



Office of the Attorney General
Washington, D. C. 20530

Gov. At-
EC2086

November 29, 1985

The Honorable George Bush
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

On July 17, 1985, the United States District Court for the Southern District of Ohio ruled that 39 U.S.C. 3626(e) -- a federal statute providing postal rate subsidies to qualifying political committees -- was unconstitutional as applied to the Charter Committee of Greater Cincinnati, a local political committee that did not qualify for the subsidy. Spencer v. United States Postal Service, 613 F. Supp. 990 (S.D. Ohio 1985). Pursuant to law, I am writing to inform the Senate that the Solicitor General has determined that the United States will not appeal this decision to the Supreme Court.

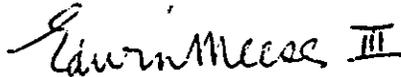
Section 3626(e) provides a bulk rate postal subsidy to national or state committees of political parties. 39 U.S.C. 3926(e). Republican and Democratic state committees use the subsidy to support candidates in local elections. Charter, a purely local organization, challenged the statute on First and Fifth Amendment grounds and demanded the benefits of the subsidy for its candidates. The district court concluded that the statute, as applied to Charter, was unconstitutional and entered a permanent injunction ordering the U.S. Postal Service to provide Charter with the subsidy. The court's decision was based in large part on the notion that Charter espouses a special "local" philosophy and that it "was denied a mailing privilege solely because its precepts preclude it establishing a state-wide network." 613 F. Supp. at 993.

This decision, entitling Charter to a mail subsidy of approximately \$2,000 per year, will not have a significant effect on Postal Service operations. Because the decision has application only to Charter and is based on Charter's peculiar "local" philosophy, it is unlikely to have a substantial precedential effect. We note that Congress has given serious consideration to repealing 39 U.S.C. 3626(e). See Draft Senate F.Y. 1986 Budget Reconciliation Package for the United States Postal Service, § 7 (Sept. 26, 1985). On balance, we do not

believe that there is a present need to appeal the court's ruling to the Supreme Court. If another court reaches a similar conclusion, we would reevaluate the need for an appeal.

If the Department of Justice can be of further assistance to you in explaining the reasons for our decision, or if you or your staff believe that it would be helpful to discuss the options that the Senate may wish to pursue, Solicitor General Charles Fried will be pleased to discuss the matter further. He can be reached at 633-2201.

Sincerely,



EDWIN MEESE III
Attorney General

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