



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-5

John F. X. Mannion, Treasurer  
HillPAC  
509 2<sup>nd</sup> Street, N.E.  
Washington, DC 20002

MAR 08 2002

Identification Number: C00363994

Reference: 30 Day Post-Special Report (1/1/01-7/9/01)

Dear Mr. Mannion:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(d) prohibit a committee and its affiliates from receiving any contribution from another political committee or person in excess of \$5,000 per calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any

- request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

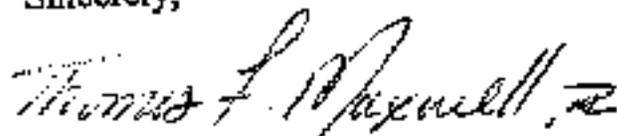
-Schedule B supporting Line 21(b) of your report discloses a payment(s) to another political committee(s) for goods and/or services provided by that committee(s). 11 CFR §100.7(a)(1)(iii)(A) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.7(a)(1)(iii)(B)

Please clarify whether your committee was assessed the usual and normal charge for the goods and/or services you received and explain the steps the

political committee(s) took in determining the amount(s) charged to you. If your committee was provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by the political committee(s) to your committee and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.7(a)(1)(iii)(A))

Any amendment or clarification should be filed with the Federal Election Commission. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Thomas F. Maxwell, III  
Reports Analyst  
Reports Analysis Division

**SCHEDULE A (FEC Form 3X)  
ITEMIZED RECEIPTS**

Use separate schedule(s)  
or each category of the  
Detailed Summary Page

FOR LINE NUMBER: PAGE 21 / 138  
(check only one)  
 11a  11b  11c  12  
 13  14  15  16  17

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
HILLPAC

Full Name (Last, First, Middle Initial)  
A. Anthony Jones  
Mailing Address  
1000 Vermont Avenue, N.W. Fifth Floor  
City State Zip Code  
Washington DC 20005  
FEC ID number of contributing federal political committee.  
Name of Employer Occupation  
Tonya Inc. President  
Receipt For: 2001  
Primary General  
 Other (specify) ▼  
Aggregate Year-to-Date ▼  
5000.00

Date of Receipt  
05 / 14 / 2001  
Amount of Each Receipt this Period  
5000.00  
Transaction ID: C89

Full Name (Last, First, Middle Initial)  
B. Alca Kardell  
Mailing Address  
130 Epat 75th Street Penthouse C  
City State Zip Code  
New York NY 10021  
FEC ID number of contributing federal political committee.  
Name of Employer Occupation  
N/A None  
Receipt For: 2001  
Primary General  
 Other (specify) ▼  
Aggregate Year-to-Date ▼  
5000.00

Date of Receipt  
05 / 14 / 2001  
Amount of Each Receipt this Period  
5000.00  
Transaction ID: C90

Full Name (Last, First, Middle Initial)  
C. Walter Kays  
Mailing Address  
475 Park Avenue  
City State Zip Code  
New York NY 10022  
FEC ID number of contributing federal political committee.  
Name of Employer Occupation  
Kays Insurance Associates, Inc. Insurance Broker  
Receipt For: 2001  
Primary General  
 Other (specify) ▼  
Aggregate Year-to-Date ▼  
10000.00

Date of Receipt  
06 / 28 / 2001  
Amount of Each Receipt this Period  
10000.00  
Seeking Reattribution  
Transaction ID: C168

SUBTOTAL of Receipts This Page (optional) ▶  
TOTAL This Period (last page this line number only) ▶

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