

MUR 4787

AMERICAN CONSERVATIVE UNION PAC

Richard Eslinger alleges in his complaint that the American Conservative Union (the "ACU") has spent more money on its Conservative Political Action Conference than it has reported to the FEC in receipts. Eslinger also claims that Citizens United ("CU") (under ACU's director, Floyd Brown), with an annual budget in excess of \$2,000,000, has not registered with the FEC, but has instead established Citizens United Political Victory Fund ("CUPVF") to act as a front for its fundraising. Complainant also believes that CU's David Bossie and Floyd Brown "dabbled in things like David Hale, Paula Jones, Whitewater, and Troopergate." Complainant asserts that both CU and ACU should disclose their receipts and contributions as these funds allow them to pursue political activities on a national level.

CU and CUPVF respond through their attorney that Mr. Eslinger's letter is not a complaint. However, the respondents also assert that CU, a membership organization which has raised and spent no money on federal politics, established CUPVF as its separate segregated fund ("SSF"). CUPVF, as an SSF, is entitled to raise and spend money on federal elections. CU asserts it has no filing obligations and has not registered with the FEC because it is a membership organization utilizing an SSF. The response further states that CUPVF has no obligation to report information pertaining to CU, but rather is obliged only to file reports disclosing its own receipts and expenses as an SSF. As for the criticisms of Messrs. Bossie and Brown, respondents say that they exercised their first amendment rights in a manner which did not involve federal candidates, political committees, or elections, which is not within the FEC's jurisdiction.

This matter is less significant relative to other matters pending before the Commission.