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IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA

Federal Election Commission,

Plaintiff,

v.

Christian Action Network, et al.,

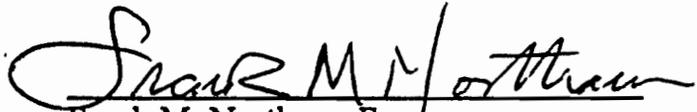
Defendants.

Case No. 94-0082-L

DEFENDANTS' MOTION TO
DISMISS

Defendants move the Court for an order dismissing the Complaint for failure to state a claim, on the grounds that the speech the Plaintiff seeks to regulate is constitutionally protected, the speech is exempt from the Federal Election Campaign Act, and the Federal Election Commission is and was unconstitutionally constituted, as the accompanying brief more fully explains.

Respectfully submitted,



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and



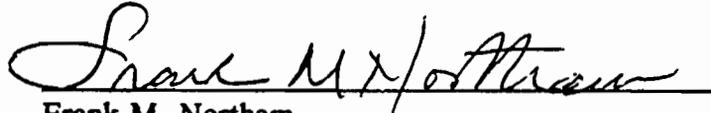
David Wm. T. Carroll, Esq.
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COUNSEL FOR DEFENDANTS

CERTIFICATE OF SERVICE

I hereby certify that copies of the Defendants' Motion to Dismiss and the Brief in Support of Defendants' Motion to Dismiss were served upon the following attorney of record by depositing same in the United States mail, postage prepaid, this 5th day of January, 1995:

Robert W. Bonham, III
Senior Attorney
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463


Frank M. Northam

1 The FEC has the statutory power to enforce violations of the Federal Election
2 Campaign Act. Pertinent to this case, the Act contains certain requirements and
3 prohibitions on "independent expenditures" which expressly advocate the election or
4 defeat of candidates for Federal office: (1) Corporations (with a judicially created
5 exception) may not make independent expenditures; (2) Those who make
6 independent expenditures must report them to the FEC; and (3) advertisements must
7 state whether they are candidate-authorized.

8 As the FEC complaint alleges, Christian Action Network (CAN) is a nonprofit
9 Virginia Corporation. In 1992, CAN produced and aired a video that informed the
10 public that Bill Clinton and Al Gore supported the militant gay agenda and asked the
11 public to contact CAN about family values issues. The video made no reference to
12 the election, contained no exhortation to vote for or against any candidate, and in
13 fact, asked only that the viewers contact Christian Action Network for more
14 information on family values. The full audio text of the video (which was attached to
15 the Complaint) is,

16 Bill Clinton's vision for a better America includes job quotas for
17 homosexuals, giving homosexuals special civil rights, allowing
18 homosexuals in the armed forces. Al Gore supports homosexual
19 couples' adopting children and becoming foster parents. Is this your
20 vision for a better America? For more information on traditional family
21 values, contact the Christian Action Network.

22 The video portion similarly contained no words urging either support or
23 defeat of Messrs. Clinton and Gore as candidates for office.

24 Shortly after the video began airing, Ron Brown, Chairman of the Democratic
25 National Committee, wrote letters to stations airing the video to intimidate them into
26 discontinuing to air it. (See FEC Complaint Exhibits 2 and 3). In response, CAN
27 published a full page open letter to Chairman Brown and Candidate Clinton,
28 attached at Exhibits 2 and 3 to the FEC Complaint. The newspaper advertisements
contained no words urging the election or defeat of Candidate Clinton or anyone

1 else. The advertisement addressed issues of concern and challenged Chairman
2 Brown and Candidate Clinton to dispute the video, urged them to cease the threats
3 and harassment, and urged them to retract their commitments to the gay rights
4 community.

5 In essence, the FEC complaint accuses CAN and Martin Mawyer of (1) making
6 prohibited corporate "independent expenditures" advocating the election or defeat of
7 a candidate or candidates for federal office; (2) failing to file reports of independent
8 expenditures; and (3) failing to include notices in the advertisements stating whether
9 the advertisements were candidate-authorized.

10 III. ANALYSIS

11 A. The video and the newspaper advertisement in question are not 12 expenditures that can constitutionally be regulated by the Federal Election Commission and are not statutorily regulated.

13 In *Buckley v. Valeo*, 424 U.S. 1, 46 L.Ed.2d 659, 96 S.Ct. 612 (1976), the United
14 States Supreme Court limited the term "expenditure" as used in the Federal Election
15 Campaign Act to "reach only funds used for communications that expressly advocate
16 the election or defeat of a clearly identified candidate." *Buckley*, 424 U.S. at 80."

17 The *Buckley* Court specifically addressed the problem of issue advocacy during
18 election times. The Court said,

19 [T]he distinction between discussion of issues and candidates and
20 advocacy of election or defeat of candidates may often dissolve in
21 practical application. *Candidates, especially incumbents, are intimately tied*
22 *to public issues involving legislative proposals and governmental actions. Not*
23 *only do candidates campaign on the basis of their positions on various public*
issues, but campaigns themselves generate issues of public interest. [Footnote
50 omitted.] In an analogous context, this Court in *Thomas v. Collins*,
323 U.S. 516, 89 L.Ed. 430, 65 S. Ct. 315 (1945), observed,

24 "[W]hether words intended and designed to fall short of
25 invitation would miss that mark is a question both of intent and
26 effect. No speaker, in such circumstances, safely could assume
27 that anything he might say upon the general subject would not be
28 understood by some as a clear invitation. In short, the
supposedly clear-cut distinction between discussion, laudation,
general advocacy, and solicitation puts the speaker in these
circumstances wholly at the mercy of his hearers and

1 consequently of whatever inference may be drawn as to his
2 intent and meaning.

3 "Such a distinction offers no security for free discussion.
4 In these conditions it blankets with uncertainty whatever may be
5 said. It compels the speaker to hedge and trim." *Id.*, at 535, 89
6 L.Ed. 430, 65 S.Ct. 315.

7 See also [Citations omitted].

8 The constitutional deficiency described in *Thomas v. Collins* can
9 be avoided only by reading §608(e)(1) as limited to communications that
10 include *explicit words of advocacy of election or defeat of a candidate....* We
11 agree that in order to preserve the provision against invalidation, on
12 vagueness grounds, §608(e)(1) must be construed to apply only to
13 expenditures or communications that in express terms advocate the
14 election or defeat of a clearly identified candidate for federal office.⁵²

15 424 U.S. 1 at 42-44, 46 L.Ed.2d 659 at 701-702 (Emphasis added). Footnote 52 in
16 *Buckley* reads,

17 52. This construction would restrict the application of §608(e)(1)
18 to communications containing express words of advocacy of election or
19 defeat, such as "vote for," "elect," "support," "cast your ballot for," "Smith
20 for Congress," "vote against," "defeat," "reject."

21 After *Buckley*, Congress amended the Federal Election Campaign Act to limit
22 its authority over independent expenditures to constitutional bounds:

23 The term "independent expenditure" means an expenditure by a person
24 *expressly advocating the election or defeat of a clearly identified candidate*
25 which is made without cooperation or consultation with any candidate
26 or any authorized committee or agent of such candidate, and which is
27 not made in concert with, of at the request or suggestion of, any
28 candidate, or any authorized committee or agent of such candidate.

2 U.S.C. §431(17) (emphasis added).

21 The freedom to speak out on issues during campaigns without fear of
22 prosecution is the very reason for the requirement that, to be regulated, the
23 communication must contain explicit words of electoral advocacy. The CAN video
24 and the advertisement address issues that are intertwined with the candidates. The
25 video informs about the candidates' views on an issue, but it contains no "explicit
26 words of advocacy of election or defeat of a candidate." It urges only that people
27 contact the Christian Action Network. The newspaper advertisement challenges the

1 candidates to change their positions on the issues. Therefore under *Buckley*, the
2 Federal Election Commission has neither constitutional nor statutory authority over
3 the CAN video or newspaper advertisement.

4 In *Federal Election Commission v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238,
5 93 L.Ed.2d 539, 107 S.Ct. 616 (1986)("MCFL"), the Supreme Court emphasized the
6 need for express words of advocacy to support the Federal Election Commission's
7 regulatory jurisdiction. The Court expressly approved the *Buckley* requirement for
8 the use of express words of advocacy:

9 Buckley adopted the "express advocacy" requirement to
10 distinguish discussion of issues and candidates from more pointed
11 exhortations to vote for particular persons. We therefore concluded in
12 that case that a finding of "express advocacy" depended upon the use of
13 language such as "vote for," "elect," "support," etc.

14 479 U.S. 238 at 249, 93 L.Ed.2d 539 at 551. In *MCFL*, the court found that a pamphlet
15 that urges people to "vote for 'pro-life' candidates, but also identifies and provides
16 photographs of specific candidates fitting that description" constituted express
17 advocacy. 479 U.S. at 249, 93 L.Ed.2d at 551 (emphasis added).

18 Unlike the *MCFL* pamphlet, the CAN video does not ask anyone to vote for or
19 against the candidates mentioned. The video merely informs the viewer of the
20 candidates' positions. The viewer may agree or disagree with the candidates'
21 positions. The video urges the viewer to contact the Christian Action Network for
22 more information on family values. Thus, the video is precisely the type of free
23 discussion of issues that the *Buckley* case approves even during elections.

24 The newspaper advertisement is even further removed from advocacy for or
25 against a candidate for election. The advertisement contains no words urging
26 election or defeat of Messrs. Clinton and Gore. The newspaper advertisement
27 challenges the candidates to dispute publicly any point made in the video and seeks
28 a promise from the candidates to veto certain legislation if they get elected. The

1 newspaper advertisement contained no "express words of advocacy of election or
2 defeat," and was at most issue advocacy.

3 From the parties' communications before this action was filed, Defendants
4 expect that the FEC will rely on *Federal Election Commission v. Furgatch*, 807 F.2d 857
5 (9th Cir. 1987) cert. den. 484 U.S. 850 (1987). *Furgatch* involved an advertisement Mr.
6 Furgatch ran during President Carter's reelection campaign that detailed President
7 Carter's supposed continued transgressions against the public good and warned that
8 "If he succeeds [to hide his record] the country will be burdened with four more
9 years of" his transgressions. The advertisement exhorted the reader, "Don't let him
10 do it." The Court found that the advertisement constituted express electoral
11 advocacy. The Ninth Circuit explained its ruling as follows:

12 First, even if it is not presented in the clearest, most explicit language,
13 speech is "express" for present purposes if its message is unmistakable
14 and unambiguous, suggestive of only one plausible meaning. Second,
15 speech may only be termed "advocacy" if it presents a clear plea for
16 action, and thus speech that is merely informative is not covered by the
17 Act. Finally it must be clear what action is advocated. Speech cannot
18 be express advocacy of the election or defeat of a "clearly identified
19 candidate" when reasonable minds could differ as to whether it
20 encourages a vote for or against a candidate or encourages the reader to
21 take some other kind of action.

22 The express, "Don't let him do it" of *Furgatch* sharply contrasts with CAN's call
23 to "Contact the Christian Action Network for more information on traditional family
24 values." Neither CAN's video nor the newspaper ad contains an electoral "message
25 that is unmistakable and unambiguous." Neither the CAN's video narration nor the
26 picture mention any electoral action. The CAN newspaper advertisement merely
27 urges the candidates to retract their position on issues; it does not urge the voters to
28 do anything with their votes. Neither the video nor the newspaper advertisement is
"express advocacy" under the *Furgatch* decision.

Probably the most closely analogous case is *FEC v. Colorado Republican Federal
Campaign Committee*, 839 F.Supp. 1448 (D. Colorado 1993). In *Colorado Federal*

1 Campaign Committee, the FEC brought suit against a political committee whose
2 purpose was to advance the goals and values of the Republican party in Colorado.
3 The defendant Committee had run a radio ad that said in pertinent part:

4 ...I just saw ads where Tim Wirth said he's for a strong defense and a
5 balanced budget. But according to his record, Tim Wirth voted against
6 every new weapons system in the last five years. And he voted against
7 the balanced budget amendment.

8 Tim Wirth has the right to run for the Senate, but he doesn't have
9 the right to change the facts.

10 The court found the advertisement to be a "coordinated expenditure" which is subject
11 to regulation according to the Federal Elections Campaign Act if it is made "in
12 connection with" a Federal campaign.¹ Finding that the FEC cannot constitutionally
13 regulate speech unless it constitutes "express advocacy", the Court analyzed the
14 advertisement as follows:

15 The advertisement does not contain any words which expressly
16 advocate action. At best, as plaintiff suggests, the Advertisement
17 contains an indirect plea for action. The advertisement concludes with
18 the words, "Tim Wirth has the right to run for the Senate, but he doesn't
19 have the right to change the facts." Even assuming the advertisement
20 indirectly discourages voters from supporting Wirth, it does not contain
21 the direct plea for specific action required by *Buckley* and *Furgatch*.

22 ...

23 I do not believe this type of indirect urging constitutes "Express
24 advocacy" under the *Buckley* analysis. *Buckley* adopted a bright-line test
25 that expenditures must "in express terms advocate the election or defeat
26 of a candidate" in order to be subject to limitation.

27 839 F.Supp. 1448, 1455-1456 (D.Colo. 1993). Neither CAN advertisement contains a
28 direct plea for electoral action.

29 The CAN communications also resemble the leaflet in *Federal Election*
30 *Commission v. Central Long Island Tax Reform Immediately Committee*, 616 F.2d 45 (2d

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1. The FEC argued that the statutory "in connection with" language gave the FEC broader regulatory authority over "coordinated expenditures" than the express advocacy requirement for regulation of "independent expenditures."

U.S. DIST. CT. S.D. N.Y.

1 | Cir. 1980). In that case, the Central Long Island Tax Reform Immediately Committee
2 | (CLITRI) published a leaflet criticizing the voting record of a local member of
3 | Congress. The leaflet did not refer to any Federal election or to the member's
4 | political affiliation or to his opponent. The court held that because the CLITRI leaflet
5 | did not expressly advocate the defeat or election of the Congressman, the Federal
6 | Election Campaign Act did not apply to the leaflet. The court stated that the leaflet,

7 | contains nothing which could rationally be termed express advocacy ...
8 | there is no reference anywhere in the Bulletin to the congressman's
9 | party, to whether he is running for re-election, to the existence of an
10 | election or the act of voting in any election; nor is there anything
11 | approaching an unambiguous statement in favor of or against the
12 | election of Congressman Ambra.

13 | 616 F.2d 45 at 53.

14 | Like the CLITRI leaflet, the CAN video contains no reference to the party of
15 | Messrs Clinton and Gore; to whether they are running for election; to the existence of
16 | an election; or to the act of voting; nor is there anything approaching an
17 | unambiguous statement in favor of or against the election of Messrs. Clinton and
18 | Gore. The CAN video simply is not express advocacy for or against candidates for
19 | federal election.

20 | The same is true for the CAN newspaper advertisement. Although it identifies
21 | Mr. Clinton as the Democratic candidate for President, it also addresses Mr. Ron
22 | Brown of the Democratic National Committee, who was not running for any office.
23 | The newspaper advertisement pressures the Democratic party and the Democratic
24 | Presidential candidate to change positions on the issues. It does not ask the public
25 | either to vote for or against the candidate. Organizing public pressure for or against
26 | issues, as the advertisement does, is an activity over which the Commission has no
27 | constitutional authority.

28 | In *Federal Election Commission v. Survival Education Fund, Inc. et al.*, unreported
case no. 89 Civ. 0347, 1994 U.S. Dist. LEXIS 210 (U.S.D.C. S.D. N.Y. 1/12/94) (Copy

1 attached), United States District Judge Thomas P. Grieza granted the defendants'
2 motion for summary judgment dismissing the Commission's complaint. The Survival
3 Education Fund (SEF) and the National Mobilization for Survival (NMS) sent out two
4 letters during the 1984 presidential campaign that were highly critical of President
5 Reagan on the U.S. involvement in Central America. One of the letters threatened
6 retaliation at the ballot box unless President Reagan responded favorably to anti-war
7 demands. The other contained a "1984 Election Survey" that started with the heading
8 "Ronald Reagan: Four More Years?" and included a cover letter that stated that the
9 expression of views "will help us understand the deep fears of the American People"
10 about a second Reagan term. The letter promised protest events at the Republican
11 political convention and up to election day. The FEC's suit alleged violations of
12 §441b of the Federal Election Campaign Act based upon those letters. The Court in
13 dismissing the FEC's case stated,

14 It is clear from the cases that expressions of hostility to the
15 positions of an official, implying that that official should not be
16 reelected - even when that implication is quite clear - do not constitute
17 the express advocacy which runs afoul of the statute. Obviously the
18 courts are not giving a broad reading to the statute.

19 The CAN materials are much further from express advocacy than even the
20 letters in *Survival Education Fund, Inc.*

21 The First Circuit Court of Appeals recently discussed the distinction between
22 issue-oriented advocacy and express electoral advocacy. In *Faucher v. Federal Election*
23 *Commission*, 928 F.2d 468 (1st Cir. 1991) *cert. den. sub nom* ___ U.S. ___, 116 L.Ed.2d 52,
24 112 S.Ct. 79 (1991), the Court held that a Commission regulation that restricted
25 corporate "issue advocacy" exceeded the Commission's statutory and constitutional
26 authority. The court noted that the *Buckley* decision adopted a "bright-line test that
27 expenditures must 'in express terms advocate the election or defeat of a candidate' in
28 order to be subject to limitation." 928 F.2d 468 at 471. The court said,

1 In our view, trying to discern when issue advocacy in a voter guide
2 crosses the threshold and becomes express advocacy invites just the sort
3 of constitutional questions the Court sought to avoid in adopting the
4 bright-line express advocacy test in *Buckley*.

5 928 F.2d 468 at 472.

6 Neither the CAN video nor the newspaper advertisement crossed this bright
7 line. Neither says anything about electing or defeating candidates.

8 The CAN video concludes with a request that the viewer contact Christian
9 Action Network "for more information about traditional family values," Those words
10 are preceded by, "Is this your vision for a better America?" Certainly the words "Is
11 this your vision for a better America?" do not expressly advocate defeat. If the
12 preceding content of the video had revealed the Clinton/Gore position on NAFTA
13 (or any other issue), would those words have expressly advocated election or defeat?
14 Certainly not. The viewer's reaction depends entirely on the viewer's preexisting
15 preference, and no recommendation is urged by those words. The same is true of the
16 newspaper advertisement. The words in neither cross the *Buckley* bright line. As a
17 matter of law, neither constitutes express electoral advocacy.

18 The Federal Election Commission has no constitutional authority over CAN's
19 advocacy of issues, even though candidates are mentioned. This suit attacking the
20 exercise of free speech is precisely the evil the *Buckley* court sought to prevent by its
21 bright line test. The Court should dismiss the FEC's improvident suit.

22 **B. Any expenditure for Christian Action Network's video and newspaper
23 commentary was exempt from 2 U.S.C. §441b by 2 U.S.C. §431(9)(B)(i).**

24 2 U.S.C. §441b prohibits "any corporation"² from making an "expenditure in
25 connection with any election to any political office...." 2 U.S.C. §431(9)(A) exempts
26 from the definition of "expenditure":

27

2. MCFL judicially created an exception for nonprofit corporations formed for
28 political advocacy, but the FEC will dispute CAN's qualifications for this exception.

1 "any ... commentary, or editorial distributed through the facilities of any
2 broadcasting station, newspaper, magazine, or other periodical publication...."

3 In this case, both the video and the newspaper advertisement were "commentary"
4 that were "distributed through the facilities of" broadcasting stations and a
5 newspaper. Nothing in 2 U.S.C. §431(9) expressly limits the exemption to
6 expenditures made by the corporation owning or operating the broadcasting or
7 newspaper facilities.³ If 2 U.S.C. §431(9) were so interpreted, it would be
8 unconstitutional, as discussed below.

9 Because CAN distributed its message "through the facilities of" broadcasting
10 stations and a newspaper, any corporate expenditure was exempt from "expenditure"
11 as used in 2 U.S.C. §441b and defined by 2 U.S.C. §431(9). The FEC therefore has no
12 basis for suit, and the suit should therefore be dismissed.

13 **C. If 2 U.S.C. §431(9)(B)(i) is interpreted to permit media corporations to**
14 **have free political speech in newspapers and other media outlets, but**
15 **to deny that right to others, 2 U.S.C. §431(9)(B)(i) constitutes an**
16 **unconstitutional denial of equal protection of the laws.**

17 As discussed above, 2 U.S.C. §431(9)(B)(i) excludes from FEC regulation
18 expenditures for political speech "through the facilities of" media outlets. It is
19 anticipated that the General Counsel will argue that 2 U.S.C. §431(9)(B)(i) protects
20 only corporations that operate the media, not anyone else. Defendants believe that it
21 would be a denial of equal protection of the laws to afford the exemption from FEC
22 regulation to only some, but not all corporations who communicate through printed

23 3. In sharp contrast to Congress's language, the Michigan statute discussed in
24 *Austin v. Michigan Chamber of Commerce*, 494 U.S. 652, 108 L.Ed.2d 652, 110 S.Ct. 1391
25 (1990), excludes from the definition of "expenditure" any "expenditure by a
26 broadcasting station, newspaper, magazine, or other periodical or publication for any
27 news story, commentary, or editorial in support of or opposition to a candidate for
28 elective office... in the course of publication or broadcasting." *Austin*, 494 U.S. at 667,
108 L.Ed. 2d at 669 [emphasis supplied]. The Michigan statute thus creates an
exempt class of spenders, as contrasted with the Federal Election Campaign Act's
exemption of a manner of expenditure, *i.e.*, "through the facilities of...."

1 or broadcast media. Although the Supreme Court rejected a similar argument under
2 a state election law prohibition on corporate contributions in *Austin v. Michigan*
3 *Chamber of Commerce*, 494 U.S. 652, 108 L.Ed.2d 652, 110 S.Ct. 1391 (1990), by a 5 to 4
4 decision, Defendant raises the issue in this court to preserve it for appeal and
5 reconsideration by the Supreme Court.

6 **D. 2 U.S.C. §441b prohibits protected speech contrary to the First**
7 **Amendment to the United States Constitution.**

8 2 U.S.C. §441b prohibits corporations from making independent expenditures
9 to expressly advocate the to election or defeat of candidates for Federal office. 2
10 U.S.C. §441b thereby restricts free political speech without a compelling interest to do
11 so. Although the United States Supreme Court upheld the constitutionality of a
12 similar state law in *Austin v. Michigan Chamber of Commerce*, 494 U.S. 652, 108 L.Ed.2d
13 652, 110 S.Ct. 1391 (1990), by a 5 to 4 decision, Defendant raises the issue in this court
14 to preserve it for appeal and reconsideration by the Supreme Court.

15 **E. The Commission's investigation and all subsequent action taken**
16 **against Christian Action Network are fatally flawed, because of the**
17 **Commission's unconstitutional composition.**

18 When the Commission made its "reason to believe" finding in 1992, it was
19 constituted pursuant to 2 U.S.C. §437c(a)(1) which reads in part,

20 The Commission is composed of the Secretary of the Senate and the
21 Clerk of the House of Representatives or their designees, *ex officio* and
22 without the right to vote, and 6 members appointed by the President, by
23 and with the advice and consent of the Senate. No more than 3
24 members of the Commission appointed under this paragraph may be
25 affiliated with the same political party.

26 In *NRA Political Victory Fund*, 6 F.3d 821, 1993 U.S. App. LEXIS 27298 (D.C.
27 Cir. 1993), *cert. dismissed* ___ U.S. ___, 127 L.Ed.2d 206, 114 S.Ct. 1291 (12/6/94), the
28 Court held that this composition violated the separation of powers doctrine because
the Secretary of the Senate and the Clerk of the House of Representatives sat on the
Commission as *ex officio* members. The Federal Election Commission was thus

1 unconstitutionally constituted when it issued its "reason to believe" finding and
2 conducted its investigation in the present case.

3 Since *NRA*, the Federal Election Commission has argued that it "reconstituted
4 itself"⁴ by cutting the *ex officio* members out of the Commission's deliberations and
5 process, in effect amending the Federal Election Campaign Act without benefit of
6 Congressional action. It further claims to have ratified en mass all actions taken by
7 the unconstitutionally constituted body. Although one District Court has agreed,⁵ it
8 makes little logical sense that an unconstitutionally constituted Federal Election
9 Commission has the constitutional authority to reconstitute itself with membership
10 that is contrary to 2 U.S.C. 437c(a)(1) as enacted by Congress. If Congress is willing
11 to have an FEC without the *ex officio* members, that is Congress's prerogative (subject,
12 of course, to the President's veto power). The Courts have no constitutional authority
13 to amend legislation, just interpret it.

14 In *Federal Election Commission v. Legi-Tech, Inc.*, case no. 91-0213 (U.S.D.C. D.C.
15 10/12/94)(copy attached), the Court held that *NRA* applied to pending cases. This
16 was a pending case before the unconstitutional Commission.⁶ 2 U.S.C. §437g requires
17 the Commission to make a "reason to believe" finding as a condition precedent to
18 conducting an investigation. As a matter of public policy, that procedure is designed
19 to protect innocent parties, such as Respondents, from ill-advised enforcement
20 actions. In this case, the Commission acted unconstitutionally with its improper *ex*
21 *officio* members tainting the entire proceeding. This matter must therefore be
22

23 4. 58 Federal Register 59640 (November 10, 1993). This approach was suggested
24 by the D.C. Court of Appeals *in dictum* in *NRA*.

25 5. *Federal Election Commission v. Republican Senatorial Committee*, Case No. 93-1612
26 (U.S.D.C Dist. Col. 2/8/94)(copy attached).

27 6. The Complaint at paragraph 6 says that the "reason to believe" finding was
28 made October 20, 1992, a year before *NRA* was decided.

1 dismissed, because the Commission lacks the standing to bring the action without
2 validly following the statutory procedures for its investigation.

3 Furthermore, even if the Commission could somehow reconstitute itself
4 without an Act of Congress, its wholesale ratification of all pending actions was
5 deficient. Without a case-by-case evaluation of the ratified actions, it is doubtful that
6 the blanket ratification cures the constitutional infirmity inherent in the previous
7 actions. By its purported blanket ratification, the Commission simply thumbs its nose
8 at the courts and fails to correct the problem, because all the allegedly ratified actions
9 were already tainted by the unconstitutional make-up of the Commission when they
10 were taken. Thus the Commission's blanket ratification is ineffective to make
11 constitutional its unconstitutional actions.

12 IV. CONCLUSION

13 The Court can properly come to only one conclusion in this matter: the case
14 should be dismissed. Because the CAN video and newspaper advertisement contain
15 no words of express advocacy for candidates' election or defeat, allowing this suit to
16 continue would perpetuate the very evil the Supreme Court sought to avoid by its
17 bright-line test established in *Buckley v. Valeo*, 424 U.S. 1, 46 L.Ed.2d 659, 96 S.Ct. 612
18 (1976). The Federal Election Campaign Act does not, and constitutionally cannot,
19 regulate CAN's advertisements. The Court should dismiss this case.

20 Even if CAN's speech were "express advocacy," the advertisements were
21 exempt from the Federal Election Campaign Act, because they were "commentary"
22 that was "distributed through the facilities of" broadcasting stations and a newspaper
23 pursuant to 2 U.S.C. §431(9)(B)(i).

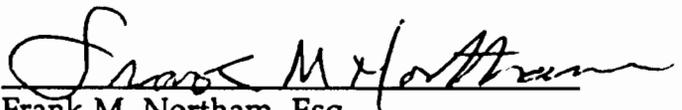
24 Furthermore, the FEC has no standing to bring this action, because the
25 Commission at all relevant times was unconstitutionally constituted, as found by the
26 United States Court of Appeals for the D.C. Circuit in *Federal Election Commission v.*
27 *NRA Political Victory Fund*, 6 F.3d 821, 1993 U.S. App. LEXIS 27298 (D.C. Cir.

1 10/22/93). Thus, the Commission's "reason to believe" finding and subsequent
2 investigation and filing of this action have been tainted by the unconstitutional
3 composition of the Commission. The Commission therefore lacks legal standing to
4 bring this action, because the statutory prerequisites to the Commission's suit were
5 invalid.

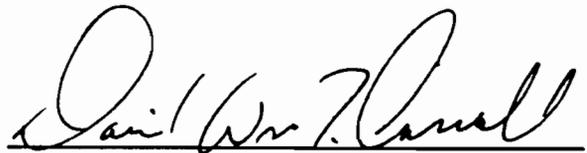
6 Defendant respectfully requests the Court to dismiss the FEC's complaint with
7 prejudice.

8 Dated: January 5, 1995

9 Respectfully submitted,

10
11 

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