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April 16, 2003

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

APR 21 P 12:28

Jeff S. Jordan, Esquire
Supervising Attorney
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: April 14, 2003 - Complaint Filed Against Michael J. Shelton

Dear Mr. Jordan:

Exhibit I of the Complaint filed on April 14, 2003, against Michael J. Shelton, included a Declaration of Steven Runfeldt. At this time, we are seeking to supplement the Complaint with the enclosed completed Declaration from Mr. Runfeldt. For your convenience, I have enclosed three copies of the Declaration.

Very truly yours,



Irwin P. Raij

Enclosures

cc: Ms. Alva E. Smith

Michael J. Shelton

V

MUR Nos. 5350 & 5354

Jan Schneider, Candidate
Schneider for Congress

DECLARATION OF STEVEN RUNFELDT

Steven Runfeldt declares and states:

1. I am over the age of 18 and competent to make this declaration.
2. I am a citizen of the United States. I reside at 34 Sandy Hook Road, Sarasota, Florida.
3. I was a volunteer for the Schneider for Congress campaign for the United States House of Representatives for the Florida 13th Congressional District in 2002 during the general election period. Although my activity was primarily in the area of fund raising, I also participated in other campaign activities and was made periodic visits to the campaign headquarters.
4. As a volunteer on the Schneider campaign I was very familiar with the views of the candidate concerning negative advertising. I was involved in soliciting celebrity support and in writing radio spots for the Schneider campaign, and as such had several conversations with Ms. Schneider, Michael Shelton, Misty Smeltzer and Jason McIntosh regarding the content of Ms. Schneider's campaign ads. Ms. Schneider repeatedly and unequivocally stated that she did not believe in anti-personal "attack" advertising, which she felt was destructive of democratic processes and insulting to the voters. Her position on negative advertising was a cornerstone of her campaign. Even after opponent Katherine Harris started airing a scurrilous attack ad against her, Ms. Schneider consistently and repeatedly stated her refusal to "stoop to Ms. Harris' level".
5. Ms. Schneider spoke out several times in public and televised forums with her opponent, Katherine Harris, stating that she refused to run negative campaign ads. The campaign was making a deliberate effort to attract Republican voters and this pledge was especially important to these supporters. I heard from a number of "Republicans for Schneider" that her pledge to refuse negative advertising was a key factor in their support for Jan Schneider for Congress.
6. Ms Schneider repeatedly instructed everyone working on the campaign that no advertising materials or other substantive statements were to be communicated to the public without her express approval. No one was to sign her name to any policy statement or letter without her permission.
7. A few weeks before the general election I attended a meeting with Misty Smeltzer at which Ms. Smeltzer lamented Ms. Schneider's position on negative advertising. I stated my position that it was possible to refute the negative Harris campaign ads with positive ads favoring Jan Schneider and without "going negative. I later discussed this with Ms. Schneider and she agreed that this would be a strategy that would not be perceived as negative. On this basis I solicited and received recorded 30 second voice-over spots from several celebrities, including Martin Sheen, Alec

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Baldwin, Mike Farrell, Susan Sarandon, Elliot Gould and Shelly Berman, many of which directly addressed the points in the negative Harris ads, by quoting for example, local newspaper endorsements stating that "Jan Schneider's integrity is unquestioned."

8. I had these recordings delivered to Michael Shelton and discussed Ms. Schneider's position on stating the positive without going negative. He seemed reluctant and stated that the campaign did not have the funds to run any of the ads I had recorded. At the same time I was working with the Move-On Political Action Committee. Move-on has an email membership of several hundred thousand democratic and progressive voters. On the basis of the celebrity endorsements, Move-on agreed to sponsor the Jan Schneider for Congress campaign on their Website and in their email messages. The net result of this was donations of approximately \$100,000 in the last days of the campaign from several thousand independent Move-On subscribers.

9. Prior to my success with celebrity endorsements and fund raising, Mr. Shelton had treated me coldly. I had heard stories about his arguments with others in the office. I had been told that upon hearing of my endorsement and fund raising efforts, he had expressed his disbelief, saying, "I'll believe that when I see it." Shortly after the Move-On donations started coming in, on the Wednesday before Election Day, Mr. Shelton asked me to come into his office. He told me that through my work in recruiting endorsements and in raising funds, "You have done more than anyone else to support this campaign." I expressed my gratitude that the ads I had recorded would now be able to be aired and that the campaign needed to respond to the negative Harris ads. Mr. Shelton then told me that the celebrity ads would not be run, but that, "We have an ad we are going to air. Jan isn't going to like it, but we're going to run it anyway." I inquired if it was an "attack ad". Mr. Shelton said that it was and that Ms. Schneider would not approve but that "She'll get over it." I asked who "We" was. Mr. Shelton told me that it was the campaign staff, himself, Misty Smeltzer, and Jason McIntosh. I assumed that there would be a discussion with Ms. Schneider first. I did not want to believe that Mr. Shelton and the others would actually air the ad without Ms. Schneider's approval, especially since I had worked so closely with her in producing the kinds of positive ads that she favored. As I did not want to get into an argument with Mr. Shelton myself, I simply shook my head and departed.

10. The next day I called the campaign headquarters. Harold Schneider, Jan Schneider's father, answered the phone. He asked me if I knew about "that ad". I had never seen the ad and expressed my disbelief that they would have run the ad without Ms. Schneider's approval.

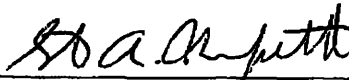
Of the approximately 30 celebrity spots that I recorded for the Schneider for Congress campaign, only four were used. Three were used on radio and one was used on a telephone "get-out-the-vote" effort. I never saw the remaining recordings again.

11. On the Sunday before the election I joined Ms. Schneider and several volunteers for dinner. Upon returning to the office, I was handed a fax that was addressed to "Steve". It was apparently intended for Mr. McIntosh's assistant. Without knowing the content of the fax, I passed it on to Ms. Schneider. The fax was a draft of a letter concerning Social Security - a statement that Mr. McIntosh wanted Ms. Schneider to sign and to publicly challenge Ms. Harris to also sign. Ms. Schneider expressed her exasperation at this tactic, which she said she had already discussed at length with Mr. McIntosh as "a gimmick" and an "overly cute tactic". She repeated this to Mr. McIntosh directly when he returned to the office approximately an hour later, saying repeatedly, "It's a gimmick. I don't want any gimmicks," and "It's a waste of time and money. I don't want to do it." After Ms. Schneider left, Mr. McIntosh admonished me telling me that I had no business showing Ms. Schneider the fax. He said that he expected that we would lose the election and that he wanted to

have a signed statement by Katherine Harris so that she would not be able to vote against Social Security when she was in Congress. He became very agitated and said that there were other people behind this besides Ms. Schneider and that protecting Social Security was more important than winning the Congressional race.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 13, 2003.



Steven A. Runfeldt

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