

*John A. Gianulis*

CHAIRMAN

ROCK ISLAND COUNTY DEMOCRATIC CENTRAL COMMITTEE

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July 31, 2000

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

**Re: MUR 5031 – Rock Island Democratic Central Committee,  
John Gianulis, Chairman, Walter J. Tiller, Treasurer**

Dear Ms Boyt:

This is in response to the Federal Election Commission's letter of June 22, 2000 regarding a complaint filed against the above-mentioned parties.

The Rock Island County Democratic Central Committee ("the Rock Island Committee" or "the Committee") is a subordinate party committee of the Illinois Democratic Party. It is responsible for the day-to-day activities of the Party in the Rock Island region of Illinois. It has, for many years, conducted coordinated campaign efforts for Democratic candidates in this region – those efforts have consisted primarily of assisting in educating the public about Democratic Party issues and getting people out to vote on election day. The Committee is not, nor has it ever been, registered with the Federal Election Commission. It is registered with, and files periodic reports with, the State of Illinois.

The complaint by the Rock Island Republican Central Committee alleges that the Rock Island Committee is affiliated with the Democratic Party of Illinois, the Rock Island GOTV Committee, and with the 17<sup>th</sup> Congressional District Victory Fund ("17<sup>th</sup> District Committee"). The Committee confirms that it is affiliated with the state party. The Rock Island GOTV Committee is merely the account established by the Rock Island Committee to conduct its coordinated campaign activities. The Rock Island Committee is not affiliated with the 17<sup>th</sup> District Committee. The 17<sup>th</sup> District Committee is a party committee in the same general area as the Rock Island Committee, but was set up independent of the State Party and its subordinated committees.

The complaint notes that the two committees have the same Chairman, John Gianulis and that "therefore [he] controls the contributions made by both committees." This is simply not true. While Mr. Gianulis has some input into the decisions on contributions by the

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Rock Island Committee, he does not control the process and must consult with the other members of the Committee in these matters. Further, the Rock Island Committee does not coordinate its contribution decisions with the 17<sup>th</sup> District Committee.

The complaint also includes the Rock Island Committee in a claim that it had received contributions in excess of the contribution limits. However, because the Committee is not a federal committee, contributions to it are not subject to the federal contribution limits.

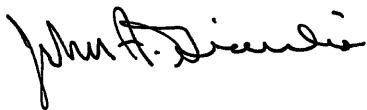
The complaint alleges that the Rock Island Committee produced and distributed two direct mail pieces and a radio ad that benefited Lane Evans, resulting in an excessive contribution to the Evans campaign. The Rock Island Committee believed that as a non-federally registered committee, it could conduct certain activities on behalf of federal candidates without being required to register and report as a federal committee. The mail pieces and the radio advertisement were designed to get voters to the polls on election day, using the area's most popular Democrat, Lane Evans, as a draw. The communications were not solely for the benefit of Lane Evans, but for the entire Democratic ticket. As the attachments to the complaint in Appendices 7 and 8 show, the Democratic ticket was mentioned as were the other candidates (nonfederal) running in the area.

The Committee believed that the portions of its communications dealing with a federal candidate were within the permissible parameters of activities that may be undertaken by an unregistered local party committee.<sup>1</sup> The Committee did not intend to become a federal political committee, and believed that its activities were within the range to avoid any such requirement. We are now aware that some of the activities may not have been permissible exempt activity and we are currently reviewing our records to determine the best method to remedy this situation.

Once we have completed this review, we will contact the Commission with a proposal for resolving this issue.

The complaint also notes that the Rock Island Committee's report shows the receipt of a \$3,000 contribution from the Friends of Lane Evans on October 19, 1998. This contribution was in fact from another entity and, through an administrative error, was listed incorrectly on the report filed with the State of Illinois. The Committee did not receive any contributions from the Friends of Lane Evans. An amendment to the report will be filed.

Very truly yours,



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<sup>1</sup> The Committee receives contributions from individuals and political committees and believes it had adequate individual contributions in its account during the relevant period.