



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

OCT - 8 2004

Mr. Michael Foley
Baesler for Senate Committee
106 Vine Street
Suite 700
Lexington, KY 40507

Dear Mr. Foley:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission discovered that Baesler for Senate Committee and you, as treasurer, may have accepted prohibited contributions from a labor organization. Specifically, information before the Commission showed that the Kentucky State District Council of Carpenters ("KSDCC") made in-kind contributions and facilitated the making of monetary contributions to Baesler for Senate Committee in 1998 and 2000.

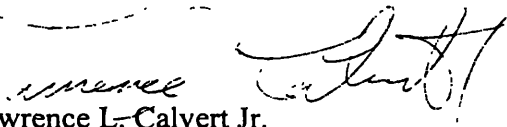
KSDCC made in-kind contributions by requiring its paid employees, known as field representatives, to provide services for Baesler for Senate Committee that were directed to the general public. These services may have included posting campaign signs, participating in precinct walks, operating phone banks, distributing handbills, and attending campaign rallies, debates, and press conferences. Field representatives performed these services as part of their official job responsibilities for the union.

KSDCC facilitated monetary contributions to Baesler for Senate Committee by requiring field representatives to contribute predetermined amounts of money to Baesler for Senate Committee. KSDCC also collected contribution checks from its field representatives, bundled them, and sent them to Baesler for Senate Committee in a single package with a cover memo on union stationery listing the employees who contributed and the total amount of their contributions.

The Federal Election Campaign Act, as amended, prohibits any person from knowingly accepting a contribution from a labor organization. See 2 U.S.C. § 441b. The Commission admonishes you that Baesler for Senate Committee's actions appear to violate the Act. Baesler for Senate Committee and you, as treasurer, should take action to prevent such violations from occurring in the future. If you have any questions, please contact Brant Levine, the attorney assigned to this matter, at (202) 694-1572.

Sincerely,

Lawrence H. Norton
General Counsel

BY:  Lawrence L. Calvert Jr.
Deputy Associate General Counsel for Enforcement