

May 30, 1997

JOHN DENDAHL
Chairman

BEFORE THE FEDERAL ELECTION COMMISSION

Democratic Party of New Mexico)

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MUR # 4643

Eric Serna for Congress Committee)

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FEC ID Number C00325944

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSELCOMPLAINT

The Republican Party of New Mexico ("RPNM"), by and through its Chairman, John Dendahl, brings this complaint pursuant to 2 USC § 437g(a)(1). The Republican Party of New Mexico may be reached at 2901 Juan Tabo NE, Suite 116, Albuquerque, NM 87112.

I. SUMMARY

The Democratic Party of New Mexico ("DPNM") funneled over \$250,000 in "soft money" into the special federal election for the 3rd district of New Mexico held May 13, 1997. Specifically, the DPNM used 86% non-federal dollars to pay exclusively federal get-out-the-vote and absentee ballot request expenses. Soft money may not be used in federal elections. 2 USC § 441b. Such attempts at using prohibited corporate and labor union money to purchase a Congressional seat for Eric Serna were unlawful and merit thorough investigation and Commission response.

II. FACTS AND DISCUSSION

According to the April 25, 1997 FEC report filed by the DPNM, massive quantities of non-federal funds -- so-called "soft money" -- were being used in the federal election for the third district seat vacated by United Nations Ambassador Bill Richardson. Specifically, the DPNM reported paying for the following expenses with 86% non-federal funds:

1. *Absentee Ballot Request Expenses*

DATE	PAYEE	(PURPOSE REPORTED BY DPNM)	SOFT \$\$ AMOUNT
4/16/97	Ink Impressions Inc	(absentee ballot applications) ¹	\$ 1,397.21
4/3/96	Ink Impressions Inc	(printing)	1,397.21

¹ A copy of these absentee ballot applications is attached. They were special-election specific and could only have benefitted one candidate, Eric Serna, the Democrats' candidate in this special federal election. Such non-generic, election-specific expenses must be paid for with federal funds.

2. *Get-Out-the-Vote Mail Pieces*

<u>DATE</u>	<u>PAYEE</u>	<u>(PURPOSE REPORTED BY DPNM)</u>	<u>SOFT \$\$ AMOUNT</u>
4/14/97	US Postmaster	(postage)	\$ 4,730.00
4/16/97	The Tyson Organization	(phoning)	20,979.70
4/14/97	The Tyson Organization	(phone bank, voter polling)	4,300 00
4/14/97	Randy Dukes	(canvassing field expenses)	860 00
4/18/97	Armando Gutierrez	(Radio ads, GOTV, Spanish & Navajo)	86.00
4/15/97	US West Communications	(phone)	4,893.40
3/6/97	US West Communications	(phone)	1,664.23
4/9/97	US West Communications	(phone)	430.00

RPNM believes that major additions to the foregoing list will be reflected in DPNM's FEC report due June 12, 1997. On or about May 12, 1997, DPNM filed with the New Mexico Secretary of State a report showing receipts aggregating more than \$250,000 from a Democratic party committee in Washington, DC. Apparently little if any of this money was federal funds. However, RPNM believes this money has now been spent illegally by DPNM in its attempt to win election of its federal candidate, Eric Serna.

Non-federal funds may not be used to finance federal elections. 2 USC § 441b. Get-out-the-vote and absentee ballot request costs paid for by a party committee may be allocated -- paid for with a mix of federal and non-federal money -- only when the disbursements are "made in connection with federal and non-federal elections . . ." 11 CFR § 106.5(a)(1). In the present case, however, there was only one election and it was a federal race. There were no state candidates on the ballot. There were no state ballot questions to be decided.

Unlike generic voter drive expenses that would register voters for both federal and non-federal elections, party committee expenses that are election-specific to a federal race should be paid for exclusively with federal funds. As its own reports make clear, the DPNM paid for many expenses specific to this federal election with non-federal funds.

III. PRAYER FOR RELIEF

The Commission should investigate the Democratic Party of New Mexico's use of 86% "soft money" -- an estimated \$250,000 -- to fund absentee ballot requests, get-out-the-vote, and other party expenses directly related to a federal election alone. Such use of non-federal funds is illegal. The Commission should take any and all appropriate measures to ensure compliance with the law and to deter future wrongdoing.

Respectfully Submitted,



John Dendahl


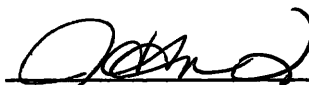

Chairman

Republican Party of New Mexico

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State of New Mexico)
County of Santa Fe)

The foregoing COMPLAINT, dated May 30, 1997, was signed and sworn to before me
this 30th day of May, 1997

NOTARY PUBLIC
My commission expires 7-11-99

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