



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

**SENSITIVE**

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 ) MUR 5183  
People United )  
 )  
 )  
 )

**STATEMENT OF REASONS**

**Chairman Scott E. Thomas  
Vice Chairman Michael E. Toner  
Commissioner David M. Mason  
Commissioner Danny L. McDonald  
Commissioner Bradley A. Smith  
Commissioner Ellen L. Weintraub**

On April 28, 2005, the Federal Election Commission closed the file in MUR 5183, a matter alleging the Rainbow/PUSH Coalition, Inc. ("Rainbow/PUSH"), Citizenship Education Fund, Inc. ("CEF"), and People United, entities controlled by Reverend Jesse L. Jackson, Sr., made corporate advances to fund a 2000 election cycle speaking tour on behalf of the Democratic National Committee ("DNC"). This Statement explains the Commission's actions only as they relate to People United.

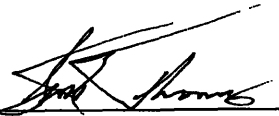
Specifically, the complaint in this matter alleged, in part, that People United, an Illinois religious corporation associated with Reverend Jackson, violated 2 U.S.C. § 441b by paying the Reverend Jackson's salary for the time he spent traveling in connection with DNC activity. At the same time, however, information on the record indicated People United apparently charged the full amount of the Reverend Jackson's salary back to Rainbow/PUSH and CEF. See First General Counsel's Report at 4-5; Complaint, Exhibit 1.

Based on a very limited record, the Office of General Counsel's initial recommendations included finding reason to believe People United may have violated the FECA in advancing expenses to support the GOTV/VR campaign as a means to benefit the DNC. The Commission, however, determined the preliminary facts presented did not clearly support the reason-to-believe findings and voted to take no action as to People

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United. See *Heckler v. Chaney*, 470 U.S. 821 (1985). During the course of investigating Rainbow/PUSH and CEF activities, no information was developed causing the General Counsel to recommend that the Commission reconsider its prior decision as to People United, and therefore, the Commission subsequently voted to close the file in this matter.

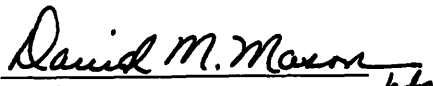
5/24/05  
Date

  
Scott E. Thomas  
Chairman


5/23/05  
Date

  
Michael E. Toner  
Vice Chairman


05/23/05  
Date

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David M. Mason  
Commissioner

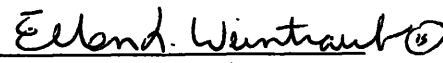
05/24/05  
Date

  
Danny L. McDonald  
Commissioner *by J3/SJ*

5/24/05  
Date

  
Bradley A. Smith  
Commissioner

5/20/2005  
Date

  
Ellen L. Weintraub  
Commissioner

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