



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

25044115220

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

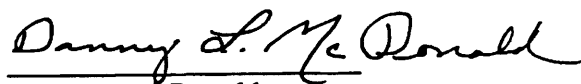
5/23/05
Date


Michael E. Toner
Vice Chairman

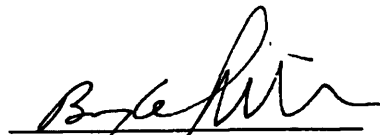
05/23/05
Date

 *kte*
David M. Mason
Commissioner

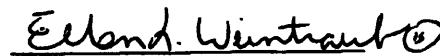

05/24/05
Date


Danny L. McDonald
Commissioner *by J/S*

5/24/05
Date


Bradley A. Smith
Commissioner

5/20/2005
Date

 
Ellen L. Weintraub
Commissioner

25044115221