

This letter responds to Ms. Laura Sinram's letter dated November 14, 2008, requesting additional information on Schedule E disclosures for The Legacy Committee Political Action Committee (ID# C00429084) for the amended mid year report ending June 30, 2007 and the amended year end report ending December 31, 2007. Following is our response:

With respect to Schedule E, all independent expenditures have been disclosed and we have now designated all independent expenditures as general election expenditures. Amended FEC-3X forms have been filed on December 15, 2008 for both periods noted above.

A specific state election designation was not included for the expenditures. The Legacy Committee PAC's expenses incurred for independent expenditures consist of mailings to a broad list of potential contributors covering the entire United States in a repetitive test and roll-out program devised by Response Dynamics. These mailings are fundraising letters for the general election that happen to include content that is express advocacy. Their overriding purpose (really, their entire purpose) is for general election fundraising, not intervention in any state election. In selecting the person to send the letter to, no consideration at all is given to their state of residence, and our committee doesn't even know where the letters will be delivered in advance. Lists are selected for the probability they will result in a donation, and not whether the communication will influence a vote in a state election. If the test mailing is not successful financially, that list is dropped from a roll-out. If successful, the subsequent roll-out occurs regardless of a state election. Each mailer is sent to individuals in all 50 states and is intended to be general in nature, with no reference to any specific election. There is no mention in the content of the letters to any state election, and the letters are not timed in any way to be received before a state election. The state elections are irrelevant to The Legacy Committee PAC's program, which is entirely geared to the general election.

In our view, characterization of these mailings as independent expenditures has the effect of greatly overstating and inflating the actual funds used by the organization to influence the election by express advocacy. In a discussion with the New York Times reporter Michael Lau, he offered the opinion to us to the effect that the FEC's reporting requirement of these entirely fundraising letters as independent expenditures has the effect of misleading the public into thinking that committees like The Legacy Committee PAC are making significant fulfillment expenditures when in fact all of the funds in the mailing program are simply being used for fundraising. We agree with that assessment. We also have been contacted by reporter Thomas Edsall of the Huffington Post, whose original question for us was why the committee had reported, on the reports you are questioning, significant independent expenditures per the FEC forms but that he had not seen equal independent expenditure fulfillment. We explained to Edsall that the answer to his question was that your requirements had the effect of distorting the actual level of independent expenditure activity by lumping strictly direct-mail fundraising into that category where it contains words of express advocacy. Edsall seemed to agree with that assessment in a telephone discussion with James Lacy.

However, we have complied with your requirement that these mailings be considered independent expenditures where they include express advocacy content. However, because we have not attempted to, or intended in any way to intervene in any state election, and because no specific election was targeted, we did not include a state/election designation in our report.