 148-page complaint is attached to the first-class mail copy.

This letter also acknowledges receipt of your letter dated April 19, 1994, transmitted via telefax, requesting that the Commission stipulate to a protective order regarding information which you assert to be confidential business information and which is within the scope of the Commission's Subpoena and Order directed to your client. I will bring your request to the attention of the appropriate persons in this Office, and we will respond as soon as possible. Please be advised that while your request will be given every consideration, it does not alter your client's obligation to respond in full to the Subpoena and Order by May 3, 1994.

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Please call me at (202) 219-3600 if you have any questions.

Sincerely,

Lawrence L. Calvert Jr.
Attorney

Attachments
Notification and Complaint

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REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

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MAY 2 1 05 PM '94

CONFIDENTIAL--
Via Facsimile and Regular Mail

April 25, 1994

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MAY 2 3 07 PM '94

Lawrence L. Calvert, Jr.
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

Re: MUR 3586

Dear Mr. Calvert:

I am writing to request an extension until and including May 13, 1994 to respond to the Commission's subpoena and order in MUR 3586.

The responses are currently due on May 3, 1994. I need an extension because I have the chicken pox. I came down with the chicken pox on April 22, 1994, and I am currently unable to work. I expect to be out of the office until at least May 2, 1994.

I appreciate your speedy attention to this request. If you have any questions, or if the request poses any problems, please contact my secretary, Pat Jameson Amwele, and she will notify me. I would appreciate if you would notify my office as soon as possible of the Commission's response to this request, either by phone call to my secretary or by facsimile.

Thank you in advance for your consideration.

Sincerely,

Wendy S. Strimling /pja

Wendy S. Strimling

WSS:PJA

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

April 26, 1994

BY TELEFAX

Wendy S. Strimling, Esq.
Remcho, Johansen & Purcell
220 Montgomery Street, Suite 800
San Francisco, California 94104

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Ms. Strimling:

This is in response to your letter dated April 25, 1994, transmitted by telefax, requesting a further extension until May 13, 1994, to respond to the Commission's Subpoena and Order in the above-referenced matter. After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly, your response is due by the close of business on Friday, May 13, 1994.

Additionally, your letter of April 19, 1994, regarding the confidentiality of the information to be submitted in your response, is still under consideration by this Office. You will receive a response to your April 19 letter as soon as possible.

If you have any questions, please contact me at (202) 219-3690. Please accept my best wishes for a speedy recovery.

Sincerely,

Lawrence L. Calvert Jr.
Attorney

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 4, 1994

BY TELEFAX

Ms. Wendy S. Strimling, Esq.
Remcho, Johansen & Purcell
220 Montgomery Street, Suite 800
San Francisco, California 94104

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Ms. Strimling:

This responds to your letter dated April 19, 1994, transmitted by telefax, regarding the potential public release of information that may be provided by your client, Gordon & Schwenkmeyer, Inc. (GSI), in response to the Commission's Subpoena and Order in MUR 3586.

Your letter expresses concern that several questions in the Subpoena and Order may require the production of information regarding GSI's profits. You characterize this information as "proprietary and confidential," and state that GSI "would be harmed in its business and potentially put at a competitive disadvantage" if the public had access to the information. Accordingly, you request that the Commission "stipulate to a protective order or enter into a mutually acceptable agreement to protect" the information.

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits the Commission or any person from making public any notification or investigation made in an open enforcement matter "without the written consent of the person receiving such notification or the person with respect to whom such investigation is made." 2 U.S.C. § 437g(a)(12). This provision would apply to all information that might be provided by your client in response to the Subpoena and Order.

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Without confirming or denying that the California Democratic Party is, to use your phrase, a "co-respondent" in this matter, this Office concedes that information submitted by your client could form the basis for a recommendation that the Commission find probable cause to believe another respondent violated the Act. In that event, this Office would be required to prepare a brief setting forth the pertinent facts, and to provide a copy of the brief to the other respondent. See 2 U.S.C. § 437g(a)(3). Similarly, your client might submit information forming the basis for a conciliation agreement between the Commission and another respondent. You and your client may be assured that any such brief or conciliation agreement would be carefully drafted to disclose as little GSI business information as possible. Nevertheless, the brief or conciliation agreement, if any, would have to state what the facts were. The Commission thus cannot enter any agreement that would preclude it from using in this manner information submitted by your client.

Moreover, if conciliation with the other respondent was unsuccessful, the Commission could decide to institute a civil law enforcement action against the other respondent in U. S. District Court. See 2 U.S.C. § 437g(a)(6). The Commission cannot enter any agreement that would restrict its ability to use information provided by your client as evidence in such a proceeding, should one occur. In addition, relevant information provided by your client could conceivably be the subject of required disclosure to, or discovery by, the other respondent if such a proceeding occurred. See Fed. R. Civ. P. 26(a)(1)(B), 26(b)(1).

After the Commission closes the entire file with respect to an enforcement matter, the matter is then public, and the file is then placed on the public record within 30 days. However, it is this Office's general practice not to place on the public record any confidential business information submitted by a respondent if that information does not form the basis for a conciliation agreement or a recommendation of reason to believe or probable cause to believe against that respondent.

Additionally, in response to your client's particular concern about the release of information concerning its profits, this Office will endeavor not to place on the public record specific dollar figures or percentages that state GSI's profits on transactions with any specific client, or from which GSI's profits may be easily deduced (e.g., figures regarding GSI's costs of rendering certain services and its charges for the same services), provided that your client's response is the source of the information.

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We hope this letter will assuage your client's concerns, and that your client will comply in full with the Commission's Subpoena and Order as scheduled by May 13, 1994. Please contact me at (202) 219-3690 if you have any questions.

Sincerely,

Lawrence L. Calvert Jr.
Attorney

9704380161 3

OGC 1353

REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
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OFFICE OF GENERAL
COUNSEL

MAY 16 9 54 AM '94

CONFIDENTIAL--
Via Federal Express

May 13, 1994

Lawrence L. Calvert, Jr.
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

Re: MUR 3586

Dear Mr. Calvert:

Enclosed is the response of Gordon and Schwenkmeyer, Inc. to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers, dated March 10, 1994.

Please note that in some cases, we have not provided all records or complete answers. This is due to problems assembling data which are not kept in a form that lends itself to answering questions as the Commission posed them. As soon as data are available we will promptly forward the information to you.

Although the enclosed response makes it clear that GSI has never carried a debt in the sense that you would normally use the term, we recognize that its practices --- of long-standing and universal application --- are unfamiliar. Accordingly, we would very much appreciate the opportunity to engage in the conciliation process at your earliest convenience.

GSI is ready to make any changes that permit the program to operate as a viable business and that meet any concerns the Commission might have after gaining an understanding of how this unique business operates.

We look forward to hearing from you.

Sincerely,

Joseph Remcho

JR:PJA
Enclosures

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Attorneys for Gordon
& Schwenkmeyer, Inc.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3586

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OFFICE OF GENERAL
COUNSEL
MAY 16 9 54 AM '94

GSI'S RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

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General Qualifications

Gordon and Schwenkmeyer, Inc. ("GSI") provides the following responses to the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers in the Matter of MUR 3586. By providing these responses, GSI does not waive the attorney-client privilege, the protection afforded work product, or any other lawfully recognized privilege applicable to the requested information. Investigation with respect to the questions and subpoena is still on-going. Therefore, these responses are based on information currently known and available to GSI, without prejudice to GSI's right to supplement or amend its responses if additional information becomes available.

Mike Gordon provided the information for these responses. The GSI controller, Zeny Jaotegan, supplied numerical data. GSI's attorneys, Joseph Remcho and Wendy Strimling, assisted in drafting the responses.

Introduction

The Commission's Factual and Legal Analysis is based on a fundamental misunderstanding of GSI's business. GSI has never intended to make a contribution to the California Democratic Party. Rather, GSI is a profitable telemarketing business. GSI's arrangement with CDP is a good business deal that generates a profit for GSI and builds GSI's business.

GSI begins its response to the Commission's Order and Subpoena with an explanation of GSI's business. This explanation will demonstrate that GSI has complied with the Commission regulations pertaining to extension of credit by commercial vendors. 11 CFR 100.7(a)(4), 116.3. This explanation will also provide the background necessary to respond to the specific questions in the FEC's Order.

GSI is a telemarketing company which was started in 1985. GSI has been conducting telemarketing appeals for CDP since 1987. During the period under Commission investigation, July 1, 1991 through June 30, 1992, GSI operated under a contract with CDP which covered the period December 1, 1989 through January 31, 1993. (The 1989 contract is attached as Exhibit 1.) Details provided in this discussion about GSI's arrangements with CDP are based on that contract, unless otherwise noted. This discussion will focus on GSI's

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arrangement with the CDP, but its arrangement with the CDP is typical of its arrangements with other political and nonpolitical clients.

In the 1991-1992 period, GSI conducted telemarketing appeals for CDP. GSI solicited pledges by phone and then collected the money pledged by mail. GSI deposited the pledges into a custodial account from which GSI was authorized to withdraw payment for its fees. Contract, § 4.2. GSI charged CDP $26.00 per phoner hour for solicitation of previous donors and $22.00 per phoner hour for solicitation of prospective donors. Contract, § 4.1. In addition, GSI also charged a flat fee of $1.60 per pledge to cover the costs of collecting the pledge. Contract, § 3.1(c).[1] GSI's fees built in a profit for GSI. The per phoner hour charge covered the actual expenses of the phone solicitation, a pro rata share of GSI's regular overhead, and profit. Moreover, GSI's fees are first in line. That is, the pledge money was first used to pay GSI its fees for conducting a particular solicitation program. As a general rule, CDP did not receive any of the pledge money until all of GSI's fees incurred in conducting the program were fully paid.

To understand why GSI's telemarketing is so profitable for GSI from a business perspective, it is important to understand the telemarketing method which GSI pioneered. We will first describe GSI's general method without reference to any particular client.

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[1] The contract states the fee as $1.50, but the fee was raised when postal rates increased.

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GSI's telemarketing appeals are directed toward two types of potential donors: those who have previously contributed to the particular client (called the "house file," "proven" donors, "resolicitation" donors); and those who have not previously contributed to the particular client ("prospective donors").

Solicitation of proven donors generates a good response. The amount of money which is raised typically exceeds the amount of GSI's fees. Thus, GSI receives its fees (which include a profit for GSI), and the client receives the remainder. The problem with soliciting only proven donors is that organizations do not have enough previous contributers. If a particular organization wants to grow, it needs to develop donors beyond proven donors. Moreover, if GSI were to solicit only proven donors for its clients, GSI would not have enough billable hours to maintain a viable business.

Certain prospective donors also generate good responses, such as people who have some relationship with the client but who have never made a contribution and people who have participated in an organization whose goals are similar to the client's. However, the number of people who meet these criteria tends to be small. Thus, solicitation of this limited group of prospective donors still leaves an organization with too few donors and leaves GSI with not enough business volume.

In response to this problem, GSI has developed the "voter file appeal program," a prospecting program. The program is a based on a classic marketing concept: solicit people who, based on their particular demographic characteristics, may be

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predisposed to contribute to the client. GSI develops a list of such prospective donors from voter files. GSI then conducts an initial solicitation of this group. As stands to reason, during the initial round of solicitation of this group, the pledge rate is lower than with proven donors. Accordingly, in the first round, GSI's fees usually exceed the amount of money that is raised. But, the first round also serves to screen the list, resulting in a list of proven donors. GSI then resolicits those who contributed money in the first round, achieving a higher pledge rate. GSI has found that the resolicitation is most successful if conducted at four-month intervals. Accordingly, GSI continues to resolicit this list every four months. Eventually, GSI is able to recoup all of its fees. At that point, the program has paid for itself and the client begins to receive all dollars that exceed GSI's fees.

From a business perspective, this strategy has several benefits for GSI. It greatly increases GSI's billable hours which means more fees and more profit for GSI. GSI also benefits because it retains joint ownership of the list, allowing it to use the list in its telemarketing for other clients. The list is itself a marketing tool which GSI uses to attract new clients. And, use of the list for a new client generates more billable hours and fees for GSI.

GSI's arrangement with CDP was based on this telemarketing method and was typical of its standard arrangement with clients. GSI first began doing telemarketing for CDP in 1987. Between 1987 and 1992, GSI conducted four telemarketing programs for CDP, called "RM," "RM2," "RM3," and "RM4." Each

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program is differentiated by the time it began and by the group of persons who were solicited. RM was begun in or about 1987 and involved solicitation of people who had previously donated to CDP and prospective donors. RM2 was begun in or about 1989 and targeted approximately 1.8 million households as prospective donors based on a statewide voter file. RM3, begun in or about 1990, solicited person who had previously said no or been unreachable. In June 1991, GSI began "RM4," in which the universe of persons solicited included new voter registrants. Each program involved a first round of calls as well as continuing rounds of resolicitation. Even after GSI recouped its fees for a given program, GSI continued to resolicit the donors in that program.[2] And even when the contract terminated, GSI "retain[ed] the right to continue to solicit donations on behalf of CDP" and to retain "moneys obtained from such solicitations, until GSI is paid in full for its services rendered." 1989 Contract, § 5.

Moreover, GSI gained ownership of the list of CDP donors. Under GSI's 1987 contract with CDP, GSI received joint ownership of any list developed by GSI in connection with the telemarketing. 1987 Contract, § 2.06, attached as Exhibit 2. Although GSI's 1989 contract with CDP did not include joint ownership of the list, GSI already had the benefit of ownership of the lists developed through RM and RM2.

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[2] At a given point, a program pays for itself: the money raised covers all of GSI's fees. After that point, the program becomes "profitable" for the client in that the client begins to receive the excess pledge money. The term, however, is misleading because GSI's profit is already built into its fee structure; when dollars collected equal GSI fees, GSI has already made a profit.

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This overview shows that GSI's arrangement with the CDP and with its other clients is hardly an "extension of credit." But even if it were, GSI's arrangement with the CDP complied with the Commission regulations pertaining to extension of credit by vendors. The Commission regulations provide:

> A corporation in its capacity as a commercial vendor may extend credit to a candidate or political committee . . . 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 nonpolitical debtors that are of similar risk and size of obligation.

11 CFR 116.3(b).

Factors that shed light on whether the vendor is extending credit in the "ordinary course of business" include: 1) whether the vendor followed its established procedures and its past practice; 2) whether the vendor received prompt payment in full if it previously extended credit to the same committee; and 3) whether the extension of credit conforms to the usual and normal practice in the vendor's trade or industry. Id. 116.3(c). In addition, the vendor must "make a commercially reasonable attempt to collect the debt." Id. 100.7(a)(4).

As the above discussion indicates, any "extension of credit" by GSI to CDP was done in the ordinary course of business. The arrangement was typical of GSI's arrangement with other clients, and it employed a standard marketing concept. It was also successful. By the time of the period under investigation, 1991-1992, GSI had had great success, recouping its fees (and making a profit) from RM and RM2, its initial prospecting programs for the CDP. Moreover, its method --

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recouping the expenses of the first round of calls through subsequent resolicitation rounds conducted at four month intervals -- was commercially reasonable. Simply put, the method worked. It did not contemplate a "debt" in the usual sense; it was more commercially reasonable to conduct the resolicitation than to demand immediate payment of fees. The resolicitation rounds allowed GSI to recoup its fees and increase its billable hours, thereby increasing its profit.

With this background in mind, GSI turns to the specific questions posed by the Commission.

Responses

1a. The term "owed" as used by the Commission is inapplicable because, under GSI's contract with CDP, GSI performs services for which its compensation is a contractual right to continue to conduct resolicitations, essentially for its own benefit.

GSI did not contract for cash payment, but rather for the right to resolicit until its expenses and profit were made. As explained above, this was better than cash for GSI, because GSI **also** received compensation for work done soliciting the very funds that GSI was entitled to keep. What was its compensation? The right to keep soliciting funds -- and keeping the money -- for ever-extending periods. As the resolicitation grew more efficient, the California Democratic Party began to cash in on funds from earlier periods, but it was GSI that got first call on funds from a particular drive.

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GSI did keep a record of how much more it had coming in the first call on funds. In fact, as of December 31, 1990 (the closest date to January 1, 1991 for which GSI has aggregate data), GSI had the right to continue various solicitations until it had received another $507,314 in funds using CDP lists and the CDP name to make the solicitation. Again, this is not "debt" in the ordinary sense. And it is hardly an extension of credit. It is a remarkable business arrangement that gave GSI the use of the California Democratic Party's name to raise money. (The California Democratic Party got a benefit, too, of course. As certain solicitations were completed, cash went into the CDP accounts. In addition, CDP broadened its small donor base and ultimately got the use of the names. But by starting new promotions, GSI was able to keep its business thriving and its cash flow strong, while providing sufficient benefit to the client to make it worth its while to participate in the program.)

And none of the $507,314 was debt because the California Democratic Party had already given GSI the consideration for past services: it had granted GSI permission to use the CDP name to raise money that would go to GSI. This is powerful consideration and that consideration was paid in full as the solicitation program began. In fact, this business deal can and perhaps should be looked at it in a totally different light: The California Democratic Party sold GSI the right to use its name and lists to solicit money that would go to GSI. In return GSI agreed to pay the California Democratic Party those sums that it raised above a certain level, provided

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that the party kept paying GSI for raising the money. This is hardly a contribution by GSI to the party.

The $507,314 figure that GSI carried on its books is also not very useful because it combines activity in three programs GSI was conducting at the time: RM, RM2 and RM3, which were each at different stages. RM and RM2 were already operating at a profit; solicitation rounds netted more dollars than fees, and expenses would have been recouped quickly. As of January 1, 1991, only the RM3 program solicitations were returning fewer dollars than fees incurred in conducting the resolicitation.

1b. As set forth above, the term "debt" is not relevant here. As explained above, however, it is GSI that owed the California Democratic Party, not the other way around.

1c. See 1a and 1b objecting to term "debt" and explaining commercial benefit to GSI of its right to continue resolicitation.

1d. GSI is still in the process of retrieving information from archives for RM, RM2 and RM3 which shows the progress of each program and will forward that information as soon as it becomes available.

2a. The term "owed" is inapplicable for the reasons described in response to 1a. Any resolicitation expenses in RM and RM2 which may have been incurred between December 31, 1991

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and May 15, 1992 would have been recouped nearly immediately. By the completion of the round of resolicitation begun on May 15, 1992 for the RM4 program, the amount GSI was entitled to collect for that program was reduced to less than $29,000. However, the RM3 resolicitation had not performed well. Exact figures of the amount which GSI remained entitled to raise for RM3 will be forwarded when that information is compiled.

2b. See generally, the response to 1a. GSI began a new program, RM4, in June of 1991. Thus any amounts that GSI was entitled to collect were the result of activity in RM, RM2, RM3 and RM4.

2c. See 1a and 1b, objecting to term "debt" and explaining commercial benefit to GSI of its right to continue resolicitation. See exhibits produced in response to question 4 for information about RM4. Information about RM, RM2 and RM3 will be forthcoming.

2d. Relevant documents showing fees, dollars returned, and net "profit" or "loss" for the first solicitation and resolicitation rounds conducted for RM4 are attached in response to question 4. GSI is still in the process of retrieving from archives information for RM, RM2, and RM3 which shows the progress of each program. GSI will forward that information when it becomes available.

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3. The term "owed" does not accurately describe its relationship with CDP, as explained in response to question 1. Mike Gordon, President of GSI, was the principal person responsible for billing and collection of money relating to its transactions with CDP.

4. RM, RM2, and RM3 were all active programs as of January 1, 1991. GSI is retrieving the requested information from its archives for RM, RM2, and RM3 and will forward that information as soon as it is available.

GSI began a fourth program for CDP, entitled RM4, as of June 1991. Documents providing all of the requested information for RM4 are attached as Exhibits 3 through 5.

Rather than repeat the detailed information that is conveyed in the documents, this discussion will explain the documents. Exhibit 3 consists of client evaluation summaries. These summaries provide information for the initial solicitation round and successive resolicitation rounds conducted for RM4. The information includes, among other things, the date of each round of calls, the number of persons contacted, the number of pledges, the actual dollars collected ("dollars returned"), the number of persons who actually paid pledges ("gifts returned"), and a breakdown of GSI expenses. For each round, a "net profit (loss)" is reported. This number equals "dollars returned" minus "total expenses."[3]

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[3] The term "profit" as used in these summaries refers only to whether "dollars returned" exceeded expenses in any given round. As already discussed in the introduction, GSI's actual profit is built into its "expenses."

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As these summaries indicate, in the first round of solicitation (conducted from June to September 1991) and a follow-up round calling persons with unpaid pledges, expenses exceeded fees. All dollars that were returned were used to begin to pay GSI expenses, and the CDP received nothing. In the first resolicitation, begun in November, the "dollars returned" exceeded expenses. The excess was returned to GSI to continue to pay off its expenses. In each successive round of resolicitation, the returns exceeded expenses, such that GSI recovered all of its expenses. Subsequently, resolicitations continued, with GSI receiving immediate payment of fees and CDP getting the remainder of the dollars.

Exhibit 4 is a summary of the activity in RM4. The "Gross Contributions" column shows the dollars returned from pledges. The "Invoice/credit amount" column is the GSI fee charged to CDP. In the "Distribution to CDP" column, any numbers listed for anytime prior to May 1992 are pledges which were written on corporate accounts which GSI immediately turned over to CDP which GSI understands was used by CDP for nonfederal purposes. The numbers listed for April 1993 and thereafter are actual distribution of pledge money to CDP. The last column, "outstanding balance," reflects the fact that GSI continuously withdrew the contributions to pay its fees, as authorized by the contract. A minus sign next to an entry in this column indicates that there were no outstanding fees.

Exhibit 5 consists of monthly invoices which GSI sent to CDP pursuant to section 4.2 of the 1989 Contract. Exhibit 6 consists of bank statements for the RM4 custodial

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account and shows the continuous flow of contributions into the account and GSI's regular withdrawal of its fees.

5. The introduction to these responses explains in detail why GSI solicited persons who had not previously donated to the CDP.

6a. The term "owed" as used by the Commission is inapplicable, for the same reasons set forth in response to question 1 with regard to GSI's arrangement with CDP.

6b. A copy of the contract with the is attached as Exhibit 7. It demonstrates that GSI had a telemarketing arrangement with the in which the terms were substantially similar to the terms of its arrangement with CDP. The contract contains a "right to continue solicitation" subsection that is identical in substance to that in the CDP contract. See Exhibit 7, § 5.4. A copy of the summary of the transactions with the is attached as Exhibit 8. It shows that the amounts GSI was entitled to collect exceeded in the beginning of the program but these amounts steadily decreased as the program continued. GSI has several other nonpolitical clients for which it has conducted telemarketing programs that are structured in the same manner as the programs for CDP, although the dollars

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amounts involved are less than Attached as Exhibit 9 are contracts with the following nonpolitical clients:

All of the contracts contain the "right to continue solicitation" subsection and reflect the same kind of business arrangement that GSI had with CDP.

7. In or about July or August 1991, after RM, RM2, RM3, and RM4 were already underway, Mike Gordon heard about the opinion, but he never actually read the opinion at the time. He obtained a copy of it only after the Commission issued its March 10, 1994 Order and Subpoena in this matter. Kris Schwenkmeyer has heard of the opinion but has not read it. Mr. Gordon and Ms. Schwenkmeyer do not have any recollection of discussing the opinion with any officer or employee of the California Democratic Party, although it is possible that a conversation may have taken place. No other officer or employee of GSI had knowledge of the opinion.

8. Mike Gordon.

Dated: May 12, 1994

JOSEPH REMCHO
WENDY S. STRIMLING
REMCHO, JOHANSEN & PURCELL

By _____
Joseph Remcho

Attorneys for Gordon & Schwenkmeyer, Inc.

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VERIFICATION

I, Michael Gordon, declare:

I am the President of Gordon and Schwenkmeyer, Inc. ("GSI"), which was served by the Federal Election Commission with a Subpoena to Produce Documents and Order to Submit Written Answers, dated March 10, 1994.

I have read the foregoing GSI'S RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS and know the contents to be true of my own personal knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 12th day of May, 1994, at Oakland, California, California.

Michael Gordon

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Law Offices of
OLSON
HAGEL
FONG
LEIDIGH
WATERS &
FISHBURN

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COUNSEL

MAY 16 10 00 AM '94

May 13, 1994

VIA FEDERAL EXPRESS

Lawrence L. Calvert, Jr., Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 3586 -- River West Developments, Inc.; Democratic State Central Committee of California--Federal; And David Rosenberg, As Treasurer

Dear Mr. Calvert:

Enclosed are the responses of the California Democratic Party, River West Developments, Inc., and Phil Angelides to the Commission's subpoenas and orders in the above-referenced matter.

As I indicated to you on the phone, CDP's staff has been inundated with work due to the upcoming June primary election, and has been unable to complete the search for documents to allow more complete answers. We hope to complete the task by June 22, 1994, approximately two weeks after the primary election.

Meanwhile, as additional information becomes available, I will forward it to you.

Please contact me if you have any questions.

Very truly yours,

OLSON, HAGEL, FONG, LEIDIGH, WATERS & FISHBURN

LEROY Y. FONG
LYF:deh

Enclosures

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Attorneys for
Democratic State Central Committee of California
-- Federal and David Rosenberg, as treasurer

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3586
	)	
	)	
	)	

RESPONSES OF DEMOCRATIC STATE CENTRAL COMMITTEE OF CALIFORNIA -- FEDERAL AND DAVID ROSENBERG, AS TREASURER, TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

Introduction

Democratic State Central Committee of California (hereafter referred to as California Democratic Party or "CDP") provides the following responses to the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers in the Matter of MUR 3586. By providing these responses, CDP does not waive any lawfully recognized privilege applicable to the requested information. Investigation with respect to the questions and subpoena is still on-going. Therefore, these responses are based on information currently known and available to CDP, without prejudice to CDP's right to supplement or amend its responses if additional information

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becomes available.

1. The designation "FLA" identifies an account into which proceeds from solicitations using a particular set of donor lists were deposited, and from which fees and expenses were paid.

2. Yes, the fund raising programs were identified differently, by file and by round of solicitation; the "House File" program involves CDP donors prior to Gordon & Schwenkmeyer, Inc. ("GSI") telemarketing program. The programs that solicited from new prospects were identified as the first round of different files; e.g., "Voter File 2", "Voter File 3", etc., subsequent rounds of solicitations were directed to previous donors within each file. GSI provides separate accounting for the different programs.

3. a. The fees owed to GSI were to be paid from proceeds of the solicitations. There were insufficient funds raised to pay the entire debt.

b. GSI provides periodic reports showing the amount of the debt, but not the exact dates on which each obligation was incurred.

c. Payments were made through withdrawals by GSI from the bank account holding the proceeds from the solicitations; we are in the process of examining the bank statements to determine the payments made.

d. We are in the process of locating and organizing the GSI reports.

4. a. Insufficient funds from GSI solicitations were

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raised to pay the entire debt.

b. The specific dates were not provided by GSI.

c. We are in the process of examining the bank statements to determine the payments made.

d. We are in the process of gathering the documents.

5. a. Yes, we do get invoices, but not always. Sometimes GSI provides accounting summaries which indicate the amount of fees owed. We are in the process of gathering the documents.

b. All net proceeds from a program that has an outstanding debt are applied towards payment of the debt. The amounts are usually reflected in the bank statements and the reports from GSI.

6. We object to this interrogatory on the ground that the information sought is irrelevant to any issues involved in this matter and is not reasonably calculated to lead to any relevant information.

7. a. There may have been errors in the calculation of the debts. Information as to the debts was provided by GSI. Attempts to correct the errors were made in subsequent reports. We are in the process of locating the documentation to determine exactly what happened.

b. No specific dates were generally provided by GSI.

c. We are in the process of locating and examining the bank statements to make this determination.

d. We are in the process of locating the documents.

8. a. Again, there may have been errors that were

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corrected in later reports.

b. No dates provided by GSI.

c. We are in the process of locating and examining the bank statements.

d. We are in the process of locating the documents.

9. Susan Kennedy, Mike Gordon of GSI.

10.

APPROX. DATE	AMOUNT	NATURE OF PAYMENT	EXHIBIT
10/11/91	$ 610.20	Delivery services	RWD1
2/28/92	$ 4494.82	Staff time	RWD2
5/20/92	$ 1727.93	Cellular phone	RWD3
6/18/92	$ 6130.71	Travel/lodging	RWD4
6/18/92	$ 226.92	Copying charges	RWD5
6/18/92	$ 228.59	Postage/computer consulting	RWD6
6/18/92	$ 20.00	Deliveries	RWD7
6/18/92	$ 1564.22	Cellular phone	RWD8
6/18/92	$ 523.45	Cellular phone	RWD9
7/2/92	$ 3737.88	Travel/cellular phone/lodging	RWD10
7/30/92	$ 556.62	Cellular phone	RWD11
7/30/92	$ 187.88	Meals	RWD12
7/30/94	$ 604.79	Meals/cellular phone	RWD12

11. a. There was no formal agreement or understanding, but prior to June, 1991, the California Democratic Party had its offices in San Francisco, and during that period between the time Phil Angelides, who was based in Sacramento, became chair and the Party's move to Sacramento, Mr. Angelides, either personally or

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through his wholly owned company, River West Developments, paid for needed goods and services and was reimbursed by the Party.

b. Expenses incurred on behalf of CDP were to be reimbursed by the Party upon billing.

c. There was no agreement that CDP was to use credit cards issued to River West. Sometimes Mr. Angelides mistakenly used River West's or his own credit card for purchases on behalf of CDP, and in those circumstances, the Party would reimburse River West or Mr. Angelides.

12. The payments were for various purposes and all of the descriptions used were applicable. Sometimes a single payment covers more than one category of expense, and the description used may not have been complete.

13. Payments made by the Party to River West were reported in the Party's campaign reports, and we will need to search all records to be able to respond to this interrogatory. We are in the process of doing so.

14. Phil Angelides, Beth Ashkin.

15. March, 1991 to March, 1993.

16. No.

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17. a.

APPROX. DATE	AMOUNT	NATURE OF PAYMENT	EXHIBIT
8/2/91	$ 5334.64	Travel/lodging/meals	PA1
8/5/91	$ 3608.52	Travel/lodging/meals	PA2
7/2/92*	$ 3921.36	Travel/lodging/meals	PA3
9/7/92	$ 3921.36	Travel/lodging/meals	PA3
9/7/92	$ 305.77	Travel	PA3
9/7/92	$ 648.00	Travel	PA3
9/7/92	$ 2052.00	Travel	PA3
9/7/92	$ 528.00	Travel	PA3
9/7/92	$ 1552.79	Lodging/phone	PA4
11/10/92	$ 340.37	Lodging	PA5
12/28/92	$ 664.45	Lodging	PA6
12/28/92	$ 6175.97	Travel/lodging/meals	PA6

*Note: Date appears to be incorrect. This was paid on 9/7/92.

17. b. See attached exhibits in 17.a. Beth Ashkin, Phil Angelides.

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VERIFICATION

I, Susan Kennedy, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct based on such information as is available to Democratic State Central Committee of California , which designated me as its agent to respond to the foregoing request.

Dated: May 13, 1994

Susan Kennedy

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
Mar 16 10 00 AM '94

Leroy Y. Fong, Esq., Bar No. 45161
Lance H. Olson, Esq., Bar No. 77634
OLSON, HAGEL, FONG, LEIDIGH, WATERS & FISHBURN
300 Capitol Mall, Suite 350
Sacramento, CA 95814
916/442-2952

Attorneys for River West Developments, Inc.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3586
	)	
	)	
	)	

RESPONSES OF RIVER WEST DEVELOPMENTS, INC.
TO SUBPOENA TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

Introduction

River West Developments, Inc., ("RWD")provides the following responses to the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers in the Matter of MUR 3586. By providing these responses, RWD does not waive any lawfully recognized privilege applicable to the requested information. Investigation with respect to the questions and subpoena is still on-going. Therefore, these responses are based on information currently known and available to RWD, without prejudice to RWD's right to supplement or amend its responses if additional information becomes available.

1. Construction and land development management and consulting services.

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2.

APPROX. DATE	AMOUNT	NATURE OF PAYMENT	EXHIBIT*
10/11/91	$ 610.20	Delivery services	RWD1
2/28/92	$ 4494.82	Staff time	RWD2
5/20/92	$ 1727.93	Cellular phone	RWD3
6/18/92	$ 6130.71	Travel/lodging	RWD4
6/18/92	$ 226.92	Copying charges	RWD5
6/18/92	$ 228.59	Postage/computer consulting	RWD6
6/18/92	$ 20.00	Deliveries	RWD7
6/18/92	$ 1564.22	Cellular phone	RWD8
6/18/92	$ 523.45	Cellular phone	RWD9
7/2/92	$ 3737.88	Travel/cellular phone/lodging	RWD10
7/30/92	$ 556.62	Cellular phone	RWD11
7/30/92	$ 187.88	Meals	RWD12
7/30/94	$ 604.79	Meals/cellular phone	RWD12

* Note: These exhibits attached to response of Democratic State Central Committee.

3. a. There was no formal agreement or understanding, but prior to June, 1991, the Democratic State Central Committee (also known as the California Democratic Party or "CDP") had its offices in San Francisco, and during that period between the time Phil Angelides, who was based in Sacramento, became chair and the Party's move to Sacramento, Mr. Angelides, either personally or through his wholly owned company, River West Developments, paid for needed goods and services and was reimbursed by the Party.

b. Expenses incurred on behalf of CDP were to be

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reimbursed by the Party upon billing.

c. There was no agreement that CDP was to use credit cards issued to River West. Sometimes Mr. Angelides mistakenly used River West's or his own credit card for purchases on behalf of CDP, and in those circumstances, the Party would reimburse River West or Mr. Angelides.

4. The payments were for various purposes and all of the descriptions used were applicable. Sometimes a single payment covers more than one category of expense, and the description used may not have been complete.

5. Payments made by the Party to River West were reported in the Party's campaign reports, and we will need to search all records to be able to respond to this interrogatory. We are in the process of doing so.

14. Phil Angelides, Beth Ashkin.

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VERIFICATION

I, Beth Ashkin, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct based on such information as is available to River West Developments, Inc., which designated me as its agent to respond to the foregoing request.

Dated: May 13, 1994

Beth Ashkin

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Leroy Y. Fong, Esq., Bar No. 45161
Lance H. Olson, Esq., Bar No. 77634
OLSON, HAGEL, FONG, LEIDIGH, WATERS & FISHBURN
300 Capitol Mall, Suite 350
Sacramento, CA 95814
916/442-2952

Attorneys for Philip N. Angelides

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
MAY 16 10 00 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3586
	)	
	)	
	)	

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RESPONSES OF PHILIP N. ANGELIDES
TO SUBPOENA TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

Introduction

Philip N. Angelides provides the following responses to the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers in the Matter of MUR 3586. By providing these responses, Mr. Angelides does not waive any lawfully recognized privilege applicable to the requested information. Investigation with respect to the questions and subpoena is still on-going. Therefore, these responses are based on information currently known and available to Mr. Angelides, without prejudice to Mr. Angelides' right to supplement or amend his responses if additional information becomes available.

1. March 1991 to March 1993.

2. No.

3.

APPROX. DATE	AMOUNT	NATURE OF PAYMENT	EXHIBIT*
8/2/91	$ 5334.64	Travel/lodging/meals	PA1
8/5/91	$ 3608.52	Travel/lodging/meals	PA2
7/2/92**	$ 3921.36	Travel/lodging/meals	PA3
9/7/92	$ 3921.36	Travel/lodging/meals	PA3
9/7/92	$ 305.77	Travel	PA3
9/7/92	$ 648.00	Travel	PA3
9/7/92	$ 2052.00	Travel	PA3
9/7/92	$ 528.00	Travel	PA3
9/7/92	$ 1552.79	Lodging/phone	PA4
11/10/92	$ 340.37	Lodging	PA5
12/28/92	$ 664.45	Lodging	PA6
12/28/92	$ 6175.97	Travel/lodging/meals	PA6

* Note: These exhibits attached to response of Democratic State Central Committee.

** Note: Date appears to be incorrect. This was paid on 9/7/92.

4. We are in the process of locating and organizing these documents.

5. We are in the process of locating and organizing these documents.

6. We are in the process of locating and organizing these documents.

7. Phil Angelides, Beth Ashkin.

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VERIFICATION

I, Beth Ashkin, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct based on such information as is available to Phil Angelides, which designated me as his agent to respond to the foregoing request.

Dated: May 13, 1994

Beth Ashkin

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 18, 1994

BY TELEFAX

Lance H. Olson, Esq.
Olson, Hagel, Fong, Leidigh,
Waters & Fishburn
CapitolBank Center
300 Capitol Mall, Suite 350
Sacramento, CA 95814

RE: MUR 3586
Democratic State Central Committee
of California -- Federal and
David Rosenberg, as treasurer
River West Developments, Inc.
Phil Angelides

Dear Mr. Olson:

This letter is prompted by the partial response of your clients, the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer ("the Committee"), River West Developments, Inc., and Phil Angelides, to the Commission's Subpoenas to Produce Documents and Orders to Provide Written Answers in the above-referenced matter, which was received by this Office on May 16, 1994. This letter is directed to you inasmuch as staff of your firm has informed us that Mr. Leroy Fong is in New York City this week and that you are the contact person regarding this matter in his absence.

In his letter accompanying the partial responses, Mr. Fong states that you "hope" to complete compliance with the Subpoenas and Orders by June 22, 1994. This Office finds the proposed date entirely unacceptable. Your firm received notice of the Subpoenas and Orders on March 18, 1994. Subsequently, your clients requested an extension of time to respond through May 27, 1994. They received an extension of time through May 13, 1994, the maximum extension of time to respond that this Office is authorized to grant. Mr. Fong was informed both orally and in writing that any further request for an extension would have to be approved by the Commission, and that to ensure timely consideration, such request would have to be submitted not later than May 6, 1994. This Office received no such request.

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On May 16, 1994, three days after the due date, this Office received your clients' partial response. This partial response was deficient in numerous respects, enumerated below. The partial response contained no explanation of any steps that had been taken by your clients to attempt to secure information they had not yet located.

Mr. Fong has represented to us that the Committee's staff, in particular, has been extremely busy due to last month's California Democratic Convention and the upcoming primary election. While this Office is not unmindful of the stresses a convention and a primary election place on a party committee's resources, we note that the Committee has already been granted twice the time ordinarily granted to respond to a Subpoena and Order. Furthermore, we note that even where your response indicates that you have located some responsive documents, you have not provided those documents. See, e.g., Committee's Responses to Questions 3(c) and (d) and 4(c) and (d); Angelides Responses to Questions 4, 5 and 6.

This Office finds your clients' submissions deficient in the following respects:

THE COMMITTEE

QUESTIONS 3(b), (c) and (d) and 4(b), (c) and (d) -- Questions 3(b) and (c) and 4(b) and (c) are essentially unanswered, and, as noted in your responses to Questions 3(d) and 4(d), you are "in the process of locating and organizing" responsive documents. Please provide the responsive documents. If you cannot provide precise dates in response to questions 3(b) and 3(c), please provide the closest possible estimate.

QUESTIONS 5(b) and (c) -- As noted in your responses, you "are in the process of gathering" the relevant documents, including accounting summaries, bank statements, and reports provided to the Committee by Gordon & Schwenkmeyer, Inc. Please provide these documents.

QUESTION 6 -- You have objected to this question, which concerns the knowledge of California Democratic Party officers, agents, or employees with respect to the Commission's Advisory Opinion 1991-18, on grounds of relevance. The question is relevant to, among other things, a determination of whether any violation of 2 U.S.C. § 441b(a) by your clients with respect to the Committee's debt to Gordon & Schwenkmeyer, Inc., if there was such a violation, was knowing and willful. Please answer the question.

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QUESTIONS 7(a) through (d) and 8(a) through (d) -- As noted in your response, you are "in the process of locating" documents that explain the reporting discrepancies and the history of the referenced debts. Please provide all such documents, along with a thorough explanation of any "errors in the calculation of the debts" or other circumstances that explain the reporting discrepancies. If you cannot provide specific dates in response to Questions 7(b) and (c) and 8(b) and (c), please provide the closest possible estimate.

QUESTION 9. The named individuals are not sufficiently identified. We refer you to the definitions accompanying the Subpoenas and Orders. The definitions provide that the term "identify", with respect to a natural person, requires you to state the full name, the most recent business and residence addresses and the telephone numbers of such person, the present occupation or position of such person, and the nature of the connection or association that the person has to any party in this proceeding.

QUESTION 13. Your response states that you "are in the process" of searching all records that will enable you to respond to this question. Please answer the question and provide all documents relevant to your answer.

QUESTIONS 14 and 17(b). The named individuals are not sufficiently identified in accordance with the definitions.

RIVER WEST DEVELOPMENTS

QUESTION 4 (numbered in your response as Question 5). Your response states that you "are in the process" of searching all records that will enable you to respond to this question. Please answer the question and provide all documents relevant to your answer.

QUESTION 5 (numbered in your response as Question 14). The named individuals are not sufficiently identified in accordance with the definitions.

PHIL ANGELIDES

QUESTIONS 4 THROUGH 6. Your response states that you are "in the process of locating and organizing these documents." Please submit them.

QUESTION 7. The named individuals are not sufficiently identified in accordance with the definitions.

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The above enumeration does not waive the Commission's rights to seek clarification or further response with respect to other material that has been or may be submitted by your clients. However, supplemental responses to satisfy the above-enumerated deficiencies should be submitted to this Office immediately. If such responses are not received by us prior to the close of business, Eastern time, on Friday, May 27, 1994, the Commission may determine to institute a subpoena enforcement action against your clients in U. S. District Court. See 2 U.S.C. § 437d(b).

Thank you for your attention to this matter. We look forward to your submission.

Sincerely,

Lawrence L. Calvert Jr.

Lawrence L. Calvert Jr.
Attorney

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BEFORE THE FEDERAL ELECTION COMMISSION

MAY 19 3 53 PM '94

In the Matter of

Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer
River West Developments, Inc.
Phil Angelides

MUR 3586

SENSITIVE
MAY 24 1994
EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 8, 1994, the Commission found reason to believe that the Democratic State Central Committee of California -- Federal ("the Committee") violated 2 U.S.C. §§ 434(b)(8), 441a(f) and 441b(a); that River West Developments, Inc. ("RWD"), violated 2 U.S.C. § 441b(a); and that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C). On the same date, the Commission approved Subpoenas to Produce Documents and Orders to Submit Written Answers to each of these respondents. Respondents received notification of the Commission's actions on or about March 18, 1994.

By letter dated March 25, 1994, counsel for all three respondents requested an extension of time to respond to the Subpoenas and Orders until May 27, 1994. Attachment 1. After staff of this Office engaged respondents' counsel in a telephone conversation regarding the extension, this Office, by letter dated April 1, 1994, granted an extension until May 13, 1994. Attachment 2. The letter indicated that any further extension of time would have to be granted by the Commission, and that, to allow for Commission consideration, any request for a further

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extension of time would have to be received by this Office not later than May 6, 1994.

On April 14, 1994, in the course of a telephone conversation with respondents' counsel, staff of this Office orally reiterated that any request for a further extension of time to respond would have to be received not later than May 6. Counsel indicated that he understood. He also indicated that he was having some difficulty in getting Committee staff to search for the requested documents, inasmuch as the California Democratic Convention was being held that week. However, he represented that respondents would do their best to provide complete responses to the Subpoenas and Orders by the May 13 due date.

May 6 passed with no request for a further extension of time. On May 13, counsel advised staff of this Office by telephone that the response would not be forthcoming until May 16, and that the response would be only partial because, in his words, attempts to get his clients to focus on this matter had been "like pulling teeth" due to the upcoming California primary election.[1]

On May 16, the partial response was received. Of 17 interrogatories and/or document requests propounded to the Committee, responses to nine were incomplete. With respect to six of the nine, the Committee represented it was still attempting to locate and organize the documents that would enable it to answer the questions. It provided no such documents. In the other three incomplete responses, individuals were not sufficiently

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1. The California primary election is scheduled for Tuesday, June 7.

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identified. Additionally, the Committee objected that one interrogatory was irrelevant, and declined to answer that interrogatory.[2] Of five interrogatories and/or document requests propounded to RWD, responses to two were incomplete. One of the two failed to fully identify named individuals, while the respondent represented it was still attempting to locate and organize documents that would permit it to answer the other; no such documents were produced. Finally, of seven interrogatories and/or document requests propounded to Angelides, responses to four were incomplete; one failed to fully identify named individuals, while the other three were document requests for which the respondent represented he was still attempting to locate and organize the requested documents.

The cover letter of the partial response reaffirmed that "CDP's staff . . . has been unable to complete the search for documents" because of the press of work associated with the primary election. The letter represented that respondents "hoped" to be able to complete production by June 22, 1994. Attachment 3. Nowhere in the partial response did respondents indicate what

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2. The question asked whether any officers, employees or agents of the California Democratic Party have or had knowledge of the Commission's Advisory Opinion 1991-18; if so, when such persons acquired such knowledge; and, for each person so identified, whether and when such person had discussions or correspondence regarding AO 1991-18 with any officer or employee of Gordon & Schwenkmeyer, Inc., the Committee's telemarketing fundraiser and also a respondent in this matter. The question also required the Committee to provide any such correspondence and explain in detail such discussions. The question is relevant to a determination of whether any violation of 2 U.S.C. § 441b(a) by the Committee with respect to its dealings with Gordon & Schwenkmeyer, if there was such a violation, was knowing and willful.

steps had been taken to complete their searches for responsive documents.

On May 18, 1994, this Office notified respondents' counsel by telefaxed letter that under the circumstances, it found the proposed date of June 22, 1994 entirely unacceptable. Attachment 4. The letter enumerated the specific deficiencies in the partial responses, and informed counsel that this Office expected to receive a supplemental response correcting the deficiencies not later than the close of business, Eastern time, on Friday, May 27, 1994. The letter also advised counsel that the Commission might determine, if responses were not received by that time, to institute a subpoena enforcement action pursuant to 2 U.S.C. § 437d(b).

II. ANALYSIS

As the preceding demonstrates, respondents have had more than 60 days to respond to the Commission's Subpoenas and Orders. Moreover, counsel was twice informed that any request for a further extension of time had to be received by this Office not later than May 6. However, no such request was received. From counsel's representations, it appears that the Committee in particular has placed a low priority on responding. While this Office is not unmindful of the stresses a convention and a primary election place on a party committee's resources, this Office believes 60 days was more than sufficient for the Committee and the other respondents to locate, copy, and transmit to the Commission the documents which have not been produced. Moreover, it appears from counsel's cover letter that Committee staff

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intends to make little, if any, attempt to complete production until after the primary election. This Office is concerned that the Committee's staff may not fully appreciate the seriousness of this matter and the priority which it should be given. The record of this matter so far indicates that the Commission cannot rely solely on respondents' assurances that the Subpoenas and Orders will be complied with by any date.

In light of the foregoing, this Office recommends that the Commission authorize the Office of General Counsel to bring suit to enforce the outstanding Subpoenas and Orders in the event that complete responses are not received by the close of business Friday, May 27, 1994. This Office will keep the Commission informed of developments in this matter.

III. RECOMMENDATIONS

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court to enforce the Subpoenas and Orders against the Democratic State Central Committee of California -- Federal; River West Developments, Inc.; and Phil Angelides.

2. Approve the appropriate letter.

5/18/94
Date

Lawrence M. Noble
General Counsel

Attachments:

1. Counsel's March 25, 1994 request for extension
2. April 1, 1994 response from Office of General Counsel
3. Respondents' partial responses to Commission's Subpoenas and Orders (excluding exhibits)
4. May 18, 1994 letter to counsel from Office of General Counsel

Staff Assigned: Lawrence L. Calvert Jr.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3586
Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer; River West Developments, Inc.; Phil Angelides	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 24, 1994, do hereby certify that the Commission decided by a vote of 4-0 to take the following actions in MUR 3586:

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court to enforce the Subpoenas and Orders against the Democratic State Central Committee of California -- Federal, and David Rosenberg, as treasurer; River West Developments, Inc.; and Phil Angelides if the outstanding subpoenas are not responded to by May 27, 1994.

2. Approve the appropriate letter.

Commissioners Aikens, Elliott, Potter, and Thomas voted affirmatively for the decision; Commissioners McDonald and McGarry were not present.

Attest:

5-25-94
Date

Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 24, 1994

BY TELEFAX AND FEDERAL EXPRESS

Leroy Y. Fong, Esq.
Olson, Hagel, Fong,
Leidigh, Waters & Fishburn
300 Capitol Mall, Suite 350
Sacramento, CA 95814

RE: MUR 3586
Democratic State Central Committee
of California -- Federal and
David Rosenberg, as treasurer
River West Developments, Inc.
Phil Angelides

Dear Mr. Fong:

On May 18, 1994, this Office sent a letter by telefax to Lance H. Olson, Esq., of your firm. The letter enumerated deficiencies in the partial responses of your clients, the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, River West Developments, Inc., and Phil Angelides, to the Commission's Subpoenas to Produce Documents and Orders to Provide Written Answers in the above-referenced matter.

This Office's May 18 letter also stated that if the deficiencies were not satisfied by the close of business, Eastern time, on Friday, May 27, 1994, the Commission might determine to institute a subpoena enforcement action against your clients in U. S. District Court. To date, we have not received a response to the May 18 letter. Please be advised that the Commission has now authorized this Office to seek judicial enforcement of the Subpoenas and Orders if the Subpoenas and Orders are not fully complied with by the close of business, Eastern time, on May 27.

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Should you have any questions, or should you wish to comply fully with the Subpoenas and Orders prior to suit, please contact Stephen E. Hershkowitz, Assistant General Counsel for Litigation, at (202) 219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

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Law Offices of
OLSON
HAGEL
FONG
LEIDIGH
WATERS &
FISHBURN

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

May 31 10 14 AM '94

OGC #1493

May 27, 1994

VIA FEDERAL EXPRESS

Lawrence L. Calvert, Jr., Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 3586 -- River West Developments, Inc.; Phil Angelides; Democratic State Central Committee of California -- Federal; And David Rosenberg, As Treasurer

Dear Mr. Calvert:

Enclosed is the supplemental response of the California Democratic Party, River West Developments, Inc., and Phil Angelides to the Commission's subpoenas and orders in the above-referenced matter.

A copy of the supplemental response was faxed to you earlier today.

Please contact Mr. Fong if you have any questions.

Very truly yours,

OLSON, HAGEL, FONG, LEIDIGH, WATERS & FISHBURN

Claudine C. Zender

CLAUDINE C. ZENDER, Secretary
to Leroy Y. Fong

Enclosures

89103-4\CALVERT3.LTR

LANCE H. OLSON
BRUCE J. HAGEL
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Leroy Y. Fong, Esq., Bar No. 45161
Lance H. Olson, Esq., Bar No. 77634
OLSON, HAGEL, FONG, LEIDIGH, WATERS & FISHBURN
300 Capitol Mall, Suite 350
Sacramento, CA 95814
916/442-2952

Attorneys for
Democratic State Central Committee of California
-- Federal and David Rosenberg, as treasurer,
River West Developments, Inc.,
and Philip N. Angelides

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

MAY 31 10 11 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	MUR 3586
	)	
	)	
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SUPPLEMENTAL RESPONSES OF
DEMOCRATIC STATE CENTRAL COMMITTEE OF CALIFORNIA
RIVER WEST DEVELOPMENTS, INC.,
AND PHILIP N. ANGELIDES
TO SUBPOENAS TO PRODUCE DOCUMENTS
AND ORDER TO SUBMIT WRITTEN ANSWERS

Introduction

The Democratic State Central Committee of California ("California Democratic Party" and "CDP"), River West Developments, Inc., and Philip N. Angelides provide the following supplemental responses to the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers in the Matter of MUR 3586. These responses are based on information currently known and available to us, without prejudice to our right to supplement or amend the responses if additional information becomes available.

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CALIFORNIA DEMOCRATIC PARTY

3. b. We are unable to determine at this time the dates the debts were incurred. The documents we have (Exhibit GSI 1) indicate that the debts were incurred over the course of the programs.

c. Payments, mostly in the form of telephone transfers, were made in 1992 as follows (see attached charts); but not all payments were applied to this particular debt, as additional debts were incurred during this period These payments were applied to current expenses as well as past debts.

d. Exhibit GSI 1, GSI 2.

4. b. We are unable to determine at this time the dates the debts were incurred. The documents we have (Exhibit GSI 1) indicate that the debts were incurred over the course of the programs.

c. Payments were included in those listed above in answer to question 3.b.

d. Exhibit GSI 1, GSI 2.

5. a. The invoices we have are included in Exhibit GSI 1.

b. Bank statements in Exhibit GSI 2 show payments made in the form of telephone transfers and checks.

6. Susan Kennedy, CDP Executive Director, became aware of FEC AO 1991-18 in the fall of 1991. Ms. Kennedy recalls that soon thereafter discussing the AO with Mike Gordon of Gordon and Schwenkmeyer, Inc. (GSI). To the best of her recollection she

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verbally inquired of Mr. Gordon whether CDP current telemarketing programs complied with the AO. She recalls Mr. Gordon giving her assurances that the programs did comply.

7. a. From the records we have, we have been unable to determine the reasons for the noted discrepancy.

b. We are unable to determine at this time the dates the debts were incurred. The documents we have (Exhibit GSI 1) indicate that the debts were incurred over the course of the programs.

c. Included in payments made in 1992.

8. a. From the records we have, we have been unable to determine at this time the reasons for the noted discrepancy.

b. We are unable to determine at this time the dates the debts were incurred. The documents we have (Exhibit GSI 1) indicate that the debts were incurred over the course of the programs.

c. Included in payments made in 1991 (see attached chart).

9. Susan Kennedy, Executive Director, California Democratic Party, 911 - 20th Street, Suite 100, Sacramento, CA 95814, (916) 442-5707. Mike Gordon, Gordon and Schwenkmeyer, Inc., 550 N. Continental Boulevard, Suite 180, El Segundo, CA 90245, (310) 615-2300.

13. See attached Exhibit RWD 13.

14. Phil Angelides, 2424 K Street, Second Floor, Sacramento, CA 95816, (916) 446-1115. Beth Ashkin, 911 - 20th

97043801661

Street, Suite 100, Sacramento, CA 95814, (916) 442-5707.

RIVER WEST DEVELOPMENTS, INC.

4. See Exhibit RWD 13.

5. Phil Angelides, 2424 K Street, Second Floor, Sacramento, CA 95816, (916) 446-1115. Beth Ashkin, 911 - 20th Street, Suite 100, Sacramento, CA 95814, (916) 442-5707.

PHIL ANGELIDES

4. In addition to those provided in Exhibit PA 1 through PA 6, see attached PA 7.

5. Exhibits PA 1 through PA 7.

6. Exhibits PAI through PA 7.

7. Phil Angelides, 2424 K Street, Second Floor, Sacramento, CA 95816, (916) 446-1115. Beth Ashkin, 911 - 20th Street, Suite 100, Sacramento, CA 95814, (916) 442-5707.

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VERIFICATION

I, Susan Kennedy, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct based on such information as is available to the Democratic State Central Committee of California, River West Developments, Inc., and Phil Angelides, which designated me as their agent to respond to the foregoing request.

Dated: May 27, 1994

Susan Kennedy

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8. c. Payments to GSI, 1991.

DATE	ACCT# 671-136802			ACCT# 671-141326	TOTAL
	PHONE CREDIT	TRANSFER	CHECK		
1/91	45,300	16,900	-		
2/91	5,700	36,450	30,750		30,750
3/91	9,100	162,500	153,400		153,400
4/91	-	114,600/46,050*	160,650		160,650
5/91	-	35,500/4,000*	39,500		39,500
6/91	-	114,000	114,000	7,400	121,400
7/91	8,165	115,900	107,735	70,350	178,085
8/91	6,100	46,800	40,700	69,625	110,325
9/91	-	63,650	63,650	12,450	76,100
10/91	-	58,750	58,750	1,300	60,050
11/91	5,000	30,900	25,900	35,600	61,500
12/91	29,800	10,000	-	15,250	15,250
TOTAL		795,035		211,975	1,007,010

* Second payment was by check

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3. c. Payments to GSI, 1992.

DATE	ACCT# 671-136802	ACCT# 671-141326	ACCT# 671-145437	ACCT# 671-140389	TOTAL
1/92	122,350	400			122,750
2/92	223,500	7,000			230,500
3/92	10,200	2,800			13,000
4/92	-	700			700
5/92	-	-			-
6/92	202,750	8,200			210,950
7/92	85,550	6,950			92,500
8/92	-	1,450	8,900		10,350
9/92	-	500	2,550		3,050
10/92	-	5,900	850		6,750
11/92	21,500	4,850	1,800	22,450	50,600
12/92	-	300	1,550	3,150	5,000
TOTAL	665,850	39,050	15,650	25,600	746,150

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SECRETARIAT
JUN 2 11 05 AM '94

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

SENSITIVE

Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer	)	MUR 3586
River West Developments, Inc.	)	
Phil Angelides	)	

GENERAL COUNSEL'S REPORT

On March 8, 1994, the Commission found reason to believe that the Democratic State Central Committee of California -- Federal violated 2 U.S.C. §§ 434(b)(8), 441a(f) and 441b(a); that River West Developments, Inc., violated 2 U.S.C. § 441b(a); and that Phil Angelides violated 2 U.S.C. § 441a(a)(1)(C). On that same date, the Commission approved Subpoenas to Produce Documents and Orders to Submit Written Answers to each of these respondents.

On May 16, 1994, respondents submitted partial responses to the Subpoenas and Orders. As set forth in the General Counsel's Report dated May 18, 1994, the partial responses were deficient in numerous respects. On May 24, 1994, the Commission authorized this Office to file a civil suit for relief in United States District Court to enforce the Subpoenas and Orders against these respondents if the outstanding subpoenas were not responded to by May 27, 1994.

On May 27, 1994, respondents submitted supplemental responses to the questions for which their original responses were deficient. The supplemental responses were followed on May 31, 1994, by production of several hundred pages of outstanding documents.

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Based on an initial review, respondents now appear to have substantially complied with the Commission's Subpoenas and Orders. The responses and corresponding documents appear to contain information that will enable this Office to develop appropriate follow-up questions and/or conduct depositions. Accordingly, this Office will not at this time file the civil suit for relief authorized by the Commission on May 24, 1994. This Office will keep the Commission informed of developments in this matter.

Lawrence M. Noble
General Counsel

6/2/94
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Staff Assigned: Lawrence L. Calvert Jr.

9704380167

OGC #1571

REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

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ADMINISTRATIVE DIVISION

Jun 8 9 38 AM '94

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VIA FEDERAL EXPRESS

June 7, 1994

Lawrence L. Calvert, Jr.
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Jun 8 2 11 PM '94

Re: MUR 3586

Dear Mr. Calvert:

Enclosed please find additional documents responsive to questions 1, 2, and 4 of the Subpoena to Produce Documents and Order to Submit Written Answers. We will get more documents to you within the next two days.

Sincerely,

Wendy S. Strimling

Wendy S. Strimling

WSS:PJA
Enclosures

cc: Mike Gordon

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REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

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COUNSEL

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CONFIDENTIAL --
VIA FEDERAL EXPRESS

June 10, 1994

Lawrence L. Calvert, Jr.
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

Re: MUR 3586 -- Supplemental Responses

Dear Mr. Calvert:

Enclosed please find Gordon and Schwenkmeyer's supplemental responses to the Subpoena to Produce Documents and Order to Submit Written Answers. We have attached a faxed copy of the signed verification. We will forward the original signed verification to you as soon as we receive it by mail from GSI.

Sincerely,

Wendy S. Strimling

Wendy S. Strimling

WSS:PJA

Enclosures

9704380166 9

JOSEPH REMCHO, Bar #134400
WENDY S. STRIMLING, Bar #136243
REMCHO, JOHANSEN & PURCELL
220 Montgomery Street, Suite 800
San Francisco, CA 94104
Phone: (415) 398-6230

Attorneys for Gordon
& Schwenkmeyer, Inc.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of) MUR 3586

GSI'S SUPPLEMENTAL RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

General Qualifications

Gordon and Schwenkmeyer, Inc. ("GSI") provides the following supplemental responses to questions 1, 2, and 4 of the Federal Election Commission's March 10, 1994 Subpoena to Produce Documents and Order to Submit Written Answers. These responses supplement the responses and documents produced by GSI on May 13, 1994 and the documents produced by GSI on June 7, 1994. By providing these responses and documents, GSI does not waive the attorney-client privilege, the protection afforded attorney work product, or any other lawfully recognized privilege applicable to the requested information.

Mike Gordon provided the information for these responses. The GSI controller, Zeny Jaotegan, supplied numerical data. GSI's attorneys, Joseph Remcho and Wendy Strimling, assisted in drafting the responses.

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Supplement to Introduction

Further investigation and review of documents subsequent to GSI's May 13, 1994 responses necessitate augmentation of GSI's general description of its program methodology. GSI conducted "prospecting" for CDP in the manner described at length in the introduction to the May 13, 1994 responses. However, a few minor variations have come to light which deserve explanation.

In the period under the Commission's investigation, RUM and RM2 were running at a profit. At the end of a solicitation round, the money returned in contributions exceeded the amount of GSI's fees. Under the contract, the California Democratic Party ("CDP") had the right to this excess (labeled "profit" in the client evaluation reports); indeed, this excess is the only portion of donors' "contributions" that actually flows to the party rather than to GSI. CDP asked GSI to distribute the proceeds on a regular basis rather than give the money to CDP in a lump sum at the conclusion of a solicitation round. GSI agreed to regular payments pegged to its estimate of earnings for a particular round. These payments were not a corporate contribution nor intended to be such. They were merely a distribution of the contributions which CDP had coming to it as a result of the solicitations; moreover, when it appeared that the distributions exceeded the amount of dollars flowing in from solicitations, GSI reduced the amount of the distributions.

From time to time, GSI also made adjustments to CDP bills, just as it did for its non-political clients. (See,

e.g., Exh. 8 to GSI's May 13, 1994 responses [showing credits of over $20,000 to National Coalition for the Homeless].) In 1991 in particular, the Persian Gulf war occurred, President Bush's popularity soared, and California was mired in economic recession. As a consequence, the solicitation programs for CDP did not perform as well as had been projected. GSI decided to share the burden of the poor performance by reducing the amount it would retain relative to proceeds it would turn over to CDP. (See Exh. 1 attached hereto.)

These were business decisions. GSI wanted and needed to keep CDP as a client. First, CDP produces large business volume for GSI. Second, from a marketing perspective, loss of CDP as a client would look bad and potentially drive away business from current and potential clients. Because of these business pressures, GSI felt it had to accede to CDP's requests for regular distribution of solicitation proceeds and to share losses resulting from poor performance of solicitation.

Supplement to Numbered Questions

1a. In its May 13, 1994 responses, GSI listed $507,314 as the amount it had coming to it in its call on funds as of December 31, 1990. As stated in the previous responses, that number is not meaningful because it combines activity in RUM, RM2, and RM3. Subsequent retrieval and review of documents (produced on June 7, 1994 and herein) allows GSI to provide the following detail. RUM and RM2 were running at profit. In general, solicitation expenses were recouped as soon as donors sent in their pledges. (Half of pledges typically come in

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within one month and virtually all come in within ten weeks of solicitation.) RM3 had approximately $312,539 in outstanding expenses. As explained in GSI's May 13, 1994 responses, that amount was not "owed" in the traditional sense; under its contract with CDP, GSI had the right to continue to conduct resolicitations in the name of CDP until all of the $312,539 was paid, resulting in the benefit to GSI of maintaining its business volume and profits. But even if the Commission were to view CDP as "owing" GSI money, the $312,539 in the RM3 program is the only relevant figure because RUM and RM2 were self-sustaining as of December 31, 1990.

1b. Without conceding that the $312,539 constituted a "debt," GSI responds that the client evaluation reports and bank statements produced on June 7, 1994 and the invoices produced herein provide the information about dates and amounts.

1c. Without conceding that the $312,539 was a "debt" in the ordinary sense of the term, GSI responds that it made no attempts to collect these expenses by means other than resolicitation of donors.

1d. Included in Exhibit 1, attached hereto, are invoices for 1989 and 1990 for RUM, RM2, and RM3. Please also see client evaluation reports for 1989 and 1990 and bank statements for RUM, RM2, and RM3, produced by GSI on June 7, 1994.

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2a. Without conceding that CDP "owed" GSI money, GSI supplements its earlier response to question 2a as follows. As of May 15, 1992, the amount which GSI remained entitled to raise for RM3, and which had been outstanding since December 31, 1991 or earlier, was approximately $190,000.

2b. Without conceding that the $190,000 constituted a "debt," GSI responds that the client evaluation reports and bank statements produced on June 7, 1994 and the client evaluation reports and invoices produced herein provide the information about dates and amounts.

2c. Without conceding that the $190,000 was a "debt" in the ordinary sense of the term, GSI responds that it made no attempts to collect these expenses by means other than resolicitation of donors.

2d. Included in Exhibit 1, attached hereto, are invoices for 1989 through May 15, 1992 for RUM, RM2, and RM3. Attached as Exhibit 2 are client evaluation reports from January 1, 1992 through May 15, 1992 for these programs. Please also see client evaluation reports for 1989 through 1991 and bank statements for RUM, RM2, and RM3, produced by GSI on June 7, 1994.

4. The documents included in Exhibits 1 and 2, attached hereto, and the documents produced by GSI on June 7, 1994 provide the requested information. Please note that one of

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the 1992 client evaluation reports has a typographical error. (See Exhibit 2). The third table is entitled "California Democratic Party (RM3) 1st Round Resolicit (1/2-1/27/93)." The dates should be 1/2-1/27/92.

Dated: June 10, 1994

JOSEPH REMCHO
WENDY S. STRIMLING
REMCHO, JOHANSEN & PURCELL

By _____
Joseph Remcho

Attorneys for Gordon & Schwenkmeyer, Inc.

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VERIFICATION

I, Michael Gordon, declare:

I am the President of Gordon and Schwenkmeyer, Inc. ("GSI"), which was served by the Federal Election Commission with a Subpoena to Produce Documents and Order to Submit Written Answers, dated March 10, 1994.

I have read the foregoing GSI'S SUPPLEMENTAL RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS and know the contents to be true of my own personal knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 12th day of June, 1994, at El Segundo, CA, California.

Michael Gordon

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REMCHO, JOHANSEN & PURCELL
ATTORNEYS AT LAW

220 MONTGOMERY STREET, SUITE 800
SAN FRANCISCO, CALIFORNIA 94104
415/ 398-6230 FAX: 415/ 398-7256

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COUNSEL
Apr 6 1 11 PM '95

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VIA FEDERAL EXPRESS

April 5, 1995

Gregory Baker
FEDERAL ELECTION COMMISSION
999 "E" Street, NW
Washington, DC 20463

Re: MUR 3566

Dear Mr. Baker:

Enclosed herein are GSI's Second Supplemental Responses to the FEC Subpoena to Produce Documents and Order to Submit Written Answers.

I wanted to alert you that one of the attorneys representing GSI, Wendy Strimling, is disabled because of complications due to pregnancy and is therefore no longer working on the matter. These supplemental responses were delayed because of her disability.

I remain willing to commence conversations at your convenience about arriving at a conciliation.

Sincerely,

Joseph Remcho

JR:PJA
Enclosures

cc: Mike Gordon

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COUNSEL
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JOSEPH REMCHO, Bar #84400
LIANE RANDOLPH, Bar #166724
REMCHO, JOHANSEN & PURCELL
220 Montgomery Street, Suite 800
San Francisco, CA 94104
Phone: (415) 398-6230

Attorneys for Gordon
& Schwenkmeyer, Inc.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 3586
	)	
	)	

GSI'S SECOND SUPPLEMENTAL RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

INTRODUCTION

Gordon and Schwenkmeyer, Inc. (GSI) herein supplements its previous responses to the FEC Subpoena to Produce Documents and Order to Submit Written Responses in MUR 3586. GSI provides these responses subject to and without waiver of the attorney-client privilege, attorney work product protection, or any other lawfully recognized applicable privilege.

The supplemental responses provided herein are made subject to the continuing objection that the term "debt" is inapplicable to GSI's ordinary business practices in connection with CDP, as elaborated fully in GSI's previous responses.

Mike Gordon, in the course of reviewing accounts for business reasons, has uncovered the following information which modifies in part GSI's previous responses.

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1c. For the reasons stated in previous responses, GSI does not concede that CDP had a "debt." GSI has now determined that it made some accounting errors in 1991, which resulted in GSI inadvertently underestimating by approximately $72,000 the amount it had a right to raise through resolicitation. No attempt was made to collect this money because GSI was unaware it was outstanding.

2a. GSI hereby wishes to modify its statement, made in response 2a in the May 12, 1994 responses, that "{a}ny resolicitation expenses in RM and RM2 which may have been incurred between December 31, 1991 and May 15, 1992 would have been recouped nearly immediately." For a large portion of RM and RM2 expenses, this statement remains accurate because, as previously explained, these programs were running at a profit; proceeds exceeded fees. However, some portion of RM and RM2 expenses were not recouped immediately. As already explained in GSI's June 10, 1994 responses, GSI's practice included distributing proceeds to CDP on a regular schedule, rather than at the end of solicitation rounds. (See discussion in Supplement to Introduction in Supplemental Responses filed June 10, 1994.) In reviewing accounts, GSI has now determined that in the period in question, the distribution of proceeds exceeded program revenues, resulting in outstanding expenses in the RM and RM2 programs for which GSI had a continued right of resolicitation.

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4. Although not directly called for by the request, we are also forwarding a copy of the accounts receivable ledger as it pertains to CDP accounts.

Dated: April 4, 1995

JOSEPH REMCHO
LIANE M. RANDOLPH
REMCHO, JOHANSEN & PURCELL

By _____
Joseph Remcho

Attorneys for Gordon & Schwenkmeyer, Inc.

9704380168C

VERIFICATION

I, Michael Gordon, declare:

I am the President of Gordon and Schwenkmeyer, Inc. ("GSI"), which was served by the Federal Election Commission with a Subpoena to Produce Documents and Order to Submit Written Answers, dated March 10, 1994.

I have read the foregoing GSI'S SECOND SUPPLEMENTAL RESPONSES TO SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS and know the contents to be true of my own personal knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 4th day of ~~March~~ April, 1995, at El Segundo, California.

Michael Gordon

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 6, 1995

Joseph Remcho
Remcho, Johansen & Purcell
220 Montgomery Street
Suite 800
San Francisco, CA 94104

RE: MUR 3586
Gordon and Schwenkmeyer, Inc.

Dear Mr. Remcho:

We are in receipt of your letter, dated April 5, 1995, in which you respond to the Commission's subpoena regarding the above-captioned matter. The Office of General Counsel is currently in the process of reviewing your response to this matter and will contact you if additional information is required.

If you have any further questions concerning this matter, please contact me or Gregory R. Baker, at (202) 219-3690.

Sincerely,

Jack MacDonald

Jack MacDonald
Paralegal Specialist

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AGENDA DOCUMENT No. X97-15

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
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SECRETARIAT
MAR 4 3 10 PM '97

In the Matter of	)	28 U.S.C. § 2462
	)	Statute of Limitations

SENSITIVE

MAR 11 1997

GENERAL COUNSEL'S REPORT

EXECUTIVE SESSION

I. INTRODUCTION

On December 26, 1996, the United States Court of Appeals for the Ninth Circuit issued a decision in *Federal Election Commission v. Williams*, No. 95-55320 (9th Cir. Filed Dec. 26, 1996). That decision held, *inter alia*, that the five-year statute of limitations for filing suit to enforce a civil penalty established at 28 U.S.C. § 2462 applies not only to judicial proceedings to enforce civil penalties already imposed, but also to proceedings seeking the imposition of these penalties, including the Commission's law enforcement suits under 2 U.S.C. § 437g(a)(6).

As noted in the memorandum regarding the filing of a petition for rehearing, the Office of General Counsel believes that the Commission should accept the court's core application of 28 U.S.C. § 2462 to its enforcement suits as the current state of the law. *See* Memorandum to the Commission, *Petition for Rehearing, and Suggestion for Rehearing En Banc, In Federal Election Commission v. Williams*, dated January 10, 1997. As also noted, however, we have sought further review of the court's decision

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relating to issues of equitable relief and equitable tolling.[1] *Id. See also FEC v. NRSC*, 877 F. Supp. 15, 21 (D.D.C. 1995).

This General Counsel's Report discusses the impact of 28 U.S.C. § 2462 on the Office of General Counsel's enforcement caseload.[2] This Report describes the active and inactive enforcement matters which are potentially affected by the application of the five-year statute of limitations under 28 U.S.C. § 2462, and makes recommendations for each of the potentially affected matters. This Report addresses all cases where the statute of limitations potentially expires, or partially expires, by the end of calendar year 1997 (December 31, 1997).

The Office of General Counsel is recommending that

18 matters be closed at this time. By doing so, this Office believes that it will be able to devote more resources toward more recent activity, particularly those matters that arose from the 1996 election cycle. To avoid potential statute of limitations problems in the future, this Office will track its cases against the relevant statute of limitations and will perform regular reviews of its caseload. In addition, this Office will be making periodic recommendations to the Commission with respect to matters that may be affected by the application of the five-year statute of limitations under 28 U.S.C. § 2462.

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1 Pending the court's decision, issues such as equitable relief, equitable tolling and ongoing violations, will remain open. In some instances, although issues such as equitable tolling and equitable relief may still be viable, this Office has cited other factors to support our recommendation to close the matter. *See, e.g.*, cases involving apparent violations of 2 U.S.C. § 441a(f).

2 This Report addresses enforcement matters assigned to the Public Financing, Ethics & Special Projects ("PFESP") and Enforcement areas.

III. RECOMMENDATIONS

The Office of General Counsel recommends that the Commission:

A. Decline to open a MUR, close the file, and approve the appropriate letters in Pre-MUR 344.

B. Take no action, close the file and approve the appropriate letters in the following matters:

1. MUR 4267
2. MUR 4370
3. MUR 4392
4. MUR 4432
5. MUR 4468
6. MUR 4591
7. MUR 4614

C. Take no further action, close the file and approve the appropriate letters in the following matters:

1. MUR 3351
2. MUR 3571
3. MUR 3582
4. MUR 3586
5. MUR 3838
6. MUR 3841
7. MUR 3969
8. MUR 4091
9. MUR 4183
10. MUR 4209

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3/4/97
Date

Lawrence M. Noble
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Agenda Document #X97-15
28 U.S.C. § 2462,	)	
Statute of Limitations	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 11, 1997, do hereby certify that the Commission took the following actions with respect to Agenda Document #X97-15:

1. Decided by a vote of 5-0 to -

   A. Decline to open a MUR, close the file, and approve the appropriate letters in Pre-MUR 344.

   B. Take no action, close the file, and approve the appropriate letters in the following matters:

      1. MUR 4267;
      2. MUR 4370;
      3. MUR 4392;
      4. MUR 4432;
      5. MUR 4468;
      6. MUR 4591;
      7. MUR 4614.

(continued)

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C. Take no further action, close the file, and approve the appropriate letters in the following matters:

1. MUR 3351;
2. MUR 3571;
3. MUR 3582;
4. MUR 3586;
5. MUR 3838;
6. MUR 3841;
7. MUR 3969;
8. MUR 4091;
9. MUR 4183;
10. MUR 4209.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision.

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(continued)

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Attest:

3-12-97
Date

Marjorie W. Emmons
Secretary of the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael Schroeder, Chairman
Republican Party of California
1903 West Magnolia Boulevard
Burbank, California 91506

RE: MUR 3586

Dear Mr. Schroeder:

On August 20, 1992, the Federal Election Commission received a complaint from James Dignan, the former Chairman of the Republican Party of California, alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

On March 8, 1994, the Federal Election Commission found reason to believe that some or all of the respondents committed one or more violations of the Act. An investigation by the Enforcement Division followed.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply; 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 upon receipt.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

9704380016911

MUR 3586 (Democratic State Central Committee California)
(complaint generated) ('92 cycle)
PFESP Docket (Inactive)

This matter involves allegations that the California Democratic Party and its Democratic State Central Committee of California -- Federal accepted illegal extensions of credit from three sources and that the Committee circumvented the Commission's allocation regulations. On March 8, 1994, the Commission found reason to believe that the Committee violated 2 U.S.C. §§ 434(b)(8), 441a(f) and 441b(a), and approved the issuance of Subpoenas and Orders to Submit Written Answers.

Due to the ongoing audit of the Committee, however, this matter was transferred to PFESP on December 31, 1994. On February 23, 1995, this matter was deactivated and held in abeyance pending the outcome of the audit. This Office recommends that the Commission exercise its prosecutorial discretion and take no further action, and close the file with respect to this matter. The activities at issue occurred on July 1, 1991. Thus, litigation to recover a civil penalty may be barred by the five-year statute of limitations. Moreover, this matter does not warrant further pursuit based on other matters pending in this Office.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Gary Paul, Treasurer
Democratic State Central Committee
of California -- Federal
911 20th Street, Suite 100
Sacramento, California 95814

RE: MUR 3586

Dear Mr. Paul:

On March 8, 1994, the Federal Election Commission found reason to believe that the Democratic State Central Committee of California -- Federal and David Rosenberg, as treasurer, violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply; 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 upon receipt.

97043801693

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

9704380016 94

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Art Torres, Chairman
California Democratic Party
8440 Santa Monica Boulevard
Los Angeles, California 90069

RE: MUR 3586

Dear Mr. Torres:

On March 8, 1994, the Federal Election Commission found reason to believe that the California Democratic Party violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply; 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 upon receipt.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

9704380016696

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Leroy Y. Fong
Olson, Hagel, Fong, Leidigh, Waters & Fishburn
Capitol bank Center
300 Capitol Mall, Suite 350
Sacramento, California 95814

RE: MUR 3586
Democratic State Central Committee of California -- Federal, California Democratic Party, River West Developments, Inc. and Phil Angelides

Dear Mr. Fong:

On March 8, 1994, the Federal Election Commission found reason to believe that your clients violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply; 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 upon receipt.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Joe Remcho
Remcho, Johansen & Purcell
220 Montgomery Street, Suite 800
San Francisco, California 94104

RE: MUR 3586
Gordon & Schwenkmeyer, Inc.

Dear Mr. Remcho:

On March 8, 1994, the Federal Election Commission found reason to believe that your client violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Phil Angelides,
River West Developments, Inc.
1957 13th Avenue
Sacramento, California 95818

RE: MUR 3586

Dear Mr. Angelides:

On March 8, 1994, the Federal Election Commission found reason to believe that you violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 31, 1997

Mike Gordon, President
Gordon & Schwenkmeyer, Inc.
550 North Continental Boulevard, Suite 180
El Segundo, California 90245

RE: MUR 3586

Dear Mr. Gordon:

On March 8, 1994, the Federal Election Commission found reason to believe that you violated various provisions of the Federal Election Campaign Act of 1971, as amended.

After considering all the facts and circumstances of this case, including but not limited to the fact that the statute of limitations may expire in the near future as to some or all of the activity described in the complaint, the Commission has exercised its prosecutorial discretion to take no further action in this matter. The Commission reached this determination objectively based upon the information on the record as a whole, the significance of the case relative to others, and other relevant factors. A brief narrative describing the basis for the Commission's decision is attached. Accordingly, the Commission closed its file in this matter effective March 11, 1997.

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If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Gregory R. Baker
Special Assistant General Counsel

Enclosure
Narrative

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3586

DATE FILMED 5-1-97 CAMERA NO. 1

CAMERAMAN JMN

97043801705

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 5/19/97

✓ Microfilm

_____ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 3586

97043805080

Philip Angelides

2424 K Street, 2nd Floor
Sacramento, CA 95816

916 446-1115
FAX 916 446-6475

April 18, 1997

CLOSED

Gregory R. Baker
Special Assistant General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

APR 28 10 31 AM '97

Re: MUR 3586

Dear Mr. Baker:

Thank you for your letter of March 31, 1997, regarding the above case and for the opportunity afforded by that letter to place materials on the public record with respect to that matter.

As Chairman of the California Democratic Party, I served as a volunteer, without compensation. As I traveled around the state and served as Chair, I incurred travel and other expenses for which I sought reimbursement from the Party.

Unfortunately, the Party was slow in reimbursing, thereby creating the question of whether my advances were corporate contributions, until the reimbursement occurred. Obviously, I would have liked to have been reimbursed as quickly as possible, just as any vendor would like to receive prompt payment. I do not believe that slow reimbursements by the Party should constitute corporate contributions.

I agree and appreciate the Commission's decision to take no further action on this matter.

Thank you for the opportunity to comment.

Sincerely,

Phil Angelides

Printed on recycled paper.

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