



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

April 25, 1996

Andrea Smith, Treasurer
Republican Campaign Committee of
New Mexico
P.O. Box 36900
Albuquerque, NM 87112

Identification Number: C00020818

Reference: Year End Report (7/1/95-12/31/95)

Dear Ms. Smith:

On April 3, 1996, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your April 23, 1996 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Contributions to non-federal candidates/committees should be properly disclosed on a separate Schedule B, supporting Line 29 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

-Your report discloses a loan repayment received on Schedule A supporting Line 14 from Patrick L. Massengale, which has not been recorded on Schedule C. Loans and loan repayments received must be reflected on Schedule C as well as on Schedule A. Please amend your report to clarify this discrepancy. 2 U.S.C. §§434(b)(3)(E) and (5)(D)

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered

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organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received impermissible funds, the Commission recommends that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-Please clarify the purpose and nature of the payments to various vendors for administrative/voter drive expenses whose purpose of disbursement is listed as "Reimburse D Expenses".

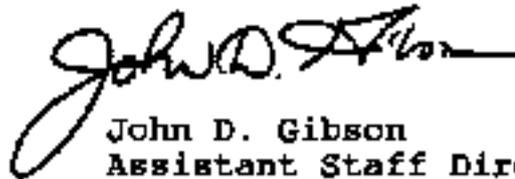
-Schedule H4 of your report shows payments to various vendors for fundraising expenses which are listed as 100% federal on Schedule H2. These disbursements should be reported on a Schedule B supporting Line 21(b).

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If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Jennifer Wall on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,



John D. Gibson
Assistant Staff Director
Reports Analysis Division

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