FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

THIS IS THE BEGINNING OF MUR # 4509

DATE FILMED 3/11/98 CAMERA NO. 2

CAMERAMAN EES

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

October 9, 1996

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VIA HAND DELIVERY

MUR 4509

Honorable Lee Ann Elliott
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Complaint Against the Minnesota Democrat-Farmer-Labor Committee and the "Wellstone for Senate Committee", Richard S. Kahn, Treasurer

Dear Madam Chairman:

Pursuant to the authority found at 2 U.S.C. §437g(a)(4)(A), I file this formal complaint with the Federal Election Commission (the "Commission"). This complaint alleges a series of violations of the Federal Election Campaign Act of 1971, as amended, (the "Act") by the Democrat State Party of Minnesota (the "DFL Committee") with respect to the September, 1996 primary election and the November, 1996 general election for United States Senator from Minnesota. I respectfully request that the Commission move forward to investigate this complaint, as is provided for at 2 U.S.C. §437g(a)(2). The complaint, on information and belief, alleges violations of 2 U.S.C. §§441a(a)(2), 441a(d), 441b(a), 441d, 434b and 11 C.F.R. §110.11(a)(2) involving the unlawful financing of television advertisements by the Respondent DFL Committee in connection with the primary and general election campaigns of Paul Wellstone, the Democrat nominee for election to the United States Senate.

FACTS: On or about July 15, 1996, the Respondent DFL Committee contracted with the Minneapolis, Minnesota media firm of North Woods Advertising to prepare one or more advertisements and to purchase time on television stations throughout Minnesota, including stations KARE-TV, WFTC-TV, KMSP-TV, WDIO-TV, KSTP-TV, WFTC-TV, KIEF-TV, and WCCO-TV for the purpose of airing one or more political advertisements in opposition to the candidacy of Republican candidate for election to the United States Senate, Rudy Boschwitz (see "Exhibit 1"). Three of these advertisements, referred to, on information and belief, as "No Reception" "Misleading/Revised" and "Stick to the Facts" are contained in two video tapes which are attached as "Exhibit 2".

Two of the advertisements which are the subject of this complaint ("No Reception" and "Stick to the Facts") utilize a common theme or text which discusses in the most vague way the proposition that "the Republicans" (otherwise unidentified) are lying about Democrat candidate Wellstone's record. The remaining advertisement ("Misleading/Revised") utilizes, without authorization (see "Exhibit 3"), a CNN news report about political advertising in the Minnesota Senate race. Not only does the text of the "Misleading/Revised" advertisement fail to focus on any identified legislative initiative pending before the U.S. Congress or the Minnesota State legislature, the texts of the other two advertisements widely focus on the generic, non-policy issue of whether "the Republicans" in Minnesota are "telling the truth." All three advertisements contain explicit references to the pending election for United States Senate in Minnesota and to the candidacy of Paul Wellstone. All three advertisements contain a clear and unambiguous "electioneering message" concerning the candidacy of Paul Wellstone. The text for each of these advertisements is attached as "Exhibit 4."

Upon information and belief, the Respondents coordinated their state-wide media strategy in opposition to Republican candidate Rudy Boschwitz. In fact, the media firm of North Woods Advertising was also retained by the Respondent Wellstone Committee, on or about January 1, 1996, to prepare advertisements and purchase time on Minnesota television stations in order to air additional advertisements which opposed the candidacy of candidate Rudy Boschwitz (see "Exhibit 5").

Pursuant to 47 C.F.R. §73.1943, television stations are required by the Federal Communications Commission to maintain, for public inspection, a copy of "buy" orders for political advertising carried on that station. When contacted directly and asked to produce a copy of the "buy" order for the advertisements aired by the Respondent DFL Committee, several stations refused to comply with this request for the stated reason that the stations considered these advertisements to be "issue advertising", not political advertising. Independently obtained copies of such "issue advertising" buy-orders are attached as "Exhibit 6."

Under operation of state law, the Respondent DFL Committee may accept individual contributions in "unlimited" amounts (see "Exhibit 7") which would be in excess of the limitations placed upon contributions to a federal committee by 2 U.S.C. 441a(a)(1)(C).

Upon information and belief, Respondent DFL Committee paid for the cost of the "Misleading/Revised" advertisement at issue in this complaint in at least two different ways. When North Woods Advertising bought time on station KIET-TV for this advertisement during the period from August 1 through August 4, 1996, the station management was told that this was an exempt "issue" advertisement (see "Exhibit 8") sponsored by the Respondent DFL Committee. When North Woods Advertising purchased time on station on WFTC-TV for this advertisement during the period from August 3 through August 5, 1996, station management was informed that this was a political advertisement to be paid for by the "United Democratic Fund", the Respondent DFL Committee's coordinated expenditure account (see "Exhibit 9"). In a number of instances, Respondent DFL Committee signed National Association of Broadcasters' prepared "political broadcast agreement" forms when purchasing time for this advertisement (see "Exhibit 10").

Upon information and belief, Respondent DFL Committee paid for the advertisements known as "No Reception" and "Stick to the Facts" as an exempt administrative or "issue" expense, using a mix of federal and non-federal funds (see "Exhibit 11").

Upon information and belief, Respondent DFL Committee used excessive personal contributions in paying for these advertisements as an exempt administrative expense.

THE LAW: The law with respect to advertisements of this nature is well settled. Expenditures or disbursements made by the Respondent DFL Committee in connection with a federal election, such as the November, 1996 election for United States Senator from Minnesota, are regulated and limited by the Act. The law requires that the Respondent DFL Committee must treat the preparation and placement costs of the advertisements at issue in this complaint as either a "coordinated expenditure" on behalf of the Wellstone Committee or as a "administrative expense", pursuant to 11 C.F.R. §106.5(a)(2).

Whether these expenditures by the Respondent DFL Committee are to be treated as an "administrative expense" (the funding for such an expense being appropriately allocated, according to the formula previously established by the Commission, between the Respondent's federal and non-federal accounts) or as a "coordinated expenditure" will turn on (a) the exact text of the advertisement, (b) the geographic "placement" of the media "buy" to air the advertisement, and (c) if the advertisement is prepared and aired in coordination with the benefiting federal campaign.

LEGAL ANALYSIS: Upon information and belief, the Respondent DFL Committee has not deemed this media "buy" to be a "coordinated expenditure", but rather considers the "buy" to be an exempt state party "administrative" expense. This supposition is supported by the Respondent DFL Committee's June 30, 1996 "Report of Receipts and Disbursements" wherein said Respondent accounts for the disbursements made to North Shore Advertising with respect to these advertisements as "administrative" disbursements paid for with both federal and non-federal funds (see "Exhibit 11").

This supposition is further supported by the response of a number of Minnesota television stations who were asked to produce the "buy" orders for these advertisements. The response of these stations to this request was that 47 C.F.R. 73.1943 was not applicable to so-called non-political "issue advertising" and that these particular advertisements were considered to be "issue advertising."

With respect to the advertisements at issue in this complaint, the law requires that the production and placement costs associated with these advertisements be posted to the Respondent DFL Committee's "coordinated" contribution limit because (a) the text of these advertisements fails to employ the required "call to action" for the viewer to urge an identified officeholder and candidate to take an action on a legislative matter pending before his or her legislative body, (b) the state-wide placement of these advertisements strongly suggests that Respondent DFL Committee's purpose in sponsoring the advertisements was solely to "inform" viewers in Minnesota that "the Republicans" (otherwise unidentified) were "lying" about Paul Wellstone's record, a topic that is not a policy issue upon which the viewer can address his or her views to candidate Boschwitz and expect candidate Boschwitz to take any official action, and (c) of the obvious coordination between Respondents in the placement of these advertisements.

a. <u>Message</u>: As outlined in Advisory Opinion 1995-25, the Commission has previously taken the position that in order for so-called "issue advertising" to fall outside the definition of a "contribution" or "expenditure" and thus be deemed an "administrative expense" or an expense aimed at a "generic voter drive" (pursuant to 11 C.F.R. §106.5(b)(2)), the text of the advertisement must meet a series of defined tests, including (1) if the text mentions any federal candidate, that there is no "express advocacy" of the candidate's election or defeat, nor can there be any reference to any "electioneering message" or reference to a federal election, (2) if there is a specific "call to action" in the text, that the "call to action" will urge the viewer to contact the federal candidate **urging support for, or defeat of, a particular piece of legislation**, and (3) the production and placement costs of the "issue advertising" must be allocated, pursuant to the Commission's formula, between a party committee's federal and non-federal accounts.

With respect to the advertisements at issue in this complaint, the text does <u>not</u> meet the stated requirements laid out by the Commission in AO 1995-25 regarding both the absence of any "express advocacy" and the nature of the "call to action" contained in the issue advertisement. In the advertisements placed by the Respondent DFL Committee, there is unambiguous "express advocacy" in support of the candidacy of Paul Wellstone and no "call to action" on any public policy issue. There is no "call to action" because Respondent DFL Committee knew full well that candidate Boschwitz, a Minnesota businessman, held no public office nor did he have any constituents among the viewers of the advertisements. In a vain attempt to make their "call to action" meet Commission guidelines, Respondent DFL Committee used the telephone number of the Minnesota Republican Party as the number to be used by viewers seeking to contact "the Republicans."

b. <u>Placement</u>: The viewers of these state-wide advertisements are not constituents of candidate Boschwitz and are therefore unable to respond to any "call to action" with respect to candidate Boschwitz.

c. <u>Coordination with the Wellstone Campaign</u>: In placing these advertisements, the Respondent DFL Committee employed a Minneapolis-based media house, the firm of North Shore Advertising. This is the same media firm currently employed by Respondent Wellstone Committee to prepare and place advertising on its own behalf. This fact alone presents prima facia evidence of "coordination" between the Respondents in this matter.

<u>STATUTORY VIOLATIONS</u>: Because the Respondent DFL Committee erroneously thought this advertisement to be an exempt issue advertisement, said Respondent had to pay for the production and placement costs associated with this advertisement using the federal/non-federal allocation formula previously established by the Commission for "administrative expenses." As the Commission knows, by operation of state law said Respondent is allowed to accept excessive personal contributions for its non-federal account. Since these advertisements do not meet all of the tests for an exempt "issue advertisement" outlined in AO 1995-25, said Respondent's use of excessive personal contributions for the payment any of the costs associated with this advertisement is a specific violation of 2 U.S.C. §441a(a).

Further, because the law deems this media "buy" to be a "coordinated expenditure" on behalf of the Respondent Wellstone Committee, the Respondent DFL Committee is in violation of the Commission's regulation with respect to the proper disclaimer to be used by a party committee for a "coordinated" political advertisement, 2 U.S.C. §441d(a)(2). "Coordinated" party expenditures must carry a Commission approved "disclaimer" identifying the sponsor of the advertisement, the benefiting federal committee and indicating that there has been coordination between the sponsoring party committee and the benefiting federal campaign (see 11 C.F.R. §110.11(a)(2)).

Further, because the law deems the disbursements made to produce and air these advertisements to be "coordinated expenditures" on behalf of the Respondent Wellstone Committee, the Respondent DFL Committee must reflect these expenditures (including the actual costs associated with the production of these advertisements) on its reports to the Commission, pursuant to 2 U.S.C. 434b, and treat the costs of these advertisements (approximately $50,000.00) as part of the party committee coordinated contribution limit in Minnesota.

CONCLUSION: Given the violations of the Act described above, I urge the Commission to (1) find that the Respondents and their Treasurers violated 2 U.S.C. §441a(a)(2), 441a(d), 441b(a), 441d, 434b and 11 C.F.R. §110.11(a)(2) regarding the financing of the three advertisements at issue in this complaint on television stations throughout Minnesota; (2) find that the Respondents and their Treasurers will knowingly and willfully violate 2 U.S.C. §434b should they fail to adequately report the "coordinated expenditures" that were made in connection with the preparation and placement of this advertisement; (3) impose appropriate penalties for such violations; and (4) order the Respondents to withdraw these advertisements and terminate all present and future television "buys" in support of these advertisements.

Respectfully,

Chris Georgacas
Chairman
The Republican Party of Minnesota
480 Cedar Street
Suite 560
St. Paul, Minnesota 55101

Exhibits Attached

Subscribed and sworn to
before me this 10 day
of October, 1996

Notary Public
My Commission expires 1/31/2000

WAS-199597

93043362001

(1)

Minnesota Ethical Practices Board
1st Floor South, Centennial Building
658 Cedar Street
St. Paul, MN 55155-1603

Report of Receipts and Expenditures for Political Committees and Political Funds

Period Covered: January 1 through August, 27, 1996

96 SEP 11 AM 11:26
ETHICAL PRACTICES BOARD

Instructions

- This report is completed by all political committees and political funds. It must be signed and dated on page 3 by the current treasurer of record or the deputy treasurer.
- The report must be filed at the Ethical Practices Board office or postmarked on or before September 3, 1996.
- This statement may be filed electronically. For fax filing, an original signed copy must be received in the Board office within 5 business days after the transmission. Fax number 612/296-1722.
- Use black ink or typewriter.
- All information on this report is public information.
- Address questions to the staff at 612/282-6892 or 800/657-3889. TDD relay 612/297-5353, ask for 282-6892
- Board staff may also be reached by e-mail at epb@state.mn.us.

Committee or fund information

Treasurer name		Registration number
Committee name	20003	
	Paul Schulte 612-574-6102	
Address	Minn DFL State Central Committee	
	352 Wacouta Street	
City, state, zip	St Paul, MN 55101	
Telephone (daytime)		

Exception report

Check one of the three boxes below *only if applicable* and provide the requested information.

☐ **No change since last report** — Check this box only if your committee received *no* contributions and made *no* expenditures during this period. Do not use this box if there was *any* monetary change.
If there was no change, provide the current cash balance: $ ______________.

☐ **Amendment** — Check this box if your committee is filing this report to amend a previously filed report. Provide date of the report being amended: ______________

☐ **Termination** — Check this box if your committee has dissolved. Do not check this box unless the committee has settled all its debts and disposed of all its assets in excess of $100. Provide date of dissolution: ______________. You must complete **Schedule E**.

ET-8 7/96

DISBURSEMENT SCHEDULE H (effective 1/1/91)

JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

PAGE 103 OF 125

FOR LINE 21a

NAME OF COMMITTEE

Minnesota Democratic Farmer Labor Party C-00025254

Full Name, Mailing Address & ZIP Code	Purpose/Event	Date	Total Amount	Federal Share	Non-Federal Share
A. SENATE DFL CAUCUS 352 WACOUTA ST PAUL, MN	A/ MAPS	07/24/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,371,079.40			162.00	69.66	92.34
B. NOVEMBER 5 GROUP 316 PENNSYLVANIA AVE SE WASHINGTON, DC	A/ MEDIA	07/26/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,397,079.40			26,000.00	11,180.00	14,820.00
C. NORTHWOODS ADVERTISING 1708 KENWOOD PKWY MINNEAPLOIS, MN	A/ MEDIA	07/30/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,447,079.40			50,000.00	21,500.00	28,500.00
D. BANK ADJUSTMENT PAYROLL 352 WACOUTA STREET SAINT PAUL, MN	A/AUDIT ADJUSTMENT	07/31/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,445,974.68			-1,104.72	-475.03	-629.69
E. PIONEER PRESS 350 ST PETER STREET SAINT PAUL, MN	A/ SUBSCRIPTION	07/31/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,446,021.87			47.19	20.29	26.90
F. ATT PO BOX 27-866 KANSAS CITY, MO	A/LONG DISTANCE	07/31/96		43.00%	57.00%
CATEGORY: ☒ADMINISTRATIVE/VOTER DRIVE ☐FUNDRAISING ☐EXEMPT ☐DIRECT CANDIDATE SUPPORT EVENT YEAR-TO-DATE: 1,446,038.59			16.72	7.19	9.53
SUBTOTAL OF JOINT FEDERAL AND NON-FEDERAL ACTIVITY THIS PAGE			75,121.19	32,302.11	42,819.08
TOTAL THIS PERIOD (Fed. share to 21 a i and non-Fed. share to 21 a ii)					
TOTAL THIS PERIOD FOR THE NON-FEDERAL SHARE (used for line 31 of the detailed summary page)					

93043862003

(2)

93043362024

MINNESOTA DEMOCRAT - FARMER - LABOR COMMITTEE

"ISSUE" ADVERTISEMENTS ON VIDEOTAPE

(1) "No Reception"

(2) "Misleading/Revised"

(3) "Stick To The Facts"

(3)

Metro/Region

Star Tribune Online

Metro

Published Saturday, August 3, 1996

CNN joins GOP in criticizing pro-Wellstone ad

Star Tribune

An unusual Minnesota DFL Party television ad in behalf of U.S. Sen. Paul Wellstone prompted sharp criticism from Republican Party leaders Friday and a demand from the Cable News Network (CNN) that the ad be pulled.

The two-minute spot, four times the typical length, replays in its entirety a July 30 CNN broadcast critique of a National Republican Senatorial Committee (NRSC) ad that accuses Wellstone of being soft on crime.

In the CNN critique, analyst Brooks Jackson brands the Republican ad with the red-lettered word "MISLEADING" and suggests that it may backfire.

Jackson's primary criticism is that Wellstone was joined by key Republicans, including NRSC Chairman Alfonse D'Amato and former Minnesota Sen. Dave Durenberger, on the votes for which he is pilloried in the Republican ad.

Jackson opines that Republicans want "Minnesota voters to believe Wellstone is ultraliberal because he voted the same way as D'Amato." "Can the D'Amato gang shoot straight?" Jackson asks. The DFL replay of the analysis is labeled as such in advance, and the last frame of the ad urges, in plain white letters on a black background, "You decide."

Republican Party Chairman Chris Georgacas says the ad may violate several laws, in addition to being a copyright infringement.

CNN's reaction

"They have no right to run our material in a commercial way without our permission and we would certainly not grant that permission," said Steve Haworth, vice president of the Atlanta-based Cable News Network.

DFL spokesman Steve Kinsella said the attorneys for the state and national party were consulted before the ad was aired. Party leaders remain convinced that it is lawful.

The flap may create problems for both parties.

For the DFL, the demand that it be withdrawn is clearly not a positive development. But a continuing dispute draws further attention to the questionable claims in the NRSC ads and may serve to defuse the damaging charge that Wellstone is soft on crime.

-- Dane Smith and Associated Press

Metro

Star Tribune Online

PIONEER PRESS

DFL WON'T PULL AD USING CNN REPORT

Published: Saturday, August 3, 1996

Section: Metro

Page: 6C

ROCHELLE OLSON, Associated Press

CNN demanded and the state DFL Party refused Friday to pull a two-minute ad featuring that network's analysis of a Republican Senatorial Campaign Committee ad attacking Sen. Paul Wellstone on crime.

"They have no right to run our material in a commercial way without our permission, and we would certainly not grant that permission," said Steve Haworth, vice president of the Atlanta-based Cable News Network.

Haworth called the DFL's use of the ad "copyright infringement." He refused to speculate on what might be done if the DFL failed to pull the ad.

The state Democratic Party bought about $40,000 worth of commercial time on Twin Cities and Duluth television stations and planned to run the ad from Thursday into the weekend.

The Democratic ad shows in its entirety an analysis of the Republican ad by CNN reporter Brooks Jackson. Only at the end of the DFL ad does it mention who sponsored it, when "Paid for by the Minnesota DFL" flashes on the screen.

State DFL spokesman Steve Kinsella said the party has no plans to pull the ad despite CNN's demand.

"We put the CNN ad watch in its entirety on the air so we could not be accused of taking anything out of context," Kinsella said.

He said the party neither consulted with CNN nor paid the network before using the Jackson piece.

"This CNN piece characterized very well the inaccuracy of the Republican ad campaign and the fact that it is fraught with lies," Kinsella said.

Jackson's analysis determined that the Republican ad was misleading, showed "awful pictures" that make Wellstone look "pro-crime," and was "way off the mark."

Jackson said the GOP ad could backfire on Rudy Boschwitz, the former GOP senator whom Wellstone defeated in 1990.

The flap is the latest in the likely rematch between Wellstone and Boschwitz. Neither has won his party's nomination, but both are heavily favored.

The Republican ad already has caused that party some problems. The ad cited three votes by Wellstone as evidence of his "ultra-liberal" stance on crime. On all three votes, former U.S. Republican Sen. Dave Durenberger of Minnesota voted with Wellstone.

TRANSCRIPT OF THE DFL'S PRO-WELLSTONE AD

Had enough of the Republican attack ads? They've been called "misleading," "politically criminal," like something "by the National Enquirer."

The Facts. Paul Wellstone voted for 100,000 more police. The toughest penalties ever for crimes against women and children. Mandatory life sentences for repeat violent criminals and drug pushers.

The fact is Paul Wellstone voted to make our families safer and over half the Republicans in the Senate voted with him.

So call the Republicans. Tell them to stop the attacks and stick to the facts.

"PAID FOR BY THE MINNESOTA DFL PARTY"

Wellstone's crime ad

The following analysis of a Republican advertisement appeared on Cable News Network (CNN). Tuesday, July 30, 1996.

It is presented here in its entirety.

(CNN report)

You decide.

DFL
Paid for by the Minnesota DFL party.

CNN Report
{ad}

The target: Minnesota Democrat Paul Wellstone
The attackers, New York Sen. Al D'Amato's political machine, the National Republican Senatorial Committee.
But can D'Amato's gang shoot strait?
Check this.

{Paul Wellstone sides with the liberals}

This ad started running in Minnesota last week, saying Wellstone is too liberal on crime

{Wellstone even voted twice to let violent criminals out of jail, before the served 85% of their sentences}

But just hold on a second.
Siding with liberals? Sure. But look who else he's siding with.
On all three votes sighted by the Republican ad, Minnesota's Republican Senator at the time, David Durenburger voted the same way.
The awful pictures make Wellstone look pro-crime.

{But ultra-liberal Paul Wellstone voted to let criminals out of jail before they served their full sentence.}

Ultra liberal? On one of those votes he sided with, Al D'Amato himself. And more then half the republicans in the senate voted the same way. The bill would have cost many states money, and so the D'Amato gang's ad-

{Tell Paul Wellstone to stop siding with the liberals}

is way off the mark- its misleading. A spokesman for D'Amato's NRSC defended the ad saying quote Wellstone has a long record of being soft-on-crime. Its impossible to fit his entire soft-on-crime record into a 30--second ad.
D'Amato wants Minnesota voters to believe Wellstone is ultra-liberal because he voted the same way as D'Amato. Ads like that could backfire and make the Republican candidate Rudy Boschwitz a victim of Republican friendly fire.
Brooks Jackson, CNN, Washington

(THU) 09. 26' 96 17:15/ST. 17:12/NO. 3561442352 P 9

(Summary Page)

96 APR 18 PM 12: 45

(5)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full) Wellstone For Senate	
ADDRESS (number and street) ☐ Check if different than previously reported. P.O. Box 65588	2. FEC IDENTIFICATION NUMBER C00237180
CITY, STATE and ZIP CODE St. Paul, MN 55165 — STATE/DISTRICT: Minnesota	3. IS THIS REPORT AN AMENDMENT? ☐ YES ☒ NO

4. TYPE OF REPORT

- ☒ 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)
- ☐ 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 ____________
- ☐ Termination Report

This report contains activity for ☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 1/1/96 through 3/31/96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	644,094.04	644,094.04
(b) Total Contribution Refunds (from Line 20(d))	14,105.00	14,105.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	629,989.04	629,989.04
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	615,828.89	615,828.89
(b) Total Offsets to Operating Expenditures (from Line 14)	318.56	318.56
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	615,510.33	615,510.33
8. Cash on Hand at Close of Reporting Period (from Line 27)	1,081,081.22	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	

For further information contact:
Federal Election Commiss
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: Richard S. Kahn

Signature of Treasurer: Richard S. Kahn

Date: 4/15/96

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 (revised 4/

9604030680 1964

(in Full)
for Senate C002371

Full Name / Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
Sally Miller P.O. Box 65588 St. Paul, MN 55114-	EXPENSE REIMBUR Disbursement for [X] Primary 96	03/01/96	$12.50
Sally Miller P.O. Box 65588 St. Paul, MN 55114	Payroll Disbursement for [X] Primary 96	03/08/96	$434.48
Sally Miller P.O. Box 65588 St. Paul, MN 55114-	EXPENSE REIMBUR Disbursement for [X] Primary 96	03/08/96	$12.00
Sally Miller P.O. Box 65588 St. Paul, MN 55114-	Payroll Disbursement for [X] Primary 96	03/22/96	$610.09
Minn Dept Of Revenue PO Box 821 Minneapolis, MN 55480-0821	PAYROLL TAXES Disbursement for [X] Primary 96	01/17/96	$706.00
Minn Dept Of Revenue PO Box 821 Minneapolis, MN 55480-0821	PAYROLL TAXES Disbursement for [X] Primary 96	02/15/96	$642.00
Minn Dept Of Revenue PO Box 821 Minneapolis, MN 55480-0821	PAYROLL TAXES Disbursement for [X] Primary 96	03/15/96	$881.00
Minnesota Children's Museum 10 7th St W Saint Paul, MN 55102-1104	SPACE RENTAL Disbursement for [X] Primary 96	01/05/96	$1085.00
Minnesota DFL 352 Wacouta St Saint Paul, MN 55101-1980	Buttons; Videotaping Disbursement for [X] Primary 96	03/15/96	$250.00
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER Disbursement for [X] Primary 96	01/05/96	$5000.00
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER Disbursement for [X] Primary 96	02/01/96	$5000.00

SUBTOTAL of Disbursements This Page.......................................> $14633.07

TOTAL This Period...>

...ME OF COMMITTEE(in Full)
...ellstone For Senate C002[illegible]80

Full Name Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER; EXPENSES Disbursement for [X]Primary 96	03/08/96	$5093.53
Ocasco Budget, Inc 136 N 3rd St Hamilton, OH 45025-0002	INSURANCE Disbursement for [X]Primary 96	01/05/96	$219.00
Ocasco Budget, Inc 136 N 3rd St Hamilton, OH 45025-0002	INSURANCE Disbursement for [X]Primary 96	01/19/96	$217.00
Ocasco Budget, Inc 136 N 3rd St Hamilton, OH 45025-0002	INSURANCE Disbursement for [X]Primary 96	02/15/96	$219.00
Office Max 6240 Carmen Ave E Inver Grove Heights, MN 55076-	SUPPLIES Disbursement for [X]Primary 96	01/26/96	$221.29
Christopher Pederson P.O. Box 65588 St. Paul, MN 55114-	Payroll Disbursement for [X]Primary 96	02/23/96	$304.04
Christopher Pederson P.O. Box 65588 St. Paul, MN 55114-	Payroll Disbursement for [X]Primary 96	03/08/96	$434.48
Christopher Pederson P.O. Box 65588 St. Paul, MN 55114-	Payroll Disbursement for [X]Primary 96	03/22/96	$434.48
Postmaster	POSTAGE Disbursement for [X]Primary 96	01/05/96	$1600.00
Postmaster	POSTAGE Disbursement for [X]Primary 96	01/12/96	$2000.00
Postmaster	POSTAGE Disbursement for [X]Primary 96	01/19/96	$1600.00

SUBTOTAL of Disbursements This Page.......................................> $12342.82

TOTAL This Period...>

REPORT OF RECEIPTS AND DISBURSEMENTS
For An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1 NAME OF COMMITTEE (in full)
Wellstone For Senate

ADDRESS (number and street) ☐ Check if different than previously reported.
P.O. Box 65588

CITY, STATE and ZIP CODE
St. Paul, MN 55165

STATE/DISTRICT
Minnesota

2. FEC IDENTIFICATION NUMBER
C00237180

3. IS THIS REPORT AN AMENDMENT?
☐ YES ☒ NO

4. TYPE OF REPORT

- ☐ 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)
- ☐ 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 ______
- ☐ Termination Report

This report contains activity for ☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 4/1/96 through 6/30/96		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	775,385.90	1,419,479.94
(b) Total Contribution Refunds (from Line 20(d))	8,531.00	22,636.00
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	766,854.90	1,396,843.94
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	691,324.34	1,307,153.23
(b) Total Offsets to Operating Expenditures (from Line 14)	1,177.52	1,496.08
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	690,146.82	1,305,657.15
8. Cash on Hand at Close of Reporting Period (from Line 27)	1,162,874.20	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	

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
Richard S. Kahn

Signature of Treasurer
Richard S Kahn

Date
7/15/96

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

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ULE B ... IZED DISBURSEMENTS ... AGE 24 OF
..ating Expenditures ... OR LINE NUMBER 17

AME OF COMMITTEE(in Full)
Wellstone For Senate C00237180

Full Name / Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
Minnesota Dept Of Revenue MS 5555 St. Paul, MN 55146-5555	PAYROLL TAXES Disbursement for [X]Primary 96	04/15/96	$1285.00
Minnesota Dept Of Revenue MS 5555 St. Paul, MN 55146-5555	PAYROLL TAXES Disbursement for [X]Primary 96	05/15/96	$1569.00
Minnesota Dept Of Revenue MS 5555 St. Paul, MN 55146-5555	PAYROLL TAXES Disbursement for [X]Primary 96	06/12/96	$2529.00
Minnesota DFL L/G Caucus 352 Wacouta St St. Paul, MN 55101-	LIST Disbursement for [X]Primary 96	05/17/96	$259.82
Minnesota State Fair 1265 Snelling Ave N St. Paul, MN 55108-	SPACE RENTAL Disbursement for [X]Primary 96	06/05/96	$560.00
Minnesota State Fair 1265 Snelling Ave N St. Paul, MN 55108-	UTILTIES Disbursement for [X]Primary 96	06/07/96	$126.00
Minnesota UC Fund 390 N. Robert St. Paul, MN 55101-	PAYROLL TAXES Disbursement for [X]Primary 96	04/30/96	$648.36
Mower Co. DFL 60[illegible] N Main St Austin, MN 55912-3319	EVENT EXPENSES Disbursement for [X]General 96	06/13/96	$450.00 IN-KIND
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER/SUPPLIES Disbursement for [X]Primary 96	04/05/96	$5044.71
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER/SUPPLIES Disbursement for [X]Primary 96	05/03/96	$5153.36
North Woods Advertising 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER/SUPPLIES/TIME Disbursement for [X]Primary 96	06/13/96	$107579.74

SUBTOTAL of Disbursements This Page ....> $125204.99

TOTAL This Period ....>

113

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

SECRETARY OF THE SENATE

95 AUG 29 AM 9:31

- R.C.

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Wellstone For Senate

ADDRESS (number and street) ☐ Check if different than previously reported.
P.O. Box 65588

CITY, STATE and ZIP CODE
St. Paul, MN 55165

STATE/DISTRICT
Minnesota

2. FEC IDENTIFICATION NUMBER
C00237180

3. IS THIS REPORT AN AMENDMENT? ☐ YES ☒ NO

4. TYPE OF REPORT

☐ 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)

☒ 12-Day Pre-Election Report for the Primary (Type of Election) election on Sept. 10, 1996 State of Minnesota
☐ 30-Day Post-Election Report for the ______ (Type of Election) election on ______ in the State of ______
☐ Termination Report

This report contains activity for ☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

		COLUMN A This Period	COLUMN B Calendar Year-to-Date
5	Covering Period 7/1/96 through 8/21/96		
6	Net Contributions (other than loans)		
	(a) Total Contributions (other than loans) (from Line 11(e))	521,660.55	1,941,140.49
	(b) Total Contribution Refunds (from Line 20(d))	4,435.00	27,071.00
	(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	517,225.55	1,914,069.49
7	Net Operating Expenditures		
	(a) Total Operating Expenditures (from Line 17)	510,344.15	1,817,497.38
	(b) Total Offsets to Operating Expenditures (from Line 14)	358.88	1,854.96
	(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	509,985.27	1,815,642.42
8	Cash on Hand at Close of Reporting Period (from Line 27)	1,171,280.76	
9	Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	
10	Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	-0-	

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-219-3420

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
Richard S. Kahn

Signature of Treasurer
Richard S Kahn

Date
8/28/96

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 3
(revised 4/87)

FE5AN011

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.E B
cing Expenditures

IT ZED DISBURSEMENTS

.E OF COMMITTEE(in Full)
ellstone For Senate C00237180

Full Name / Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
Minneapolis Hilton H 1001 Marquette Ave Minneapolis, MN 55403-	CATERING Disbursement for [X]Primary 96	07/22/96	$3714.90
Minnesota Dept Of Re MS 5555 St. Paul, MN 55146-5555	PAYROLL TAXES Disbursement for [X]Primary 96	07/08/96	$2444.00
Minnesota Dept Of Re MS 5555 St. Paul, MN 55146-5555	PAYROLL TAXES Disbursement for [X]Primary 96	08/16/96	$2461.00
Minnesota DFL L/G Caucus 352 Wacouta St St. Paul, MN 55101-	CONVENTION AD Disbursement for [X]Primary 96	07/11/96	$150.00
Minnesota DFL L/G Caucus 352 Wacouta St St. Paul, MN 55101-	RENT Disbursement for [X]Primary 96	07/08/96	$1800.00
Minnesota State Fair 1265 Snelling Ave N St Paul, MN 55108-	BOOTH RENTAL Disbursement for [X]Primary 96	07/08/96	$460.00
Minnesota State Fair 1265 Snelling Ave N St. Paul, MN 55108-	CUPS Disbursement for [X]Primary 96	08/20/96	$44.50
Minnesota State Fair 1265 Snelling Ave N St. Paul, MN 55108-	TICKETS Disbursement for [X]Primary 96	08/12/96	$1200.00
Minnesota UC Fund 390 N. Robert St. Paul, MN 55101-	PAYROLL TAXES Disbursement for [X]Primary 96	07/25/96	$1276.87
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER Disbursement for [X]Primary 96	07/19/96	$5000.00
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA RETAINER Disbursement for [X]Primary 96	08/02/96	$5000.00

SUBTOTAL of Disbursements This Page..> $23551.27

TOTAL This Period..>

-E B
cing Expenditures

IT ZED DISBURSEMENTS

ME OF COMMITTEE(in Full)
ellstone For Senate C00237180

Full Name / Mailing Address	Purpose of Disbursement	Date MM/DD/YY	Amount
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA SERVICES/TIME Disbursement for [X]Primary 96	07/11/96	$40000.00
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA SERVICES/TIME Disbursement for [X]Primary 96	07/25/96	$4127.97
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA SERVICES/TIME Disbursement for [X]Primary 96	08/08/96	$8165.23
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA SERVICES/TIME Disbursement for [X]Primary 96	08/09/96	$8845.00
North Woods Advertis 1708 Kenwood Pkwy Minneapolis, MN 55405-2215	MEDIA SERVICES/TIME Disbursement for [X]Primary 96	08/20/96	$2600.00
Office Max 6240 Carmen Ave Inver Grove Heights, MN 55076-	OFFICE SUPPLIES Disbursement for [X]Primary 96	07/19/96	$320.00
Office Max 6240 Carmen Ave Inver Grove Heights, MN 55076-	OFFICE SUPPLIES Disbursement for [X]Primary 96	07/30/96	$83.42
Christopher Pederson PO Box 65588 St. Paul, MN 55165	PAYROLL Disbursement for [X]Primary 96	07/12/96	$434.48
Christopher Pederson PO Box 65588 St. Paul, MN 55165	PAYROLL Disbursement for [X]Primary 96	07/26/96	$467.10
Christopher Pederson PO Box 65588 St. Paul, MN 55165	PAYROLL Disbursement for [X]Primary 96	08/08/96	$467.10
Christopher Pederson PO Box 65588 St. Paul, MN 55165	EXPENSE REIMBURSEMENT Disbursement for [X]Primary 96	07/24/96	$103.75

SUBTOTAL of Disbursements This Page ....> $65614.05

TOTAL This Period ....>

(6)

100476
NORTHWOODS ADVERTISING
935C FUTLER SQUARE
100 NO. SIXTH STREET
MINNEAPOLIS MN 55403

GANNETT

KARE 11

8811 Olson Memorial Highway
Minneapolis, Minnesota 55427
Telephone: (612) 546 1111
Fax: (612) 546 0330

REP:
SLSP: SUSAN KIEF
ADV: UNITED DEMOCRATIC FUND
PROD: UN DEMOCRATIC FUND

DATE	8/01/96	232 [illegible]
ORDER TYPE	POLITICAL	
INVOICE NO	60010048	PAGE 1
BROADCAST MONTH	AUGUST	
SCHEDULE DATES	8/01/96- 8/04/96	
CONTRACT YEAR		
BILLING INSTRUCTIONS	STANDARD BROADCAST CALENDAR	

SCHEDULE				ACTUAL BROADCAST							RECONCILIATION		
DESCRIPTION	PRICE	RATE	NUMBER INSTER	DATE	DAY	TIME	LENGTH	M/G FOR	PRODUCT DESCRIPTION	PRICE	REMARKS	DR	CR
-3P [illegible]AUR POVICH	700	2	1	8/01	TH	02:40P	2:00		V/XDFL-6362	700			
-4P GERA [illegible]	1000	2	1	8/02	FR	03:31P	2:00		V/XDFL-6362	1000			
-430P AME JOURNAL	1400	2	1	8/02	FR	04:15P	2:00		V/XDFL-6362	1400			
30P-5P N-	1600	2	1	8/01	TH	04:38P	2:00		V/XDFL-6362	1600			
A-9A TODA SHOW	1100	2	1	8/02	FR	0?:46A	2:00		V/XDFL-6362	1100			
A-430F LYRICS	6000	2	1	8/04	SU	06:23A	2:00		V/XDFL-6362	6000			
								6 TOTAL UNITS					

PERIOD COST PER CONFIRMATION	11,800.00

ACTUAL GROSS BILLING	11,800.00	SUB TOTALS	
AGENCY COMMISSION	1,770.00	TOTAL RECONCILING	.00
* NET DUE	10,030.00	ITEMS	

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG.

* TERMS ARE NET 15 DAYS

9804386 2037

7

CAMPAIGN FINANCE LAW IN MINNESOTA

I. INTRODUCTION

NOTE*: *The Minnesota Congressional Campaign Reform Act, effective January 1, 1991, authorizes the payment of general revenue funds to congressional candidates contingent upon those candidates agreeing to voluntary limitations on their campaign expenditures [1]. These provisions of the law have been held to be preempted by federal law by a 5-0 vote of the Federal Election Commission [2]. Legal action to declare the law invalid resulted in a ruling that the state is permanently enjoined from administering or enforcing its provisions [3]. As a result of this, and the fact that the law only impacts federal office candidates, this summary does not cover the provisions of the Minnesota Congressional Campaign Reform Act.

Minnesota requires candidates, political committees, party committees, and those involved in independent expenditures of more than $100 to file information on all contributions and expenditures, generally once before each election and once annually. Direct corporate contributions are prohibited. Individuals, other than candidates contributing to their own non-publicly financed campaigns and non-party entities, are limited in their contributions to specified amounts per office that vary according to whether an election is to be held in a particular year. Party contribution limits are 10 times these limits. Anonymous contributions must be $20 or less, and earmarked contributions are prohibited. Restrictions on receipt of contributions during legislative sessions are imposed upon candidates for constitutional office or the state legislature. Minnesota permits a $5 tax checkoff ($10 for a joint return). Funds from the checkoff, a direct appropriation of $1.5 million, and excess anonymous contributions are distributed to candidates for statewide office, the state senate, and the state house of representatives after primary and general elections. Funds from the checkoff are also distributed monthly to the state committee of a political party. Minnesota also offers an individual a refund of up to $50 for contributions made to qualifying candidates and political parties. The Ethical Practices Board is responsible for overseeing the campaign finance provisions of the law.

II. CONTRIBUTION AND SOLICITATION LIMITATIONS

A. Definition of Contribution. A contribution is a transfer of funds, money, or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question [4]. A contribution also includes a donation in-kind of anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question [5]. A donation in-kind includes an approved expenditure [6]. A contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee that is forgiven or paid by an entity other than that to which the loan or advance of credit is made [7]. A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate [8].

A contribution does not include services provided without compensation by an individual volunteering his time on behalf of a candidate, ballot question, political committee, or political fund, or the publicity or broadcasting of news items or editorial comments by the news media [9]. Contributions to a legal defense fund established by a candidate are not contributions for purposes of registration and reporting provisions [10].

Certain expenditures by a state political party or a substate unit of a state political party are not considered to be contributions to any candidate, and are not to be allocated to any candidates [11]. These include expenditures on behalf of candidates of that party generally, without referring to any of them specifically in any published, posted, or broadcasted advertisement [12]; for the preparation, display, mailing, or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot [13]; for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot [14]; for any political party fundraising effort on behalf of three or more candidates [15]; or for party committee staff member services that benefit three or more candidates [16].

B. Limitations on Nature of Contributions. No anonymous contribution in excess of $20 may be retained by any political committee or political fund, but must be forwarded to the Ethical Practices Board in its entirety within 14 days after receipt and deposited in the general account of the state elections campaign fund [17]. Every individual who receives a contribution in excess of $20 for a political committee or political fund must, on demand of the treasurer, inform the treasurer of the name and, if known, the address and source of the contribution, together with the amount of the contribution and the date it was received [18]. All transfers received by, or on behalf of, any candidate, political committee, or political fund are to be deposited in an account designated "Campaign Fund of . . . (name of candidate, committee, or fund)" [19]. All transfers are to be deposited promptly upon receipt, except for transfers received during the last three days of any reporting period in which they were received

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[20]. Any transfer received during the last three days of a reporting period is to be deposited within 72 hours of receipt and must be reported as received during the reporting period whether or not deposited during that period [21]. Any deposited transfer may be returned to the contributor within 60 days of deposit [22]. A transfer deposited and not returned within 60 days of that deposit is deemed to be accepted by the candidate, political committee, or political fund [23].

A treasurer for a principal campaign committee of a candidate may not deposit a contribution which, on its face, exceeds the limit on contributions to that candidate under the Act, unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess [24].

A political committee may accept a contribution in the form of stock if the market value of the stock can be determined readily [25]. The amount of the contribution reported is equal to the market value on the date received, and the stock must be converted into cash within 30 days after receipt [26]. Free air time given to and controlled by a candidate for the purpose of influencing his or her nomination or election must be reported as an in-kind contribution [27]. Credit card contributions are authorized [28].

An individual, association, political committee, or political fund may establish, finance, maintain, or control a political committee or political fund, and in so doing becomes a "parent," while the committee or fund so established is a "subsidiary" [29]. A subsidiary's contribution is attributable to its parent, and the contribution is counted toward the contribution limits of the parent as well as of the subsidiary [30].

A contribution made to a candidate by a lobbyist, political committee, or political fund must show the name and number under which the donor is registered with the Ethical Practices Board [31].

An individual, political committee, or political fund may not solicit or accept from any source a contribution with the express or implied condition that the contribution, or any part of it, be directed to a particular candidate other than the original recipient—the practice commonly known as "earmarking" [32].

No person may demand, solicit, ask, or invite any payment or contribution to any charitable, religious, or other causes or organizations, supposedly to be primarily for the public good, from any candidate for nomination or election or committee to subscribe for the support of any club or organization or to buy tickets to any entertainment or ball, or to pay for space in any book, program, periodical, or publication [33]. This does not apply to the solicitation of any business advertisement in periodicals in which the candidate was a regular contributor prior to his or her candidacy; to ordinary business advertisements; to regular payments to any organization, religious, charitable, or otherwise, of which he or she was a member or to which he or she was a contributor for more than six months before his or her candidacy; or to any ordinary contributions at church services [34].

C. Limitations on Solicitations in the Public Service. No officer, agent, clerk, or employee of any political subdivision may, directly or indirectly, during his or her hours of employment, solicit or receive funds or at any time use his or her authority or official influence to compel any officer or employee in the classified service to apply for membership in or become a member of any organization; pay or promise to pay any assessment, subscription, or contribution; or take part in any political activity [35]. No political subdivision may impose or enforce any additional limitations on the political activities of its employees [36].

D. Limitations on Contributions During Legislative Sessions. No candidate for the legislature or constitutional office, a candidate's principal campaign committee, or a legislative caucus committee, may solicit or accept a contribution on behalf of the candidate's principal campaign committee, from a registered lobbyist, political committee, or political fund during a regular session of the legislature [37]. A regular session does not include a special session or the interim between the two annual sessions of a biennium [38]. The prohibition does not apply to candidates in a special election [39] or to political party committees, except legislative caucus committees [40], and federal law preempts the application of this section to candidates for federal office [41].

E. Contributions From an Association Political Fund. No association, other than a political committee may transfer more than $100 in the aggregate, in any one year to candidates or political committees, unless the transfer is made from a political fund [42]. Any association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees [43]. Voluntary checkoff plans conducted by a membership association may be used by a political committee or political fund if the political committee or fund reimburses the association for all costs in soliciting, collecting, and recording amounts allocated to the political committee or fund, and receives only legal contributions [44]. A single payment covering both dues and political contributions is to be put into a separate trust bank account, with the political contribution transferred promptly to the political committee or fund [45]. The contents of a political fund must not be commingled with any other funds or with the personal funds of any office, member, or associate of the fund [46].

F. Limitations on Corporate Contributions and Solicitation. No corporation doing business in the state may make any contribution or offer, consent, or agree to make any contribution, directly or indirectly, of any money, property, free service of its officers or employees, or thing of value to any major political party, organization, committee, or individual to promote or defeat the candidacy of any person for nomination, election, or appointment to any political office [47]. A corporation doing business in the state may make contributions to promote or defeat a ballot question, qualify a question for placement on the ballot, or express its views on issues of public concern [48]. A corporation may contribute to or conduct public media projects to encourage individuals to attend precinct caucuses, register, or vote, if the projects are not controlled by or operated for the advantage of any candidate, major political party, or political committee [49]. A corporation may provide meeting facilities to any political committee, major political party, or candidate on a non-discriminatory and non-preferential basis [50]. A corporation selling products or services to the public may also post on their public premises messages that promote participation in precinct caucuses, voter registration, or elections, if the messages are not controlled by or operated for the advantage of any candidate, major political party, or political committee [51]. A major political party may form a nonprofit corporation for the sole purpose of holding real property to be used exclusively as the party's headquarters [52].

No insurance company or association, including fraternal beneficiary associations, doing business in the state may, directly or indirectly, pay, use, or offer, consent, or agree to pay or use any money or property for or in aid of, any political party, committee, or organization; any corporation, joint stock associations or other associations organized or maintained for political purposes; any candidate for political office or for nomination for person for money or property so used [53].

The limitations on corporate contributions also apply to certain nonprofit corporations [54]. Similarly, conduit or nonpartisan political action committees, for which corporate employees specify particular candidates to whom they wish to contribute, and an independent political action committee sponsored by an organization in name only, but not receiving any subsidy, directly or indirectly, from the sponsoring entity and that only supports candidates designated by its contributors, are permissible [55]. A partisan political action committee funded by separate collections of funds, and maintained by a corporation that provides both administrative support and designates the fund's beneficiaries and how much they may receive, is not permitted under law [56].

Any corporate solicitation of political contributions by an employee must be in writing, informational, and nonpartisan in nature, and not promotional for any particular candidate or group of candidates [57]. The solicitation must consist only of a general request on behalf of an independent political committee, and must state that there is no minimum contribution; that a contribution or lack thereof will in no way impact the employee's employment; that the employee must direct the contribution to

candidates of the employee's choice; and that any response by the employee will remain confidential and not be directed to the employee's supervisors or managers [58]. Questions from an employee regarding a solicitation may be answered orally or in writing consistent with the requirements of the law [59].

G. Prerequisites to Acceptance of Contributions. Candidates may not accept contributions from any source, other than the candidate personally, aggregating in excess of $100, or any moneys from the state elections campaign fund unless the candidate designates and causes to be formed a single principal campaign committee, but candidates have 14 days after accepting initial contributions to register their committees [60]. No contribution may be accepted by, or on behalf of, a political committee or a political fund when there is a vacancy in the office of treasurer [61]. No treasurer may accept a contribution of more than $100 from an association not registered with the Ethical Practices Board, unless the contribution is accompanied by a written statement that satisfies the requisite disclosure requirements [62]. The statement must be certified as true and correct by an officer of the contributing political committee or political fund, and the political committee or political fund that accepts the contribution must include a copy of the statement with the report that discloses the contribution to the Board [63]. The transfer of money by a national political party to its Minnesota affiliate does not require such a statement [64].

H. Limitations on Amounts of Contributions. Limitations are imposed on the amount of contributions that a candidate may permit his principal campaign committee to accept from any individual, political committee, or political fund [65]. The contribution limits apply to general elections and to special elections, separately [66]. Candidates for governor and lieutenant governor, running together, may not accept "bundled" contributions—aggregate contributions made or delivered by an individual, political committee, or political fund—of more than $2,000 in an election year for the office sought, and $500 in other years [67]; a candidate for attorney general may not accept such contributions in excess of $1,000 in an election year for the office sought, and $200 in other years [68]; candidates for the offices of secretary of state, state treasurer, or state auditor are limited to $500 in an election year for the office sought, and $100 in other years [69]; state senate candidates have a limit of $500 in an election year for the office sought, and $100 in other years [70]; and a candidate for state representative faces a limit of $500 in an election year for the office sought, and $100 in other years [71]. A delivery of a contribution made by an individual on behalf of the individual's spouse [72], and delivery of contributions collected by a member of the candidate's principal campaign committee to the committee's treasurer are not subject to the bundling limitations [73]. Similarly, certain "installment" payment systems may not violate the anti-bundling restrictions [74].

A candidate's principal campaign committee may not accept a contribution from a political committee other than a political party; a political fund; a lobbyist; or a large giver—an individual, other than the candidate, who contributes an amount that is greater than $100 and more than one-half the amount that an individual may contribute, if the contribution will cause the aggregate contributions from these types of contributors to exceed an amount equal to 20 percent of the expenditure limits for the office sought by the candidate [75].

A candidate for local government office may not accept aggregate contributions made or delivered by an individual or entity in excess of $300 in an election year, and $100 in other years, though a candidate for an office whose territory has a population of more than 100,000 has an election year limit of $500 [76].

An individual candidate is not limited in the amount the candidate may contribute for the purpose of influencing his or her own nomination or election [77], except that a candidate who accepts a public subsidy is limited in personal contributions to 10 times the candidate's election year contribution limit in contributions to the candidate's own campaign [78]. No candidate may permit his or her principal campaign committee to accept a loan, from other than a financial institution, for an amount in excess of the contribution limits or from a financial institution for which that financial institution may hold any endorser of that loan liable to pay any amount in excess of the amount that the endorser may contribute to that candidate [79]. Loan agreements must be made in writing [80].

A political party may contribute to a candidate 10 times the contribution limit imposed upon an individual, political committee, or political fund [81]. A political party is defined for this purpose as the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts [82]. The organization of a political party does not include a political party ward organization; a social club of a political party in a congressional district, legislative district, municipality, or precinct; an auxiliary committee of a political party unit; or an association that uses a political party name and is not listed in the definition of a political party for contribution limitation purposes [83].

When a candidate who sought nomination or election to one office subsequently seeks nomination or election to another office in the same election year, the contributions received to influence the nomination or election to the first office are not counted toward the campaign contribution limits for the subsequent office sought [84].

When a contribution is given on a check written on a joint account, it is deemed a contribution by the signer of the check, unless otherwise specified [85]. When a contribution is given on a check written on a joint account and specified as a joint contribution, it may be deemed a separate contribution by each of the holders of the joint account in a proportional amount [86].

Contributions made to a candidate or principal campaign committee by individual members of a political fund or committee that are solicited by the political fund or committee must be reported as attributable to the political fund or committee if the political fund or committee was organized primarily to solicit or direct the contributions of its members and to influence the nomination or election of a candidate [87]. The treasurer of the donating fund or committee must advise the candidate or the candidate's principal campaign committee if the contribution is not from the funds of the fund or committee [88].

I. Restrictions on Transfers Between Committees. A candidate's principal campaign committee may not make or accept a transfer or contribution to or from another candidate's principal campaign committee, unless the contributing candidate's principal campaign committee is being dissolved [89]. However, campaign expenditures from candidates who have more than one principal campaign committee may be made from both committees [90]. A candidate's principal campaign committee may not make to or accept a contribution from a committee associated with a candidate for federal office [91]. A candidate's principal campaign committee may not accept a contribution from a candidate for political subdivision office, unless the contribution is from the candidate's personal funds, and a candidate's principal campaign committee may not make a contribution to the principal campaign committee of a candidate for political subdivision office [92].

J. Requirements for Independent Solicitations. All written communications with those from whom contributions are independently solicited or accepted must contain a statement, in conspicuous type, that the activity is not approved by the candidate nor is he or she responsible for it [93]. Similar language must be included in all oral communications [94].

K. Limitations on Contributions and Solicitations by Judicial Candidates and Judicial Employees. A judge or candidate for judicial office should not solicit or make contributions [95], nor should a public official or employee subject to the candidate's direction or control [96]. A candidate, including a sitting judge, may not personally solicit or accept campaign funds, but may establish a committee of responsible persons to do so [97]. Contributions from attorneys may be solicited and accepted by such committees [98]. A candidate may not use or permit the use of campaign contributions for private benefit [99].

III. EXPENDITURE LIMITATIONS

A. Definition of Expenditure. An expenditure is a purchase, a payment of money or anything of value or an advance of credit made or incurred for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question [100]. An expenditure is considered to be made in the year in which the candidate made the purchase of goods or services or incurred an obligation to pay for goods or services [101]. An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate [102].

An expenditure does not include a non-campaign disbursement which is a purchase or payment of money or anything of value made, or an advance of credit incurred by a political committee, political fund, or principal campaign committee for certain specified purposes [103], including payment for accounting and legal services [104]; return of a contribution to the source [105] repayment of a loan made to the political committee, political fund, or principal campaign committee by the committee or fund [106]; payment for food and beverages consumed at, and rent for, a fundraising event [107]; services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to adjournment *sine die* of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment *sine die* to 60 days after adjournment *sine die* [108]; a donation in-kind given to the political committee, political fund, or principal campaign committee for food and beverages to be consumed at a fundraising event or constituent services as above [109]; payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities [110]; payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities [111]; payment by a principal campaign committee of the candidate's expenses for serving in public office, other than for personal uses [112]; costs of child care for the candidate's children while campaigning [113]; fees paid to attend campaign school [114]; costs of a post-election party during the election year when a candidate's name will no longer appear on the ballot or the general election is concluded, whichever occurs first [115]; interest on outstanding loans paid by a principal campaign committee [116]; filing fees [117]; post-general election thank-you notes or advertisements in the news media [118]; the cost of campaign material purchased to replace defective campaign material, if the defective material is destroyed without being used [119]; certain transfers to a party unity [120]; and other purchases or payments specified in Board rules or advisory opinions as being for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question [121].

An expenditure does not include a transfer, money, or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question [122]. Services provided without compensation by an individual volunteering time on behalf of a candidate, ballot question, political committee, or political fund [123] and the publishing or broadcasting of news items or editorial comments by the news media are not expenditures [124].

An approved expenditure is an expenditure made on behalf of a candidate by an entity other than the principal campaign committee for that candidate with the authorization of, expressed or implied consent of, in cooperation or in concert with, or at the request or suggestion of that candidate, his or her principal campaign committee, or his or her agent [125]. An approved expenditure is a contribution to that candidate [126].

B. Limitations on Nature of Expenditures. No expenditure may be made by a political committee, political fund, or principal campaign committee on behalf of a candidate for statewide office, the state legislature, or the supreme court, court of appeals, district court, county court, probate court, or municipal court judgeships, unless it is authorized by the treasurer or deputy treasurer of that committee or fund [127]. No individual or association may make an approved expenditure of more than $20 until a written authorization is received as to the amount that may be spent and the purpose of the expenditure from the treasurer of the principal campaign committee of the candidate who approved the expenditure [128]. The treasurer or deputy treasurer of a political committee may sign miscellaneous expenditure vouchers for petty cash of not more than $100 per week for statewide elections or $20 per week for legislative elections [129]. Every person who has a bill, charge, or claim against any political committee or political fund for any expenditure on behalf of a candidate for statewide office, state legislature, or for supreme court, court of appeals, district court, county court, probate court or municipal court judgeships must render, in writing to the treasurer of the committee or fund, the bill, charge, or claim within 60 days after the material or service is provided [130], or within 10 days for all other candidates except those running for President and Vice President [131].

No owner, publisher, editor, reporter, agent, or employee of any newspaper or periodical may, directly or indirectly, solicit, receive, or accept any payment, promise or compensation, nor may any person pay or promise to pay any such owner, publisher, editor, reporter, agent, or employee, directly or indirectly, for influencing or attempting to influence through any printed matter in the newspaper or periodical any voting at any election or primary through any means except through matter inserted in the newspaper or periodical as a paid advertisement under law [132].

C. Independent Expenditures. An independent expenditure is an expenditure advocating the election or defeat of a clearly identified candidate that is made without the express or implied consent, authorization, or cooperation of any candidate, his or her principal campaign committee, or his or her agent, and is not made in concert with or at the request or suggestion of any candidate, his or her principal campaign committee, or his or her agent [133]. An expenditure by a political party or political party unit in a race in which the party has a candidate on the ballot is not an independent expenditure [134]. An independent expenditure is not a contribution to that candidate [135].

Any individual, political committee, or political fund that makes independent expenditures must publicly disclose that the expenditure is an independent expenditure [136]. All written communications with those to whom independent expenditures are made on behalf of a candidate must contain a statement, in conspicuous type, that the activity is an independent expenditure, and is not approved by the candidate nor is he or she responsible for it, with similar language included in all oral communications, in conspicuous type on the front page of all literature and advertisements published or posted, and at the end of all broadcasted advertisements made by that individual, political committee, or political fund on the candidate's behalf [137].

D. Permissible Expenditures. The expenditure of money or other things of value by any candidate, personal campaign committee, party committee, or political committee for political purposes is limited to permitted expenditures [138]. Permitted expenditures are salaries, wages, and fees [139]; communications, mailing, transportation, and travel, [140]; campaign advertising [141]; printing [142]; office and other space, and necessary equipment, furnishings, and supplies incident thereto [143]; charitable contributions of not more than $50 to any charity annually [144]; and other expenses that are reasonably related to the conduct of elections [145]. Expenditures made for the purpose of providing information to constituents, are also permitted, regardless of whether or not they are related to the conduct of an election [146].

No person may directly or indirectlyadvance, pay, give, promise, or lend any money, food, liquor, clothing, entertainment, or other thing of monetary value to induce a voter to refrain from voting, or voting in a particular way, at an election, with the exception of refreshments of food an nonalcoholic beverages of nominal value consumed on the premises at a private gathering or meeting [147]. A person may also not knowingly solicit such prohibited inducements [148].

A principal campaign committee may not transfer funds to an individual running for state or local office in a state other than Minnesota [149].

Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use [150].

E. Limitations on Amounts of Expenditures. In 1980, the voters of Minnesota amended the state constitution to require that the amount that may be spent by a candidate for constitutional or legislative office to campaign for nomination or election be limited by law [151]. Limitations are placed upon the campaign expenditures of candidates for certain offices who agree to be bound by the limits as a condition of receiving a public campaign subsidy [152]. A candidate of a major political party who agrees to be bound by the limits and who has a major political party opponent who does not agree to be bound by the limits is no longer bound by the limits, but is still eligible to receive a public subsidy [153].

In a year in which an election is held for an office sought by a candidate, expenditures made by the principal campaign committee of that candidate, and approved expenditures made on behalf of that candidate may not exceed an aggregate amount of $1,725,920 for governor and lieutenant governor, running together [154]; $287,665 for attorney general [155]; $143,829 each for secretary of state, state treasurer, and state auditor [156]; an amount to be determined for state senator, but not less than $40,000 [157]; and $21,576 for state representative [158]. In addition to the joint spending limit that a candidate for lieutenant governor shares with that candidate's gubernatorial running mate, a candidate for endorsement for the office of lieutenant governor at the convention of a political party may make expenditures and approved expenditures of $30,000 or five percent of that joint limit, whichever is greater, to seek endorsement [159]. The winning candidate in a contested race in a primary, who receives less than twice as many votes as any one of his or her opponents in that primary, may make aggregate expenditures and approved expenditures equal to 120 percent of the applicable expenditure limit, but may not make aggregate expenditures and approved expenditures of more than 100 percent until after the primary [160]. In any year before an election year for the office held or sought, the aggregate amount of expenditures by, and approved expenditures on behalf of a candidate for or holder of that office, may not exceed 20 percent of the applicable expenditure limit [161].

The expenditure limits are increased by 10 percent for a candidate who is running for that office for the first time, and who has not run previously for any other office whose territory now includes a population that is more than one-third of the population of the territory of the new office [162].

The expenditure limits are to be adjusted by the Consumer Price Index, on or before December 31st of each year [163]. The 1994 limitations were $1,725,920 for governor and lieutenant governor ($345,184 for the 1995 non-election year); $287,655 for attorney general ($57,531 for the 1995 non-election year); $143,829 each for secretary of state, state auditor, and state treasurer ($28,766 for the 1995 non-election year); an amount to be determined for the 1996 state senate races ($8,630 for the 1995 non-election year); and $21,576 for state representative ($4,316 for the 1995 non-election year) [164]. These dollar amounts were adjusted for general election year 1994 and will be adjusted for subsequent general election years [165]. By June 1st of the general election year, the executive director of the Board must determine the percentage increase in the U.S. Department of Labor Consumer Price Index for all urban consumers for the St. Paul-Minneapolis metropolitan area, from December of the year preceding the general election year to December of the year preceding the year in which the determination is made, and multiply the dollar amounts for the preceding general election year by that percentage [166]. The product of the calculation is added to each dollar amount to produce the dollar limitations to be in effect for the next general election and rounded up to the next highest whole dollar [167].

Certain expenditures by a state political party, or substate unit of a state political party, are not considered to be subject to the candidate expenditure limitations and may not be allocated to any candidates [168]. These include expenditures on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published, posted, or broadcasted [169]; expenditures for the preparation, display, mailing, or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot [170]; expenditures for any telephone conversation including the names of three or more individuals who are to appear on the ballot [171]; expenditures for any political party fundraising effort on behalf of three or more candidates [172]; and expenditures for party committee staff member services that benefit three or more candidates [173].

C. Limitations on Corporate Expenditures. No corporation doing business in the state may make any expenditure to promote or defeat the nomination or election of any candidate to any political office that is made with the authorization of expressed or implied consent of, in cooperation or in concert with, or at the request or suggestion of a candidate, his or her principal campaign committee, or his or her agent [174]. A corporation doing business in the state is also prohibited from making any independent expenditure or to offer, consent, or agree to make any independent expenditure to promote or defeat the candidacy of any person for nomination, election, or appointment to any political office [175]. A corporation doing business in the state may make expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern [176].

No insurance company or association, including fraternal beneficiary associations, doing business in the state may, directly or indirectly, pay, use, or offer, consent or agree to pay or use, any money or property for, or in aid of, any political party, committee, or organization; any corporation, joint stock associations, or other association organized or maintained for political purposes; any candidate for political office or for nomination for such office; any political purpose, or for reimbursement or indemnification of any person for money or property used [177].

There are no limitations on independent expenditures on behalf of candidates by those other than corporations [178].

IV. REPORTING REQUIREMENTS

A. Registration. Any group of two or more persons that receives contributions or makes expenditures, transfers of funds, or independent expenditures, in the aggregate of more than $100, to influence the nomination or election of one or more candidates for statewide or legislative office or to promote or defeat a ballot question, must register as a political committee or political fund [179]. If the group's major purpose is to influence the nomination or election of one or more candidates or to promote or defeat a ballot question, it must register as a political committee [180]. If the group is an association whose major purpose is one other than to influence nominations or elections or to promote or defeat a ballot question, it must register as a political fund [181].

When a person or group merely solicits contributions with the approval of a candidate or the treasurer, deputy treasurer, or agent of a political committee or political fund and when those contributions are made directly to the reporting committee or fund, that person or group need not establish a separate political committee or political fund [182]. A candidate who spends only that candidate's own money is not required to register a principal campaign committee [183].

The treasurer of a political committee or political fund must register with the Board by filing a statement of organization no later than 14 days after the date upon which the committee or fund has made a contribution, received contributions or made expenditures in excess of $100 [184]. The statement of organization must include the name and address of the political committee or political fund [185], the name and address of any supporting association of a political fund [186]; the name and address of the chairman, treasurer, and any deputy treasurers [187]; a listing of all depositories or safety deposit boxes used [188]; a statement as to whether the committee is a principal campaign committee [189]; and, in the case of political parties, a list of categories of substate units [190].

B. Required Reporting and Special Exemptions. The Board must exempt any member of or contributor to any association political committee, political fund, or any other individuals from the reporting requirements if the member, contributor, or other individual demonstrates by clear and convincing evidence that disclosure would expose him or her to economic reprisals, loss of employment, or threat of legal coercion [191]. An association, political committee, or political fund may seek an exemption for all of its members or contributors if it demonstrates by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually [192].

Candidates for statewide office, state legislature, or supreme court, court of appeals, district court, county court, probate court, and municipal court judgeships, and committees supporting or opposing such candidates or ballot questions, file their reports with the Ethical Practices Board [193]. All reports or statements that must be filed with the Board by the principal campaign committee or legislative candidates must be duplicated and filed by the Board with the auditor of each county in which the legislative district lies within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed [194].

Each report required to be filed by a treasurer of a political committee or political fund or by any other individual must be signed and certified as true by the individual required to file the report [195]. Reports must be filed with the Board on or before January 31st of each year, and additional reports filed in each year in which the name of the candidate is on the ballot [196]. In each year in which the name of a candidate is on the ballot, the report of the principal campaign committee must be filed ten days before a primary and a general election, seven days before a special primary and a special election, and 10 days after a special election cycle, which will be 70 days after a special election [197]. The report due after a special election may be filed on January 31st following the special election if the special election is held not more than 60 days before that date [198]. In each general election year, political committees and political funds other than principal campaign committees must file reports ten days before a primary and general election [199]. If a scheduled filing date falls on a Saturday, Sunday, or legal holiday, the filing date may be on the next regular business day [200].

Each report must disclose the amount of liquid assets on hand at the beginning of the reporting period [202], and the name, address, and employer, or occupation if self-employed, of each individual, political committee, or political fund that within the year has made one or more transfers or donations in-kind to the political committee or political fund, including the purchase of tickets for all fundraising efforts, that in aggregate exceed $100, the amount and date of each transfer and donation in-kind, and the aggregate amount of transfers and donations in-kind within the year from each source so disclosed [203]. A donation in-kind must be disclosed at its fair market value, and is considered consumed in the reporting period in which it is received [204]. An approved expenditure is listed as a donation in-kind [205]. The names of contributors must be listed in alphabetical order [206].

The sum of contributions to the political committee or political fund during the reporting period is to be reported [207], as is each loan made or received by the political committee or political fund within the year in an aggregate in excess of $100, continuously reported until repaid or forgiven, together with the name, address, occupation, and principal place of business, if any, of the lender and any endorser, and the date and amount of the loan [208]. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it must be reported as a contribution for the year in which the loan was made [209].

Also required to be reported are each receipt in excess of $100 not otherwise listed [210]; the sum of all receipts of the political committee or political fund during the reporting period [211]; the name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by, or on behalf of the political committee or political fund within the year in excess of $100, together with the amount, date, and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question that the expenditure is intended to promote or defeat, and, in the case of an independent expenditure made in opposition to a candidate, the name, address, and office sought for each such candidate [212]; the sum of all expenditures made by, or on behalf of, the political committee or political fund during the reporting period [213]; and the amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven [214]. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that political campaign committee, it must be reported as a donation in-kind for the year in which the advance of credit was incurred [215].

The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of $100 have been made within the year, together with the amount and date of each transfer must be reported [216], as must be the sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period [217]; except for contributions to a candidate or committee for a candidate for office in a municipality as defined in MS § 471.345(1), the name and address of each individual or association to whom aggregate noncampaign disbursements in excess of $100 have been made within the year by or on behalf of a principal campaign committee, political committee, or political fund, together with the amount, date, and purpose of each noncampaign disbursement [218]; and the sum of all non-campaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period [219]. Information on aggregate contributions of more than $5,000 solicited or caused by a solicitor as defined under Minnesota law, must also be disclosed by the committee [220].

The reports of a principal campaign committee of a legislative candidate must list in a prominent place on the first page of every report each county in which the legislative district lies [221].

A report must cover the period from the last day covered by the previous report to seven days prior to the filing date, except that the report due on January 31st must cover the period from the last day covered by the previous report to December 31st [222]. In any statewide election, any loan, contribution, or contributions from any one source totaling $2,000 or more, or in any legislative or district court election totaling more than $400, that are received between the last day covered in the last report prior to an election and the election must be reported to the Board in person or by telegram or mailgram within 48 hours after its receipt, or by certified mail sent within 48 hours after its receipt, and also in the next required report [223]. The 48-hour reporting requirement does not apply to a primary if the statewide or legislative candidate is unopposed in that primary [224].

Any individual, political committee, or political fund filing a report or statement disclosing any independent expenditure must file with that report a sworn statement that the expenditures were not made with the authorization of, expressed or implied consent of, in cooperation or in concert with, or at the request or suggestion of any candidate, his or her principal committee, or his or her agent [225].

If no contribution is received or expenditure made by, or on behalf of, a candidate, political fund, or political committee during a reporting period, the treasurer of the committee or fund must file with the Board at the required reporting times a statement to that effect [226].

The treasurer must list contributions from the same source under the same name [227]. When a contribution received from any source in a reporting period is added to previously reported, unitemized contributions from the same source and the aggregate exceeds the disclosure threshold, the name, address, and employer, or occupation if self-employed, of that source must then be listed on the prescribed schedule [228]. A political committee or political fund making an expenditure on behalf of more than one candidate for state or legislative office must allocate the expenditure among the candidates on a reasonable cost basis and report the allocation for each candidate [229]. A political committee or political fund accepting a contribution of more than $100 from a political committee or political fund not registered in Minnesota must include a copy of the written statement meeting disclosure requirements that is required to accompany such a contribution, in order for the contribution to be eligible to be accepted with the report that discloses the contribution to the Board [230]. An unregistered association may provide the required written statement to no more than three political committees or political funds in any calendar year, with each statement covering at least the 30 days immediately preceding and including the date on which the contribution was made [231].

Any material changes in information previously submitted and any corrections to a report or statement must be reported, in writing, to the Board within 10 days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy [232]. The change or correction must identify the form and the paragraph containing the information to be changed or corrected [233].

Every candidate for office other than President or Vice President; state constitutional office; member of the legislature; justice of the supreme court, court of appeals, or district court, county court, probate court, or county municipal court judges; and municipal office candidates in municipalities having fewer than 20,000 inhabitants; and the secretary of every personal campaign and party committee must, eight days before the primary, on or before the 10th day following the primary, eight days before the general election, and on or before the 10th day following the general election (or seven days before and after each election for municipal candidates) [234], file a financial statement verified by the candidate or secretary of the committee, as appropriate, that shows in itemized detail all transactions, disbursements, and obligations to make disbursements for political purposes [235]. Each statement after the first must contain a summary of all preceding statements [236].

A report of receipts and expenditures is required from every such candidate and the secretary of every personal campaign and party committee [237]; each political committee [238]; the treasurer of every committee and political fund [239]; every candidate who does not designate and cause to be named a principal campaign committee; and any individual who makes independent expenditures or expenditures expressly advocating the approval or defeat of a ballot question in an aggregate in excess of $100 in any year [240]. Candidates in municipal elections in municipalities having 20,000 or fewer inhabitants are not required to file statements [241]. Reporting begins in the first year a committee or fund receives contributions or makes expenditures in excess of $100 and continues until the committee or fund is terminated [242].

The statement of any candidate and the statement of his personal campaign committee must be filed with the filing officer of such candidate [243]. The statement of every state committee and of every congressional committee must be filed with the secretary of state [244]. Candidates for election to the U.S. house of representatives and senate, and any political committees raising funds and making expenditures exclusively on behalf of any one of those candidates, may file copies of their federally required financial disclosure forms in lieu of the state requirements [245]. The statement of every party committee for a legislative district must be filed with the filing officer of the candidate for senator or representative in such legislative district [246]. The statement of every other party committee must be filed in the office of the county or subdivision within which the disbursements were made [247].

Each statement must set forth in full detail every sum of money, all property, and every other thing of value received by the candidate or committee during such period from any source he or it uses, has used, or is at liberty to use for political purposes, together with the name of every person or source from which each was received, the date when each was received, and the total amount received from all sources in any amount or manner [248]; every promise or pledge of money, property, or other thing of value received by the candidate or committee during such period, the proceeds of which he uses, has used, or is at liberty to use for political purposes, together with the names of the persons by whom each was promised or pledged, the special purposes for which each was promised or pledged, the date when each was so promised or pledged, and the total amount promised or pledged from all sources in any amount or manner [249]; every disbursement by the candidate or committee for political purposes during such period, together with the name of every person to whom the disbursement was made, the specific purpose for which each was made, the date each was made, and the total amount of disbursements made in any manner [250]; and every obligation, expressed or implied, to make any disbursement incurred by the candidate or committee for political purposes during the period, the names of the persons to or with whom each such obligation was made, the date when each was incurred, and the total amount of such obligations made in any amounts or manner [251].

A statement must also be made by a political committee showing the total amount of receipts and disbursements and for what purpose each disbursements were made [252]. The treasurer of a political committee or political fund must disclose the purpose of each expenditure or disbursement for which a third party is being reimbursed, including, but not limited to, payments to credit card companies and reimbursement of individuals for expenses they have incurred [253]. Such a statement must be filed within 30 days after any primary, municipal, or general election, when the committee is organized to support a candidate for a federal office, with the filing officer of such candidate [254]; when the committee is organized to support a candidate for a judicial, district, or county office, with the auditor of the county in which such committee has its headquarters [255]; and when the committee is organized to support a candidate for municipal office in municipalities having more than 20,000 population, with the filing officer of the municipality [256].

Any individual, political committee, association, or corporation, making any contribution or expenditure to promote or defeat a non-statewide ballot question that may be voted on by the voters in one or more political subdivisions of the state [257], must file reports eight days before and on or before the 10th day after any election with the official responsible for placing the question on the ballot [258]. Each report must cover the period from the last report to seven days before the filing date and must show the name and address of each committee, individual, or other person to whom aggregate contributions or expenditures in excess of $100 have been made to promote or defeat a ballot question, together with the amount, date, and purpose of the contribution or expenditure [259], the total amount of contributions and expenditures made to promote or defeat a ballot question [260], and identification of the ballot question that the individual, political committee, association, or corporation seeks to promote or defeat [261]. A contribution or expenditure for activities related to qualifying a question for placement on the ballot is a contribution or expenditure to promote or defeat the ballot question [262].

For any one project conducted by a corporation to encourage individuals to attend precinct caucuses, register, or vote that exceeds $100, the corporation must report the total amount, together with the date, purpose, and names and addresses of the persons receiving the contributions or expenditures to the secretary of state eight days before and on or before the day after each election [263].

C. Special Report of Lobbyists and Solicitors. A lobbyist who directly solicits and causes others to make contributions to candidates or legislative caucuses in excess of $5,000 between January 1 of the election year and 25 days before the primary or general election, must file a report with the Board on these solicitations 10 days before the primary or general election [264]. An individual, association, political committee, or political fund, other than a candidate or the members of a candidate's principal campaign committee, that directly solicits and causes others to make contributions to candidates or a legislative caucus that aggregate more than $5,000 in a calendar year must, by January 31 of the following year, file with the Board a report disclosing the amount of each contribution, the names of the contributors, and to whom the contributions were given for the accumulated contributions made or received during the calendar year [265].

V. PUBLIC FINANCING PROVISIONS

ADV # NAME DFI

SPON/PROD DFL/Wellstone

AGCY # NAME Northwoods Advertising.

ADDR

START DATE 8/1 END DATE 8/1/96.

SLS # 19 NAME Kiel DATE 1 31

BUYER Bill Hillsman PRODUCT CODES CLASS L

COMMENTS:

~~DFL buy: Wellstone~~

This is issue.

L. N	SELL PATT.	LEN	RATE SEC	DATES: START	END	ALT WK	PROGRAM NAME/OR START/END TIMES	BUYER EST.	MO	TU	WE	TH	FR	SA	SU	COST/SPOT	#SPOTS /WK	TTL # SPOTS	TOTAL COST
		:20		8/1			2-3P Maury					X				700	1	1	700
				8/2			3-4P Geraldo						X			1000	1	1	1000.
				8/2			4-4³P AJ						X			1400	1	1	1400
				8/1			4³-5P ELC					X				1600	1	1	1600
				8/2			7-9A Today Show						X			1100	1	1	1100.
				8/4			6A-4³P Olympics								X	6000	1	1	6000

COMPETITIVE INFORMATION:

KARE (11) KSTP (5) WCCO (4) KMSP (9) WFTC (29) KLGT (23) TOTAL $ 11,800

(9)

K29 FOX TWIN CITIES

COMMERICAL INSTRUCTIONS

NEW: X REVISED:

SALESPERSON: Ed Timek DATE: 8/2

CONTRACT # 6336

ADVERTISER: DFL PRODUCT: United Democratic Fund

COPY FLIGHT DATES: 8/3 - 8/5

NEW SPOT: [X] OLD SPOT: [ ] REV. SPOT: [ ]

PRODUCED IN-HOUSE [ ]

ARRIVING FROM: CONTACT Colleen Di Olivera

PHONE #: 941-9699

COPY INSTRUCTIONS: 100%

IDENTIFICATION:	LENGTH:	ROTATION INSTRUCTIONS:
XDFL-6362	200	100%

SPECIAL INSTRUCTIONS:

AFTER FLIGHT INSTRUCTIONS:

RETAIN TAPE: [X] RETURN TAPE TO: Randa DESTROY TAPE: [ ]

9304386204?

NAB BROADCASTERS

AGREEMENT FORM FOR POLITICAL BROADCASTS

STATION and LOCATION KARE-TV Minneapolis/St. Paul Date August 1 19 96

I, Kris Amundson (being) (on behalf of) MN DFL Party

a legally qualified candidate of the ________ political party for the office of ________

in the Primary election to be held on September 10, 1996, do hereby request station time as follows:

Length of Broadcast	Time of Day, Rotation or Package	Days	Class of Time	Times Per Week	No. of Weeks	Rate
8/1/96 - End of schedule	See schedule as appropriate					

Date of First Broadcast	Date of Last Broadcast

Total Charges: ________

The broadcast time will be used by Minnesota DFL Party

I represent that the payment for the above-described broadcast time has been furnished by

Minnesota DFL Party

________ and you are authorized to announce the time as paid for by such person or entity. The entity furnishing the payment, if other than an individual person, is ( ) a corporation; ( ) a committee; ( ) an association; or ( ) other unincorporated group. The names and offices of the chief executive officers of the entity are:

Kris Amundson, Executive Director

Mark Andrew, Chair

I agree to indemnify and hold harmless the station from any damages or liability, including reasonable attorney's fees, that may ensue from the performance of the above-stated broadcasts. For the above-stated broadcasts I also agree to prepare a script or transcription, which will be delivered to the station at least ________ before the time of the scheduled broadcasts. *(Note: the two preceding sentences are not applicable if the candidate personally appears during the broadcast.)* The station has disclosed to me its political advertising policies, including: applicable classes and rates; and discount, promotional and other sales practices. *(Note: The preceding sentence may be deleted).* The purchase of the time described herein is controlled, approved or authorized by the candidate or his/her authorized committee. *(Note: the preceding sentence applies only to candidates for non-federal office.)*

Date: August 1, 1996 x [signature] (Candidate/or Agent)

☐ Accepted ☐ Rejected By ________ Title ________

This request, whether accepted or rejected, will be available for public inspection for a period of two years.

TURN OVER FOR POST-BROADCAST FOLLOW-UP

930436205

2304386205 1

CONFIRMATION CONTRACT

NORTHWOODS ADVERTISING
935C BUTLER SQUARE
100 NO. SIXTH STREET
MINNEAPOLIS MN 55403

ADVERTISER	STATION MARKET	
DFL	KARE MINNEAPOLIS/ST. PAUL	

PRODUCT	SALESPERSON/OFFICE	PRINT DATE
DFL/WELLSTONE	SUSAN KIEF	07/31/96

SCHEDULE DATES	AGENCY	CONTRACT NUMBER
8/01/96 - 8/04/96	476	00289 - 00014 /

BILLING CALENDAR	TYPE	PRINTED DATE	TIME	PAGE
STANDARD BROADCAST	POLITICAL NEW	7/31/96	11:03P	1

CL=L CC'S=900 UC AGY-0000 / / UC ADV= /

SCHEDULE LINE	DAYS	N-MONTH	UNITS PER WEEK	ORDER	LENGTH	EFFECTIVE DATES	RATE SECTION	MAKEGOOD REFERENCE DATE	TOTAL UNITS	UNIT PRICE
1	...1...		1	2P-3P MAURY POVICH	:00	8/01/96	2		1	700
2	....1..		1	3P-4P GERALDO	:00	8/02/96	2		1	1000
3	....1..		1	4-430P AMER JOURNAL	:00	8/02/96	2		1	1400
4	...1...		1	430P-5P M-F	:00	8/01/96	2		1	1600
5	....1..		1	7A-9A TODAY SHOW	:00	8/02/96	2		1	1100
6	1		1	6A-430P OLYMPICS	:00	8/04/96	2		1	6000
		AUG		11800						
						GRAND TOTALS		6-UNITS		11,800

ACCEPTED FOR AGENCY/CLIENT

SIGNED ____________________

(DATE)

ACCEPTED FOR STATION

SIGNED ____________________
GENERAL MGR/CONTROLLER

(DATE)

TRAFFIC

KARE 11
8811 Olson Memorial Highway
Minneapolis, Minnesota 55427
Telephone (612) 546 1111
Fax (612) 542 9752

GANNETT

9 3 0 4 3

100376
NORTHWOODS ADVERTISING
935C BUTLER SQUARE
100 NO. SIXTH STREET
MINNEAPOLIS MN 55403

GANNETT

8011 Olson Memorial Highway
Minneapolis, Minnesota 55427
Telephone: (612) 546 1111
Fax: (612) 546 0338

REP:
SLSP: SUSAN KIEF
ADV: UNITED DEMOCRATIC FUND
PROD: UN DEMOCRATIC FUND

DATE: 8/07/96 282-00914

ORDER TYPE: POLITICAL

INVOICE NO.: 60810048 PAGE: 1

BROADCAST MONTH: AUGUST

SCHEDULE DATES: 8/01/96 - 8/04/96

CONTRACT YEAR

BILLING INSTRUCTIONS: STANDARD BROADCAST CALENDAR

SCHEDULE DESCRIPTION	PRICE	RATE	NUMBER IN SKED	DATE	DAY	TIME	LENGTH	M/G FOR	PRODUCT DESCRIPTION	PRICE	REMARKS	DR	CR
-3P SALLY POVICH	700	2	1	8/01	TH	02:40P	2:00		V/XDFL-6362	700			
-4P GERA[illegible]	1000	2	1	8/02	FR	03:31P	2:00		V/XDFL-6362	1000			
-430P AME JOURNAL	1400	2	1	8/02	FR	04:15P	2:00		V/XDFL-6362	1400			
30P-5P [illegible]	1600	2	1	8/01	TH	04:38P	2:00		V/XDFL-6362	1600			
A-9A TODA SHOW	1100	2	1	8/02	FR	0[illegible]:46A	2:00		V/XDFL-6362	1100			
A-430F LYRICS	6000	2	1	8/04	SU	06:23A	2:00		V/XDFL-6362	6000			

6 TOTAL UNITS

PERIOD COST PER CONFIRMATION: 11,800.00

ACTUAL GROSS BILLING: 11,800.00

AGENCY COMMISSION: 1,770.00

* NET DUE: 10,030.00

SUB TOTALS

TOTAL RECONCILING: .00

ITEMS

WE WARRANT THAT THE ACTUAL BROADCAST INFORMATION SHOWN ON THIS INVOICE WAS TAKEN FROM THE PROGRAM LOG

* TERMS ARE NET 15 DAYS

16030771401

DISBURSEMENT SCHEDULE
(effective 1/1/91)

JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE

(11)

PAGE	OF
29	124

FOR LINE 21a

NAME OF COMMITTEE

Minnesota Democratic Farmer Labor Party C-00025254

FULL NAME, MAILING ADDRESS & ZIP CODE	PURPOSE/EVENT	DATE	TOTAL AMOUNT	FEDERAL SHARE	NON-FEDERAL SHARE
A. SECRETARY OF STATE 180 SOB SAINT PAUL, MN	A/VOTER FILE	07/24/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,370,917.40 ☐ DIRECT CANDIDATE SUPPORT			2,000.00	860.00	1,140.00
B. SENATE DFL CAUCUS 352 WACOUTA ST PAUL, MN	A/ MAPS	07/24/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,371,079.40 ☐ DIRECT CANDIDATE SUPPORT			162.00	69.66	92.34
C. NOVEMBER 5 GROUP 316 PENNSYLVANIA AVE SE WASHINGTON, DC	A/ MEDIA	07/26/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,397,079.40 ☐ DIRECT CANDIDATE SUPPORT			26,000.00	11,180.00	14,820.00
D. NORTHWOODS ADVERTISING 1708 KENWOOD PKWY MINNEAPLOIS, MN	A/ MEDIA	07/30/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,447,079.40 ☐ DIRECT CANDIDATE SUPPORT			50,000.00	21,500.00	28,500.00
E. BANK ADJUSTMENT PAYROLL 352 WACOUTA STREET SAINT PAUL, MN	A/AUDIT ADJUSTMENT	07/31/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,445,974.68 ☐ DIRECT CANDIDATE SUPPORT			-1,104.72	-475.03	-629.69
F. PIONEER PRESS 350 ST PETER STREET SAINT PAUL, MN	A/ SUBSCRIPTION	07/31/96		43.00%	57.00%
CATEGORY: ☒ ADMINISTRATIVE/VOTER DRIVE ☐ FUNDRAISING ☐ EXEMPT EVENT YEAR-TO-DATE: 1,446,021.87 ☐ DIRECT CANDIDATE SUPPORT			47.19	20.29	26.90
SUBTOTAL OF JOINT FEDERAL AND NON-FEDERAL ACTIVITY THIS PAGE			77,104.47	33,154.92	43,949.55
TOTAL THIS PERIOD (Fed. share to 21 a i and non-Fed. share to 21 a ii)					
TOTAL THIS PERIOD FOR THE NON-FEDERAL SHARE (used for line 31 of the detailed summary page)					

FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 21, 1996

Chris Georgacas
Chairman
The Republican Party of Minnesota
480 Cedar Street
Suite 560
St. Paul, MN 55101

RE: MUR 4509

Dear Mr. Georgacas:

This letter acknowledges receipt on October 11, 1996, of the complaint you filed alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) 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 4509. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Colleen T. Sealander, Attorney
Central Enforcement Docket

Enclosure
Procedures

FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 21, 1996

Paul Schulte, Treasurer
Minnesota Democratic-Farmer-Labor
Party-Federal
352 Wacouta Street
Saint Paul, MN 55101

RE: MUR 4509

Dear Mr. Schulte:

The Federal Election Commission received a complaint which indicates that Minnesota Democratic-Farmer-Labor Party-Federal 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 4509. 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 Minnesota Democratic-Farmer-Labor Party-Federal and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

If you have any questions, please contact Erik Morrison at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Colleen T. Sealander, Attorney
Central Enforcement Docket

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

93043362055

FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 21, 1996

Paul Schulte, Treasurer
Minnesota Democratic-Farmer-Labor
Central Committee
352 Wacouta Street
Saint Paul, MN 55101

RE: MUR 4509

Dear Mr. Schulte:

The Federal Election Commission received a complaint which indicates that Minnesota Democratic-Farmer-Labor Central 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 4509. 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 Minnesota Democratic-Farmer-Labor Central Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

If you have any questions, please contact Erik Morrison at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Colleen T. Sealander, Attorney
Central Enforcement Docket

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

FEDERAL ELECTION COMMISSION
Washington, DC 20463

October 21, 1996

Richard S. Kahn, Treasurer
Wellstone for Senate Committee
PO Box 65588
Saint Paul, MN 55165

RE: MUR 4509

Dear Mr. Kahn:

The Federal Election Commission received a complaint which indicates that the Wellstone for Senate Committee ("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 4509. Please refer to this number in all future correspondence.

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

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

If you have any questions, please contact Erik Morrison at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Colleen T. Sealander, Attorney
Central Enforcement Docket

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

cc: Paul Wellstone

WEINBLATT & ASSOCIATES
ATTORNEYS & COUNSELORS AT LAW

Suite 1616 Pioneer Building
336 North Robert Street
St. Paul, MN 55101
Telephone (612) 292-8770
Fax (612) 223-8282

Alan W. Weinblatt
Lawrence E. Meuwissen*
Juan J. Martinez
Katharina E. Liston

*Also admitted in District of Columbia

RECEIVED FEDERAL ELECTION COMMISSION MAIL ROOM
NOV 15 11 39 AM '96

November 12, 1996

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL
NOV 15 12 06 PM '96

BY U.S. MAIL AND FACSIMILE

Erik Morrison
Federal Election Commission
999 E Street NW
Washington, DC 20463

Re: MUR 4509

Mr. Morrison:

I represent the Minnesota Democratic-Farmer-Labor Party, its Treasurer Paul K. Schulte and the Wellstone for Senate Committee and its Treasurer Richard S. Kahn.

Per our conversation of today, the purpose of this letter is to respectfully request an extension of time to December 5, 1996 for the purpose of responding to the Complaint. The Complaint was received sometime between October 25 and October 28.

If you have any questions about this please call or fax to me at the address above.

Alan W. Weinblatt

ALAN W. WEINBLATT
FOR
WEINBLATT & ASSOCIATES

AWW:ak
cc: Charles Weed
Kris Amundson
Rick Kahn
Paul Schulte

93043852051

STATEMENT OF DESIGNATION OF COUNSEL

MUR: 4509

NAME OF COUNSEL: Alan W. Weinblatt

FIRM: Weinblatt & Associates

ADDRESS: 1616 Pioneer Building, 336 N. Robert Street, St. Paul, MN 55101

TELEPHONE: (612) 292-8770

FAX: (612) 223-8282

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.

11/14/96 — Date

Charles R. Weed — Signature

RESPONDENTS NAME: Democratic- Farmer-Labor Party

ADDRESS: 352 Wacouta Street, St. Paul, MN 55101

TELEPHONE: HOME(___)

BUSINESS (612) 293-1200

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 1996

Alan W. Weinblatt, Esq.
Weinblatt & Associates
Suite 1616 Pioneer Building
336 North Robert Street
St. Paul, MN 55101

RE: MUR 4509
Minnesota Democratic-Farmer-Labor Party, Paul K. Schulte, Treasurer, Wellstone for Senate Committee, Richard S. Kahn, Treasurer

Dear Mr. Weinblatt:

This is in response to your letter dated November 12, 1996 which we received on November 13, 1996 requesting an extension to respond to the complaint filed in the above-noted 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 December 5, 1996.

If you have any questions, please contact the Central Enforcement Docket at (202) 219-3400.

Sincerely,

Erik Morrison

Erik Morrison, Paralegal
Central Enforcement Docket

STATEMENT OF DESIGNATION OF COUNSEL

MUR [redacted] 4509

NAME OF COUNSEL: Alan W. Weinblatt

FIRM: Weinblatt & Associates

ADDRESS: 1616 Pioneer Building, 336 North Robert Street, St. Paul, MN 55101

TELEPHONE: (612) 292-8770

FAX: (612) 223-8282

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.

11/22/96 — Date

[signature] — Signature
TREASURER

RESPONDENT'S NAME: Wellstone for Senate

ADDRESS: ~~2900 University Ave. W., St. Paul, MN 55114~~ P.O. BOX 65588 55165

TELEPHONE: HOME (612) 525-2282

BUSINESS (612) 643-0828

93043862054

WEINBLATT & ASSOCIATES
ATTORNEYS & COUNSELORS AT LAW

Suite 1616 Pioneer Building
336 North Robert Street
St. Paul, MN 55101
Telephone (612) 292-8770
Fax (612) 223-8282

Alan W. Weinblatt
Lawrence E. Meuwissen *
Juan J. Martinez
Katharina E. Liston
Ronald J. Lundquist
*Also admitted in District of Columbia

December 5, 1996

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

DEC 10 2 39 PM '96

VIA FAX AND MAIL

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

RE: MUR 4509

Mr. Morrison:

Enclosed for filing in connection with the above-referenced matter please find Respondent's Answer and Motion to Dismiss.

Alan W. Weinblatt

ALAN W. WEINBLATT
FOR
WEINBLATT & ASSOCIATES

AWW:js
cc: Kris Amundson
Charles Weed
Rick Kahn
Mark Elias
Enclosure

9 8 0 4 3 3 6 2 0 4 5

BEFORE THE FEDERAL ELECTION COMMISSION

IN RE:

Complaint Against the Democratic Farmer-Labor-Committee and the "Wellstone for Senate Committee", Richard S. Kahn, Treasurer,

Respondents.

MUR 4509
REPLY AND MOTION TO DISMISS

I represent the Minnesota Democratic-Farmer-Labor Committee (the "DFL")[1], the Wellstone for Senate Committee ("Wellstone Committee"), and Richard S. Kahn, its Treasurer, Respondents in the above-referenced matter. This Reply and Motion is intended to respond to the complaint dated October 9, 1996, submitted over the signature of one Chris Georgacas, Chairman of the Republican Party of Minnesota ("Republican Party"). Because the complaint is without factual or legal merit, Respondents hereby move the Federal Election Commission ("FEC") to dismiss MUR 4509.

SUMMARY

The DFL and the Wellstone Committee dispute the so called "Facts" contained in the October 9, 1996 letter of complaint which are stated to be "on information and belief". Respondents submit that these so-called statements of fact are not factually true and that there is no information or good faith belief to support them.

---

[1]The October 9, 1996 complaint erroneously refers to the DFL as the "Democrat State Party". It is obvious that the drafter of this complaint letter had no familiarity at all with Minnesota political committees.

I.

AD CONTENT

The CNN ad was a republication of a Cable News Network ("CNN") analysis of untruthful political advertisements that had been prepared and distributed in Minnesota by New York Senator Alfonz D'Amato and the National Republican Senatorial Committee. The CNN analysis was addressed exclusively to the subject of the truthfulness of the D'Amato ad. The DFL ad urged viewers simply to consider the factual information originally discovered and aired by CNN. It did not in any manner urge any electoral action by the viewers. It urged only calls of complaint to the State Republicans. See Complaint Exhibit 4.

The second DFL ad complained about (Misleading/Revised) likewise, focused exclusively on the dishonesty of national Republican ads. It did not mention any Republican candidate. The message was "So call the Republicans. Tell them to stop the attacks and stick to the facts."

Likewise, the third ad complained about, "No Reception", did not have any electioneering message and did not expressly advocate the election or defeat of any federal candidate. Indeed it urged no electoral action at all. It was intended solely to call voters' attention to the untruthfulness of the Republican ads. The political advertisements complained about had absolutely nothing to do with the Republican candidate for election to the United State Senate. The identity of that candidate was not even known until after one or more of these advertisements had been run.[2] The ad's mention of the DFL

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[2]The Republican candidate for the United States Senate was not selected until the September 9, 1996 partisan primary. The candidate ultimately selected had not

candidate was only to set a context to demonstrate the Republican falsehoods

The reasons for the airing of these particular political advertisements by the DFL were as follows:

1. This state had never previously experienced deceitful and untruthful political commercials such as those aired by New York Senator Alfonz D'Amato and the National Republican Senatorial Campaign Committee. Our tradition in Minnesota on both sides of the political isle was that such untruthfulness was beyond the pale of political civility.

2. It was the desire of the DFL to "blow the whistle" and to alert the citizenry of the state, irrespective of their political party, of the danger presented by Senator D'Amato and the Senate Republican Campaign Committee's commercials.

3. The DFL desired to urge citizens who agreed with the above policy to call the Minnesota Republican Party at the telephone number listed on the ads and clearly voice displeasure about these ads.

4. The DFL desired to avoid all mention of any candidate, except that absolutely necessary to set the matter in correct context. It wanted to avoid giving additional publicity to Republican candidates. The critical message of the ad was not an electioneering message but rather one of reminding the citizenry of this state of the importance of the policy that political advertising be truthful.

5. The Hennepin County Minnesota, District Court, shortly before these advertisements were aired, had declared unconstitutional the state law[3] prohibiting untruthful political ads. That decision was affirmed on appeal. See State v. Jude, 554 N.W.2d 750 (Minn. App.

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[3]Minnesota Statutes §211B.06, subd. 1 which requires truthfulness in political advertising.

1996). The DFL desired to alert the citizenry of the State of Minnesota about the consequences of untruthful ads such as those aired by Senator D'Amato and the Republican Senatorial Campaign Committee in order to lay the foundation for legislative action by the 1997 Minnesota State Legislature to cure the state statute which had been ruled unconstitutional. Thus, all of the ads focus on the public policy issue of truth in political advertising which had been adhered to by all political parties prior to Chris Georgacas assumption of the duties of Chair of the Republican Party of Minnesota .

The undersigned has been advised that the effort was successful insofar as the legislature will address the subject of modification of Minnesota Statute §211B.06 at its next session and will attempt, constitutionally, to prohibit the types of untruthful political advertising sent into this state by Senator D'Amato.

II.

ARGUMENT

The complaint concedes that the television stations that ran the ad considered these ads to issue advertising and not political advertising. While the conclusion drawn by the television stations that the ads were issue advertising is not binding on this Commission, the fact that the conclusion was reached, based upon a common sense review of the ads, should lead the Commission to concur that the ads were issue advertising.

A.

NO EXPRESS ADVOCACY

The DFL advertisement did not contain words of express advocacy. The advertisement did not instruct the vote to "vote for," "vote against," "elect," or "defeat" anyone. In fact, the only "call to action" contained in the ad was clear and unambiguous -- it directs viewers to "call the Republicans" not any specific candidate. Nowhere in the ad did it suggest that viewers vote for or against anyone. Because the call to action was clearly aimed at contacting the Republican Party to express the viewers' opinions on the subject of truth in political advertising rather than at "exhorting" the viewer to vote for or against any candidate or candidates, there cannot be any suggestion of express advocacy.

Nor can "express advocacy" be found from any electioneering message in these ads. The complete absence of an electioneering message is plain also from a review of the Ninth Circuit's 1987 opinion in FEC v. Furgatch, 807 F.2d 857 (9th Cir. 1987) on which the Commission's current regulations are based. In that case the Ninth Circuit held that "speech need not include any words in Buckley to be express advocacy under the Act, but it must, when read as a whole, and with limited reference to external events, be susceptible of no other reasonable interpretation but as an exhortation to vote for or against a specific candidate." Id. at 864. The court then established a three-part standard to determine if particular political speech meets this test:

> First, even if it is not presented in the clearest, most explicit language, speech is "express" for present purposes if its message is unmistakenable and unambiguous, suggestive of only one plausible meaning. Second, speech may only be termed "advocacy" if it presents a clear plea for action, and this speech that is merely informative is not covered by the Act. Finally it must be clear what action is advocated. Speech cannot be express advocacy of the election or defeat of a clearly identified candidate when reasonable minds could differ as a to whether it encourages a vote for or against candidate or encourages the reader to take some other kind of action.

Id. (emphasis added).

This same test is embodied in the Commission's regulatory definition of "express advocacy." 11C.F.R. §100.22. Section 100.22 defines express advocacy to include communications that include explicit words of express advocacy such as "vote for," "vote against," "elect," and "defeat." 11 C.F.R. §100.22(a). However, like Furgatch, it also includes communications that

> when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy of the lection or defeat of one or more clearly identified candidate(s) because --
>
> (1) The electoral portion of the communication is unmistakable, unambiguous, and suggestive of only one meaning; and
>
> (2) Reasonable minds could not differ as to whether it encourages actions to elect or defeat one or more clearly identified candidate(s) *or encourages some other kind of action*.

11 C.F.R. §100.22(b) (emphasis added).

The DFL advertisement did not fall within the boundaries of "electioneering" established in Furgatch and Commission regulations. Most importantly, the advertisement's sole call to action was for viewers to contact the Minnesota Republican Party and urge it to re-adopt the policy of truth in political advertising that previously had prevailed in Minnesota. Thus, under the Commission's regulatory test, as well as under Furgatch, the ad did not contain an electioneering message because it encouraged the viewer to "some kind of action" other than voting.

In this important respect the DFL advertisement was significantly different from the advertisement that was at issue in Furgatch. Unlike the DFL advertisement that contained a clear call to action, in Furgatch the court found that the advertisement was "bold in calling for action, but fails to state expressly the precise action called for, leaving an obvious blank that the reader is compelled to fill in." Id. at 865. Noting that the advertisement simply told the public "don't let them do it," the Ninth Circuit found itself "presented with an express call to action, but no express indication of what action is appropriate." Id. After reviewing and ruling out all possible non-electoral actions that the ad could have encouraged (impeachment, judicial or administrative action), the Ninth Circuit was left to conclude that "the only way to not let him do it was to give the election to someone else." Id.

In contrast to Furgatch, in the instant matter there is no ambiguity as to what action the advertisement encouraged. The advertisement's call to action unambiguously asked viewers to call the Republican Party (giving its phone number) to express their displeasure with the untruthfulness of the Republican Party's political ads.

Second, the central question in reviewing this advertisement is not whether it portrayed any candidate favorably or unfavorably. The DFL talked about the absence of truth in the Republican ads and what persons who support truth in such advertising should do. Furgatch, instructs courts and the FEC to focus on what the advertisement urges the viewer to do rather than on the tone of the ad. 807 F.2d at 864. ("The pivotal question is not what the reader should prevent Jimmy Carter from doing, but what the reader should do to prevent it"). In this case, it is clear that the only "call to action" involved telephoning the Republican Party and urging it to run only truthful ads. Similarly, both the Furgatch opinion and the Explanation and Justification for the Commission's regulatory definition make clear that when evaluating an advertisement the most important consideration is its objective content, rather than the subjective intent of its sponsor. See Furgatch. 807 F.2d 863; 60 F.R. 35292, 35295 (July 6, 1995). In this instance, the advertisement speaks for itself -- it is an issue ad -- a call to support truthful political advertising.

Finally, in considering this matter, the Commission should be mindful of the Ninth Circuit's admonition that "if any reasonable alternative reading of speech can be suggested, it cannot be express advocacy." Id. In this case the most reasonable reasoning of the advertisement is a reading of the plain text, of what the ad in plain English actually communicates.

B. The DFL Advertisement Included a Proper Call to Action

The Republican complaint places primary focus on the DFL's advertisement's "call to action." Specifically, the Republican complaint argues that the call to action -- "Call the Republicans. Tell them to stop the attacks and stick to the facts" -- was insufficient because it did not refer to a particular piece of legislation that was currently pending before Congress. The Republican's objection is without merit.

Advisory Opinion 1995-25 does not require the DFL to employ a call to action that is limited to specific, pending legislation at the Congressional level. One could imagine, for example, a call to action asking viewers to pressure a candidate through telephone calls to commit-- before an election -- to adhere to a particular legislative position if and when he or she is elected. For example, a proper issue ad could include the following call to action. "Call John Smith and ask him to promise that, if elected , he won't raise gasoline taxes." Such a call to action would be appropriate even if no such tax increase was currently before Congress and even if Candidate Smith was not currently a Member of Congress. Similarly, permissible would be a call to action (like the one in Christian Action Network) that simply implores viewers to contact the advertisement's sponsor for more information. In short, the propriety of a given call to action that is intended to influence future public policy does not rest upon Congress' current legislative calendar.

This is especially the case with respect to ads by political parties. The fact is that parties have platforms containing numerous policy positions not directly tied to pending legislation and they certainly have the right to attempt to influence the legislative process by framing the issues that will likely be advanced in the future, even if those issues are not currently in concrete legislative form before Congress.

The DFL had ample reason to be concerned over the absence of truth in the Republican ads. In State v. Jude, 554 N.W.2d 750 (Minn. App. 1996) (copy attached) a Minnesota Trial Court had adopted the Republican candidate's arguments that the Minnesota truth in political advertising law, Minn. Stat. §211B.06, subd. 1 (a) was pre-empted by the FECA and (b) was unconstitutional. The Court of Appeals subsequently modified the trial court ruling but affirmed the unconstitutionality in part, 554 N.W.2d 750. Unless the public could be motivated to insist that Republican ads be truthful, there might be no other way to insure that honesty in political advertisements would be the rule. To create public awareness of the need for truthful political ads was a major focus of the DFL. The D'Amato attack ads were new to this state and at odds with our historic policy and tradition of honesty in political advertising. To help ensure that such policy be continued the ad urged the above stated call to action. Unless the public was educated about the evils of untruthful political ads like those sponsored by Senator D'Amato and the Republican Party in 1996, the DFL effort to secure passage of corrective legislation in 1997 to reverse the decision in State v. Jude, Supra would be impeded.

Parties have a legitimate interest in advancing all types of policy objectives with equal vigor. The fact that some are connected to concrete pieces of proposed legislation while others reflect the policy commitment that may be applied to a number of possible bills or potential legislation is of no legal significance. What is important is the DFL's ability to promote its ideas (as opposed to its candidates) and to pressure candidates to commit to those policy positions. The Court in Buckley and elsewhere has guaranteed this right without governmental intrusion or interference. The Furgatch Court reaffirmed this right and made it clear that a more fluid "electioneering message test" should not be construed to burden protected issue communication. 807 F.2d at 864.

In sum, if, as the Furgatch court held, there are no "magic words" required for "express advocacy," then there is certainly no one formula for a call to action. The call to action in this case asked viewers to contact the opposing political party that had run untruthful ads to pressure it on an issue of public importance truthful political advertising.

These issues and the DFL advertisement, fall squarely within the legislative and policy agenda that the DFL seeks to advance. The promotion of these ideas through ads such as that at issue, helps build the DFL generically by generating popular support among the public for its popular ideas and initiatives. It also strengthens the DFL by forcing the Republican Party to commit to supporting these policies. In short, actively addressing the Republicans' position on campaign advertising by having viewers call the Republican Party directly is important for the advancement of the DFL agenda. As such the DFL advertisement qualifies as issue advocacy protected by the First Amendment.

C. *The DFL Advertisement Contained the Correct Disclaimer and was Property Financed*

In Advisory Opinion 1995-25 the Commission concluded that advertisements advocating a party's legislative agenda should be characterized "as administrative costs or generic voter drive costs." That is precisely what was done in this instance. The DFL treated these costs as administrative/Party building and they were paid for under the appropriate state allocation formula accordingly. 11 C.F.R. §106.5(d). In addition, the DFL advertisement contained an appropriate disclaimer which stated that it was paid for by the DFL.

D. *The Placement of the DFL Advertisement* and any Coordination Between the Party and Campaign is not Relevant

In addition to addressing the "call to action" requirement of Advisory Opinion 1995-25, the Republican's complaint includes a brief discussions of two "facts" of no particular import or consequence to the determination of this matter. Specifically, the Republicans argue that the "placement" of the advertisement (i.e. the media markets in which it aired) and alleged "coordination" between the DFL and some unspecified campaign both support its complaint. The Republican Complaint is mistaken on both counts.

There is no legal basis to support the Republican's assertion that issue ads mentioning a specific public official may only be aired in his or her electoral district. As noted above, the DFL advertisement, like all issue advertisements, sought to promote the DFL's policy agenda in several ways. It is true that one manner of advancing that agenda is to place direct pressure on elected public officials via their own constituents. However, there are other more important objectives that advertisements such as this one serve. In this case the objective was to place pressure on the Republican Party and its surrogates. Any mention of a candidate was solely for the purpose of setting the contest to demonstrate the untruthfulness of the Republican and D'Amato ads.

Advertisements like these place pressure on all political parties and candidates to take public stands on issues such as truth in political advertising that are central to the Party's overall policy agenda. It is precisely at that time when candidates are facing the electorate that a political party is best able to achieve policy concessions from the opposing party. Given the nature of the message and the nature of the "call to action" the fact that this advertisement ran statewide is not surprising.

By forcing candidates and public officials of both parties to address issues of importance to the DFL the party achieves an important end in party building. This is especially true where, as here, the advertisement encourages direct public action on these issues. By directing the public to call the Republican Party about these issues, the DFL is both able to exact policy concessions from it as well as inform and excite the public about the issue.

The Republican's second objection that the advertisement was coordinated with an undesignated campaign is simply a red herring meant to distract the Commission from the legally relevant issue in this matter. The DFL advertisement does not purport to be an independent expenditure. Thus coordination between the Party and its candidates is simply irrelevant. To the contrary, it should come as no surprise that the DFL and its candidates might share common consultants and might even coordinate the methods they will use to promote the DFL current policy agenda. It is the traditional role of the parties to formulate and coordinate message and platform positions with and for the candidates. In fact, at the time the Commission issued Advisory Opinion 1995-25, Commission regulations presumed that the parties <u>always</u> acted in coordination with their candidates and were incapable of independence. This fact alone that parties and candidates coordinate is irrelevant to the question of whether parties can engage in advocating issue positions.

In sum, candidates are, and should be, involved with the DFL in formulating its issues strategy. That does not alter or affect status as an issue advertisement. In fact, as discussed above, in Furgatch the Court explicitly disavowed any Commission attempt to delve into the "intent" of the ad's sponsor. 807 F.2d at 863. What is important is the advertisement's message not how it was produced, or who was involved in the production. When viewed in this light, it is clear that the DFL advertisement is a properly financed issue advertisement.

II. A Broad Construction of "Express Advocacy" that Prohibits Advertisement Would Violate the DFL First Amendment Rights

In suggesting that the DFL advertisement should have been treated by the DFL as an expenditure under section 441a(d) rather than an administrative or Party building expense the Republican Complaint clearly hopes to rely upon an unprecedented application of the "express advocacy" standard what would encompass a free floating and ambiguous notion of "electioneering." The courts, however, have constantly held that the First Amendment requires that limitations on political speech must be construed as narrowly as possible. Courts have routinely found that the narrowest limit on speech necessary to accomplish the Act's goals is the express advocacy standard construed and applied conservatively. Moreover, courts have found the application of an elastic electioneering message standard to political speech unconstitutionally vague and thus violative of the Fifth Amendment.

In addition, the result of the Republicans' arguments would be that the FEC would discriminate against political party committees by holding them to a higher standard of issue advocacy than it holds other non-party committees financing similar issue advertisements. As a result of several court decisions, the Commission has applied the express advocacy test to other committees. Concepts of Equal Protection require the

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Commission to act accordingly in this instance.

When reviewed through the proper legal lens, it is clear that the DFL advertisement was properly financed and accounted for by the Party because it did not "expressly advocate" the election or defeat of any clearly identified candidate for federal office. Instead, the advertisement focused on, and attempted to influence policy positions of import to the DFL. Because such conduct is lawful, the Republicans' complaint should be dismissed.

A. Only the Express Advocacy Standard is Sufficiently Narrowly Tailored to Survive the Strict Constitutional Scrutiny Applied to Restrictions on the First Amendment

The First Amendment of the United States Constitution embodies a "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open," New York Times v. Sullivan, 376 U.S. 254, 270 (1964). Political expression, including discussion of public issues and debate on the qualification of candidates, enjoys extensive First Amendment protection. FEC v. Christian Action Network, 894 F. Supp. 946, 952 (W.D. Va. 1995), aff'd. Mo. 95-2600, 1996 U.S. App. LEXIS 19047 (4th Cir. Aug. 2, 1996). Maine Right to Life Comm. v. FEC, 914 F. Supp. 8 (D. Me. 1996); FEC v. American Federation of State, County and Municipal Employees, 471 F. Supp. 315 (D.D.C. 1979). The Supreme Court has held that this First Amendment protection imposes significant restrictions on the powers of state and federal government to regulate contributions and expenditures for political purposes. Buckley v. Valeo, 424 U.S. 1 (1976); Brownsburg Area Patrons Affecting Change v. Baldwin, No. 96-1357-CH/G, 1996 U.S. Dist. LEXIS 15827 (S.D. Ind. Oct. 23, 1996). Specifically, the First Amendment requires courts to "apply the most exacting scrutiny to regulations that suppress, disadvantage, or impose differential burdens upon speech because of its content." Turner Broadcasting Sys. Inc. v. FEC, 512 U.S. 622, 114 S. Ct. 2445, 2459 (1994). "Exacting scrutiny" requires that restriction on political speech serve a "compelling government interest" in order to avoid unconstitutionality. Buckley v. Valeo, 424 U.S. at 22-25.

As noted above, courts have long recognized that communication on public issues must be afforded the broadest possible protection under the First Amendment. One result of this broad protection is that even when issue communication address widely debated campaign issues and draw upon a discussion of candidate's positions on particular issues, courts have held that these communication are not subject to regulation under the FECA. See. e.g. Buckley, 424 U.S. at 42; Christian Action Network, 894 F. Supp. at 951.

Indeed, the Court in Buckley recognized that in light of the "intimate tie" between public issues and candidates it is frequently difficult to distinguish between issue advocacy and election advocacy at all:

> The distinction between discussion of issues and candidates and advocacy of election and defeat of candidates may often dissolve in practical application. Candidates, especially incumbents, are intimately tied to public issues involving legislative proposals and governmental actions. Not only do candidates campaign on the basis of their positions on various public issues, but campaigns themselves generate issues of public interest.

Buckley, 424 U.S. at 42.

In light of the inevitable difficultly in distinguishing between the discussion of issues and the advocacy of candidates, courts have consistently held that the First Amendment demands that issue advocacy be protected from regulation even if the speech could influence the election.

> Public discussion of public issues which also are campaign issues readily and often unavoidably draws in candidates and their positions, their voting records and other official conduct. Discussion of those issues, and as well more positive efforts to influence public opinion on them tend naturally and inexorably to exert some influence on voting at elections.

Buckley, 424 U.S. at 42n. 50 (quotations omitted). Notwithstanding this inevitable influence on election, application of a conservative, closely drawn express advocacy standard "is consistent with the firmly established principle that the right to speak out at election time is one of the most zealously protected under the Constitution." FEC v. Central Long Island Tax Reform, 616 F.2d 45, 53 (1980). As one District Court confronting this precise issue recently stated:

> FEC restriction of election activities was not to be permitted to intrude in any way upon the public discussion if issues. What the Supreme Court did was draw a bright line that may err on the side of permitting things that affect the election process, but all costs avoids restricting in any way, discussion of public issues . . . The result is not very satisfying from a realistic communications point of view and does not give much recognition to the policy of the election statute to keep

> corporate money from influencing elections in this way, but is does recognize the First Amendment interest as the Court has defined it.

Maine Right to Life, 914 F. Supp. at 12 (emphasis added).

Thus, the courts have strictly limited the definition of express advocacy to those instances in which the communication both clearly identifies a candidate and includes explicit words advocating the election or defeat of that candidate. In Christian Action Network, for example, the court held that an advertisement criticizing the Democratic agenda on homosexual civil rights was protected issue advocacy. While the ads clearly identified a candidate and, when viewed in context, were clearly hostile towards President Clinton's position on the issue, the court concluded that because they did not "exhort the public to vote" a particular way, they did not constitute express advocacy. Christian Action Network, 894 F. Supp. 946, 953. Recognizing the broad scope of protection afforded issue communications, the Fourth Circuit affirmed the lower court's decision, stating that "it would be inappropriate for us, as a court, to even inquire whether the identification of a candidate as pro-homosexual constitutes advocacy for, or against, that candidate." 1996 U.S. App. LEXIS 19407 at *4. Thus, consistent with Buckley, the Fourth Circuit concluded that even the exercise of evaluating whether a given issue as is "for" or "against" a particular candidate would impinge on the ad sponsor's First Amendment rights absent clear words of express advocacy.

Similarly, in AFSCME the court held that poster of a clearly identified candidate that did not also contain an exhortation to vote for or against that candidate was a protected issue communication under the First Amendment. In so holding, the court noted that "although the poster includes a clearly identified candidate and may have tended to influence voting it contains communication on a public issue widely debated during the campaign. As such, it is the type of political speech which is protected from regulation under 2 U.S.C. §431." AFSCME, 471 F. Supp. at 317.

In fact, courts have protected issue communications from regulation even where they raise highly controversial issues or express disfavor with a particular candidate's position:

> There is no requirement that issue advocacy be congenial or non-inflammatory. Quite the contrary, the ability to present controversial viewpoints on election issues has long been recognized as a fundamental First Amendment right.

Christian Action Network, 894 F. Supp. at 954-55 ("It is clear from the cases that expressions of hostility to the positions of an official, implying that the official should not be reelected even when that implication is quite clear do not constitute the express advocacy which runs afoul of [the FECA]").

B. *An Elastic Electioneering Message Standard is Unconstitutionally Vague*

There is a second, related reason why an elastic and subjectively applied "electioneering message" standard must be rejected here. The Supreme Court has long held that because the right to free political expression is at the core of the First Amendment "a statute which upon its face . . . is so vague and indefinite as to permit the punishment of the fair use of this opportunity is repugnant to the guarantee of liberty contained in the Fifth Amendment." Baggett v. Bullitt, 377 U.S. 360, 372 n.10 (1964). Because of this, the Court has consistently held that "standards of permissible statutory vagueness are strict in the area of free expression." NAACP v. Button, 371 U.S. 415, 432 (1963); see also Baggett, 377 U.S. at 372. The test for constitutional vagueness is whether the statute or regulation forbids the "doing of an act in terms so vague that men of common intelligence must necessarily guess at its meaning and differ as to its application." Connally v. General Constr. Co., 269 U.S. 385, 391 (1929).

This problem of vagueness is precisely the one that caused the Supreme Court in Buckley to hold the Act's expenditure limitations "must be construed to apply only to expenditures for communication that in express terms advocates the election or defeat of a clearly identified candidate for public office." 424 U.S. at 44. In adopting this limiting construction, the Court expressed concern directly implicated in this manner that the Act's expenditure limitations might inhibit the free discussion and debate of issues and candidates:

> The distinction between discussion of issues and candidates and advocacy of election or defeat of candidates may often dissolve in practical application. Candidates, especially incumbents, are intimately tied to public issues involving legislative proposals and governmental actions. Not only do candidates campaign on the basis of their positions on various issues, but campaigns themselves generate issues of public interest.

Id. at 42 (note omitted). In sum, as the Supreme Court later concluded, "Buckley adopted the express advocacy requirement to distinguish discussion of issues and candidates from more pointed exhortations to vote particular persons." FEC v. Massachusetts Citizens for Life, Inc., 479 U.S. 238, 249 (1986).

It is just this distinction between the discussion of issues and candidates on the one hand and "exhortations to vote for particular persons" on the other that controls the outcome of this matter. There is no question that in the DFL advertisement the Party staked out a clearly delineated, and strongly expressed, position with respect to support for truth in political advertising. However, "in Buckley, the Court agreed that funds spent to propagate one's views on issues without expressly calling for the election or defeat of a clearly identified candidate are not covered by the FECA." FEC v. NOW, 713 F. Supp. 428, 434 (D.D.C. 1989).

The vague standard urged by the Republican Complaint lacks sufficiently clear and well marked boundaries so as to provide ample fair warning regarding the contours of the law. For this reason, courts starting with the Supreme Court in Buckley have squarely rejected a more subjective standard in favor of the bright line express advocacy standard. As Judge Oberdorfer recently stated in another case involving the FEC:

> In this sensitive political area where core First Amendment values are at stake, our Court of Appeals has shown a strong preference for "bright-line" rules that are easily understood and followed by those subject to them contributors, recipients, and organizations. As the Court of Appeals has explained, "an objective test is required to coordinate the liabilities of donors and donees. the bright-line test is also necessary to enable donees and donors to easily conform to the law and to enable the FEC to take the rapid, decisive enforcement action that is called for in the highly-charged political arena."

FEC v. GOPAC, Inc., 94-0828-LFO, 1996 U.S. Dist. LEXIS 2181 (D.D.C. Feb. 29, 1996) (citations omitted).

Other courts have expressed a similar preference for bright line rules in this area. For example, in Christian Action Network, both the District Court and Fourth Circuit rejected the FEC's attempt to apply the electioneering message test to an anti-Clinton "issue advertisement" on gay rights. Citing Buckley, the District Court noted that "what one person sees as an exhortation to vote . . . another might view as a frank discussion of political issues." 895 F. Supp. at 957. Continuing, the court states that "by creating a bright-line rule, the Court in Buckley, ensured, to the degree possible, that individuals would know at what point their political speech would become subject to governmental regulation." Id. at 958.

Similarly, in Maine Right to Life, the District Court rejected a similar attempt to interpose to vague electioneering message standard. Discussing the Supreme Court's ruling in Buckley, the District Court concluded:

> The Court seems to have been quite serious in limiting FEC enforcement to express advocacy, with examples of words that directly fit that term. The advantage of this rigid approach, from a First Amendment point of view, is that it permits a speaker or writer to know from the outset exactly what is permitted and what is prohibited. In the stressful context of public discussions with deadlines, bright lights and cameras, the speaker need not pause to debate the shades of meaning in language.

914 F. Supp. at 12.

A vague electioneering message test defeats the central purpose of the express advocacy standard by creating ambiguity where the Court had clearly intended that there be certainty. By reintroducing post hoc agency judgment into the process, the electioneering message standard recreates the unconstitutionally vague legal regime that the Buckley Court rejected twenty years ago.

In this case, the DFL had a right to rely upon a bright line test to determine with certainty before it financed its advertisement whether its conduct was lawful. Only a closely drawn, and well-delineated standard of express advocacy can provide the requisite certainty. The lesser standard advocated by the Republican would once again leave political parties in the untenable and unconstitutional position of having to guess whether its speech was lawful prior to engaging in political speech.

C. ***Application of A Vague "Electioneering Message" Standard to Political Parties Would Violate the Constitution's Equal Protection Guarantee***

The touchstone of equal protection is the concept that those similarly situated must receive equal treatment under the law and that the government must "apply its legislation and actions evenhandedly to all persons similarly situated in a designated class." Guarino v. Brookfield Township Trustees, 980 F.2d 399, 410 (6th Cir. 1992); see also Bolling v. Sharpe, 347 U.S. 497 (1954). Under equal protection analysis, the court's level of review depends on the right infringed upon by the law. Rolf v. City of San Antonio, 77 F.3d 823 (5th Cir. 1996). Where, as in this case, the right infringed upon is considered a fundamental constitutional right, the courts will apply strict scrutiny analysis. Id. In sum, strict scrutiny analysis requires the state to show that the law advances a compelling state interest and that the law is narrowly tailored to meet that interest. Fulani v. Krivanek, 973 F.2d 1539 (11th Cir. 1992).

Application of a vague and subjective "electioneering message" test to the advertisement in this situation would violate the equal protection component of the Fifth Amendment where courts, and the FEC, have applied the "express advocacy" standard in analogous situations in the past. See, e.g. Central Long Island Tax Reform, 616 F.2d 45; Maine Right to Life Comm. v. FEC,914 F. Supp. 8; Christian Action Network, 894 F. Supp. 946; NOW, 713 F. Supp. 315. There simply is no compelling interest served by the application of a vague "electioneering message" standard to party committees where the express advocacy standard has been routinely applied to non-party political entities. Id. Both the Party and non-party organizations like the Christian Action Network and Maine Right to Life have, as their mission, in large measure, to advance their political ideas and objectives. Yet the Republican would have the Commission apply the express advocacy standard to it's non-party political supporters while applying a more flexible, uncertain and subjective standard to the DFL. That result clearly violates the Fifth Amendment's equal protection guarantee.

Indeed, the Supreme Court has recently rejected precisely this kind of targeting of political party committees in Colorado Republican Fed. Campaign Comm. V. FEC, 116 S. Ct. 2309 (1996). In that case, the Court rejected the FEC's attempt to discriminate against political parties, stating "we do not see how a Constitution that grants to individuals, candidates, and ordinary political committees the right to make unlimited independent expenditures could deny the same right to political parties." Id. at 4667. Similarly in this instance, it is a denial of the equal protection of the law for the Republican to argue that political parties enjoy a lesser right to produce and finance issue advertisements than does the Christian Action Network or other similarly situated organizations.

D. *The DFL Advertisement did not Expressly Advocate the Election or Defeat of a Clearly Identified Candidate*

There can be no doubt that the DFL advertisement did not constitute "express advocacy" as defined in Buckley and later applied in cases such as Christian Action Network. As the court stated in Christian Action Network, "the advertisements were devoid if any language that directly exhorted the public to vote. Without a frank admonition to take electoral action, advertisements such as this do not constitute express advocacy as that term is defined in Buckley and its progeny." 894 F. Supp. at 953. While the DFL advertisement might have associated the Republican Party of Minnesota with untruthful and deceptive ads "nowhere in the commercial were viewers asked to vote against [it]. Id. Indeed, as in Christian Action Network, the only call to action was for viewers to make a telephone call to express their opinion. In this case, viewers were asked to call the Republican Party directly to voice their views.

Republican Party directly to voice their views.

The plain fact is that the DFL advertisement did not expressly advocate the election or defeat of a clearly identified candidate for federal office. Nowhere in the ad were voters told to "vote for," "vote against," "elect," or "defeat" any candidate in any election for federal office. Instead, viewers were expressly asked to "call" the Republican Party express their opposition to untruthful political advertising, an issue of enduring national importance to the DFL and the public. Issue advocacy such as this is clearly protected by the First Amendment and outside the scope of the FECA.

CONCLUSION

For the foregoing reasons, MUR 4509 should be dismissed.

Respectfully submitted,

WEINBLATT & ASSOCIATES

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STATE of Minnesota, Appellant,
v.
Thaddeus Victor JUDE, Respondent.

No. C5-96-509.

Court of Appeals of Minnesota.

Oct. 15, 1996.

Former congressional candidate was indicted on charges of disseminating false political campaign material. The Hennepin County District Court, Robert H. Lynn, J., dismissed indictment on grounds that statute was unconstitutionally overbroad and was preempted by federal law. State appealed. The Court of Appeals, Schumacher, J., held that: (1) statute prohibiting false campaign advertising was not preempted by federal law, but (2) statute was unconstitutionally overbroad; and (3) trial court properly dismissed indictment.

Affirmed.

[1] ELECTIONS k311
144k311
Statute prohibiting false campaign advertising was permissible state regulation of campaign fraud, and thus was not preempted by Federal Election Campaign Act (FECA). U.S.C.A. Const. Art. 6, cl. 2; Federal Election Campaign Act of 1971, § 301 et seq., 2 U.S.C.A. § 431 et seq.; M.S.A. §§ 211B.01-211B.21.

[1] STATES k18.71
360k18.71
Statute prohibiting false campaign advertising was permissible state regulation of campaign fraud, and thus was not preempted by Federal Election Campaign Act (FECA). U.S.C.A. Const. Art. 6, cl. 2; Federal Election Campaign Act of 1971, § 301 et seq., 2 U.S.C.A. § 431 et seq.; M.S.A. §§ 211B.01-211B.21.

[2] STATES k18.3
360k18.3
There is a strong presumption against preemption.

[3] ELECTIONS k9
144k9
State may adopt, consistent with Elections Clause, generally applicable and evenhanded restrictions that protect integrity and reliability of electoral process itself. U.S.C.A. Const. Art. 1, § 4, cl. 1.

[4] CONSTITUTIONAL LAW k90(3)
92k90(3)
Statute is unconstitutionally overbroad if it extends to constitutionally protected speech and other expressive conduct, and if overbreadth is both real and substantial. U.S.C.A. Const.Amend. 1.

[5] CONSTITUTIONAL LAW k82(4)
92k82(4)
Statute that is overbroad will be invalidated if by its terms it leaves no room for a narrowing construction.

[6] CONSTITUTIONAL LAW k48(1)
92k48(1)
Whenever possible, Court of Appeals should narrowly construe statute to save it from constitutional challenge.

[7] CONSTITUTIONAL LAW k90.1(5)
92k90.1(5)
Statute extending criminal liability to those who made false campaign statements with "reason to believe" that they were false was unconstitutionally overbroad, since it extended to statements that were not made with "actual malice." U.S.C.A. Const.Amend. 1; M.S.A. § 211B.06, subd. 1.

[7] ELECTIONS k311
144k311
Statute extending criminal liability to those who made false campaign statements with "reason to believe" that they were false was unconstitutionally overbroad, since it extended to statements that were not made with "actual malice." U.S.C.A. Const.Amend. 1; M.S.A. § 211B.06, subd. 1.

[8] LIBEL AND SLANDER k51(5)
237k51(5)
Statement made concerning public official is not defamatory, unless it is made with "actual

malice," that is with knowledge that it was false or with reckless disregard of whether it was false or not. U.S.C.A. Const.Amend. 1.

See publication Words and Phrases for other judicial constructions and definitions.

[9] CONSTITUTIONAL LAW k90.1(5)
92k90.1(5)
Criminal sanction may not be imposed for political speech that was not made with "actual malice," that is with knowledge that it was false or with reckless disregard of whether it was false or not. U.S.C.A. Const.Amend. 1.

[10] NEGLIGENCE k11
272k11
"Gross negligence" is defined objectively as gross deviation from standard of ordinary care, while "reckless disregard" involves subjective element of actual conscious disregard of risk created by conduct.

See publication Words and Phrases for other judicial constructions and definitions.

[10] NEGLIGENCE k13
272k13
"Gross negligence" is defined objectively as gross deviation from standard of ordinary care, while "reckless disregard" involves subjective element of actual conscious disregard of risk created by conduct.

See publication Words and Phrases for other judicial constructions and definitions.

[11] CONSTITUTIONAL LAW k90.1(5)
92k90.1(5)
Overbroad statute that imposed criminal liability on those who disseminated false campaign material with only "reason to believe" that material was false could not be narrowly construed to avoid finding of unconstitutionality, and thus indictment was subject to dismissal, where grand jury had been given unconstitutionally overbroad "reason to believe" language. U.S.C.A. Const.Amend. 1; M.S.A. § 211B.06, subd. 1.

[11] ELECTIONS k311
144k311
Overbroad statute that imposed criminal liability on those who disseminated false campaign material with only "reason to believe" that material was false could not be narrowly construed to avoid finding of unconstitutionality, and thus indictment was subject to dismissal, where grand jury had been given unconstitutionally overbroad "reason to believe" language. U.S.C.A. Const.Amend. 1; M.S.A. § 211B.06, subd. 1.

[11] INDICTMENT AND INFORMATION k144.1(1)
210k144.1(1)
Overbroad statute that imposed criminal liability on those who disseminated false campaign material with only "reason to believe" that material was false could not be narrowly construed to avoid finding of unconstitutionality, and thus indictment was subject to dismissal, where grand jury had been given unconstitutionally overbroad "reason to believe" language. U.S.C.A. Const.Amend. 1; M.S.A. § 211B.06, subd. 1.

*751 Syllabus by the Court

**1 1. The Minnesota Fair Campaign Practices Act's prohibition of false campaign advertising is a permissible state regulation of campaign fraud that is not preempted by the Federal Election Campaign Act, which regulates federal campaign contributions and expenditures.

2. The prohibition in Minn.Stat. § 211B.06 (1994) of false campaign statements made with "reason to believe" they are false is unconstitutionally overbroad because it extends to statements protected by the N.Y. Times "actual malice" standard.

3. The trial court did not clearly err in dismissing the indictment for false campaign advertising based on the record showing the grand jury may have applied an unconstitutionally overbroad standard.

Hubert H. Humphrey, III, Attorney General, Lee E. Sheehy, Chief Deputy Attorney General, Peter M. Ackerberg, Robert A. Stanich, Assistant Attorneys General, St.

Paul, for Appellant.

Charles R. Shreffler, Jack E. Pierce, Shreffler Law Firm, P.A., Minneapolis, Roger J. Magnuson, Dorsey & Whitney L.L.P., Minneapolis, Harlan M. Goulett, Minneapolis, for Respondent.

Mark R. Anfinson, Minneapolis, for Amicus Curiae Minnesota Civil Liberties Union.

Considered and decided by HARTEN, P.J., and SCHUMACHER and FOLEY [FN*], JJ.

FN* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

OPINION

SCHUMACHER, Judge.

This appeal is from a pretrial order dismissing an indictment charging respondent Thaddeus Victor Jude with the gross misdemeanor offense of disseminating false political campaign material in violation of Minn.Stat. § 211B.06 (1994). We affirm.

FACTS

Jude ran for the Sixth District Congressional seat in 1994 against William Luther. After the Jude campaign had issued several attacks on Luther's record on crime while he was a state senator, the campaign broadcast a TV ad on the last weekend of the campaign in which it accused Luther, while in the Minnesota Senate, of blocking a Jude-sponsored bill that, Jude claimed, would have prevented a December 1990 crime spree by a convicted sex offender, Daniel Patten.

The TV ad stated as follows.

> In 1990, a Minnesota woman and her two daughters were abducted and repeatedly raped over a two-day ordeal. Despite two prior convictions, the perpetrator, Daniel Patten, was out of prison on a weekend furlough. Patten may never have been released and this crime never committed had legislation authored by Tad Jude been enacted. But Jude's bill was stopped by Bill Luther and his liberal friends in the Minnesota Senate. Bill Luther's willingness to set violent criminals *752 free is putting every woman in Minnesota in danger. Sending him to Congress would be a crime.

(Emphasis added.)

Jude had introduced a bill in the 1987 legislative session that would have delayed certain violent offenders' eligibility for supervised release. It would have become effective August 1, 1987, and applied to offenses committed on or after that date.

**2 Patten had been sentenced in 1983 to a 95-month prison term for criminal sexual conduct. After a revocation of supervised release, he was only two weeks short of the expiration of his sentence in December 1990 when he committed the crimes referred to in the ad while released on a weekend furlough.

The state presented to the grand jury charges of dissemination of false campaign material against Jude and against his campaign manager, Steven Knuth. The grand jury heard testimony about the history of Jude's bill in the 1987 legislative session. Jude testified, conceding that his bill would not have applied to Patten's case. He testified, however, that he had been assured by Knuth that the bill would have applied to Patten. Jude testified that he was under the impression that Patten had been convicted of another offense in 1988, and therefore would have been covered by the bill.

The grand jury returned an indictment charging Jude with dissemination of false campaign material. See Minn.Stat. § 211B.06, subd. 1. Jude moved to dismiss the indictment, however, and the trial court granted the motion, concluding that the statute was unconstitutionally overbroad and was preempted by federal law. The state filed this appeal.

ISSUES

1. Is the Minnesota Fair Campaign Practices Act preempted by federal law?

2. Is Minn.Stat. § 211B.06, subd. 1 unconstitutionally overbroad?

3. Did the trial court clearly err in dismissing the grand jury indictment?

ANALYSIS

1. Federal Preemption

The trial court concluded that the Minnesota Fair Campaign Practices Act, Minn.Stat. §§ 211B.01-.21 (1994), under which Jude was charged, is preempted by the Federal Election Campaign Act (FECA), and regulates federal elections in violation of the Elections Clause, and the Supremacy Clause. U.S. Const. art. I, § 4, cl. 1, art. VI, cl. 2.

[1] FECA regulates campaign contributions to candidates for federal office and expenditures made by those candidates. See 2 U.S.C. §§ 431-455 (1994). The Act provides:

> The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.

2 U.S.C. § 453 (1994).

[2] There is a strong presumption against preemption. Weber v. Heaney, 995 F.2d 872, 875 (8th Cir.1993). The explicit preemption in FECA has been narrowly construed in determining what area of state law has been preempted. Id.; see also Reeder v. Kansas City Bd. of Police Comm'rs, 733 F.2d 543, 545 (8th Cir.1984) (FECA preemption statute is not so clear as to preclude consideration of legislative history as to scope of preemption).

The statute under which Jude was charged does not regulate the expenditures of, or campaign contributions to, candidates for federal office, or any other office. See Minn.Stat. § 211B.06. It merely prohibits certain nonfinancial campaign practices by all candidates in Minnesota, specifically the use of false campaign materials or advertising. A separate provision in the Fair Campaign Practices Act does prohibit corporate political contributions. Minn.Stat. § 211B.15. But most of this state's campaign financing provisions are found in chapter 211A.

**3 The United States Supreme Court has recognized the state interest in establishing

> a substantial regulation of elections if they are to be fair and honest and if some sort of order, rather than chaos, is to accompany the democratic processes.

*753 Storer v. Brown, 415 U.S. 724, 730, 94 S.Ct. 1274, 1279, 39 L.Ed.2d 714 (1974). FECA provides only a very limited regulatory scheme for federal elections. As the Eighth Circuit indicated in Weber, the FECA preemption provision should not be read so broadly as to preempt state laws in areas such as false registration or voting fraud. 995 F.2d at 876; see also Friends of Phil Gramm v. Americans for Phil Gramm, 587 F.Supp. 769, 776 (E.D.Va.1984) (Congress in enacting FECA did not intend to prevent states from regulating fraud in political advertising).

[3] Jude argues that the regulation of false campaign advertising does not relate to the "time, place and manner" of a federal election, as permitted by the Elections Clause, and is therefore an unconstitutional assertion of state power, in violation of the Supremacy Clause. See U.S. Const. art. I, § 4, cl. 1 (states shall prescribe "Times, Places and Manner" of holding congressional elections). We disagree. The United States Supreme Court has recently indicated its approval of state laws that regulate election procedures without imposing substantive qualifications on candidates for federal office. U.S. Term Limits, Inc. v. Thornton, --- U.S. ----, ---- - ----, 115 S.Ct. 1842, 1869-70, 131 L.Ed.2d 881 (1995). A state may adopt, consistent with the Elections Clause, " 'generally applicable and evenhanded restrictions that protect the integrity and reliability of the electoral process itself.' " Id. at ----, 115 S.Ct. at 1870 (quoting Anderson v. Celebrezze, 460 U.S. 780, 788 n. 9, 103 S.Ct. 1564, 1570 n. 9, 75 L.Ed.2d 547 (1983)).

Minn.Stat. § 211B.06 is generally applicable to all candidates for election in Minnesota. It prohibits false campaign advertisements, and other false statements in the course of a campaign, and is, therefore, directly related to the fairness and honesty of the electoral process. The statute is not an unconstitutional state regulation of a federal election.

2. Overbreadth

[4][5][6] A statute is unconstitutionally overbroad if it extends to constitutionally-protected speech and other expressive conduct, and if the overbreadth is both real and substantial. New York v. Ferber, 458 U.S. 747, 770, 102 S.Ct. 3348, 3361-62, 73 L.Ed.2d 1113 (1982). The statute will be invalidated if by its terms it leaves no room for a narrowing construction. Board of Airport Comm'rs v. Jews for Jesus, Inc., 482 U.S. 569, 575, 107 S.Ct. 2568, 2572, 96 L.Ed.2d 500 (1987). Whenever possible, however, this court should narrowly construe a statute to save it from constitutional challenge. In re Welfare of R.A.V., 464 N.W.2d 507, 509 (Minn.1991), rev'd on other grounds, 505 U.S. 377, 112 S.Ct. 2538, 120 L.Ed.2d 305 (1992).

**4 [7] Minn.Stat. § 211B.06, subd. 1 makes it a crime to

> intentionally participate[ ] in the preparation, dissemination, or broadcast of paid political advertising or campaign material with respect to the personal or political character or acts of a candidate, whether or not defamatory, * * * that the person knows or has reason to believe is false and that is designed or tends to elect, injure, or defeat a candidate * * *.

(Emphasis added.) The trial court concluded that the extension of criminal liability to those who have only a "reason to believe" the campaign material is false makes the statute unconstitutionally overbroad. We agree.

[8][9] A statement made concerning a public official is not defamatory, unless it is made with

> "actual malice"--that is, with knowledge that it was false or with reckless disregard of whether it was false or not.

New York Times Co. v. Sullivan, 376 U.S. 254, 279-80, 84 S.Ct. 710, 726, 11 L.Ed.2d 686 (1964). A criminal sanction may not be imposed for political speech that does not meet the N.Y. Times "actual malice" standard. Garrison v. Louisiana, 379 U.S. 64, 76-78, 85 S.Ct. 209, 216-17, 13 L.Ed.2d 125 (1964). The state, however, argues that any overbreadth created by the "reason to believe" language is not real and substantial.

[10] Jude argues that the "reason to believe" language in section 211B.06 creates an ordinary negligence standard. But our supreme court has construed "reason to believe" as used in the mandatory child abuse *754 reporting law, to require a gross negligence standard. State v. Grover, 437 N.W.2d 60, 63 (Minn.1989). Thus, Minn.Stat. § 211B.06 would be interpreted, even in the absence of constitutional challenge, as requiring gross negligence. Even gross negligence, however, is defined objectively, as a gross deviation from the standard of ordinary care, while "reckless disregard" involves a subjective element of actual conscious disregard of the risk created by the conduct. See State v. Frost, 342 N.W.2d 317, 319-20 (Minn.1983). This difference is "real and substantial" when the challenged statute regulates "core political speech" as does Minn.Stat. § 211B.06. See McIntyre v. Ohio Elections Comm'n, --- U.S. ----, ----, 115 S.Ct. 1511, 1519, 131 L.Ed.2d 426 (1995) (law burdening "core political speech" must be examined with exacting scrutiny).

[11] The state argues that the "reason to believe" language in section 211B.06 should be narrowly construed, to avoid a finding of unconstitutionality, as covering only statements made with "reckless disregard" of their truth or falsity, as required by N.Y. Times. The N.Y. Times "actual malice" standard is plainly the pattern to which the statute must be trimmed. Moreover, Jude does not show that Minn.Stat. § 211B.06 is so sweeping that it cannot effectively be narrowed by limiting the phrase "reason to believe" to situations in which there is a reckless disregard of the truth or falsity of the statement. But, because of the way in which the offense was presented to the grand jury, it is not possible to apply a narrowing construction in this case.

3. Dismissal of Indictment

**5 Jude argues that this court cannot employ a saving construction of Minn.Stat. § 211B.06 because the grand jury itself was given the unconstitutionally overbroad "reason to believe" language. The trial court concluded that the grand jury had been improperly instructed, and that this error could not be said to be harmless. We agree, and find that the trial court's conclusion is not clearly erroneous. See generally State v. Webber, 262 N.W.2d 157, 159 (Minn.1977) (state in pretrial appeal must show clearly and unequivocally that trial court erred).

The prosecutor deleted the "reason to believe" language in instructing the grand jury on the elements of the offense, apparently trying to narrow the statute's overbreadth. But the prosecutor displayed by overhead projector the full statute, including the "reason to believe" language, both before and after the evidence was presented. Moreover, the forms for the overhead projection of the statute were left in the room where the grand jury deliberated. Thus in this case, although there was some attempt to do so, no clear limiting construction was provided to the grand jury. Cf. State v. Hipp, 298 Minn. 81, 90-91, 213 N.W.2d 610, 616-17 (1973) (affirming unlawful assembly convictions where trial court applied limiting construction in instructing jury).

The supreme court has reversed a disorderly conduct conviction that it determined could not stand under a saving construction the court adopted to save the statute from an overbreadth challenge. In re Welfare of S.L.J., 263 N.W.2d 412, 419-20 (Minn.1978). The court noted that the Constitution required "fighting words" before a person could be convicted for mere speech and reversed because the state had failed to prove that the words uttered were "fighting words." Id. at 420.

We do not hold that a properly-instructed grand jury could not find probable cause to believe that Jude's conduct met the N.Y. Times "actual malice" standard. We cannot find on this record, however, that the grand jury applied the constitutionally-required "actual malice" standard, or some narrower construction of Minn.Stat. § 211B.06, subd. 1. Accordingly, the trial court did not clearly err in dismissing the indictment.

DECISION

Minn.Stat. § 211B.06 is not preempted by federal law. The statute, however, is unconstitutionally overbroad. The trial court did not clearly err in dismissing the indictment because the record fails to show that the *755 grand jury applied a constitutionally permissible standard.

Affirmed.

END OF DOCUMENT

INSTA-CITE

CITATION: 1996 WL 588693
=> 1 **State v. Jude**, 554 N.W.2d 750, 1996 WL 588693
(Minn.App., Oct 15, 1996) (NO. C5-96-509)

AGENDA DOCUMENT NO. X98-13

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	CASE CLOSURES UNDER
	)	ENFORCEMENT PRIORITY
	)	

GENERAL COUNSEL'S REPORT

I. INTRODUCTION.

The cases listed below have been identified as either stale or of low priority based upon evaluation under the Enforcement Priority System (EPS). This report is submitted to recommend that the Commission no longer pursue these cases.

II. CASES RECOMMENDED FOR CLOSURE.

A. Cases Not Warranting Further Action Relative to Other Cases Pending Before the Commission

EPS was created to identify pending cases which, due to the length of their pendency in inactive status or the lower priority of the issues raised in the matters relative to others presently pending before the Commission, do not warrant further expenditure of resources. Central Enforcement Docket (CED) evaluates each incoming matter using Commission-approved criteria which results in a numerical rating of each case.

Closing cases permits the Commission to focus its limited resources on more important cases presently pending before it. Based upon this review, we have identified 16 cases that do not warrant further action relative to other pending matters.[1] The attachment to this report contains summaries of each case, the EPS rating, and the factors leading to assignment of a low priority and recommendation not to further pursue the matter.

B. **Stale Cases**

Effective enforcement relies upon the timely pursuit of complaints and referrals to ensure compliance with the law. Investigations concerning activity more remote in time usually require a greater commitment of resources, primarily due to the fact that the evidence of such activity becomes more difficult to develop as it ages. Focusing investigative efforts on more recent and more significant activity also has a more positive effect on the electoral process and the regulated community. In recognition of this fact, EPS provides us with the means to identify those cases which remained unassigned for a significant period due to a lack of staff resources for effective investigation. The utility of commencing an investigation declines as these cases age, until they reach a point when activation of a case would not be an efficient use of the Commission's resources.

[1] These cases are: MUR 4631 (*Perot/McClure*), MUR 4661 (*Cox and Amplicon, Inc.*); MUR 4667 (*Specter & Greenwood*), MUR 4668 (*Schakowsky for Congress*), MUR 4672 (*Friends of John O'Toole*); MUR 4673 (*Papan for Assembly*), MUR 4676 (*Warren County Democratic Committee*), MUR 4677 (*Patrick Kennedy*); MUR 4681 (*Jack Block*), MUR 4683 (*Janice Schakowsky for Congress*), MUR 4684 (*Spartanburg County Republicans*); MUR 4694 (*Jan Schakowsky for Congress*), MUR 4695 (*Schakowsky for Congress*), MUR 4696 (*Janice Schakowsky for Congress*), MUR 4703 (*Dumont Institute / Robert McGee*), and Pre-MUR 356 (*Pritzker for Congress*).

We have identified   cases which have remained on the Central Enforcement Docket for a sufficient period of time to render them stale. We recommend 27 of these cases be closed.[3] Nine of these cases were part of the so-called "Major 96" cases that have not been able to be activated due to a lack of resources to effectively pursue them in a timely fashion.[4] Since the time period rendering them stale has now passed, we recommend their closure at this time.

We recommend that the Commission exercise its prosecutorial discretion and direct closure of the cases listed below, effective February 24, 1998. Closing

93043362009

:

[3] These cases are: MUR 4350 (*Republican Party of Minnesota*), MUR 4355 (*Aqua-Leisure Industries, Inc.*), MUR 4372 (*Nebraska Democratic Party*), MUR 4394 (*Americans for Term Limits*), MUR 4472 (*Committee to Elect Winston*), MUR 4483 (*Nebraska Democratic State Central Committee*), MUR 4504 (*NH Democratic State Party Committee*), MUR 4507 (*People for Boschwitz*), MUR 4509 (*Wellstone for Senate*), MUR 4565 (*Bell for Congress*); MUR 4570 (*Congresswoman Andrea Seastrand*), MUR 4571 (*Sybert for Congress Committee*), MUR 4572 (*Friends of Dick B. Durbin*); MUR 4575 (*Dana Covington*), MUR 4585 (*Hughes for Congress Committee*); MUR 4589 (*Congressman Bart Gordon*); MUR 4592 (*Iowa Public Television*), MUR 4593 (*Public Interest Institute*); MUR 4599 (*Bruce W. Hapenowicz*), MUR 4601 (*Choctaw Nation of Oklahoma*), MUR 4602 (*WFSB-TV Channel 3*), MUR 4604 (*Dana Covington*), MUR 4605 (*Christian Coalition*), Pre-MUR 346 (*Coalition of Politically Active Christians*), RAD 96NF-09 (*O'Sullivan for Congress*), RAD 96L-12 (*Alaska Democratic Party*); and RAD 97NF-02 (*Zien for Congress*)

[4] These cases are: MUR 4350 (*Republican Party of Minnesota*), MUR 4372 (*Nebraska Democratic Party*), MUR 4394 (*Americans for Term Limits*), MUR 4472 (*Committee to Elect Winston*), MUR 4483 (*Nebraska Democratic State Central Committee*), MUR 4504 (*NH Democratic State Party Committee*), MUR 4507 (*People for Boschwitz*), MUR 4509 (*Wellstone for Senate*), and MUR 4565 (*Bell for Congress*)

these cases as of this date will permit CED and the Legal Review Team the necessary time to prepare closing letters and case files for the public record.

III. RECOMMENDATIONS.

A. Decline to open a MUR, close the file effective February 24, 1998, and approve the appropriate letters in the following matters:

1. RAD 96NF-09
2. RAD 96L-12
3. RAD 97NF-02
4. Pre-MUR 346
5. Pre-MUR 356

B. Take no action, close the file effective March 2, 1998, and approve the appropriate letters in the following matters:

1. MUR 4350
2. MUR 4355
3. MUR 4372
4. MUR 4394
5. MUR 4472
6. MUR 4483
7. MUR 4504
8. MUR 4507
9. MUR 4509
10. MUR 4565
11. MUR 4570
12. MUR 4571
13. MUR 4572
14. MUR 4575
15. MUR 4585
16. MUR 4589
17. MUR 4592
18. MUR 4593
19. MUR 4599
20. MUR 4601
21. MUR 4602
22. MUR 4604
23. MUR 4605
24. MUR 4631
25. MUR 4661
26. MUR 4667
27. MUR 4668
28. MUR 4672
29. MUR 4673
30. MUR 4676
31. MUR 4677
32. MUR 4681
33. MUR 4683
34. MUR 4684
35. MUR 4694
36. MUR 4695
37. MUR 4696
38. MUR 4703

Date

Lawrence M. Noble
General Counsel

FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM MARJORIE W. EMMONS/LISA R. DAVIS
COMMISSION SECRETARY

DATE: FEBRUARY 19, 1998

SUBJECT: Case Closures Under Enforcement Priority. General Counsel's Report dated February 11, 1998.

The above-captioned document was circulated to the Commission on **Thursday, February 12, 1998**

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below

Commissioner Aikens	—
Commissioner Elliott	—
Commissioner McDonald	XXX
Commissioner McGarry	—
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for

Tuesday, February 24, 1998

Please notify us who will represent your Division before the Commission on this matter

AGENDA DOCUMENT NO. X98-13

98043862101

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Agenda Document
Case Closures Under	)	No. X98-13
Enforcement Priority	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on February 24, 1998, do hereby certify that the Commission took the following actions with respect to Agenda Document No. X98-13:

1. Failed in a vote of 3-2 to pass a motion to approve the General Counsel's recommendations, subject to amendment of the closing date in recommendation A to read March 2, 1998, and subject to deletion of those cases listed in footnote 4 on Page 3 of the staff report.

   Commissioners McDonald, McGarry, and Thomas voted affirmatively for the motion. Commissioners Aikens and Elliott dissented.

2. Decided by a vote of 5-0 to

   A. Decline to open a MUR, close the file effective March 2, 1998, and approve the appropriate letters in the following matters:

1.	RAD 96NF-09	4.	Pre-MUR 346
2.	RAD 96L-12	5.	Pre-MUR 356
3.	RAD 97NF-02		

(continued)

B. Take no action, close the file effective March 2, 1998, and approve the appropriate letters in the following matters:

1.	MUR 4350	20.	MUR 4601
2.	MUR 4355	21.	MUR 4602
3.	MUR 4372	22.	MUR 4604
4.	MUR 4394	23.	MUR 4605
5.	MUR 4472	24.	MUR 4631
6.	MUR 4483	25.	MUR 4661
7.	MUR 4504	26.	MUR 4667
8.	MUR 4507	27.	MUR 4668
9.	MUR 4509	28.	MUR 4672
10.	MUR 4565	29.	MUR 4673
11.	MUR 4570	30.	MUR 4676
12.	MUR 4571	31.	MUR 4677
13.	MUR 4572	32.	MUR 4681
14.	MUR 4575	33.	MUR 4683
15.	MUR 4585	34.	MUR 4684
16.	MUR 4589	35.	MUR 4694
17.	MUR 4592	36.	MUR 4695
18.	MUR 4593	37.	MUR 4696
19.	MUR 4599	38.	MUR 4703

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

Attest:

2-25-98
Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 2, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Chris Georgacas, Chairman
The Republican Party of Minnesota
480 Cedar Street
Suite 560
St. Paul, MN 55101

RE: MUR 4509

Dear Mr. Georgacas:

On October 11, 1996, the Federal Election Commission received your complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("the Act").

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action in the matter. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 2, 1998. This matter will become part of the public record within 30 days.

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

Sincerely,

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 2, 1998

Alan W. Weinblatt, Esq.
Weinblatt & Associates
Suite 1616 Pioneer Building
336 North Robert Street
St. Paul, MN 55101

RE: MUR 4509
Minnesota Democratic-Farmer-Labor Party-Federal, Minnesota Democratic-Farmer-Labor Central Committee, Paul K. Schulte, Treasurer, Wellstone for Senate Committee and Richard S. Kahn, Treasurer

Dear Mr. Weinblatt:

On October 21, 1996, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission exercised its prosecutorial discretion to take no action against your clients. This case was evaluated objectively relative to other matters on the Commission's docket. In light of the information on the record, the relative significance of the case, and the amount of time that has elapsed, the Commission determined to close its file in this matter on March 2, 1998.

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

If you have any questions, please contact Jennifer H. Boyt on our toll-free number, (800)-424-9530. Our local number is (202) 694-1650.

Sincerely,

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

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FEDERAL ELECTION COMMISSION
WASHINGTON D C 20463

THIS IS THE END OF MUR # 4509

DATE FILMED 3/11/98 CAMERA NO. 2

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