

# Record

September 2001

Federal Election Commission

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## Regulations

### Notice of Proposed Rulemaking on Brokerage Loans and Lines of Credit

The Department of Transportation and Related Agencies Appropriations Act, 2001, amended section 431(8)(B) of the Federal Election Campaign Act (the Act) to permit candidates to finance their campaigns through loans derived from advances on their brokerage accounts, credit cards, home equity lines of credit and other lines of credit available to candidates. Public Law 106-346. On July 19, 2001, the Commission approved a Notice of Proposed Rulemaking (NPRM), which proposed amendments to Commission regulations to conform with the amendment to the Act.

The NPRM, which was published in the July 25, 2001, *Federal Register* (66 FR 38576), solicited comments concerning the regulation and reporting of these loans. The public comment period ended August 24, 2001. The Commission intends to hold a hearing on September 19, 2001, at 10 a.m., if there are sufficient requests to testify. The hearing will be held at the Commission's public hearing room at 999 E Street, NW., Washington, D.C.

(continued on page 2)

## Advisory Opinions

### AO 2001-9

#### Former Candidate's Use of Campaign Funds to Pay Consulting Expenses Related to Media Inquiries

Former Senator J. Robert Kerrey may use funds from his principal campaign committee, Kerrey for U.S. Senate (the Committee), to pay the costs of retaining a consulting firm to respond to media inquiries concerning his military service. Such payments would not be a personal use of campaign funds because the inquiries were a direct result of Mr. Kerrey's activities as a federal officeholder and federal candidate.

#### Background

Mr. Kerry was elected to the Senate in 1988 and remained in office until January 3, 2001. He was also a Presidential candidate in 1992. Until December 1998, when he announced he would seek a third Senate term, Mr. Kerrey was considered a potential Presidential candidate in 2000. In January 2000, however, he announced he would not run for election to any public office.

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## Regulations

(continued from page 1)

### Proposed Regulations

In the NPRM, the Commission proposes to amend the definitions of contribution and expenditure at 11 CFR 100.7 and 100.8, respectively, to specifically exclude brokerage loans, credit card advances and other lines of credit extended to candidates—including bank overdrafts. In order to be exempted from these definitions, the loan must be obtained:

- In accordance with applicable law;
- Under commercially reasonable terms; and
- By persons who make such loans in the ordinary course of business.

*Endorsed, Guaranteed and Co-Signed Loans.* Under the proposed regulations, an endorser, guarantor or co-signer of a loan derived from a candidate's line of credit would be considered a contributor for the amount of the loan for which he or she was liable. If, however, the endorser, guarantor or co-signer

were the candidate's spouse, and the candidate's share of collateral equaled or exceeded the amount of the loan, then the spouse would not be considered a contributor. In the case of an unsecured loan, the spouse would not be considered a contributor if the candidate used only one-half of the available credit for campaign purposes. The Commission sought comments on whether the regulations should allow the candidate to use, for campaign purposes, the full amount of the available credit in cases where the loan is in the ordinary course of business and the candidate is liable for the entire amount of the loan even though the spouse has endorsed, guaranteed or co-signed for the loan.

*Loans for Personal Living Expenses.* The proposed regulations would clarify that loans obtained by candidates and used to pay for their personal living expenses would not be considered contributions and would not need to be reported.<sup>1</sup> The candidates would, however, have to repay the loans wholly from their personal funds. The proposed exception would be limited to loans used solely for personal living expenses. Thus, if part of the loan proceeds were used in connection with a campaign, the entire loan would be reported by the committee. The Commission sought comments on this proposal and on an alternative proposal that would require the candidate's committee to report loans used exclusively for the candidate's personal expenses.

The proposed exception would not apply in a case where a third party endorsed, guaranteed or co-signed the loan. In that case, the third party would make a contribution in the amount for which he or she was liable.

*Loan Payment and Repayment.* One approach to loan repayment would allow a candidate's authorized committee the option of repaying the loan directly to the lending institution or to the candidate. If the repayments were made to the candidate, he or she would be required to repay the lending institution within 30 days of receiving the funds from the committee in order to avoid converting campaign funds to personal use.<sup>2</sup> As an alternative approach, the Commission is considering requiring that the payment and repayment of the loan pass through the candidate's personal account in order to distinguish bank loans made directly to an authorized committee from loans derived from a candidate's line of credit.

*Reporting.* The Commission would require a candidate's principal campaign committee to report loans derived from an advance on a candidate's brokerage account, credit card or line of credit. The Commission sought comments on proposed amendments concerning how such loans should be reported. For example, the NPRM sought comments on whether a candidate's loan for personal expenses should be reported by the committee. The Commission also considered cases where a candidate obtained a loan from his or her line of credit and then loaned these funds to the committee. The NPRM proposed options where the committee would be required to report only repayments it made to the candidate and where the committee would report both the committee's repayments to the candidate and the candidate's repayments to the lending institution.

The Commission intends to design new reporting schedules (C-2 and C-P-2) for use in reporting loans

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800/424-9530  
202/694-1100  
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Published by the Information  
Division

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Staff Director  
**Amy Kort**, Editor

<http://www.fec.gov>

<sup>1</sup> The Commission is also considering a similar approach for reporting bank loans used solely for candidates' personal expenses.

<sup>2</sup> See 2 U.S.C. §439a and 11 CFR 113.2(d).

derived from a candidate's brokerage account, credit card or line of credit.

*Other Issues.* The Commission also sought comments on issues surrounding non-purpose credit and margin accounts, committees' debt settlement and the termination of committees with outstanding loans derived from lines of credit.

The full text of the NPRM is available on the FEC web site at <http://www.fec.gov/pdf/FR66n143p38576.pdf> and from the FEC faxline, 202/501-3413, document number 251. ♦

—Amy Kort

## Federal Register

Federal Register notices are available from the FEC's Public Records Office, on the FEC web site at <http://www.fec.gov/register.htm> and from the FEC faxline, 202/501-3413.

### Notice 2001-7

Filing Dates for the Florida Special Election in the 1<sup>st</sup> Congressional District; Notice of filing dates for special election (66 FR 31237, June 11, 2001).

### Notice 2001-8

Filing Dates for the Massachusetts Special Election in the 9th Congressional District; Notice of filing dates for special election (66 FR 33962, June 26, 2001).

### Notice 2001-9

Voluntary Standards for Computerized Voting Systems; Notice with request for comments (66 FR 35978, July 10, 2001).

### Notice 2001-10

Brokerage Loans and Lines of Credit; Notice of Proposed Rulemaking (66 FR 38576, July 25, 2001).

## Advisory Opinions

(continued from page 1)

During each of Mr. Kerrey's campaigns for federal office, he engaged in public discussions of his military service. In 1998, while Mr. Kerrey was still a Senate candidate under Commission regulations and also considered a possible Presidential candidate, a *Newsweek* reporter began an inquiry into an incident that occurred during his service in the Vietnam War. However, when Mr. Kerrey announced that he would not seek the Presidency in 2000, *Newsweek* declined to publish the story—a *Newsweek* editor made clear in April 2000 that *Newsweek's* publication of the story was contingent upon Kerrey's plans to run for President in 2000. The reporter continued to pursue the story.

In April 2001, the story became public through other media venues, and Mr. Kerrey retained a public relations firm, Westhill Partners, to aid in his response to media inquiries. The firm subsequently billed Mr. Kerrey for \$59,554.48.

### Personal Use of Campaign Funds

Under the Federal Election Campaign Act (the Act) and Commission regulations, a candidate and the candidate's committee may use excess campaign funds for any lawful purpose, but may not convert these funds to the personal use of the candidate or of any other person. 2 U.S.C. §439a and 11 CFR 113.2(d). Personal use is defined as "any use of campaign funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a federal office holder." 11 CFR 113.1(g). In cases such as this one, where a specific use of campaign funds is not listed in the regulations as personal use per se, the Commission determines, on a case-by-case basis, whether or not the expense would fall within the

definition of personal use at 11 CFR 113.1(g).<sup>1</sup> 11 CFR 113.1(g)(1)(ii).

### Payments to the Public Relations Firm

Mr. Kerrey's use of campaign funds to pay Westhill Partners would not constitute a personal use of campaign funds because the media interest that the public relations firm responded to would not have occurred if Mr. Kerrey had not been a prominent Senator and a prominent federal candidate—particularly one whose campaigns entailed a discussion of his military record. Two factors demonstrate that the media attention was a direct result of Mr. Kerrey's campaigns and officeholder activities:

1. The media inquiry began when he was still in the Senate, was a Senate candidate under Commission rules and was generally viewed as a probable presidential candidate for the 2000 primary election. Even though the reporter continued his inquiry after Mr. Kerrey announced that he would not seek the Presidency in 2000, *Newsweek's* decision not to pursue the story after Mr. Kerrey's announcement indicates that the original inquiry was motivated by a desire to present important information about the fitness for federal office of a federal candidate and officeholder.

(continued on page 4)

<sup>1</sup> In the *Explanation and Justification of its regulations on personal use*, the Commission explained the case-by-case approach, stating that if the candidate "can reasonably show that the expenses at issue resulted from campaign or officeholder activities, the Commission will not consider the use to be personal use." *Explanation and Justification, Expenditures; Reports by Political Committees; Personal Use of Campaign Funds*, 60 Federal Register 7867 (February 9, 1995).

## Advisory Opinions

(continued from page 3)

2. Questions and comments by the media concerning Mr. Kerrey's failure to disclose information about the incident while he was a Senator or when he ran for president indicate that his behavior as Senator and candidate was an important cause of the media activity in April and May of 2001.

The Committee should report its payment to Westhill Partners as an "Other Disbursement" and should make reference to this advisory opinion as part of its description of the purpose of the disbursement. 2 U.S.C. §434(b)(4)(G) and (6)(A) and 11 CFR 104.3(b)(2)(vi) and (b)(4)(vi).

The Commission noted that Mr. Kerrey's situation is unique and that this opinion does not establish any general rule regarding the use of campaign funds by former candidates or federal officeholders to pay for public relations expenses.

Date Issued: July 12, 2001;  
Length: 5 pages. ♦

—Amy Kort

### AO 2001-10

#### Committee's Employment of Candidate's Wife

Jesse L. Jackson, Jr.'s principal campaign committee, Jesse L. Jackson, Jr. for Congress (the Committee), may hire Congressman Jackson's wife as a paid consultant. The Committee must employ Ms. Jackson on the same terms it would normally use to employ a consultant and must pay her no more than the fair market value for her services.

#### Personal Use of Campaign Funds

While candidates generally have wide discretion in making expenditures to influence their election, the Federal Election Campaign Act (the Act) prohibits the conversion of

campaign funds to personal use.<sup>1</sup> 2 U.S.C. §439a and 11 CFR 113.2(d). See also AOs 2001-3, 2000-40, 2000-37 and 2000-12. Under Commission regulations, salary payments made to family members are considered a personal use of campaign funds per se, unless the family member is paid the fair market value for bona fide campaign services that he or she provides.<sup>2</sup> 11 CFR 113.1(g)(1)(i). Payments in excess of the fair market value are considered a personal use of campaign funds. 11 CFR 113.1(g)(1)(i)(H).

#### Application to Proposal

Ms. Jackson has experience working for various national political campaigns and in government. The committee believes that as a consultant Ms. Jackson would provide critical services to the campaign. Under the Act and Commission regulations, the committee may hire her to provide bona fide campaign services, so long as it pays her no more than the fair market value for her services. Her contract must contain the same terms customarily found in such agreements between paid campaign

consultants and candidate committees.<sup>3</sup>

#### Reporting and Recordkeeping Requirements

The Committee should report salary payments it makes to Ms. Jackson as operating expenditures on its FEC disclosure reports. See 11 CFR 104.3(b)(2)(i) and 104.3(b)(4)(i). The Committee should also keep Ms. Jackson's contract and any other documents relating to her employment for at least three years beyond the date that it files any report to which those records may relate. 11 CFR 104.14(b). See also 11 CFR 102.9(b)(1) and AO 2001-03.

Date Issued: July 12, 2001;  
Length: 5 pages. ♦

—Amy Kort

## Advisory Opinion Requests

### AOR 2001-11

Transfer of funds for allocable expenses after 70-day period lapsed due to bank processing problem (Democratic Party of Virginia, July 24, 2001)

### AOR 2001-12

Preemption of state election law governing donations to political party's building fund (Democratic Party of Wisconsin, August 7, 2001) ♦

<sup>1</sup> Commission regulations define personal use as "any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder." 11 CFR 113.1(g).

<sup>2</sup> Commission regulations at 11 CFR 113.1(g)(1)(i) provide a list of specific uses of campaign funds that will be considered per se personal use. Other uses of campaign funds are to be examined on a case-by-case basis using the general definition of personal use.

<sup>3</sup> The Commission expressed no opinion regarding the application of any rules of the House of Representatives or the Ethics in Government Act to these activities because these issues are not within its jurisdiction. For the same reason, the Commission expressed no views as to any federal or other tax ramifications.



# Reports

## Arkansas Special Election Reporting

The Special Election to fill the U.S. House seat vacated by Congressman Asa Hutchinson in the Third Congressional district of Arkansas will be held on November 20, 2001. The Special Primary will be September 25 and the Special Runoff, if needed, will be October 16. Committees involved in any of these elections should consult the accompanying chart for filing information.<sup>1</sup>

Note that 48-hour notices are required of authorized committees that receive contributions of \$1,000 or more between September 6 and September 22 for the Special Primary, between November 1 and November 17 for the Special General and between September 27 and October 13 for the Special Runoff, if that election is held.

Reports filed electronically must be submitted by midnight on the filing date. A committee required to file electronically that files instead on FEC paper reporting forms will be considered a nonfiler.

Reports filed on paper and sent by registered or certified mail must be postmarked by the mailing date; reports sent by any other means (including reports sent via first class mail) must be received by the Commission's close of business on the filing date.

For more information about any of these filing requirements, please call the FEC's Information Division at 800/424-9530 (press 1, then 3) or 202/694-1100. ♦

—Amy Kort

<sup>1</sup> These committees include authorized committees of candidates running in the election and other political committees (including PACs) that support these candidates and do not file monthly.

## Arkansas Special Election Reporting

For Committees Involved Only in the Special Primary Election:

	Close of Books	Reg./Cert. Mail Date	Filing Date
<b>Pre-Primary Report</b>	September 5	September 10	September 13
<b>Year-End Report</b>	December 31	January 31	January 31, 2002

For Committees Involved in Both the Special Primary and Special General If Only Two Elections are Held:

	Close of Books	Reg./Cert. Mail Date	Filing Date
<b>Pre-Primary Report</b>	September 5	September 10	September 13
<b>Pre-General Report</b>	October 31	November 5	November 8
<b>Post-General Report</b>	December 10	December 20	December 20
<b>Year-End Report</b>	December 31	January 31	January 31, 2002

For Committees Involved in Only the Special Primary and Special Runoff:

	Close of Books	Reg./Cert. Mail Date	Filing Date
<b>Pre-Primary Report</b>	September 5	September 10	September 13
<b>Pre-Runoff Report</b>	September 26	October 1	October 4
<b>Year-End Report</b>	December 31	January 31	January 31, 2002

For Committees Involved in the Special Primary, Special Runoff and Special General:

	Close of Books	Reg./Cert. Mail Date	Filing Date
<b>Pre-Primary Report</b>	September 5	September 10	September 13
<b>Pre-Runoff Report</b>	September 26	October 1	October 4
<b>Pre-General Report</b>	October 31	November 5	November 8
<b>Post-General Report</b>	December 10	December 20	December 20
<b>Year-End Report</b>	December 31	January 31	January 31, 2002

## Administrative Fines

### Committees Fined for Nonfiled and Late Reports

On July 23 and August 7, 2001, the Commission publicized its final action on 85 new Administrative Fine cases, bringing the total number of cases released to the public to 188.

Civil money penalties for late reports are determined by the number of days the report was late, the amount of financial activity involved and any prior penalties for violations under the administrative fine regulations. Penalties for nonfiled reports—and for reports filed so late as to be considered nonfiled—are also determined by the financial activity for the reporting period and any prior violations. Election sensitive reports, which include reports and notices filed prior to an election (i.e., 12 Day pre-primary, October quarterly and October monthly reports), receive higher penalties. The committees and the treasurers are assessed civil money penalties when the Commission makes its final determination. Unpaid civil money penalties are referred to the Department of the Treasury for collection.

The committees listed in the charts at right, and their treasurers, were assessed civil money penalties under the administrative fine regulations.

Closed Administrative Fine case files are available through the FEC Press Office, at 800/424-9530 (press 2) and the Public Records Office, at 800/424-9530 (press 3). ♦

—Phillip Deen

### Committees Fined and Penalties Assessed

1. America Service Group Inc. PAC	\$1,000
2. American Association of Airport Executives Good Gov't Committee	\$325
3. American Concrete Pavement Association PAC	\$1,000
4. American Crop Protection Association PAC	\$1,000
5. American Dental PAC	\$2,550
6. American Meat Institute PAC	\$2,000
7. American Moving and Storage Association	\$1,000
8. Americans for Sound Energy Policy	\$1,000
9. Associated General Contractors of America PAC	\$600
10. Association of American Railroads PAC	\$1,000
11. Bancorp South Bank PAC	\$250
12. Bakery, Confectionery, Tobacco Workers, Grain Millers International Union	\$650
13. Barbara Cooper for Congress	\$1,650
14. Bipartisan Voluntary Public Affairs Committee of PNC Bank National Association	\$500
15. Burson-Marsteller/Young & Rubicam PAC	\$1,000
16. Cable and Wireless USA Inc. PAC	\$1,000
17. California Right to Life PAC	\$1,000
18. Central and South West Services Inc. PAC	\$1,000
19. Circuit City Stores Inc. PAC	\$1,000
20. Clinesmith for Congress	\$975 <sup>1</sup>
21. Coca-Cola Enterprises Inc. Employee Nonpartisan Committee for Good Government	\$1,000
22. Committee for the Preservation of Capitalism	\$4,000
23. Democratic Foundation of the Desert	\$800 <sup>1</sup>
24. Distilled Spirits Council of the United States Inc. PAC	\$750
25. Distilled Spirits Council of the United States Inc. PAC	\$1,000 <sup>1</sup>
26. Dorso for Congress Committee	\$1,650
27. Drummond Company Inc. PAC	\$1,000
28. Dunn Lampton for Congress	\$1,300
29. Ernst & Young PAC	\$2,000
30. Federal Managers' Association PAC	\$675
31. Fight-PAC	\$3,000
32. First Health Group Corp. PAC	\$2,000
33. Florida Power and Light Co. Employees' PAC	\$900
34. Friends of David Bishop	\$1,000
35. Genesis Health Ventures Inc. PAC	\$1,000
36. Greene for Congress 2000 Campaign Committee	\$300
37. Harris for Congress	\$900 <sup>1</sup>
38. Holland America Line Westours, Inc. PAC	\$1,000
39. Hutchins for Congress	\$300
40. Ice Cream, Milk & Cheese PAC-INTL Ice Cream Association, Milk Industry Foundation and National Cheese Institute	\$1,000
41. Independent Electrical Contractors Inc. PAC	\$775
42. Independent Electrical Contractors Inc. PAC	\$1,000

<sup>1</sup> This civil money penalty has not been collected.

## Committees Fined and Penalties Assessed, Cont.

43. Institute of Scrap Recycling Industries PAC	\$1,000
44. International Alliance of Theatrical Stage Employees PAC	\$1,000
45. Lawler 2000 Committee	\$325
46. Leadership PAC 2002	\$2,000
47. Madison Project Inc. Fund	\$1,000
48. National Association of Mortgage Brokers PAC	\$2,000
49. National Association of Professional Insurance Agents PAC	\$1,000
50. National Association of Wheat Growers PAC	\$1,000
51. National Beer Wholesalers Association PAC	\$5,000
52. National Community Pharmacists Association PAC	\$1,000
53. National Cotton Council Committee	\$325
54. National Utility Contractors Association Legislative Information & Action Committee	\$1,000
55. Noble Willingham for Congress	\$2,000
56. Nortel Networks Inc. PAC	\$1,000
57. Osteopathic PAC	\$2,000
58. Outdoor Advertising Association of America PAC	\$1,000
59. People for Royal Hart	\$1,800 <sup>1</sup>
60. Prairie Leadership Committee	\$1,000
61. Reliant Energy Entex Citizenship Responsibility Group	\$1,000
62. Republican Party of Minnesota	\$16,000
63. Richard Pombo for Congress	\$1,650
64. Rick Hill for Congress Committee	\$900
65. Securities Industry Association PAC	\$1,000
66. Seekings for Congress	\$900
67. Sills Federal PAC Inc.	\$1,000
68. Rite Aid PAC	\$5,000
69. Rolls-Royce North America PAC	\$1,000
70. Ryder Empls PAC	\$1,000
71. Services Group of America PAC	\$1,000
72. Sisisky for Congress	\$325
73. Southwestern Electric Power Company PAC	_____ <sup>2</sup>
74. Sunbelt Good Government Committee of Winn-Dixie Stores Inc.	\$1,000
75. SunTrust Mid-Atlantic Responsible Government Fund	\$1,000
76. Texas-New Mexico Power Company Responsible Government Association	\$1,000
77. Textron Inc. PAC	\$3,000
78. Title Industry PAC	\$1,000
79. Trotter 2000 for Congress	\$900
80. United States Telecom Association PAC	\$2,000
81. Volunteer PAC	\$1,000
82. Waddell & Reed Financial Inc. PAC	\$1,000
83. Western Pistachio Association Pistachio PAC	\$1,000
84. Wynn for Congress	\$5,000
85. Wynn for Congress	\$5,025

<sup>1</sup> This civil money penalty has not been collected.

<sup>2</sup> The committee provided evidence that the report was filed timely, so the Commission took no further action.

## Electronic Filing

**More Committees File Electronically**

During July 2001, nearly 3,000 committees filed electronic disclosure reports with the Commission. Of this total, 1,135 committees were new electronic filers. On the July 31 mid-year report filing date alone, the Commission received and processed 519 electronically-filed reports; 318 of these reports were filed by new electronic filers.

Many of these committees filed under the mandatory electronic filing regulations that took effect January 1, 2001. These regulations require candidate and political committees to file electronically if they:

- File reports directly with the Commission;<sup>1</sup> and
- Exceed (or expect to exceed) \$50,000 in contributions or expenditures in a calendar year.

Other committees may choose to file electronically under the Commission's voluntary electronic filing program, which began in 1997.

The Commission makes electronically-filed reports available for public viewing on the FEC web site, [www.fec.gov](http://www.fec.gov), within seconds of receipt. Images of reports that are filed on paper are posted on the site within 24 to 48 hours.♦

—Amy Kort

<sup>1</sup> Senate committees, which file their reports with the Secretary of the Senate, are not required to file electronically.

## Court Cases

### New Litigation

#### AFL-CIO and DNC Services Corp./DNC v. FEC

On July 17, 2001, the U.S. District Court for the District of Columbia granted Plaintiffs' request for a preliminary injunction barring the Commission from publicly releasing documents relating to closed enforcement matters (MURs) 4291, 4307, 4328, 4338, 4463, 4500, 4501, 4513, 4555, 4573 and 4578 (MUR 4291, et al.) until the conclusion of the litigation. The injunction does not bar the Commission from releasing the:

- General Counsel's Report, dated June 12, 2000;
- Certification of the Commission's Acting Deputy Secretary, dated July 12, 2000;
- Statement of Commissioner Scott E. Thomas, dated September 5, 2000; and
- Conciliation agreement between the Commission and the Democratic-Republican-Independent Voter Education Committee.

*Background.* On June 17, 1997, the Commission found reason to believe that the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), the DNC Services Corporation/Democratic National Committee (DNC) and others had violated the Federal Election Campaign Act (the Act) during the 1995-96 election cycle (MUR 4291, et al.). The Commission subsequently conducted an investigation into the alleged transgressions, during which the AFL-CIO and the DNC produced more than 20,000 pages of documents relating to their activities. On July 11, 2000, the Commission voted to take no further action on MUR 4291, et al., and it subsequently informed the AFL-

CIO and DNC that the closed MUR files would be placed on the public record. The Commission's long-standing practice is to make copies of its closed MUR files available to the public within 30 days after notifying all respondents that a MUR has been closed. 11 CFR 5.4(a)(3) and (4).

In May and June 2001, after reviewing the files that the Commission planned to make public, Plaintiffs made multiple submissions to the Commission requesting that the MUR files not be publicly released. Plaintiffs argued that releasing the files would violate the enforcement confidentiality provision of the Act, 2 U.S.C. §437g(a)(12)(A), the First Amendment and the Privacy Act, 5 U.S.C. §552a. Plaintiffs also claimed that the files contained information exempted from disclosure under the Freedom of Information Act (FOIA). 5 U.S.C. §552. The Commission denied Plaintiffs' requests.

*Court Case.* On July 13, 2001, Plaintiffs filed a complaint with the U.S. District Court for the District of Columbia seeking a permanent injunction that would prevent the Commission from publicly disclosing most of its investigatory files in closed MUR 4291, et al. They also requested a preliminary injunction or temporary restraining order to bar the Commission's release of the documents while the case was heard.

The court issued a preliminary injunction barring release of the files, which will maintain the status quo while the court considers Plaintiffs' arguments. The court also set an accelerated briefing schedule for final resolution of the case.

U.S. District Court for the District of Columbia, CA-01-1522. ♦

—Amy Kort

## Alternative Dispute Resolution

### ADR Program Update

In July 2001, the Commission publicized information on three additional cases resolved in the Alternative Dispute Resolution (ADR) program. The respondents, the alleged violations and the penalties assessed are listed below.

The Commission reached agreement with Omaha State Bank. The bank agreed to pay a \$500 civil money penalty for making a prohibited contribution by a national bank toward a federal election. 2 U.S.C. §441b(a). In addition, the bank will, within 90 days of the agreement,

### Campaign Guides Available

For each type of committee, a *Campaign Guide* explains, in clear English, the complex regulations regarding the activity of political committees. It shows readers, for example, how to fill out FEC reports and illustrates how the law applies to practical situations.

The FEC publishes four *Campaign Guides*, each for a different type of committee, and we are happy to mail your committee as many copies as you need, free of charge. We encourage you to view them on our Web site (go to [www.fec.gov](http://www.fec.gov), then click on "Campaign Finance Law Resources" and then scroll down to "Publications").

If you would like to place an order for paper copies of the *Campaign Guides*, please call 800-424-9530, press 1, then 3.



adopt and distribute to bank personnel a policy prohibiting bank contributions in connection with federal elections.

The Commission also reached agreement with Kurth for Congress. The committee, which had failed to provide adequate disclaimer information, acknowledged the admonishing nature of the agreement and agreed to file for termination.

Finally, the Commission dismissed allegations against Friends of Roger Kahn, Roger Kahn, and Matthews & Maxwell, Inc., concerning corporate contributions and failure to report receipts. The ADR Office concluded that the alleged violations were unsubstantiated, and the Commission concurred by dismissing the matter.

Closed ADR-negotiated settlement summaries are available from the Public Records Office at 999 E Street, NW., Washington, D.C. 20463. The Public Records Office may also be contacted at 800/424-9530 (press 3). ♦

—Phillip Deen

## Publications

### Results of 2000 Federal Elections Published

The Commission has released *Federal Elections 2000*, a 197 page publication detailing the official primary, runoff and general election results for the 2000 Presidential and Congressional elections. For each state, *Federal Elections 2000* lists the names of candidates on the ballot, party affiliations and the number and percentage of votes each candidate received. It also provides charts that illustrate and summarize election results. The publication's statistical data, which is based on official figures provided by state election officials, includes election results as amended through June 2001.

The largest edition in the series, *Federal Elections 2000* features two new additions:

- An appendix that provides statistics for previous Presidential general elections; and
- A chart showing the general election votes cast for all federal races by party.

The publication is available for viewing and downloading at the FEC's web site at [www.fec.gov](http://www.fec.gov), in the "Elections and Voting" section. To obtain a free copy of *Federal Elections 2000*, or for more information, call the Public Records office at 800/424-9530 (press 3) or at 202/694-1120. ♦

—Amy Kort

## Staff

### Acting FEC General Counsel Resigns

Lois Lerner, the FEC's Acting General Counsel, will leave the Commission in September to take a senior post with the Internal Revenue Service (IRS). Ms. Lerner will be the Director of Rulings and Agreements in the Exempt Organizations Technical Division at the IRS. This division deals with tax-exempt political organizations.

Ms. Lerner had been Acting General Counsel since January of 2001. She joined the staff of the FEC's Office of General Counsel in 1981 and later served as the FEC's Associate General Counsel for Enforcement. Prior to joining the FEC, she was a staff attorney in the Criminal Division of the Department of Justice. ♦

—Jim Wilson

### Information Division Director Resigns

Louise D. Wides, who served 16 years as the Assistant Staff Director of the Information Division, has resigned from the agency in order to begin work in the private sector. Her last day with the Commission was June 29, 2001.

Ms. Wides had worked for the Commission since 1975, starting her career as an Information Specialist. Under her direction, the Information Division wrote and produced the *Campaign Guide* series, the brochure series and the *Record*. In addition, Ms. Wides oversaw the growth and development of the FEC's conference program and the toll-free line to provide compliance help to the regulated community.

Greg J. Scott, who served as Deputy Assistant Staff Director under Ms. Wides, has been named Acting Assistant Staff Director of the Information Division. A 1988 graduate of Indiana University, Mr. Scott has worked in the Information Division since 1990. ♦

—Amy Kort

### Back Issues of the Record Available on the Internet

This issue of the *Record* and all other issues of the *Record* starting with January 1996 are available through the Internet as PDF files. Visit the FEC's World Wide Web site at <http://www.fec.gov> and click on "What's New" for this issue. Click "Campaign Finance Law Resources" to see back issues. Future *Record* issues will be posted on the web as well. You will need Adobe® Acrobat® Reader software to view the publication. The FEC's web site has a link that will take you to Adobe's web site, where you can download the latest version of the software for free.

## Outreach

### FEC Regional Conference in Denver for Candidates, Parties and PACs

This October, the Federal Election Commission will hold a comprehensive, two and one-half day, regional conference in Denver. This conference is designed to help federal political committees and candidates understand and comply with federal campaign finance law. The conference will provide an overview of the basic provisions of the federal election law and discuss specific requirements that apply to candidates, political parties and corporate, labor and trade association PACs (as well as their sponsoring organizations).

### Public Appearances

September 11, 2001  
NABPAC  
Washington, D.C.  
Commissioner Thomas

September 17, 2001  
John M. Asbrook Center for  
Public Affairs  
Ashland, Ohio  
Commissioner Smith

September 26, 2001  
American University  
Washington, D.C.  
Commissioner Mason

September 29-30, 2001  
California Political Attorneys  
Association/  
California Political Treasurers  
Association  
Monterey, California  
Commissioner Wold

The conference will consist of a series of workshops presented by Commissioners and experienced FEC staff. A representative from the Internal Revenue Service will be available to answer election-related tax questions.

The conference will be held October 2-4, 2001, at the Westin Westminster, 10600 Westminster Blvd., Westminster, Colorado (Denver metro area). The registration fee for the conference is \$360, which covers the cost of the conference, reception, materials and meals. The registration fee and the registration form, which is available by mail and online, must be received by August 31. A late registration fee of \$10 will be added as of September 1. A full refund will be made for all cancellations made before that date.

A room rate of \$158 single or double is available for hotel reservations made by August 31. Call (303) 410-5000 or (800) 937-8461 and specify the Federal Election Commission room block. After August 31, room rates are based on availability. Free parking is located across from the hotel.

### Registration

Conference registrations will be accepted on a first-come, first-served basis. Attendance is limited, and other FEC conferences have sold out this year, so please register early.

For registration information, call Sylvester Management Corporation at (800) 246-7277 or send an e-mail to [toni@sylvestermanagement.com](mailto:toni@sylvestermanagement.com). To download the agenda or fill out a registration for the conference online, visit [www.fec.gov/pages/infosvc.htm#Conferences](http://www.fec.gov/pages/infosvc.htm#Conferences). ♦

—Phillip Deen

### PACronyms, Other PAC Publications Available

The Commission annually publishes *PACronyms*, an alphabetical listing of acronyms, abbreviations and common names of political action committees (PACs).

For each PAC listed, the index provides the full name of the PAC, its city, state, FEC identification number and, if not identifiable from the full name, its connected, sponsoring or affiliated organization.

The index is helpful in identifying PACs that are not readily identified in their reports and statements on file with the FEC.

To order a free copy of *PACronyms*, call the FEC's Disclosure Division at 800/424-9530 (press 3) or 202/694-1120. *PACronyms* also is available on diskette for \$1 and can be accessed free under the "Using FEC Services" icon at the FEC's web site—<http://www.fec.gov>. Other PAC indexes, described below, may be ordered from the Disclosure Division. Prepayment is required.

- An alphabetical list of all registered PACs showing each PAC's identification number, address, treasurer and connected organization (\$13.25).
- A list of registered PACs arranged by state providing the same information as above (\$13.25).
- An alphabetical list of organizations sponsoring PACs showing the PAC's name and identification number (\$7.50).

The Disclosure Division can also conduct database research to locate federal political committees when only part of the committee name is known. Call the telephone numbers above for assistance or visit the Public Records Office in Washington at 999 E St., NW.

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### Need FEC Material in a Hurry?

Use FEC Faxline to obtain FEC material fast. It operates 24 hours a day, 7 days a week. More than 300 FEC documents—reporting forms, brochures, FEC regulations—can be faxed almost immediately.

Use a touch tone phone to dial **202/501-3413** and follow the instructions. To order a complete menu of Faxline documents, enter document number 411 at the prompt.

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