

## US Appeals Court rules against ACORN

NEW YORK — A federal appeals court yesterday threw out a decision that had barred Congress from withholding funds from ACORN, the activist group ruined by scandal and financial woes.

The ruling by the US Court of Appeals for the Second Circuit in Manhattan reversed a decision by a district court judge in Brooklyn that found Congress had violated the group's rights by punishing it without a trial.

Congress cut off ACORN's federal funding last year in response to allegations that the group engaged in voter registration fraud and embezzlement and violated the tax-exempt status of some of its affiliates by engaging in partisan political activities.

Fueling the outrage was a video of three employees allegedly advising a couple posing as

a prostitute and her boyfriend to lie about her profession and launder her earnings.

ACORN responded with a lawsuit accusing Congress of abusing its power with what amounted to a "corporate death sentence."

The Appeals Court disagreed, citing a study finding that only 10 percent of ACORN's funding was from federal sources.

"We doubt that the direct consequences of the appropriations laws temporarily precluding ACORN from federal funds were so disproportionately severe or so inappropriate as to constitute punishment," the three-judge panel wrote.

The Center for Constitutional Rights, which argued on behalf of ACORN, said it might ask the Appeals Court to rehear the case.

ASSOCIATED PRESS

