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

Mar 9 11 51 AM '94

Federal Election Commission,

Plaintiff,

v.

Christian Action Network, et al.,

Defendants.

Case No. 94-0082-L

**DEFENDANTS' REPLY TO
PLAINTIFF'S OPPOSITION TO
MOTION TO DISMISS**

Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people peaceably to assemble, and to petition the government for redress of grievances.

First Amendment to the United States
Constitution

In our nation's history, First Amendment free speech rights have suffered many ignoble attacks, both legislative and administrative. Fortunately, the judiciary stands as a sentinel, guarding against encroachments on free speech. Sometimes the encroachments are large chunks of freedom bitten off as by a ravenous shark, and sometimes they are nibbles, as carnivorous rats nibble the flesh of their prey.

In this case, the Federal Election Commission (FEC) is nibbling at the flesh of the freedom of speech, but it is a nibbling well beyond the boundaries established by the Supreme Court and every court to consider the issue. By this case, the FEC seeks to expand its authority to regulate speech, even to become the arbiter of the intent behind

1 speech, whenever speech is uttered during a time that candidates run for office.¹

2 What the FEC's Memorandum lacks in reason, it makes up in pounds. The sheer
3 weight of its Memorandum cannot disguise the simple truth that the Christian Action
4 Network's (CAN) video and newspaper advertisement, whether considered singly or
5 together, do not expressly advocate the defeat of then-candidates Clinton and Gore
6 under the tests mandated by the Supreme Court of the United States. The FEC's
7 Memorandum makes no attempt to fit the CAN advertisements in the Supreme Court's
8 test for express advocacy.
9

10
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12 I. The Test to Be Applied to Determine Express Advocacy.

13 A. The Supreme Court's "Explicit Words of Electoral Advocacy" Test

14 Neither the video nor the newspaper advertisement contain words that urge any
15 electoral action. The video urges the viewer to "contact the Christian Action Network
16 for more information on family values." The newspaper ad urges candidate Clinton to
17 repudiate his previously stated positions on issues relating to homosexuals. The words
18 of both advertisements are restricted to issues, and do not refer to elections.²
19

20
21 ¹ From current events, we can see that election times almost never end. The
November 1994 elections are barely over as the candidates line up for 1996.

22 ² In its argument about the newspaper advertisement, the FEC said at page 2 of
23 its Memorandum, quoting the advertisement inaccurately:

24 After reciting what are described as Clinton proposals to grant homosexuals
25 special civil rights, including several actions that Clinton purportedly would
26 take it elected President, the October 15th newspaper advertisement "call[s]
upon Gov. Clinton to clearly state his position on gay rights" and tells Clinton
27 to whom the advertisement is addressed, that "[w]hen the Clinton/Gore
campaign committee publicly and unequivocally retract their commitments to

1 In its Memorandum, the FEC tries to minimize *Buckley v. Valeo*, 424 U.S. 1, 46
2 L.Ed.2d 659, 96 S.Ct. 612 (1976)(declaratory judgment action broadly challenging several
3 aspects of the Federal Election Campaign Act). In *Buckley*, the Supreme Court struggled
4 with the Federal Election Campaign Act's restrictions on free speech, deciding that the
5 government had a "substantial" interest in limited regulation of electoral speech, but only
6 if electoral speech is narrowly defined. To save the Act from unconstitutional breadth,
7 the electoral speech had to be "explicit words of advocacy of election or defeat,"
8 recognizing that

9
10 "the distinction between discussion of issues and candidates and advocacy
11 of election or defeat of candidates may often dissolve in practical
12 application. Candidates ... are intimately tied to public issues...."

13 424 U.S. 1 at 42³. The court warned that inquiry into the speaker's intent and meaning
14 puts the speaker at the mercy of his listeners and "offers no security for free discussion."

15 424 U.S. 1 at 43. Yet, as discussed below, the FEC's proposed test would require just
16 such a forbidden inquiry into intent.

17 To support its argument in this case, the FEC had to hire an expert to tell the
18

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20 _____
21 the 'gay rights' community, the Christian Action Network will halt its
22 television campaign" against them."

23 [Quotation marks as in original.] Contrary to the FEC's Memorandum, the words "against
24 them" are the FEC's editorial additions and are not part of CAN's advertisement. In fact, the
25 campaign was a campaign on the issues. Further contrary to the FEC's Memorandum, the
26 newspaper advertisement recites two issue *positions* taken by the Clinton/Gore campaign and
27 *one* action (not several actions) that a Clinton/Gore position paper says that Mr. Clinton
28 would take as president, and exhorts Clinton and Ron Brown to cease their censorship,
harassment and threats against television stations who ran the video.

26 ³ A more complete quotation may be found at pages 3 and 4 of Defendants'
27 Brief in Support of Motion to Dismiss.

1 court whether the ads expressly advocated Mr. Clinton's defeat. *If an expert is needed to*
2 *interpret CAN's ads, the ads cannot be sufficiently explicit to meet the Constitutional test of*
3 *express advocacy.* Furthermore, the so-called expert contended that the video (and to a
4 lesser extent, the newspaper advertisement) constituted, in his opinion, "express
5 advocacy," without ever referring to the test or standard by which he was making that
6 judgment. It seems unlikely that such alleged expert testimony would be permissible
7 under Rule 702 of the Federal Rules of Evidence.

8
9 The FEC essentially ignores the court decisions contrary to its position, failing to
10 suggest any serious distinction except to say that the communications media were
11 different in those cases. Those cases are *FEC v. Colorado Republican Federal Campaign*
12 *Committee*, 839 F. Supp. 1448 (D. Colorado 1993), *Federal Election Commission v. Survival*
13 *Education Fund, Inc. et al.*, unreported case no. 89 Civ. 0347, 1994 U.S. Dist. LEXIS 210
14 (U.S.D.C. S.D. N.Y 1/12/94)(copy attached to Brief in Support of Motion to Dismiss).
15 These cases were thoroughly discussed respectively at pages 6-7 and 8-9 of the Brief in
16 Support of Motion to Dismiss. Differences in the type of medium of communication
17 furnish no rational distinction. Of those cases, the *Colorado Republican Federal Campaign*
18 *Committee* is particularly important, because its advertisement far more closely resembled
19 electoral advocacy than CAN's advertisements do.

20
21
22 The FEC, similarly ineffectively, attempts to distinguish *Federal Election Commission*
23 *v. Central Long Island Tax Reform Immediately Committee*, 616 F.2d 45 (2d Cir. 1980), on the
24 basis that the communication in that case was a pamphlet (FEC Memorandum at 20,
25 note 13) and that the pamphlet did not mention the "voting public." *Central Long Island*
26
27
28

1 Tax Reform Immediately Committee, too, is thoroughly discussed in the Brief in Support
2 of Motion to Dismiss at 7-8. The CAN video never mentioned the voting public. The
3 CAN newspaper advertisement used those words in the context of issue discussions, not
4 exhortations to vote.

5
6 In its Memorandum, the FEC makes no attempt to fit either the CAN video or the
7 CAN newspaper advertisement into the previously articulated *Buckley* test for express
8 advocacy. It did not, because it cannot.

9
10
11 **B. Images are not "Explicit Words of Advocacy."**

12 Apparently conceding that the CAN video contains no words that urge voters to
13 defeat then-candidates Clinton and Gore, the FEC argues that (1) images could constitute
14 express advocacy and (2) that the images in the CAN video expressly advocates the
15 defeat of Mr. Clinton.

16 It is difficult to imagine an image alone that is sufficiently explicit to be subject
17 to regulation under the express advocacy test. The FEC's expert suggests that,
18 theoretically, a photo of Bill Clinton inside the following "international stop" symbol
19 might be express advocacy:
20



25 Of course, neither the CAN video nor the newspaper advertisement contained
26 such a symbol. However, even that symbol if superimposed on President Clinton's
27
28

1 photo, although plainly anti-Clinton, would be ambiguous as to whether it refers to any
2 election. It could refer to particular peccadillos of his (e.g., Gennifer Flowers, Paula
3 Jones, troopergate, the draft, war protests on foreign soil, Whitewater, the health care
4 plan, foreign policy, travelgate, Vince Foster's papers, or tax increases) or his general
5 unpopularity. What about a button with simply a photo of Mr. Clinton? Would that
6 expressly advocate election? What about a button with the *Time* magazine cover photo
7 that FEC discusses in its Memorandum? Would that expressly advocate anything?
8 What about a button photo of Senator Phil Gramm inside the circular negative symbol
9 today, now that he has announced for the 1996 campaign? Does that mean someone is
10 unhappy with Senator Gramm's opposition to Dr. Foster's confirmation as Surgeon
11 General? Or does it necessarily refer to the 1996 presidential campaign?

14 The Supreme Court in *Buckley* said that to be express advocacy, there must be
15 "explicit words of advocacy of election or defeat...." 424 U.S. 1 at 44 (emphasis added).
16 The *Buckley* requirement for words appears to preclude the FEC's convoluted argument
17 about wordless images. Even if images alone could be sufficiently explicit, CAN's video
18 did not consist of images alone and the newspaper advertisement contained no images.
19 The video images were accompanied by and explained by words that addressed issues
20 of national interest. The video images and the words addressed issues related to
21 homosexuality, not the election.

24 The FEC's expert report argues that the video images, by their colors and draining
25 of colors and by photos of marchers, were negative to Bill Clinton. That does not make
26 the images *electoral* advocacy. Such subtleties as colors and music could hardly qualify

1 under the Supreme Court's *explicit* words-of-advocacy test. Neither the video nor the
2 newspaper advertisement contained images that referred specifically to the election.
3

4 C. The FEC's "Totality of the Circumstances Regardless of Lack of Explicit
5 Words" Test.

6 The FEC proposes that this Court adopt a fundamentally different test⁴ for express
7 advocacy than "explicit words of advocacy of election or defeat" adopted by the Supreme
8 Court in *Buckley*, 424 U.S. 1 at 44, and approved in *Federal Election Commission v.*
9 *Massachusetts Citizens for Life, Inc.*, 479 U.S. 238, 249, 93 L.Ed.2d 539, 551, 107 S.Ct. 616
10 (1986)("MCFL"). Instead, the FEC apparently proposes that this Court adopt a totality-of-
11 the-circumstances test regardless of the lack of explicit words of advocacy. Using this
12 test, the FEC proposes to examine the intent of the speech as much as the words, an
13 approach *Buckley* specifically disapproved.
14
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16 In its Memorandum, the FEC argues with subtly misleading partial quotations
17 that *MCFL* permits regulation of speech that is less direct than explicit words of
18 advocacy. The *MCFL* court did no such thing. In *MCFL*, the defendant had published
19 a newsletter that urged voter in upcoming elections to "vote pro-life" and supplied the
20 names and photos of pro-life candidates. The court said this was "marginally less
21
22

23
24 ⁴ The FEC did not expressly articulate its proposed test in these or any other
25 words, but this test has been gleaned from the arguments in the FEC's Memorandum. The
26 FEC plainly seeks a rejection of the *Buckley* test, because neither the video nor the newspaper
27 advertisement contain any words that the FEC can point to as urging electoral action. The
28 FEC's Memorandum mostly argues from the conclusions of its expert that the video and
newspaper advertisement expressly advocate the electoral defeat of Messrs. Clinton and Gore
even though the advertisements never say that.

1 direct"⁵ than the *Buckley* examples, but still was "in effect an explicit directive: vote for
2 these (named) candidates." 479 U.S. 238 at 249, 93 L.Ed. 2d 539 at 551.

3 In support, the FEC relies upon a misreading of dicta from the 9th Circuit Court
4 of Appeals in *Federal Election Commission v. Furgatch*, 807 F.2d 857 (9th Cir. 1987) *cert. den.*
5 484 U.S. 850 (1987).⁶ In *Furgatch*, the Defendant used explicit words of electoral
6 advocacy, "Don't let him do it" specifically referring to Jimmy Carter continuing in office.
7 The FEC's Memorandum at page 18 subtly misstates the advocacy, suggesting that the
8 "Don't let him do it" referred merely to Mr. Carter allegedly hiding his record. The
9 actual *Furgatch* advertisement said,
10

11
12 It is an attempt to hide his own record, or lack of it. If he succeeds
13 the country will be burdened with four more years of incoherencies,
14 ineptness and illusion, as he leaves a legacy of low level campaigning.

15 DONT LET HIM DO IT.

16 Contrary to what the FEC argues to this Court about the *Furgatch* advertisement
17 content, the FEC argued to the *Furgatch* court that the advertisement "contains an
18 unequivocal message that Carter must not 'succeed' in 'burden[ing]' the country with
19 'four more years' of his allegedly harmful leadership." 807 F.2d 857 at 860.

20 The FEC omits from its Memorandum the *Furgatch* court's conclusion concerning
21 the *Buckley* examples:

22 We conclude that speech need not include any of the words listed in
23 *Buckley* to be express advocacy under the Act, but it must, when read as
24 a whole, and with *limited* reference to external events, be susceptible of *no*

25 ⁵ In its partial quotation, the FEC omitted the important qualifier "marginally".

26 ⁶ Which is discussed at page 6 of the Defendants' Brief in Support of Motion to
27 Dismiss.

1 other reasonable interpretation but as an exhortation to vote for or against a
2 specific candidate.

3 807 F.2d 857 at 864 (Emphasis added). The continuation of this quote states a three part
4 test which Defendants quoted and discussed in the Brief in Support of Motion to
5 Dismiss.

6 Even using the *Furgatch* test, neither the CAN video nor the newspaper
7 advertisements constitute express advocacy. Although the FEC wants to interpret the
8 advertisements as electoral advocacy, there are other reasonable interpretations, such as:
9 they mean exactly what they say they mean. The video informs the public about certain
10 public issues and exhorts the viewer to contact the Christian Action Network.⁷ The
11

12
13 ⁷ The FEC disingenuously claims that CAN refused to supply it with the
14 information given to viewers who contacted it. In fact, the FEC never asked to that
15 information, except possibly buried in a much broader request that was objected to on the
16 basis of *Federal Election Commission v. Machinists Non-Partisan League*, 655 F.2d 380 (D.C. Cir.
17 1981) cert. den. 454 U.S. 897, 70 L.Ed.2d 213, 102 S.Ct. 397 (1981), in which the court rejected
18 just such a broad subpoena. In *Machinists Non-Partisan League*, the Commission issued a
19 subpoena for internal memoranda and membership lists (among other things) of a group
20 organized to draft Ted Kennedy for President. Holding that the FEC lacked jurisdiction over
21 "draft candidate" groups, the court said that to protect first amendment rights, the FEC must
22 first establish its jurisdiction as "an essential prerequisite" to enforcing such subpoenas. In a
23 compelling footnote on the issue of the FEC's sweeping discovery request, the court said,

24 17. One can only imagine what the Founding Fathers would have
25 thought of a federal bureaucracy demanding comprehensive reports on the
26 internal workings and membership lists of peaceful political groups. It bears
27 remembering that Elbridge Gerry, Oliver Ellsworth, Roger Sherman, Spencer
28 Roane, Noah Webster, James Iredell, and others all sought anonymity while
they conducted the most important political campaign of *their* lives, the
campaign to ratify the federal constitution. [Citation omitted] In fact the
Federalist Papers—the most important work in political science that has ever
been written, or is likely ever to be written, in the United States"—was
published anonymously by its authors, Hamilton, Madison, and Jay.

655 F.2d 381, 388, note 17. [Emphasis in original.]

If the FEC had specifically asked for information given to viewers who responded to
CAN, CAN would have supplied that information.

1 newspaper advertisement exhorted Bill Clinton to repudiate his stand on those issues.
2 Neither exhorted the voter, unambiguously or ambiguously, to vote either for or against
3 Bill Clinton.

4 *Furgatch*, if it does not itself exceed the bounds of the Supreme Court's explicit
5 words test, at least struck the outer limit. The *Furgatch* court itself said about the
6 *Furgatch* advertisement, "whether the advertisement expressly advocates the defeat of
7 Jimmy Carter is a very close call." 807 F.2d 857 at 861. The CAN video and newspaper
8 advertisements are much further from express advocacy, and this case is not close.

9
10 On page 18 of its Memorandum, the FEC says that Defendants suggested in their
11 supporting brief at p. 1 that "no court has ever found express advocacy present without
12 the words and phrases listed in *Buckley*." The Defendants did not suggest that. The
13 Defendants actually said that the FEC

14
15 asks the Court to punish issue-oriented speech during the time of elections,
16 contrary to the limits placed on the FEC's authority by Congress, by the
17 Supreme Court in *Buckley v. Valeo*, 424 U.S. 1, 46 L.Ed.2d 659, 96 S.Ct. 612
(1976), and by every other court considering the issue.

18 The Defendants' quoted statement is true. Even *Furgatch*, the only reported case
19 that appears to depart somewhat from the *Buckley* "bright-line" test, refuses to agree that
20 issue-oriented speech should be punished. Even *Furgatch* required that the political
21 speech be unambiguously subject to "no other reasonable interpretation but as an
22 exhortation to vote for or against a specific candidate."
23

24 Thus the FEC's hoped-for test cannot be supported even by *Furgatch*. The FEC's
25 prosecution of CAN for civil penalties exceeds the limits of constitutional regulation of
26 free speech.
27

1 D. The Video and Newspaper Ads under these tests.

2 At page 16 of its Memorandum, the FEC argues that the video and newspaper
3 advertisements taken together constitute express electoral advocacy. The FEC apparently
4 thinks that helps its case. Defendants' suppose that is because the newspaper
5 advertisement makes only an oblique reference to the election campaign, while the video
6 makes none at all. However, the FEC apparently believes that the video, because of its
7 use of non-verbal images, is more critical of Messrs. Clinton and Gore. The FEC's expert
8 report spends 13 1/2 pages on the video and only 1 page on the newspaper
9 advertisements. FEC Exhibit 5.
10

11
12 Considering them all as one speech seems strange, because the videos were
13 broadcast to cable TV audiences and the newspaper ad went to newspaper readers of
14 two newspapers. If, as the FEC suggests, they are electoral advocacy when considered
15 together, isn't there an implicit assumption that the targets of the advocacy (TV viewers
16 and newspaper readers) would have to have seen them both? If it is necessary to
17 consider these widely disparate ads together to find a violation of the Act, then neither
18 violates the Act.
19

20 As discussed above, neither the video nor the newspaper advertisement contain
21 explicit words of electoral advocacy and they therefore cannot be regulated by the
22 Federal Election Commission.
23

24
25 II. Defendants Never Raised the MCFL Exception to §441b as a Ground for
26 Dismissal in their Motion to Dismiss.

27 The FEC inexplicably spends a page of its Memorandum arguing whether CAN
28

1 comes under the *MCFL* exception to 2 U.S.C. §441b. The Defendants did not raise the
2 issue in their Motion to Dismiss. That issue would require some establishment of facts
3 and may be appropriate for a motion for summary judgment, if necessary, later.
4

5
6 **III. Exemption for Communications through the Facilities of the Press.**

7 The FEC points out that the exemption in 2 U.S.C. §431(9)(B)(i) is limited to "[a]ny
8 *news story, commentary, or editorial* distributed through the facilities of any broadcasting
9 station, newspaper, magazine, or other periodical publication." [Emphasis as in FEC
10 Memorandum at 34.] The video and newspaper advertisements are certainly *commentary*
11 "distributed through the facilities of" the listed media. While the House report said that
12 the exemption "assures the unfettered right of newspapers, TV networks, and other
13 media to cover and comment on political campaigns," contrary to the editorial additions
14 in the FEC's Memorandum, the report did not say that was the *only* effect. Furthermore
15 the Conference Committee report did not repeat the language of the House report, but
16 merely said that the exemption applied to distribution of news stories, commentary and
17 editorials through the facilities of these media (using the same language as the final
18 statute).
19
20

21 The FEC is seeking civil penalties in this case. Therefore, this is an action under
22 a penal statute and as such, the statute should be strictly construed. *Providence Steam-*
23 *Engine Co. v. Hubbard*, 101 U.S. 188, 25 L.Ed. 786 (1879)(rule applied to state civil penal
24 statute). Strictly construed, the exemption means exactly what it says: that commentary
25 "through the facilities of" the news media are exempt from the definition of expenditure
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1 and therefore exempt from the proscriptions the FEC seeks to enforce in this case.

2
3 **IV. Constitutionality of the Commission.**

4 The Federal Election Commission sits in Washington, D.C. The Circuit in which
5 it operates has spoken as to the constitutionality of the Commission's composition in a
6 case in which the Commission was a party. *NRA Political Victory Fund*, 303 U.S. App.
7 D.C. 362, 6 F.3d 821, 1993 U.S. App. LEXIS 27298 (D.C. Cir. 1993), *appeal dismissed for*
8 *want of jurisdiction* ___ U.S. ___, 127 L.Ed.2d 206, 114 S.Ct. 1291 (12/6/94). Because the
9 Commission's appeal was dismissed for want of jurisdiction the order is final and
10 binding on the FEC.
11

12
13 The FEC argues that its unconstitutional membership (the ex officio
14 representatives from Congress) was severable from the constitutional membership,
15 relying the severability statute and the decision of the D.C. Circuit. The severance in this
16 case would involve the severance of words from a single sentence, not the severance of
17 a statutory provision from the statutory scheme. In *Carter v. Carter Coal Co.*, 298 U.S.
18 238, 80 L.Ed. 1160, 56 S. Ct. 855 (1936), the Supreme Court considered consolidated
19 appeals of several suit that challenged the constitutionality of the Bituminous Coal
20 Conservation Act of 1935 ("BCCA"). The BCCA regulated coal prices and coal labor.
21 After finding the labor provisions unconstitutional, the court found that, despite the
22 severance clause of the BCCA, the coal price provisions were not severable, and were
23 therefore invalid. Discussing application of the severability provision, the court said,
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26 In the absence of such a provision, the presumption is that the
27 Legislature intends an act to be effective as an entirety—that is to say, the
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1 rule is against the mutilation of a statute; and if any provision be
2 unconstitutional, the presumption is that the remaining provisions fall with
3 it. The effect of the statute is to reverse this presumption in favor of
4 inseverability, and create the opposite one of severability. ... But under
either rule, the determination, in the end, is reached by applying the same
test—namely, What was the intent of the lawmakers?

5 Under the statutory rule, the presumption must be overcome by
6 considerations which establish "the clear probability that the invalid part
7 being eliminated the Legislature would not have been satisfied with what
8 remains," [citations omitted] or ... "the clear probability that the Legislature
would not have been satisfied with the statute unless it had included the
invalid part." [Citation omitted.]

9 298 U.S. 238 at 312-313, 56 S.Ct. 855 at 873.

10 Applying that test in this case, Congress expressed its discomfort with an Election
11 Commission in which it had no voice (or at least, ear). The original enactment declared
12 invalid in *Buckley* involved a Commission with two members appointed by the President
13 with the advice and consent of the Senate and the House, and four members appointed
14 by the President Pro Tempore of the Senate and the Speaker of the House. The *Buckley*
15 Court stayed its decision 30 days to give Congress time to fix the problem. Congress
16 responded by creating the unconstitutional Commission found in *NRA Political Victory*
17 *Fund* that again included members (non-voting this time) representing Congress.
18 Congress thus twice showed that it was very concerned about having a voice on the
19 Commission and it seems likely that Congress would not be satisfied with a Commission
20 on which it has no voice at all (as the Commission has supposedly "reconstituted itself").
21

22 Assuming that the FEC could validly "reconstitute itself," the Federal Election
23 Campaign Act has several procedural prerequisites to bringing suit. First, the Federal
24 Election Commission must find "reason to believe" a violation of the Act occurred. 2
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1 U.S.C. § 437g(a)(2).⁸ In this case, the Commission made that finding when it was
2 unconstitutionally constituted.

3 The FEC argues that the reason to believe finding is not a jurisdictional
4 prerequisite to suit citing *Federal Election Commission v. National Rifle Association*, 553 F.
5 Supp. 1331, 1334 (D.D.C. 1983)("NRA 1983"). The case stands for the opposite
6 proposition. In *NRA 1983*, the NRA challenged the adequacy of the FEC's statutorily
7 mandated conciliation efforts. The court said,
8

9 [F]our steps are required under Section 437g of the Act, including:

- 10 (1) a determination that reasonable cause to believe a violation
11 has occurred or is about to occur, and the provision of notice
12 and an opportunity to comment to the respondent;
- 13 (2) investigation of the allegations by the FEC;
- 14 (3) a determination of probable cause that a violation has
15 occurred or is about to occur after receiving a brief from
16 general counsel and a response from the alleged violator; and
- 17 (4) an attempt for at least 30 days to correct or prevent the
18 alleged violation by informal means of "conference,
conciliation, and persuasion."

19 Then, *only after the FEC exhausts these steps*, and affirmatively votes, by at
20 least 4 of its members, may the FEC "institute a civil action for relief...."

21 ⁸ Which reads:

22 If the Commission, upon receiving a complaint ... or on the basis of
23 information ascertained in the normal course of carrying out its supervisory
24 responsibilities, determines, by an affirmative vote of 4 of its members, that it
25 has reason to believe that a person has committed, or is about to commit, a
26 violation of this Act ..., the Commission shall, through its Chairman or vice
27 chairman, notify the person of the alleged violation. Such notification shall set
28 forth the factual basis for such alleged violation. The Commission shall make
an investigation of such alleged violation, which may include a field
investigation or audit, in accordance with the provisions of this section.

1 553 F. Supp. 1331 at 1332, 1333. Therefore, the failure of a "reason to believe" finding
2 be a constitutional Commission destroys the jurisdiction for this action.

3 The Commission's ratification of its actions taken by its unconstitutional body are
4 demonstrated by the FEC's own exhibits to be pro-forma and without real consideration
5 of the underlying issues.⁹ Assuming it could reconstitute itself without benefit of
6 Congress, the alleged ratification was a nullity.

7
8 The FEC argues that if the Motion is granted on this ground, the FEC may simply
9 redo its process and bring the action again. Defendants hope that a second time around,
10 someone on the Commission will exercise common sense and recognize that the FEC's
11 case lacks merit, particularly on the express advocacy issues.¹⁰

12
13
14 V. Conclusion.

15 The FEC's Memorandum fails to identify *any* "explicit words of advocacy of
16 election or defeat" in either the CAN video or the CAN newspaper advertisement. For
17

18
19 ⁹ The FEC takes issue with the Defendants' statements that the Commission
20 ratified its previous actions en mass. Defendants' statements were based upon the
21 information General Counsel supplied by letter of May 9, 1994, copies of the letter and
22 attachments are attached as Exhibit A, in response to Defendants' specific request for the
23 alleged ratification actions. The letter did not include the alleged specific April 19, 1994,
24 ratification that was attached to the FEC's brief.

25 ¹⁰ The FEC's brief suggests that there is no reason to believe that a different
26 result would occur if the case were returned to the Commission. Is the exercise of common
27 sense by the Commission really too much to hope for?

28 The FEC also says, inaccurately, that its conciliation efforts were quickly
rebuffed. Despite its demonstrably unreasonable demands, CAN presented two written
counter-proposals. However, the FEC demanded that CAN make false admissions and pay
extortionate sums of money (enough to bankrupt CAN), neither of which CAN would or
could do. As to the gratuitous "quickly rebuffed" remark, see also the cover letter in attached
Exhibit A.

1 FEC regulation, explicit words of advocacy (whether or not in the *Buckley* list) are
2 required by the test established by the Supreme Court in *Buckley* and approved in *MCFL*
3 and followed by every court considering the question with the possible exception of
4 *Furgatch* which still required "unambiguous" electoral advocacy admitting of "no other
5 reasonable interpretation."
6

7 The CAN video and the CAN newspaper advertisement meet neither the *Buckley*
8 nor the *Furgatch* test.

9 Because this is a penal action, the Federal Election Campaign Act where
10 ambiguous must be construed in favor of Defendants. In this case, the Act's exemption
11 for commentary "distributed through the facilities" of the broadcasting and newspaper
12 media, if not otherwise clear, should be construed in Defendants' favor to dismiss the
13 complaint.
14

15 The FEC's unconstitutional composition taints this entire proceeding, because the
16 Commission could not validly make the prerequisite "reason to believe" finding. As to
17 the makeup of the Commission, it is unlikely that under the *Carter* test, the
18 unconstitutional *ex officio* members could be severed from the sentence to make the
19 Commission constitutional, without Congressional action, given the clearly expressed
20 desire of Congress to have its representatives participate in the Commission's
21 proceedings.
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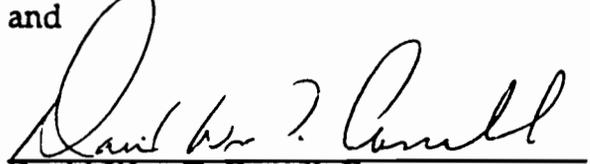
1 This case should be dismissed on any or all of the stated grounds.

2 Dated: March 6, 1995

3 Respectfully submitted,

4
5
6 
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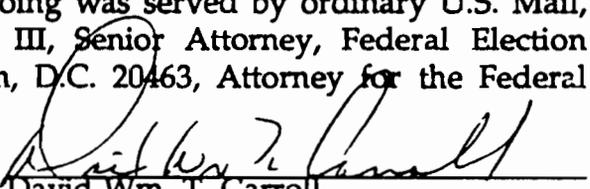
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14 
15 David Wm. T. Carroll, Esq.
16 Sellman & Boone
17 50 W. Broad St., Suite 2800
18 Columbus OH 43215

19 COUNSEL FOR DEFENDANTS

20 CERTIFICATE OF SERVICE

21 On March 6, 1995, a copy of the foregoing was served by ordinary U.S. Mail,
22 postage prepaid, upon Robert W. Bonham III, Senior Attorney, Federal Election
23 Commission, 999 E Street, N.W., Washington, D.C. 20463, Attorney for the Federal
24 Election Commission.

25 
26 David Wm. T. Carroll
27
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