

AGENDA DOCUMENT NO. 01-58

MINUTES OF AN OPEN MEETING  
OF THE  
FEDERAL ELECTION COMMISSION

THURSDAY, NOVEMBER 1, 2001

PRESENT:            Danny L. McDonald, Chairman, presiding  
                      David M. Mason, Vice Chairman  
                      Karl J. Sandstrom, Commissioner  
                      Bradley A. Smith, Commissioner  
                      Scott E. Thomas, Commissioner  
                      Darryl R. Wold, Commissioner  
                      James A. Pehrkon, Staff Director  
                      Lawrence H. Norton, General Counsel  
                      Mary W. Dove, Secretary

Chairman Danny L. McDonald called the Federal Election Commission to order in an open meeting at 2:00 P.M. on Thursday, November 1, 2001, with a quorum present.

II. CORRECTION AND APPROVAL OF MINUTES

Minutes for October 11, 2001  
Agenda Document No. 01-54

Chairman McDonald recognized Vice Chairman Mason, who

MOVED to approve the Minutes  
for the open meeting of  
Thursday, October 11, 2001,  
as submitted in Agenda  
Document No. 01-54.

The motion carried on the vote of 6-0 with  
Commissioners Mason, McDonald, Sandstrom, Smith,  
Thomas, and Wold voting affirmatively.

II. DRAFT ADVISORY OPINION 2001-16

Democratic National Committee by counsel,  
Joseph E. Sandler

Agenda Document No. 01-55

Chairman McDonald recognized Mr. Bradley Litchfield of the General Counsel's Office who presented draft Advisory Opinion 2001-16 concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the Democratic National Committee's proposed schedule for making allocation transfers from its non-federal accounts to its Federal accounts on dates that would exceed the 60 day period prescribed in Commission regulations.

\* \* \* \* \*

It was agreed without objection to reorder the agenda in order to consider the proposed policy statement regarding party committee transfers of nonfederal funds for payment of allocable expenses prior to the discussion of the advisory opinion.

III. PROPOSED STATEMENT OF ENFORCEMENT POLICY  
REGARDING PARTY COMMITTEE TRANSFERS OF  
NON FEDERAL FUNDS FOR PAYMENT OF ALLOCABLE  
EXPENSES

Agenda Documents No. 01-56  
and Draft B (No. 01-56-A)

Chairman McDonald recognized Vice Chairman  
Mason, who

MOVED to suspend the rules  
on the timely submission of  
agenda documents in order to  
consider Agenda Document  
No. 01-56.

The motion carried on the vote of 6-0.

The Chairman recognized Mr. Paul Sanford of  
the General Counsel's Office who presented an overview  
of the subject document.

A discussion followed.

III. PROPOSED STATEMENT OF ENFORCEMENT POLICY  
REGARDING PARTY COMMITTEE TRANSFERS OF  
NON FEDERAL FUNDS FOR PAYMENT OF ALLOCABLE  
EXPENSES

(continued)

Chairman McDonald recognized Vice Chairman  
Mason, who

MOVED to suspend the rules  
on the timely submission of  
agenda documents in order  
to consider Draft B. \*\*

The motion carried on the vote of 6-0.

\*\* (Note: Draft B was a prior  
e-mail circulated informally  
to the Commission and  
subsequently was designated  
as Agenda Document No. 01-56-A.)

At the conclusion of the discussion which  
followed, Chairman McDonald recognized Commissioner  
Smith, who

MOVED to approve Draft B (Agenda Document  
No. 01-56-A), subject to the following  
amendments:

1. Page 1, Line 15: Insert the following  
sentence, "The Commission seeks comments  
on the policy under consideration, and  
on any other circumstances arising out  
of the events of September 11 that need  
to be addressed."

III.

PROPOSED STATEMENT OF ENFORCEMENT POLICY  
REGARDING PARTY COMMITTEE TRANSFERS OF  
NON FEDERAL FUNDS FOR PAYMENT OF ALLOCABLE  
EXPENSES

(continued)

2. Page 1, Lines 16 and 17: Amend the sentence to read, "Comments must be submitted on or before November 14, 2001."
3. Page 4, at the end of Line 6: Insert a new sentence to read: "Alternatively, the Commission would not pursue an untimely party committee transfer made to cover the nonfederal share of an allocable expense paid between August 27, 2001 and December 31, 2001, if the transfer is made no later than March 1, 2002, and is fully disclosed on the party committee's applicable report."
4. Page 4, Line 7: Delete the words, "this proposed policy" and substitute the words "the policy that is under consideration" in lieu thereof.
  - a. Also, amend similar language throughout the draft to conform to this amendment.
5. Page 4, Line 8: Insert the following language at the end of the sentence after the word "duration":

"or any other circumstances arising out of the attacks of September 11 that should be addressed."

III. PROPOSED STATEMENT OF ENFORCEMENT POLICY  
REGARDING PARTY COMMITTEE TRANSFERS OF  
NON FEDERAL FUNDS FOR PAYMENT OF ALLOCABLE  
EXPENSES

(continued)

The motion carried on the vote of 5-1 with Commissioners Mason, Sandstrom, Smith, Thomas, and Wold voting affirmatively. Commissioner McDonald dissented.

III. DRAFT ADVISORY OPINION 2001-16  
(continued)

It was agreed without objection to hold this matter over and request an extension of time from the requester.

IV. ADMINISTRATIVE MATTERS

There were no administrative matters to come before the Commission.

The meeting adjourned at 3:55 P.M.

Signed:

Danny L. McDonald  
Chairman of the Commission

Attest:

Mary W. Dove  
Secretary of the  
Commission

