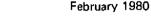


THE FEDERAL ELECTION COMMISSION

RECORD

1325 K Street N.W., Washington, D.C. 20463

Volume 6, Number 2





FEDERAL ELECTION CAMPAIGN ACT AMENDED

On January 8, 1980, the 1979 amendments to the Federal Election Campaign Act of 1971 (previously amended in 1974 and 1976) became law (Public Law 96-187). The amendments will reduce recordkeeping and reporting requirements and expand the opportunities for political parties to participate in federal elections. Generally, the amendments will:

- Reduce the number of reports required (See "1980 Reports," p. 4).
- Reduce the number of contributions and expenditures that must be individually itemized on reports by raising to \$200 the threshold for detailed information.
- Reduce the amount of detailed information required for itemizing disbursements.
- Eliminate registration and reporting requirements for authorized candidate committees with minimal campaign activity (less than \$5,000 in annual contributions or expenditures).
- Eliminate altogether the candidate's responsibility for reporting.
- Reduce the amount of information required for registration.
- Increase from \$500 to \$1,000 the exemption for volunteer activities undertaken on behalf of candidates.
- Permit local political party units to engage in limited federal election campaign activity without having to register or report.
- Permit party political committees to engage in certain federal election activities without incurring a contribution or expenditure subject to the limitations.
- Extend exemptions for individual volunteer services and property, formerly limited to candidate-related activity, to party-related activity as well. Establish a monetary limit for such activity.
- Permit anyone to request an advisory opinion concerning the application of the law to a specific transaction or activity by the requester.
- Reduce the required time for state officials to preserve reports.
- Permit political committees (other than authorized com-

mittees), when filing their state reports, to file only that portion of the report that applies to candidates seeking election in the state where the report is filed.

 Retain an individual's right to file a notarized complaint with the Commission; alter Commission enforcement procedures.

To implement the 1979 amendments, the Commission must promulgate new Regulations by February 29, 1980. The amendments provide that this first set of Regulations may be prescribed by the Commission if neither House of Congress disapproves them within 15 legislative days, rather than the 30 legislative days normally required. (Subsequent Regulations, however, will be governed by the 30-day rule.) The FEC is preparing additional informational materials which will be sent to all *Record* subscribers as soon as they are available.



PROPOSED REGULATIONS ON CANDIDATE DEBATES

On December 27, 1979, the Commission submitted to Congress proposed Regulations on the financing and sponsorship of federal candidate debates. Previous candidate debate Regulations, proposed to Congress on June 12, 1979, were disapproved by the Senate on September 18, 1979. After the Senate's disapproval, the Commission held public hearings on October 23 and 24, 1979. (See *Record*, December 1979, p. 2.) The Regulations submitted by the Commission on December 27, 1979, provide that:

1. Funds From Certain Organizations to Stage Nonpartisan Candidate Debates Are Neither Contributions Nor Expenditures

The proposed Regulations exempt from the definition of contribution or expenditure funds spent by certain nonprofit organizations and bona fide news media corporations to stage nonpartisan candidate debates. Since the educational purpose of nonpartisan candidate debates is similar to the purpose underlying the Act's exemption of nonpartisan voter registration and getout-the-vote activities, the proposed Regulations provide a similar exemption.

- 2. Certain Nonprofit Organizations and Bona Fide News Media Corporations May Stage Candidate Debates The proposed Regulations permit nonprofit organizations which do not endorse, support or oppose political candidates or political parties to stage nonpartisan debates. Specifically included are:
 - a. All organizations exempt from federal taxation under 26 U.S.C. §501(c)(3). (Under the tax code, these organizations are prohibited from participating in or intervening in any political campaign.)
 - b. Any organization exempt from federal taxation under 26 U.S.C. §501(c)(4), provided it does not engage in any political campaign activities.

The proposed Regulations also permit broadcasters, bona fide newspapers, news gathering services, magazines and other periodical publications to stage nonpartisan candidate debates. The proposed Regulations define "bona fide," and specifically exclude from that definition news media that are owned or controlled by a political party, political committee or candidate, and periodical publications which are house organs.

3. Debate Structure Is Left to the Discretion of the Staging Organization

Rather than prescribing a precise structure for the debates, the proposed Regulations specify only a general standard. To be considered nonpartisan, a debate must:

- a. Include at least two candidates; and
- b. Not promote or advance one candidate over another.
- 4. Labor Organizations and Corporations May Contribute to Nonprofit Nonpartisan Staging Organizations

In the same way that labor organizations and corporations are permitted to donate funds for registration and get-out-the-vote activities conducted in conjunction with a nonprofit organization, the proposed Regulations permit them to donate funds to nonprofit, nonpartisan organizations for the staging of candidate debates.

Broadcasters, newspapers, magazines and other periodicals are also permitted to use their own funds to stage nonpartisan debates. Consistent with ordinary practice and applicable Federal Communications Commission (FCC) regulations, broadcasters may accept both regular commercial advertising and underwriting by corporations and labor organizations to finance the broadcast of debates staged or covered by the broadcaster. Similarly, newspapers, magazines and other periodicals may accept regular paid advertising in an issue which covers a debate, whether staged by the newspaper or another entity. Broadcasters, newspapers, magazines and other periodicals may not, however, accept direct corporate or labor organization payments (other than for regular commercial advertising) to finance the staging of debates.

In accordance with the Act, the proposed Regulations may be promulgated by the Commission if neither House of Congress disapproves them within 30 legislative days of their submission.

COMMISSION PRESCRIBES CONVENTION FINANCING REGULATIONS

On December 20, 1979, the Commission formally prescribed new Regulations that define the process by which political parties may qualify for public funds to finance their national nominating conventions. (For a detailed summary of the Convention Financing Regulations, see *Record*, December 1979, p. 2.)

The Commission submitted the proposed Regulations to Congress on October 26, 1979. The law stipulates that proposed Regulations may be promulgated 30 legislative days after their submission, unless either the House or the Senate disapproves them before that time has elapsed. This 30-day legislative period expired on December 20, 1979, without disapproval by either the House or Senate.

The new Regulations were published, in their entirety, in the *Federal Register* on November 1, 1979. Technical amendments were published in the *Federal Register* on December 31, 1979.



The list below identifies all FEC documents which appeared in the *Federal Register* between December 14, 1979, and January 7, 1980. Copies of these notices are not available from the FEC.

	Federal Register			
Notice	Title	Publication Date	Citation	
1979-23	Multicandidate Political Committee Index; Announcement of Availability	12/27/79	44 FR 76731	
1979-24	Funding and Sponsor- ship of Federal Candida Debates; Transmittal of Regulations to Congress		44 FR 76734	
1979-25	Presidential Election Campaign Fund; Federa Financing of Presidentia Nominating Convention Correction	il .	44 FR 77137	
1979-26	Presidential Election Campaign Fund; Federa Financing of Presidentia Nominating Convention Final Rule; Announcem of Effective Date and D tion of Existing Regulat	ıl s; ent ele-	44 FR 77136	

The RECORD is published by the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. Commissioners are: Robert O. Tiernan, Chairman; Max L. Friedersdorf, Vice Chairman; Joan D. Aikens; Thomas E. Harris; John W. McGarry; Frank P. Reiche; J.S. Kimmitt, Secretary of the Senate, Ex Officio; Edmund L. Henshaw, Jr., Clerk of the House of Representatives, Ex Officio. For more information, call 202/523-4068 or toll-free 800/424-9530.



ADVISORY OPINION REQUESTS

Advisory Opinion Requests (AOR's) pose questions on the application of the Act or Commission Regulations to specific factual situations described in the AOR. The following chart lists recent AOR's, with a brief description of the subject matter, the date the requests were made public and the number of pages of each request. The full text of each AOR is available to the public in the Commission's Office of Public Records.

AOR	Subject	Date Made Public	No. of Pages
1979-79	Effect of contemplated con- tributions on affiliated status of committees opposing same candidate.	12/19/79	1
1979-80	Effect of relationships between vendors employed by both a candidate and a political com- mittee on political committee's capacity to make independent expenditures to defeat opponent of same candidate.	12/26/79	7
1979-81	Candidate's reporting obligations for free use of state-owned facility for fundraiser.	1/8/80	1
1979-82	Transfers from authorized com- mittee of candidate for federal office to committee of another candidate for state office.	1/8/80	1
1980-1	Solicitation of agents paid on commission basis for contribu- tions to corporation's separate segregated fund.	1/10/80	1
1980-2	Reporting obligations of non- federal committee for payroll deduction contributions.	1/14/80	1

ADVISORY OPINIONS: SUMMARIES

An Advisory Opinion (AO) issued by the Commission provides guidance with regard to the specific situation described in the AOR. Under the 1979 amendments to the Act, any person may request an AO on a specific activity which the person intends to undertake. The requester will not be subject to any sanctions under the Act if he/she acts in accordance with the opinion. Other persons may rely on the opinion if they are involved in a specific activity which is indistinguishable in all material aspects from the activity discussed in the AO. Those seeking guidance for their own activity, however, should consult the full text of an AO and not rely only on the summary given here.

AO 1979-65: Relationship Between Inactive Draft Committee and Authorized Committee

Officers and personnel of the Virginia Democrats for Leadership and Commitment (the Committee), a draft Kennedy committee which is inactive for all purposes except debt satisfaction, may, as individuals, communicate and cooperate with the Kennedy Presidential campaign without creating a relationship between the Committee and the Kennedy campaign committee. The facts presented by the Committee do not suggest that the individuals involved would simultaneously be officers or principals of two active committees raising funds for a federal election or that they would become officers of the Kennedy campaign. Assuming that there was no coordination between Committee personnel and agents of Senator Kennedy before the Committee became inactive, and provided that no Kennedy campaign personnel participate in the only activity contemplated by the Committee (payment of outstanding debts), Committee personnel may participate as individuals in the Kennedy campaign without effect on the Committee. (Date Issued: December 12, 1979; Length: 3 pages)

AO 1979-71: Committee's Pre-Election Reporting Obligations

PASPAC, the separate segregated fund of the El Paso Company, need not file a pre-election report for the January 1980 Iowa Presidential caucuses since its contributions to a Presidential candidate have already been disclosed in a previous PASPAC report and because the Iowa caucuses are not "elections" under the Act. The Iowa precinct caucuses do not constitute an election under 2 U.S.C. §431(a) because they do not:

- 1. Have the authority to nominate a Presidential candidate;
- 2. Express a preference for Presidential nominees by a formal primary ballot process; or
- 3. Select delegates to a national nominating convention by a formal primary ballot process.

The caucuses only select delegates to county conventions of the political parties. The fact that the caucuses are not an "election" has no effect on the application of the contribution or expenditure limits. {Date Issued: December 21, 1979; Length: 5 pages}



FEC APPROVES ELIGIBILITY OF TWO MORE CANDIDATES FOR 1980 MATCHING FUNDS

The Commission has determined that both Lyndon LaRouche and Senator Edward Kennedy have established their eligibility to receive primary matching fund payments for the 1980 Presidential primary election. Mr. LaRouche and Senator Kennedy established their eligibility on December 18, 1979, and January 3, 1980, respectively. The Commission's determinations followed a review by the FEC Audit Division of the candidates' threshold submissions. With respect to the determination of Mr. LaRouche's eligibility, Commissioner Frank Reiche stated: "I am voting for it solely on the advice of the Commission's counsel to the effect that we should certify eligibility for matching fund payments unless we have found patent irregularities which suggest the possibility of fraud. Thus far, no such irregularities have apparently been found." Commissioner Thomas E. Harris concurred with Commissioner Reiche's statement,



INDEX TO MULTICANDIDATE COMMITTEES

On December 15, 1979, the FEC released a new *Index* of Multicandidate Political Committees. Notification of the availability of the Index was published in the Federal Register on December 27, 1979. A "multicandidate committee" is defined under the Act as a committee registered for at least six months, which has received contributions from more than 50 persons and, except in the case of state party organizations, has made contributions to five or more candidates for federal office. A multicandidate committee is permitted to contribute up to \$5,000 to each federal candidate, per election. Contributions made by any political committee affiliated with a multicandidate committee count against that multicandidate committee's \$5,000 limit.

The *Multicandidate Committee Index* contains two sections: party-related committees and nonparty-related committees. It is based on a review of reports and statements filed with the Commission, the General Accounting Office, the Clerk of the U.S. House of Representatives and the Secretary of the U.S. Senate since April 7, 1972. Committees which have met the qualifications for "multicandidate committee" prior to January 1, 1975, were determined to have been qualified as of January 1, 1975, the effective date of the 1974 amendments to the Federal Election Campaign Act. In addition, the Index specifically identifies the connected or affiliated organization(s) reported by each committee.

The Index includes each committee's date of registration and the date it qualified as a multicandidate committee, either on its own or through affiliation with another qualified multicandidate committee. The Index may be used to verify the contributing committee's status as a "multicandidate committee" qualified to give up to \$5,000.

Notices of the availability of the next Index updates will be published in the *Record*. Upon written request and advanced payment of \$4 per copy, the current index is available from the Commission's Office of Public Records, 1325 K Street, N.W., Washington, D.C. 20463.



FEC PUBLISHES NAMES OF NONFILERS

On December 19, 1979, the FEC published the names of 304 nonfilers who failed, under the Federal Election Campaign Act of 1971, as amended in 1974 and 1976, to file the required October 10 quarterly campaign finance report. Nonfilers included federal candidates, their principal campaign committees and other political committees from 43 states and the District of Columbia. Three political party committees, composed of American citizens living abroad, were also included among the nonfilers.

FEC PUBLIC APPEARANCES

To provide information on campaign finance laws and the FEC, the Commission regularly accepts invitations to address public gatherings. This regular column lists upcoming scheduled Commission appearances, the name of the sponsoring organization, the location of the event and the name of the Commission's speaker. For additional information on any appearance, please contact the **sponsoring organization**:

- 2/7 Chamber of Commerce PAC Seminar San Francisco, California Bill Loughrey, Assistant Staff Director
- 2/11 American Institute of CPA's Training Conference on Federal Election Compliance Washington, D.C. Chairman Tiernan
- 2/12 Capital Associated Industries, Inc. Raleigh, North Carolina Commissioner Aikens

REPORTS

1980 REPORTS

The charts on the following pages, which provide filing dates for reports required during 1980, reflect the 1979 amendments to the Act. Those familiar with the election law should note the following changes contained in the 1979 amendments:

- 1. The post-primary report has been eliminated;
- 2. Pre-election reports are required at an earlier date; and
- 3. Quarterly reports are due on the 15th rather than the 10th day after the close of the calendar quarter.

GENERAL ELECTION	
Date of Election:	November 4
Pre-Election Report	
Closing Date of Books:	October 15
Mailing Date:	October 20
Filing Date:	October 23
Post-Election Report	
Closing Date of Books:	November 24
Filing Date:	December 4

FILING DATES - 1980 REPORTS

PRIMARY ELECTION REPORTS		12-Day Pre-Election Report		
CONGRESSIONAL	-Date of	Closing Date of Books	Mailing Date (if sent by registered or <u>certified mail)</u>	Filing Date
*Alabama Runoff	September 2 September 23	August 13 September 3	August 18 September 8	August 21 September 11
*Alaska	August 26	August 6	August 11	August 14
*Arizona	September 9	August 20	August 25	August 28
*Arkansas Runoff	May 27 June 10	May 7 May 21	May 12 May 26	May 15 May 29
*California	June 3	May 14	May 19	May 22
*Colorado	September 9	August 20	August 25	August 28
*Connecticut	September 9	August 20	August 25	Augus <u>t</u> 28
Delaware	September 6	August 17	August 22	August 25
District of Columbia	May 6	April 16	April 21	April 24
*Florida Runoff	September 9 October 7	August 20 September 17	August 25 September 22	August 28 September 25
*Georgia Runoff	August 12 September 2	July 23 August 13	July 28 August 18	July 31 August 21
Guam	September 6	August 17	August 22	August 25
*Hawaii	September 20	August 31	September 5	September 8
*Idaho	May 27	May 7	May 12	May 15
*Il/linois	March 18	February 27	March 3	March 6
*Indiana	May 6	April 16	April 21	April 24
*lowa	June 3	May 14	May 19	May 22
*Kansas	August 5	July 16	July 21	July 24
*Kentucky	May 27	May 7	May 12	May 15
*Louisiana	September 20	August 31	September 5	September 8
Maine	June 10	May 21	May 26	May 29
*Maryland	May 13	April 23	April 28	May 1
Massachusetts	September 16	August 27	September 1	September 4
Michigan	August 5	July 16	July 21	July 24
Minnesota	September 9	August 20	August 25	August 28
Mississippi Runoff	June 3 June 24	May 14 June 4	May 19 June 9	May 22 June 12

	-	12-Day Pre-Election Report		
State	Date of Election	Closing Date of Books	Mailing Date (if sent by registered or certified mail)	Filing Date
*Missouri	August 5	July 16	July 21	July 24
Montana	June 3	May 14	Мау 19	May 22
Nebraska	May 13	April 23	April 28	May 1
*Nevada	September 9	August 20	August 25	August 28
*New Hampshire	September 9	August 20	August 25	August 28
New Jersey	June 3	May 14	May 19	May 22
New Mexico	June 3	May 14	May 19	May 22
*New York	September 9	August 20	August 25	August 28
*North Carolina Runoff	May 6 June 3	April 16 May 14	April 21 May 19	April 24 May 22
*North Dakota	September 2	August 13	August 18	August 21
*Ohio	June 3	May 14	May 19	May 22
*Oklahoma Runoff	August 26 September 16	August 6 August 27	August 11 September 1	August 14 September 4
*Oregon	May 20	April 30	May 5	May 8
*Pennsylvania	April 22	April 2	April 7	April 10
Puerto Rico	May 25	May 5	May 10	May 13
Rhode Island	September 9	August 20	August 25	August 28
*South Carolina Runoff	June 10 June 24	May 21 June 4	May 26 June 9	May 29 June 12
*South Dakota	June 3	May 14	May 19	May 22
Tennessee	August 7	July 18	Juty 23	July 26
Texas	May 3	April 13	April 18	April 21
*Utah	September 9	August 20	August 25	August 28
*Vermont	September 9	August 20	August 25	August 28
Virginia	June 10	May 21	Мау 26	May 29
Virgin Islands	September 9	August 20	August 25	August 28
*Washington	September 16	August 27	September 1	September 4
West Virginia	June 3	May 14	May 19	May 22
*Wisconsin	September 9	August 20	August 25	August 28
Wyoming	September 9	August 20	August 25	August 28

*States holding Senate elections.

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Month	Period Covered	Filing Date
February	1/1 - 1/31	February 20
March	2/1 - 2/29	March 20
April	3/1 - 3/31	April 20
May	4/1 - 4/30	May 20
June	5/1 - 5/31	June 20
July	6/1 - 6/30	July 20
August	7/1 - 7/31	August 20
September	8/1 - 8/31	September 20
October	9/1 - 9/30	October 20
Pre-Election	10/1 - 10/20	October 23
Post-Election	10/21 - 11/24	December 4
Year-End	11/25 - 12/31	January 31, 198

QUARTERLY REPORTS*

Quarter	Close of Books	Filing Date (and meiling date if sent by registered or certified meil)
First	March 31	April 15
Second	June 30	July 15
Third	September 30	October 15
Fourth (Year-End)	December 31	January 31, 1981
,	•	ort is due within the ding on the 15th day

period beginning on the 5th day and ending on the 15th day after the close of a calendar quarter, the quarterly report is waived.



LITIGATION STATUS INFORMATION

The following is a list of new litigation involving the Commission, together with the date the suit was filed, the Court involved, the Docket Number and a brief description of the major issue(s) involved in the case. Persons seeking additional information on a particular case should contact the Court where the suit is filed or the Commission.

Stewart Mott, Rhonda Stahlman and the National Conservative Political Action Committee v. FEC, U.S. District Court for the District of Columbia, Docket No. 79-3375, December 17, 1979.

Plaintiffs challenge the constitutionality of certain provisions of the Federal Election Campaign Act, as amended in 1974 and 1976 (the Act), certain FEC Regulations, certain advisory opinions, an informational letter and an opinion of counsel letter issued by the FEC. Plaintiffs allege that the challenged sections of the Act, Regulations, advisory opinions and written interpretations by the FEC regulate independent political activity in an unconstitutional and unlawful manner by prescribing limitations upon contributions from individuals, groups and political committees to other individuals, groups and political committees which, in turn, make independent expenditures as defined by the Act. Plaintiffs also allege that the challenged sections, Regulations, advisory opinions and other written interpretations further define the terms "contribution" and "political committee" in unconstitutionally broad and vague language.



FEC ESTABLISHES FEE SCHEDULE FOR COMMISSION INFORMATION

On December 13, 1979, the Commission approved the following schedule of fees for reproducing Commission information for public use:

Paper copies reproduced by Kodak, IBM and Xerox copiers\$.05 per page plus \$2,50 per half hour of search time after the first half hour.
Paper copies produced at lab from microfilm
Paper copies from microfilm reader-printers\$.10 per page plus \$2.50 per half hour of search time after the first half hour.
Transcripts of tape recorded matter
Record certification
Microfilm Index
Microfilm documents
Multicandidate Committee Index
Index of Committee/Sponsor or Sponsor/Committee\$5.00 each.
Office Account Index
Advisory Opinion Index \$2.50
Reports on Financial Activity or Disclosure Series
Presidential Financial Control and Compliance Manual

Requests for more than twenty indexes or a computer search of the entire individual contributor file for a particular individual Lesser of:

- 1) \$.0008 per CRU (Computer Resource Unit) plus \$.01 per page; or
- where copies of existing indexes can be made, the charges specified in above listing.

Computer tapes	Dete	ermir	ned a	t
	end	of	each	
	year	cycl	e.	

For additional information, contact the Public Records Office, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463; or telephone 202/523-4181, toll-free 800/424-9530. AUDITS

AUDITS RELEASED TO THE PUBLIC

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The Federal Election Campaign Act, as amended (the Act) requires candidates and political committees to file financial disclosure reports with the Commission. The Act also gives the Commission authority to audit campaigns of all Presidential candidates who receive public funds and the reports of other candidates and committees. Final audit reports are those that have been approved by the Commission. Interim audit reports (designated by an asterisk (*) in the list below) are those that have been discussed in an open Commission meeting but have not been approved by the Commission. Both final and interim audit reports are available to the press through the Press Office and to the general public through the Office of Public Records. The following is a chronological listing of audits released between December 10, 1979, and January 7, 1980:

- . . .

Audit	Date Made Public
 Rick Tonry Campaign Committee Tonry for Congress Campaign 	
Committee, LA/1	12/11/79
2. McCarthy '76 Michigan (Lansing Area)	12/14/79
3. National Committee for an Effective Congress	12/14/79
4. Democratic National Committee, Travel Escrow Account	12/16/79
5. Idaho State Democratic Central Committee	12/26/79
6. Connecticut Republican Federal Campaign Committee	12/26/79
 National Republican Heritage Groups (Nationalities) Council 	12/26/79

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