



FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

U.S. Department of Justice

Criminal Division

APR 27 2 33 PM '01

Washington, D C 20530

APR 26 2001

PRE-MUR # 399

Lois Lerner
Acting General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20649

Dear Ms. Lerner:

Enclosed for such attention as the Federal Election Commission may consider it warrants is a copy of a Federal Bureau of Investigation Letterhead Memorandum (LHM) concerning a preliminary investigation recently conducted into the 2000 congressional campaign of William J. Federer.

The enclosure suggests that the Federer campaign may have been the recipient of a short-term loan - - since repaid - - from a corporation in violation of 2 U.S.C. § 441b(a) in order to assist in covering printing costs of a book. The LHM also suggests several other possible infractions of FECA that this Department does not intend to pursue.

This matter has been closed and we do not anticipate taking any further action in connection with the allegations contained in the enclosure. If I can assist you further in this, or any other matter, please let me know.

Sincerely,

Craig C. Donsanto
Director, Election Crimes Branch
Public Integrity Section