

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CONGRESSMAN RON PAUL, <i>et al.</i> , Plaintiffs,	)	CIVIL ACTION NO. 02-CV-781 (CKK, KLH, RJL)
)	
v.	)	Consolidated with
	)	CIVIL ACTION NOS.
FEDERAL ELECTION COMMISSION, <i>et al.</i> , Defendants.	)	02-CV-582 (CKK, KLH, RJL) (Lead)
	)	02-CV-581 (CKK, KLH, RJL)
	)	02-CV-633 (CKK, KLH, RJL)
	)	02-CV-751 (CKK, KLH, RJL)
	)	02-CV-753 (CKK, KLH, RJL)
	)	02-CV-754 (CKK, KLH, RJL)
	)	02-CV-874 (CKK, KLH, RJL)
	)	02-CV-875 (CKK, KLH, RJL)
	)	02-CV-877 (CKK, KLH, RJL)
	)	02-CV-881 (CKK, KLH, RJL)

DECLARATION OF MARK ELAM

Mark Elam, Campaign Manager of the Committee to Re-Elect Ron Paul, declares pursuant to 28 U.S.C. Section 1746 as follows:

1. I am Mark Elam. I am the President of Campaign Resources, Inc., doing business as M and M Graphics in Houston, Texas. In 1995 and 1996, I served as Campaign Manager of the Ron Paul for Congress Committee, which then was Ron Paul's authorized principal campaign committee for his campaign for election to the office of United States Representative from the 14th Congressional District of the State of Texas. From 1997 to the present, I have served as Campaign Manager of the Committee to Re-Elect Ron Paul, which is currently Ron Paul's authorized principal campaign committee, and I am currently serving in that capacity for Ron Paul's 2002 re-election campaign.

2. In my capacity as Campaign Manager to both authorized principal campaign committees, I have primary responsibility to coordinate all aspects of the campaign, including fundraising, strategy and operations, hiring and supervising staff, political consultation, and compliance with all rules and regulations administered by the Federal Election Commission ("FEC"). All of my activities as Campaign Manager have been, and continue to be, designed and focused to get Ron Paul's message out to the people of the 14th Congressional District in such a way as to win each election. This declaration is based on, and the statements below relate to, that experience.

3. With respect to fundraising, most of the money raised to pay for the effort needed to elect Ron Paul is obtained through direct mail. Thus, a large percentage of campaign donations is from individuals in amounts of \$200 or less. In the 2000 campaign, for example, approximately two-thirds of the money raised came from individual donors giving less than \$200, with another 26 percent coming from individuals in amounts over \$200. Less than 5 percent came from political action committees. I estimate that the average individual donation was approximately \$40.

4. Over the years, I have noticed a number of individual contributions in aggregate amounts within a few dollars under \$200 in a particular calendar year. The number of such contributors were significantly higher, however, in the 1996 campaign when Ron Paul was running against an incumbent member of Congress. Since then, the number of such contributors has been significantly less. Through the years I have had occasion to talk with some of these donors who have told me, in confidence, that they would contribute more to Ron Paul's

campaign, but that they do not do so because they do not wish to have their identities publicly revealed as required by law.

5. I have had occasion to talk with several individuals who have told me, in confidence, that they would contribute more than the current \$1,000 per election limit to Ron Paul's campaign if it were permitted by law. I know several of these donors, and I believe that they are financially able and desirous to contribute more than \$2,000, the new Bipartisan Campaign Reform Act ("BCRA") limit, and would likely do so because of their strong commitment to the libertarian principles and constitutional policies promoted by Ron Paul in his campaigns and in his capacity as a Member of the United States House of Representatives.

6. With respect to strategy and operations, Ron Paul's authorized campaign committees have been required to make many adjustments in campaign strategy and staff operations in order to comply with FEC regulations that we would not ordinarily have chosen to make in expressly advocating the election of Ron Paul and in informing the people of the 14th Congressional District of Ron Paul's ideas and policy positions in our effort to persuade people to vote for him. For example, we have on several occasions reassigned paid staff from activities directly related to getting Ron Paul's message out to the voters to recordkeeping, reporting and other activities necessitated by FEC requirements.

7. We have severely limited certain community money-raising events, such as auctions, because the costs incurred, and administrative problems, created by the FEC recordkeeping and reporting requirements governing contributions far outweigh the effectiveness of such events to raise funds and to generate the kind of spontaneity and excitement that are indispensable components of a strong election campaign. Indeed, we have deliberately chosen to

raise money primarily through direct mail because it is the most efficient way to raise money and at the same time to keep the records required by the FEC, even though raising money by direct mail reduces the opportunities for Ron Paul to communicate directly and personally to his supporters.

8. I have found it frustrating, and highly discriminatory, that the same contribution limits are imposed upon Ron Paul — who campaigns in a congressional district composed of 19 counties and 5 major media markets — as are imposed upon candidates who campaign in smaller geographic districts with one or two major media markets. I have experienced additional frustration, and the Ron Paul campaign committees have experienced additional discrimination, when such contribution limits are applied to a Ron Paul campaign which must overcome news stories, editorials and commentaries in the commercial media, exempt from FEC governance, that virtually always have supported Ron Paul's opponents and their policy positions.

9. During the period from December 1995 through July 2002, as required by law, the treasurer of Ron Paul's principal campaign committees has filed the following reports with the FEC:

<u>Reporting Year</u>	<u>Name of Report</u>	<u>Period Covered</u>
1995	January 31 Year-End Report	4-1-95 thru 12-31-95
1996	12-Day Pre-Primary Election	1-1-96 thru 2-21-96
	12-Day Pre-Runoff Election	2-22-96 thru 3-20-96
	April 15 Quarterly Report	3-21-96 thru 3-31-96
	July 15 Quarterly Report	4-1-96 thru 6-30-96
	October 15 Quarterly Report	7-1-96 thru 9-30-96

	12-Day Pre-General Election	10-1-96 thru 10-16-96
	30-Day Post-General Election	10-17-96 thru 11-25-96
	January 31 Year-End Report	11-26-96 thru 12-31-96
1997	July 31 Mid-Year Report	1-1-97 thru 6-30-97
	January 31 Year-End Report	7-1-97 thru 12-31-97
1998	12-Day Pre-Primary Election	1-1-98 thru 2-18-98
	April 15 Quarterly Report	2-19-98 thru 3-31-98
	July 15 Quarterly Report	4-1-98 thru 6-30-98
	October 15 Quarterly Report	7-1-98 thru 9-30-98
	12-Day Pre-General Election	10-1-98 thru 10-14-98
	30-Day Post-General Election	10-15-98 thru 11-23-98
	January 31 Year-End Report	11-24-98 thru 12-31-98
1999	July 31 Mid-Year Report	1-1-99 thru 6-30-99
	January 31 Year-End Report	7-1-99 thru 12-31-99
2000	12-Day Pre-Primary Election	1-1-00 thru 2-23-00
	April 15 Quarterly Report	2-24-00 thru 3-31-00
	July 15 Quarterly Report	7-1-00 thru 9-30-00
	October 15 Quarterly Report	7-1-00 thru 9-30-00
	12-Day Pre-General Election	10-1-00 thru 10-18-00
	30-Day Post-General Election	10-19-00 thru 11-27-00
	January 31 Year-End Report	11-28-00 thru 12-31-00
2001	July 31 Mid-Year Report	1-1-01 thru 6-30-01

	January 31 Year-End Report	7-1-01 thru 12-31-01
2002	12-Day Pre-Primary Election	1-1-02 thru 2-20-02
	April 15 Quarterly Report	2-21-02 thru 3-31-02
	July 15 Quarterly Report	4-1-02 thru 6-30-02

10. I have found that the FEC-mandated recordkeeping and reporting requirements have directly conflicted with my work, especially toward the closing days of the campaign when, instead of being able to give full attention to election strategy operations, I have been required to attend to the needs of the authorized committee staff responsible for the timely filing of the 12 Day Pre-General Election Report. At times this burden has required me to hire additional staff; on other occasions, it has required me to divert existing staff to ensure FEC compliance. This has cost the campaign both money and time, both crucial elements in the days just prior to the vote. Overall, I know that FEC compliance has cost the campaign money that could have been invested in campaign communications, but I do not know what the cost savings would be in the absence of such a compliance requirement.

11. I have found the FEC regulations, including the system of administrative fines, civil and criminal penalties and public exposure, to weigh heavily against grass roots participation in the election campaigns of Ron Paul, hampering our efforts to recruit and work with volunteers and to coordinate our campaign with community groups and issue-oriented organizations. It has been my policy to stay away from the gray areas, electing to engage only in those activities that clearly comply with the law. For example, the committee once considered utilizing office space in a building owned by Ron Paul, but decided against it because of uncertainty about FEC restrictions.

12. It has been my experience after managing Ron Paul's 1995-96 campaign for election to the 14th Congressional District House seat, and managing his successful re-election campaigns, that the FEC rules and regulations do not restore the ordinary American's confidence in the political system. Rather, as some of our supporters and contributors have observed, I believe that the overregulation and bureaucratization of election campaigns discourages significant citizen participation in campaign activities, and as a consequence, places election campaigns largely in the hands of professionals.

I declare, under penalty of perjury, that the foregoing is true and correct.


MARK ELAM

Executed on: 10-3-02