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No fund exemption yet in 2nd District

Christensen's donations still below FEC threshold

By **Bob Bernick Jr.**

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If any 2nd Congressional District candidates are counting on millionaire Republican LaVar Christensen to top a federal personal donation level so they could collect more from supporters, they'll have to wait a few days longer.

Christensen — who has said previously that he'll spend his own money as needed to run an effective campaign — has timed his donations to keep his opponents' fund raising at bay.

When it was reported over the weekend that Christensen had given his campaign \$600,000, Rep. Jim Matheson, D-Utah, and his top aides figured that Christensen's own giving had kicked in the so-called "millionaire's exemption" to Federal Election Commission law — and that Matheson and the third-party candidates in the 2nd District race could now raise more than \$2,100 from individuals.



Jim Matheson



LaVar Christensen

Under a complicated FEC rule, after any candidate gives his own campaign more than \$350,000 in a defined "election cycle," that triggers special FEC reporting requirements and, experts say, can also allow his competitors to take individual donations of up to \$6,300.

But the \$600,000 figure "was in error," Christensen's campaign manager, Hayden Hill, told the Deseret Morning News Monday evening.

"That figure didn't come from me. It didn't come from LaVar," Hill said. "Maybe it came from some e-mail, but it isn't accurate."

Actually, Hill said, Christensen has been very careful to only give his campaign \$340,000 since the June 27 primary election. "We have a \$10,000 cushion" until the millionaire's exemption kicks in and Christensen's 2nd District opponents can start getting individual contributions of \$6,300.

All told, as of the Sept. 30 FEC quarterly reporting deadline, Christensen has given in total \$490,000 to his campaign, Hill said. The total includes \$150,000 he donated in an earlier election cycle and is therefore not counted toward the millionaire's exemption.

He may give more — there are four weeks until the Nov. 7 election. And if he does, then the

millionaire's exemption would kick in. At that time, said Hill, Christensen would comply with all FEC reporting and notification requirements.

Kirk Jowers, head of the University of Utah's Hinckley Institute of Politics, an attorney and an FEC expert, said the millionaire's exemption is one of the least understood and confusing parts of the McCain-Feingold campaign reform law that took effect in the early 2000s.

Christensen, who is worth between \$5 million and \$10 million, has been very careful — perhaps even cagey — in how he's donated to his own campaign.

By timing his personal donations — some before, some after the primary — and not triggering the millionaire's exemption until the last possible moment, he keeps Matheson and other 2nd District candidates from being able to solicit donations above the regular \$2,100 level.

Matheson, who has raised around \$1.5 million (his last FEC reports show), said Monday that if Christensen had given his campaign \$600,000, \$450,000 since the primary, it appears that he had passed the \$350,000 level without reporting it, as required.

But Hill emphasized that Christensen has not hit \$350,000 in giving since the June primary election and thus has not had to file the extra FEC reports nor officially notify other 2nd District candidates that they can start raising more cash than the \$2,100 limit.

Matheson said he has only a handful of individual contributors who have hit the \$2,100 donation ceiling.

"I may go back and ask some for more (money) from them," Matheson said. "But most of my individual contributors haven't given that much," and so they could still give more.

However, there are several third-party candidates in the race. And should they have wealthy family or friends who wanted to give more than the regular \$2,100, it could be a real financial shot to their campaigns if those individuals could now give \$6,300 in total.

The millionaire's exemption was put in the McCain-Feingold reform law in an attempt to level the financial playing field a bit, said Jowers.

Included in that exemption is what's called "coordinated campaigns" between the candidate and any of his political party entities.

In Utah's 2nd District race this year, it would mean that Matheson could conduct a coordinated campaign with the Democratic Congressional Campaign Committee — a real boost if he needed it.

But the DCCC — as well as its Republican Party counterpart — have not spent any money in the district so far.

That's because Matheson holds nearly a 40-point lead in the polls over Christensen, surveys by the News and KSL-TV show.

"I haven't run any coordinated campaigns so far," said Matheson. And he doubts there will be

the DCCC money coming to run any in the short time before Election Day.

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