

HARMON, CURRAN, SPIELBERG & EISENBERG, LLP

1726 M Street, NW, Suite 600 Washington, DC 20036

(202) 328-3500 (202) 328-6918 fax

June 4, 2004

Ms. Elaine Devine, Esq.
Complaints Examination & Legal Administration
Office of General Counsel
999 E Street NW
Washington, DC 20463

Re:

Dear Ms Devine,

Enclosed is the response of League of Conservation Voters

Sincerely,



Gail Harmon

Enclosures (2)

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
2004 JUN -4 P 4:04

26044151675

BEFORE THE FEDERAL ELECTION COMMISSION

COMPLAINT

RESPONDENTS

Moveon.org;

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF THE CLERK
JUN -4 P 4: 04

26044151676

The League of Conservation Voters (LCV) submits the following material to demonstrate that the Federal Election Commission should take no action against it pursuant to the complaint

The Complaint by the Republican National Committee provides no reason to believe that LCV violated the Federal Election Campaign Act (FECA).

In the course of describing the so-called “soft money conspiracy,” the RNC notes that LCV is a member of _____ but does not allege that this membership per se is a violation of the FECA. When soliciting this membership, _____ represented to LCV that it would operate independently of the campaign of John Kerry, the Democratic National Committee, the campaigns of other Democratic candidates and other committees associated with the Democratic party. LCV has no knowledge that _____ coordinates its activities in an impermissible manner with the campaign of John Kerry, the Democratic National Committee, the campaigns of other Democratic candidates or other committees associated with the Democratic party. ¶ 3 and 4 of *Declaration of Debra J. Callahan*.

In addition, the (RNC) asserts and LCV does not deny that the advertisement enclosed with the Complaint constitutes express advocacy. The RNC then argues that this ad constitutes an illegal corporate contribution because “contributions from an incorporated entity such as a foundation would permanently taint LCV’s eligibility for a ‘MCFL’ exception.” Contrary to the RNC’s assertion of law, the Explanation and Justification accompanying the final regulations on qualified nonprofit corporations states clearly that as long as safeguards exist to prevent the use of charitable funds for political purposes, contributions from incorporated charities do not disqualify a section 501(c)(4) organization from MCFL status. *60 Federal Register 35301*. Any grants from charities to LCV are subject to the legal requirement that no part of the grant funds can be used for political activities which would violate the section 501(c)(3) prohibition on campaign intervention and LCV has accounting systems in place to assure compliance with this

restriction. ¶ 7 of *Declaration of Deb Callahan*. Finally, LCV satisfies the other criteria for a MCFL corporation. ¶ 6 of *Declaration of Deb Callahan*.

For these reasons, LCV requests the Commission promptly declare that there is no reason to believe that LCV violated the FECA and should dismiss LCV from its consideration

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Harmon".

Gail Harmon

Partner

Harmon, Curran, Spielberg & Eisenberg, LLP

26044151678

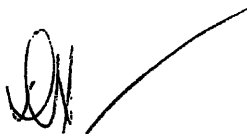
DECLARATION OF DEBRA J. CALLAHAN

Debra J. Callahan states as follows:

1. My name is Debra J. Callahan. I am the President of League of Conservation Voters (LCV) in Washington, D.C. I have been employed in this position since January 1996. This Declaration is based on my personal knowledge or is derived from LCV's official records.
2. LCV has joined _____ and has pledged \$50,000 to support its work.
3. Before LCV joined _____ it conducted a diligent inquiry into its proposed methods of operation and was assured by its principals that _____ would operate independently of the campaign of John Kerry, the Democratic National Committee, the campaigns of other Democratic candidates and other committees associated with the Democratic party.
4. LCV has attended numerous meetings of _____ and has never seen evidence that _____ is coordinating with the campaign of John Kerry, the Democratic National Committee, campaigns of other Democratic candidates and other committees associated with the Democratic Party.
5. LCV is registered with the Federal Election Commission as a qualified nonprofit corporation and meets the requirements for such status. LCV regularly reports its independent expenditures to the Commission.
6. The express purpose of LCV is the promotion of political ideas and it has adopted policies preventing it from engaging in business activities; LCV has no shareholders or other persons with an ownership interest; LCV offers no benefits which would be a disincentive for members or contributors to disassociate; LCV was not established by a labor union or a business corporation, it does not directly or indirectly accept donations from business corporations or labor organizations; it is recognized by the Internal Revenue Service as a section 501(c)(4) organization.
7. Any charitable funds provided to LCV are subject to the restriction that they cannot be used for activities that would be prohibited electoral activities under section 501(c)(3) of the Internal Revenue Code. LCV has accounting systems in place to assure compliance with these requirements.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and ability.

June 4, 2004
Date


Debra J. Callahan

26044151679