

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2008 JAN 16 P 3:43

Ray Haynes

Sacramento, CA 95814

JANUARY 15<sup>th</sup>  
November 2, 2008

MUR 5952

Office of General Counsel  
Federal Election Commission  
999 E Street NW  
Washington, D.C. 20463

Dear General Counsel:

Please accept this letter as a formal complaint regarding violations of the Federal Election Campaign Laws and Federal Election Commission regulations by the Hillary Clinton for President Committee (HCPC), "Californians for Fair Election Reform" (CFER) and four HCPC financial sponsors: Thomas Steyer, Nancy Parrish, Warren Hellman and Norman Lear.

The San Francisco Chronicle has reported<sup>1</sup> that leading political operatives who are closely associated with the presidential campaign of Hillary Clinton formed CFER,<sup>2</sup> a California ballot measure committee, in September 2007 with the sole purpose of expending funds on petition blocking activities and communications (including television advertisements) in order to significantly reduce the chance that a proposed ballot initiative, the Presidential Electoral College Reform Act (PERA), would be able to successfully conduct a petition drive to place the proposed election reform measure on the June 2008 California ballot.

ABC News has likewise reported<sup>3</sup> that Chris Lehane, a political operative with close ties to the HCPC campaign was active in initiating the CFER ballot measure committee with the objective of keeping PERA off the California ballot.

All news report indicate that the sole purpose of the flurry of activity engaged in by HCPC operatives in forming and donating to CFER was to help the Clinton campaign.

<sup>1</sup> <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2007/10.07.MNSESLOTG.DTL>, "State Dem Group played hardball to kill GOP election system plan." By Carla Marinucci, Chronicle Political Writer, Sunday, October 7, 2007

<sup>2</sup> <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1300811>

<sup>3</sup> <http://abclocal.go.com/kgo/story?section=politics&id=5690852>, "Clinton Ties to Electoral Ballot Initiative Fight", Mark Matthews, October 4, 2007

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FEC rules prevent donors from giving presidential candidates donations in excess of \$2,300. Yet, Thomas Steyer, Nancy Parrish, Warren Hellman and Norman Lear have each given CFER donations substantially in excess of \$2,300.

According to reports filed with the California Secretary of State, Steyer donated \$111,475.00 to CFER. Parrish donated \$25,000; Hellman donated \$25,000 and Lear donated \$50,000.<sup>4</sup>

As the news reports make clear, the purpose of these donations was to help the HCPC campaign by paying for efforts to block PERA.

San Francisco Chronicle reporter Carla Marinucci reports that as soon as Clinton operative Chris Lehane heard of the PERA initiative on July 17, 2007:

*"Lehane...contacted Sullivan and Tom Steyer, a longtime major party donor and lead fundraiser for Kerry who heads San Francisco-based Farallon Capitol. He said, 'We've got to stop this now'...and immediately kicked in \$150,000."*

The goal of these efforts, Clinton operative Margie Sullivan told a reporter, was:

*"...to 'strangle the baby in the cradle' and kill the ballot measure early, rather than let it qualify for the ballot—where it would be much tougher and more expensive to beat."*

These descriptions leave no room for doubt that the financial donations that flowed freely into CFER from Steyer, Parrish, Lear and Hellman were made on behalf of the desire of the HCPC presidential campaign to prevent PERA from qualifying for the ballot, because HCPC and its operatives believed they needed to stop PERA in order to promote Hillary Clinton's electoral prospects.

The FEC has recognized in the past that donations to ballot measure campaigns (in this case, Californians for Fair Election Reform) that are identified with a certain candidate are essentially efforts to support that candidate:

The Commission believes that communications qualifying for a ballot initiative or referendum exemption could well be understood to promote, support, attack, or oppose Federal candidates.

Commission Final Rules and Explanation and Justification on "Electioneering Communications," 67 Fed. Reg. 65190, 65202 (Oct. 23, 2002).

Upon information and belief, Clinton operatives Chris Lehane and Margie Sullivan, and Clinton financial sponsors Thomas Steyer, Nancy Parrish, Warren Hellman and Norman Lear have followed just such a strategy in California.

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<sup>4</sup> <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1300811&view=received>

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Their donations to the Californians for Fair Elections Reform ballot committee should be regarded as hidden donations to the Hillary Clinton for President Committee. It is entirely clear from news reports that these operatives and donors perceived their work and donations as efforts to enhance her electoral prospects and, that, indeed, their work and donations had no other purpose.

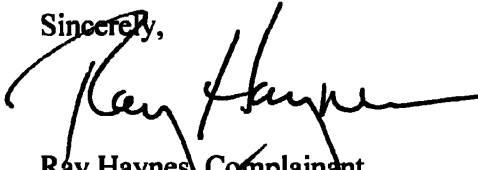
It defies belief that the HCPC campaign itself was not involved with this effort to block PERA from the ballot in order to enhance Clinton's electoral chances.

In sum, the large donations to CFER by Steyer, Parrish, Lear and Hellman are nothing other than a means of using soft money to influence Hillary Clinton's election. The sums of money they contributed at the urging of HCPC operatives Lehane and Sullivan vastly exceed allowable donations to presidential candidates. These donations run afoul of federal campaign finance limitations.

I believe that the Hillary Clinton for President Committee (HCPC), "Californians for Fair Election Reform" (CFER), Thomas Steyer, Nancy Parrish, Warren Hellman and Norman Lear should immediately be investigated by the Commission to determine whether (a) the donations to CFER were illegally coordinated expenditures that (b) exceed allowable federal campaign contribution limits.

California's voters deserve full reporting and compliance with federal laws about allowable maximum contributions to presidential candidates.

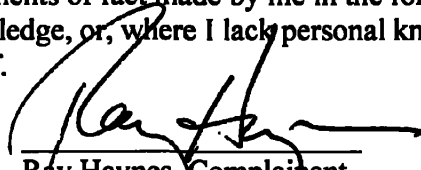
Sincerely,



Ray Haynes, Complainant  
Sacramento, California

#### VERIFICATION

I, Ray Haynes, being duly sworn upon my oath, state and affirm that the statements of fact made by me in the foregoing complaint are based upon my personal knowledge, or, where I lack personal knowledge, are based upon my information and belief.



Ray Haynes, Complainant

Signed and sworn to before me, a Notary Public, this 15th day of January, 2008

# Jurat

State of California

County of ORANGE

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

2008 JAN 16 P 3:44

Subscribed and sworn to (or affirmed) before me on this 15<sup>th</sup> day of January,

2008 by RAYMOND NEAL HAYNES JR.

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Bruno F. Tschannen  
Signature

(Notary seal)



## OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

FEC Complaint

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 3 Document Date 1/15/2008

(Additional information)

### INSTRUCTIONS FOR COMPLETING THIS FORM

The wording of all Jurats completed in California after January 1, 2008 must be in the form as set forth within this Jurat. There are no exceptions. If a Jurat to be completed does not follow this form, the notary must correct the verbiage by using a jurat stamp containing the correct wording or attaching a separate jurat form such as this one which does contain proper wording. In addition, the notary must require an oath or affirmation from the document signer regarding the truthfulness of the contents of the document. The document must be signed AFTER the oath or affirmation. If the document was previously signed, it must be re-signed in front of the notary public during the jurat process.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the jurat process is completed.
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different jurat form.
  - ❖ Additional information is not required but could help to ensure this jurat is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
- Securely attach this document to the signed document