

MIKE HONDA FOR CONGRESS

15th District of California

111 W. St. John Street, Suite 400

San Jose, California 95113

James Towery, Treasurer

Phone (408) 271-2619

Fax (408) 279-4660

March 20, 2000

General Counsel's Office
Federal Election Commission
Washington, D.C. 20463

Re: Honda for Congress
MUR 4975

MAR 21 10 26 AM '00

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Gentlepersons:

We received your inquiry dated February 29, 2000 on March 6, 2000. I was surprised since I did not believe that the Treasurer of the campaign, who has nothing to do with preparing or distributing signs, and does not supervise such matters, was a party to such inquiries. However, I have looked into the matter as best possible, and the following recites the best knowledge obtainable.

Due to a printer or consultant error, some lawn signs ordered and paid for by Honda for Congress did not contain a disclaimer. The signs were delivered to headquarters at a time of great demand for materials in this short and intense campaign. Before anyone knowledgeable had a chance to review them, a few went out to a democratic luncheon and a union hall, where they were distributed. Others were picked up right away at the headquarters. In neither case did the campaign have any record or information on who had the signs.

This represented a very small number of the 3,000 signs printed – less than 50. Shortly after these distributions, the campaign manager had her attention called

Federal Election Commission
March 20, 2000
Page 2 of 3

to these matters and realized that the signs lacked the printed disclaimer. Accordingly, the remaining signs – more than 2,950 of them – all had labels permanently affixed stating “Paid for and authorized by Mike Honda for Congress, ID #COO351379.” The address and phone number were included.

At that time, there was nothing the campaign could do about the less than 50 signs which had been taken by unidentified persons. We do not know if any of them were posted, but it seems that at least one came to the attention of one of Mr. Honda’s primary opponents.

Thus, this unintentional vendor error was corrected immediately upon responsible campaign officials learning of the problem, and resulted in a *de minimis* distribution of signs lacking a disclaimer. Given these facts, we do not believe that this warrants further investigation or action.

We don't understand the rest of the Pirayou complaint. Mr. Pirayou apparently alleges, based on information received from unidentified persons and not on personal knowledge, that unspecified and unidentified members of Assemblyman Honda's state staff posted signs for him. We do not know if the “staff member” allegation is for identification purposes – if so, it is insufficient – or if there is an allegation that this was done on State time.

We have not been able to learn of any members of Mr. Honda’s state staff who posted signs for him. However, if signs were posted by staff members, we are certain it would have been on their own time and not while employed by the State of California. That would have been the campaign’s policy. Under the law, staff members are free to participate in campaigns on their own time and of their own volition. A number of members of Mr. Honda's staff either took leave to work on the campaign, or volunteered on the campaign on their own time. There is nothing wrong with this. Absent further specific information, we simply cannot respond further.

There is some implication in Mr. Pirayou's complaint letter that the signs

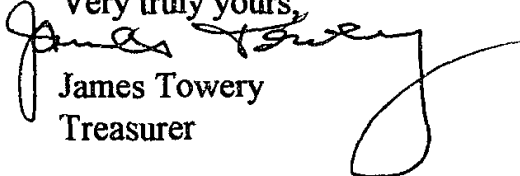
Federal Election Commission

March 20, 2000

Page 3 of 3

might have been an independent expenditure separately reportable by those who posted or paid for them. As noted above, such was not the case.

I am happy to work with the Commission in any further way which may be required. If there is further inquiry or information needed, please let me know.

Very truly yours,

James Towery
Treasurer