

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

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FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR: 5146

Date Complaint Filed: November 9, 2000

Date of Notification: November 17, 2000

Date Activated: March 25, 2003

Expiration of Statute

of Limitations: November 1, 2005

Staff Member: Mark A. Goodin

COMPLAINANT: Michigan Republican State Committee

RESPONDENTS:¹ Michigan Democratic State Central Committee and Alan Helmkamp,² as
Treasurer

**RELEVANT STATUTES
AND REGULATIONS:**³

2 U.S.C. § 431(17)

2 U.S.C. § 434(b)(4)(H)(iii)

2 U.S.C. § 441b

2 U.S.C. § 441d

26 U.S.C. § 9003(b)(2)

26 U.S.C. § 9012(b)

26 U.S.C. § 9012(f)

11 C.F.R. § 100.22(a)

11 C.F.R. § 111.4(d)

11 C.F.R. § 114.1(a)(1)

11 C.F.R. § 114.2(b)

Mich. Comp. Laws § 169.204 (2002)

¹ The complaint named as Respondents only the Michigan Democratic State Central Committee and its Treasurer. The Commission, however, sent notification letters to these Respondents, as well as to Gore/Lieberman, Inc. and to 30 of the 32 signatories to the newspaper advertisement that is the subject of the complaint. As analyzed below, this Office does not recommend pursuing Gore/Lieberman, Inc. or any of the signatories.

² Roger Winkelman served as Treasurer of the Michigan Democratic State Central Committee when the complaint was filed.

³ All of the facts relevant to this matter occurred prior to the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, unless specifically noted to the contrary, all citations to the Federal Election Campaign Act of 1971, as amended (the "Act" or "FECA") or statements of law regarding provisions of the Act contained in this report refer to the Act as it existed prior to the effective date of BCRA. Similarly, all citations to the Commission's regulations or statements of law regarding any specific regulation contained in this report refer to the 2002 edition of Title 11, Code of Federal Regulations, published prior to the Commission's promulgation of any regulations under BCRA.

Mich. Comp. Laws § 169.254 (2002)

INTERNAL REPORTS CHECKED: Disclosure reports

FEDERAL AGENCIES CHECKED: None

I. INTRODUCTION

The Michigan Republican State Committee ("Complainant") alleges that the Michigan Democratic State Central Committee ("MDSCC") and its Treasurer (collectively, "Respondents") violated the Act by failing to include a disclaimer on a newspaper advertisement that expressly advocated the election of the Democratic candidate for President in 2000. The Complainant also alleges that the Respondents violated restrictions that apply to expenditures made to further the election of a publicly funded candidate, and that they violated the prohibitions against contributions and expenditures made by corporations and labor organizations. We examine each of these allegations, as well as a potential reporting violation, which might be supported on the basis of the complaint. As analyzed below, this Office recommends that the Commission find reason to believe that the Respondents violated the Act's disclaimer and reporting requirements.

II. FACTUAL AND LEGAL ANALYSIS

A. Facts

The full-page advertisement (the "Advertisement") at issue allegedly appeared in two newspapers (The Macomb Daily and The Oakland Press) on November 1, 2000. Complaint at 1-2. The Respondents admitted that they placed the Advertisement in "several newspapers in the Detroit metropolitan area" on that date. Letter from Andrew Nickelhoff, counsel for MDSCC, to Jeff S. Jordan, Federal Election Commission, at 1 (Dec. 27, 2000) ("Nickelhoff Ltr."). The

1 Advertisement took the form of a letter signed by 32 individuals⁴ regarding the differences in the
2 positions of the Republican and Democratic presidential candidates on issues purportedly of
3 interest to the Arab-American community. Attachment 1. After examining five issues in
4 particular, the Advertisement states that "we support the Democratic ticket," and that "[w]e
5 believe that the Democratic Party, more than the Republican Party, is listening because the vast
6 majority of our allies in Congress are Democrats." *Id.* The Advertisement closes by declaring
7 that "[w]e need to give our allies a President who will work with them to end profiling, to end
8 secret evidence and to bring about a just peace in the Middle East." *Id.* The Advertisement does
9 not contain any notice indicating that the Respondents paid for it, although the Respondents
10 contend that this was due to the newspapers' errors. Nickelhoff Ltr. at 1.

11 **B. Analysis**

12 **1. "Express Advocacy" and the Disclaimer Requirement**

13 The complaint alleges that the Respondents failed to display a disclaimer in the
14 Advertisement. At the time of the Advertisement's publication, the Act required that any person
15 making "an expenditure for the purpose of financing communications expressly advocating the
16 election or defeat of a clearly identified candidate" must display a disclaimer.⁵ 2 U.S.C.

⁴ Some of the signatories are identified by the Advertisement as current or former government officials. Attachment 1. A brief review of Internet sources reveals that other signatories included officials in various Arab-American organizations, labor leaders, and delegates to the 2000 Democratic National Convention.

⁵ Effective November 6, 2002, BCRA amended Section 441d so that, among other things, it no longer applies the "expressly advocating" requirement to political committees. 2 U.S.C. § 441d(a) (2002). The specific contents of the disclaimer depend on whether the communication is paid for and/or authorized by a candidate, an authorized political committee of a candidate, or its agents. 2 U.S.C. § 441d(a).

§ 441d(a). The element of “expressly advocating” (or “express advocacy”) has been the subject of considerable judicial refinement in *Buckley v. Valeo*, 424 U.S. 1 (1976), and its progeny.⁶

Based on the relevant case law and the pertinent regulation, we conclude that the Advertisement contains “express advocacy” and, therefore, it requires a disclaimer. In *Buckley*, the Supreme Court “adopted the ‘express advocacy’ requirement to distinguish discussion of issues and candidates from more pointed exhortations to vote for particular persons.” *FEC v. Massachusetts Citizens for Life*, 479 U.S. 238, 249 (1985) (“*MCFL*”); see *Buckley*, 424 U.S. at 80 (“expenditure” construed “to reach only funds used for communications that expressly advocate ... the election or defeat of a clearly identified candidate”). Courts considering the “express advocacy” issue have held that the presence of explicit words of advocacy is a Constitutional requirement. See *FEC v. Christian Coalition*, 52 F. Supp. 2d 45, 60 (D.D.C. 1999) (collecting cases). The Commission promulgated a regulation, tracking *Buckley*, that defines “expressly advocating” as a communication that uses phrases such as “vote for the President” or “support the Democratic nominee, ... which in context can have no other reasonable meaning than to urge the election or defeat of one or more clearly identified candidate(s)....” 11 C.F.R. § 100.22(a).

In the present matter, the Advertisement appears to qualify as “express advocacy” because it contains the kind of language required by *Buckley* and 11 C.F.R. § 100.22(a). While the majority of the text is devoted to a comparison of the candidates’ alleged positions regarding Arab-American issues, the content of the Advertisement – particularly phrases in the leading and closing paragraphs – constitutes an “explicit directive” that “unmistakably exhort[s]” the reader

⁶ Congress initially enacted the “express advocacy” language of Section 441d’s disclaimer provisions in response to the *Buckley* decision. *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 52 (2d Cir. 1980).

1 "to take electoral action to support the election ... of a clearly identified candidate," namely, the
2 Democratic candidate for President in 2000. *See Christian Coalition*, 52 F. Supp. 2d at 61.

3 After referring to the "presidential election," the Advertisement identifies the Arab-
4 American community in Michigan as one that "accounts for three to four percent of the statewide
5 vote." Attachment 1. It notes that "now we have the power to affect the presidency," but that
6 "with this power comes responsibility." *Id.* Accordingly, the Advertisement urges that "[w]e
7 must choose wisely." *Id.* The Advertisement then details the perceived differences between
8 "Bush/Cheney" and "Gore/Lieberman" on five specific issues. *Id.* After discussing these issues,
9 the Advertisement declares that "we *support* the Democratic ticket." *Id.* (emphasis added). The
10 Advertisement then states that "[w]e believe that the Democratic Party, more than the
11 Republican Party, is listening because the vast majority of our allies in Congress are Democrats"
12 and that "Al Gore heads a coalition that brings together those allies...." *Id.* Finally, the
13 Advertisement concludes with an explicit directive that "[w]e need to give our allies a President
14 who will work with them...." *Id.*

15 The Advertisement's declaration that "we *support* the Democratic ticket," *id.* (emphasis
16 added), invokes one of the exact words recognized by the Supreme Court as an example of
17 "express advocacy," *see Buckley*, 424 U.S. at 44 n.52, and it is nearly identical to one of the
18 illustrative phrases contained in the regulation. *See* 11 C.F.R. § 100.22(a) ("expressly
19 advocating" examples include "support the Democratic nominee"). The Respondents suggest
20 that the Advertisement's use of the pronoun "we" merely expresses the preferences of the 32
21 signatories. *See Nickelhoff Ltr.* at 4 ("The Ad[vertisement] states the signers' preference and the
22 reasons therefore."). To accept this argument, however, would invite exactly the ambiguity that
23 the express advocacy test is intended to avoid. It would prompt debate about whether

1 communications that tout "Smith for Congress" or "Bill McKay in '94" – both of which are
2 illustrative examples of express advocacy contained, respectively, in *Buckley* and in Section
3 100.22(a) – are just expressions of the author's preference, or instead whether they are express
4 words of advocacy of the election or defeat of a candidate. Furthermore, the assertion that the
5 Advertisement simply reflects the "signers' preference" ignores the use of the word "we"
6 elsewhere in the Advertisement as a broad reference to the Arab-American community, rather
7 than just the authors of the letter (e.g., "we have fought for this kind of recognition," "we have
8 the power to affect the presidency," "[w]e have every right to be proud" (emphases added)).

9 In addition to using the illustrative words from *Buckley*, the Advertisement contains other
10 electoral messages. The phrase, "[w]e need to give our [Congressional] allies a President who
11 will work with them," exhorts the Arab-American audience to take electoral action. In the
12 immediately preceding sentence, the Advertisement describes Al Gore, the Democratic
13 Presidential candidate, as the one who "heads a coalition that brings together those allies...."
14 Accordingly, the only way to "give" these Congressional allies "a President who will work with
15 them" is for the reader to vote in the upcoming election for Al Gore. Moreover, the
16 Advertisement refers to electoral action by exhorting that "[w]e must choose wisely."

17 The Advertisement is thus analogous to the publication in *MCFL*, which the Court held to
18 constitute express advocacy. 479 U.S. at 249. In *MCFL*, an advocacy organization published a
19 newsletter that "not only urge[d] voters to vote for 'pro-life' candidates, but also identifie[d] and
20 provide[d] photographs of specific candidates fitting that description." *Id.* The Court explained
21 that the publication could not be "regarded as a mere discussion of public issues that by their
22 very nature raise the names of certain politicians." *Id.* Rather, the newsletter "provide[d] in

1 effect an explicit directive: vote for these (named) candidates. The fact that this message is
2 marginally less direct than 'Vote for Smith' does not change its essential nature." *Id.*

3 Furthermore, the Advertisement is even more explicit than the mailing in *Christian*
4 *Coalition* that the court found to contain "express advocacy." 52 F. Supp. 2d at 65. There, the
5 letter noted that the candidate was a "Christian Coalition 100 percenter." In the context of the
6 surrounding phrases, as well as the enclosed "scorecard," the court determined that the
7 "unmistakable meaning" of the letter was to instruct the reader to vote for the candidate. *Id.*
8 Notably, in *Christian Coalition*, the communication did not even contain one of the illustrative
9 words or phrases from *Buckley* (although it did instruct the reader to take the "scorecard" into the
10 voting booth). *Id.* Moreover, it required the reader to refer to a separate enclosure. *Id.* By
11 contrast, in the present matter, not only does the communication contain one of the *Buckley*
12 "express advocacy" words ("we support the Democratic ticket" (emphasis added)), but its
13 exhortations to take electoral action ("[w]e need to give our [Congressional] allies a President
14 who will work with them"; "we must choose wisely") requires reference only to the
15 Advertisement itself.

16 The Respondents also deny that the Advertisement contains any exhortation to its
17 audience. Instead, they contend that the Advertisement "sets forth the signers' goals and
18 objectives," but that "[t]hese are not statements urging any particular action by the reader."
19 Nickelhoff Ltr. at 4. In support of this position, the Respondents cite to a number of cases.⁷ *Id.*
20 at 3-5.

⁷ See, e.g., *FEC v. Christian Action Network*, 894 F. Supp. 946, 954 (W.D. Va. 1995), *aff'd* 92 F.3d 1178 (4th Cir. 1996); *FEC v. Survival Education Fund, Inc.*, 1994 WL 9658, *1-2 (S.D.N.Y. 1994), *aff'd in part on other grounds*, 65 F.3d 285, 290 (2d Cir. 1995); *FEC v. Colorado Republican Fed. Campaign Comm.*, 839 F. Supp. 1448, 1455-56 (D. Colo. 1993), *aff'd in relevant part*, 59 F.3d 1015, 1023 n.10 (10th Cir. 1995), *vacated and remanded on other grounds*, 518 U.S. 604 (1996); *Kansans for Life v. Gaede*, 38 F. Supp. 2d 928, 936 (D. Kan. 1999).

1 The decisions addressing “express advocacy” are admittedly fact-sensitive. Nevertheless,
2 none of the cases cited by the Respondents contains the exhortation to take electoral action that
3 exists in the present matter; therefore, these courts did not find that the communications
4 contained “express advocacy.” In *Christian Action Network*, although the newspaper
5 advertisements expressed disapproval of the candidate’s views on homosexual rights and
6 referred to the “voting public,” the communications did not exhort the audience to take electoral
7 action. 894 F. Supp. at 954. Instead, the advertisements directed their “call to action” at
8 President Clinton and the Democratic National Committee Chairman, and “not the voting
9 public.” *Id.* In *Survival Education Fund*, an organization sent out letters expressing disapproval
10 of President Reagan’s policies and asked the reader to send the President an enclosed “ballot,”
11 which stated that the sender’s “vote in the November election will be influenced” by the
12 President’s response to the demands that he change his policies. 1994 WL 9658 at *1-2. The
13 district court there concluded that the letters “fell short of expressly advocating how the readers
14 should vote in the coming presidential election.” *Id.* at *3. See also *Colorado Republican*, 839
15 F. Supp. at 1455-56 (radio ad attacking candidate’s voting record, but containing no “direct plea
16 for specific action,” did not constitute “express advocacy”); *Gaede*, 38 F. Supp. 2d at 936 (radio
17 ad “disparaging one candidate and commending his opponent” regarding stance on abortion
18 issue, but failing to “direct the public to take action for or against an identified candidate,” did
19 not constitute “express advocacy”).

20 The Respondents failed to include a disclaimer in the Advertisement, as required by
21 2 U.S.C. § 441d(a) for “express advocacy” communications. The Respondents claim that, even
22 though the Advertisement does not contain “express advocacy,” the MDSCC sent drafts of the
23 Advertisement to the newspapers that contained disclaimers, which were omitted from the

published Advertisement “[p]robably as the result of the newspapers’ printing error.” Nickelhoff Ltr. at 1. In response to a request from this Office, counsel for the Respondents submitted a copy of the original draft of the Advertisement, along with an affidavit (apparently prepared in 2000) from the Respondents’ typesetter, which addressed the transmission of the Advertisement to certain newspapers for publication. Attachment 2. However, the notation on the draft Advertisement (“Paid for by the Michigan Democratic State Central Committee”) does not comply with Section 441d(a)(3), which requires that communications that are *not* authorized by the candidate (as Respondents claim here) must contain notice of that lack of authorization. Moreover, the intent of a party is not relevant in analyzing a disclaimer violation.⁸ Therefore, the omission of the disclaimer in an “express advocacy” communication leads this Office to recommend that the Commission find reason to believe that the Michigan Democratic State Central Committee and Alan Helmkamp, as Treasurer, violated 2 U.S.C. § 441d(a).⁹

2. Fund Act Provisions

The Complainant also alleges that the Respondents violated 26 U.S.C. § 9012(f), a provision of the Presidential Election Campaign Fund Act (the “Fund Act”) that limits political committee expenditures that are made to further the election of a publicly funded Presidential candidate. The Supreme Court, however, invalidated Section 9012(f) of the Fund Act in *FEC v. National Conservative Political Action Committee*, 470 U.S. 480, 501 (1985) (“*NCPAC*”).

⁸ The Commission previously has found reason to believe that a respondent violated Section 441d, despite the latter’s assertion that it inadvertently omitted the disclaimer. *See, e.g.*, MUR 4759 (Malooof) (respondent claimed that vendor was at fault in failure to print disclaimer); MUR 4741 (Bono) (respondent asserted that disclaimer inadvertently omitted); and MUR 3682 (Fox) (printer submitted affidavit that it was instructed to print disclaimer, but failed to do so).

⁹ The Commission has recently made a reason to believe finding that a respondent violated Section 441d, where the respondent contested the existence of “express advocacy.” MUR 5048 (Nethercutt for Congress 2000) (radio advertisement asking listeners to stop at sponsor’s store for information and materials “to support your pro-freedom candidates like Congressman Nethercutt”).

1 Although this section of the Fund Act is inapplicable, other sections of Title 26 prohibit publicly
2 funded candidates from receiving contributions. *See* 26 U.S.C. § 9003(b)(2) (conditioning
3 receipt of public funds on candidate's certification not to accept private contributions) and 26
4 U.S.C. § 9012(b) (prohibiting publicly funded candidates from receiving private contributions
5 and providing criminal penalties for violations thereof). These sections, however, "can be
6 violated only by the candidate receiving federal funds." *Common Cause v. Schmitt*, 512 F. Supp.
7 489, 503 (D.D.C. 1980) (three-judge court), *aff'd by an equally divided court*, 455 U.S. 129
8 (1982). FECA also governs Presidential campaigns, *id.* at 491, and therefore its treatment of
9 coordinated expenditures as contributions could apply to the present matter. *Id.* at 492.
10 Accordingly, if Gore/Lieberman received in-kind contributions in the form of coordinated
11 expenditures, then it potentially could be liable for a violation of the Fund Act.

12 Here, the complaint did not name Gore/Lieberman as a respondent and it did not contain
13 any allegations that Gore/Lieberman had any knowledge of the activities described therein.
14 Moreover, Gore/Lieberman expressly denied any such knowledge. *See* Letter from Eric
15 Kleinfeld and Lyn Utrecht, counsel for Gore/Lieberman, Inc., to Lois Lerner, Federal Election
16 Commission, at 1-2 (May 15, 2001). This Office therefore recommends that the Commission
17 find no reason to believe that Gore/Lieberman, Inc. and Jose Villarreal, as Treasurer, violated the
18 Act or the Fund Act, and close the file as to these respondents. This Office further recommends
19 that the Commission find no reason to believe that any of the 32 signatories of the Advertisement
20 violated the Act or the Fund Act, and close the file as to these respondents.¹⁰ Finally, this Office

¹⁰ These signatories are: Zouher Abdel-Hak, Ismael Ahmed, Terry Ahwal, Ronald Amen, Maya Berry, Ahmad Chebbani, Ali Dagher, Dennis Denna, Raleef El-Hajj, Gabriel Fakhouri, Michael Farrah, David Ferris, Joseph Ganim, William George, Mark Haidar, Alex Issac, Teresa Isaac, Sally Shaheen Joseph, Ted Mansour, Samir Mashni, Imam Mohammad Mardini, John Nickola, Mary Rose Oakar, Mohamad Okdie, Nick Rahall, William Shaheen, Donna E. Shalala, James Stokes, William Swar, Stephen Yokich, Nabeel Yousif, and Dr. James J. Zogby.

1 recommends that the Commission find no reason to believe that the Michigan Democratic State
2 Central Committee and Alan Helmkamp, as Treasurer, violated the Fund Act.

3 **3. Corporate and/or Labor Organization Contributions**

4 The complaint alleges that “[u]pon information and belief, the Advertisement could have
5 been paid for with corporate and/or labor union funds, in direct violation of 2 U.S.C. § 441b.”

6 Complaint at 2. The Act prohibits corporations and labor organizations from using treasury
7 funds to make a contribution or expenditure in connection with any federal election. 2 U.S.C.
8 § 441b. *See also* 11 C.F.R. §§ 114.2(b) and 114.1(a)(1) (prohibiting such contributions or
9 expenditures to any “political party or committee”). The Act also makes it unlawful for any
10 political committee “knowingly to accept or receive any contribution” prohibited by this section.
11 2 U.S.C. § 441b. As discussed below, this Office recommends that the Commission take no
12 action with respect to this allegation.

13 The apparent theory of the Complainant is that the Respondents accepted corporate or
14 union treasury contributions and then used those funds to pay for the Advertisement.¹¹ A
15 violation under this theory depends on a conclusion that the Advertisement either constituted a
16 coordinated expenditure (and therefore was a prohibited corporate or labor contribution), or that
17 it contained “express advocacy” (and therefore was a prohibited corporate or labor expenditure).

18 As analyzed above in the section addressing Fund Act provisions, the complaint makes
19 no allegation – and Gore/Lieberman specifically denied – that Gore/Lieberman had any
20 knowledge of the Advertisement; therefore, no evidence exists to suggest that the Respondents’

As noted above, the Commission sent notification letters to 30 of the 32 signatories (the exceptions being Dennis Denna and Alex Issac).

¹¹ The Respondents did not specifically address the complaint’s Section 441b allegation, although they did contend that the Advertisement constitutes “issue advocacy,” and therefore “is not subject to the FEC’s regulatory jurisdiction.” Nickelhoff Ltr. at 1.

1 expenditure for the Advertisement was coordinated. On the other hand, there is reason to believe
2 that the Advertisement constitutes "express advocacy." Although the Complainant does not set
3 forth any specific facts in support of its allegation that the Respondents funded the
4 Advertisement with corporate or union treasury money, this Office cannot determine the source
5 of its funding, due to the Respondents' lack of reporting (described below) regarding the
6 Advertisement.¹² In addition, the draft Advertisement contains, at its top margin, an unexplained
7 reference to "UAW," which could represent "United Auto Workers." Attachment 2.

8 "To meet the threshold for 'reason to believe,' the [C]omplainant should have provided
9 some evidence upon which one could reasonably conclude" that corporate or union treasury
10 money funded the Advertisement. See MUR 4960, Statement of Reasons of Commissioners
11 David M. Mason, Karl J. Sandstrom, Bradley A. Smith, and Scott E. Thomas; see also 11 C.F.R.
12 § 111.4(d) (required contents of complaint). Although the Complainant does not provide such
13 evidence, neither can the allegation be rejected in light of the absence of reports addressing the
14 Advertisement, and the curious reference to "UAW" on the draft Advertisement.

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17 Accordingly, this Office recommends that the Commission take no action at this time
18 with respect to the allegation that the Michigan Democratic State Central Committee and Alan
19 Helmkamp, as Treasurer, violated 2 U.S.C. § 441b.

¹² Michigan law prohibits (with exceptions not relevant here) corporations and labor organizations from making a "contribution," which is defined as the transfer on anything of value to a person (including a committee), "made for the purpose of influencing the nomination or election of a candidate...." Mich. Comp. Laws §§ 169.254 and 169.204(1) (2002). See *Department of State v. Michigan Educ. Ass'n*, 650 N.W.2d 120, 126-28 (Mich. Ct. App. 2002).

1 **4. Reporting Violations**

2 Although the complaint does not allege any reporting violations, we believe that
3 examination of this issue is warranted in light of our other analyses. As recommended above, a
4 finding that the Advertisement contains "express advocacy" means that the disbursement for the
5 Advertisement constituted an independent expenditure. See 2 U.S.C. § 431(17). The Act
6 requires political committees to report independent expenditures. 2 U.S.C. § 434(b)(4)(H)(iii).

7 The Respondents did not report any independent expenditures for either the 1999-2000 or
8 the 2001-2002 cycles.¹³ This Office, therefore, recommends that the Commission find reason to
9 believe that the Michigan Democratic State Central Committee and Alan Helmkamp, as
10 Treasurer, violated 2 U.S.C. § 434(b)(4)(H)(iii).

11 **III. DISCOVERY**

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18 **IV. RECOMMENDATIONS**

- 19 1. Find reason to believe that the Michigan Democratic State Central Committee and
20 Alan Helmkamp, as Treasurer, violated 2 U.S.C. § 441d(a).
21

¹³ Moreover, our review of the Respondents' reports for October through December 2000 does not disclose any expenditures to the Oakland Press or the Macomb Daily, two newspapers that published the Advertisement. It is possible that the Respondents paid a media buyer to place the Advertisement, but it does not appear that any such disbursement is reflected in the Respondents' reports. In any event, this Office will consider any materials submitted in response to a reason to believe notification.

2. Find no reason to believe that the Michigan Democratic State Central Committee and Alan Helmkamp, as Treasurer, violated the Fund Act.
3. Take no action with respect to the allegation that the Michigan Democratic State Central Committee and Alan Helmkamp, as Treasurer, violated 2 U.S.C. § 441b.
4. Find reason to believe that the Michigan Democratic State Central Committee and Alan Helmkamp, as Treasurer, violated 2 U.S.C. § 434(b)(4)(H)(iii).
5. Find no reason to believe that Gore/Lieberman, Inc. and Jose Villarreal, as Treasurer, violated the Act or the Fund Act, and close the file as to these respondents.
6. Find no reason to believe that Zouher Abdel-Hak, Ismael Ahmed, Terry Ahwal, Ronald Amen, Maya Berry, Ahmad Chebbani, Ali Dagher, Dennis Denna, Raleef El-Hajj, Gabriel Fakhouri, Michael Farrah, David Ferris, Joseph Ganim, William George, Mark Haidar, Alex Issac, Teresa Isaac, Sally Shaheen Joseph, Ted Mansour, Samir Mashni, Imam Mohammad Mardini, John Nickola, Mary Rose Oakar, Mohamad Okdie, Nick Rahall, William Shaheen, Donna E. Shalala, James Stokes, William Swar, Stephen Yokich, Nabeel Yousif, and Dr. James J. Zogby, violated the Act or the Fund Act, and close the file as to these respondents.
7. Serve the attached Interrogatories and Request for Production of Documents on the Michigan Democratic State Central Committee and Alan Helmkamp, as Treasurer.
8. Approve the appropriate letter(s).

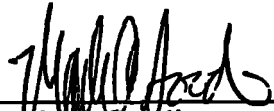
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