ETEXT ATTACHMENT

08/05/2005 17 : 33

In response to your letter dated July 6, 2005 regarding the amended March Monthly Report (2/1/05-2/28/05) the Committee will file an amendment today to show more complete names for the three political committees you noted, brief descriptions for the offsets received during the reporting period, the name and address for the payee for the in-kind contributions, new purposes for those mentioned, and more complete memo entries than those already reported for the 'numerous' (two) partnerships reported.

You have stated that we received offsets from two entites during the period and that we had not paid them during the period. Actually, we did pay those entities during prior periods. From November 2004 through February 2005 we paid both the JW Marriott Hotel and the Washington Hilton and Towers hotel. Normally, when refunds come from these hotels, the payments are processed from a corporate headquarters and so the check received by the Committee may not have the exact name as the one on the check being paid out by the Committee. It is however clear that it is the same corporation receiving the initial payment and refunding payments. While it may be easier for analysis purposes if the Committee used the same name on both the payable and the receivable, it would not be accurate. In some cases refunds from various vendors may take several months to be received by the Committee. Regardless of the amount of time it takes for a vendor to issue the refund, the Committee is entitled to receive the funds and they are to be reported as an offset received during the period. There are no requirements for the Committee to show the original payments as memo entries or even to make note of the orginal date in memo text. The offsets were reported accurately.

Please note that all disbursements itemized on Schedule B supporting Line 21(b) are made for the benefit of the Committee and not for any specific candidate. If disbursements are made on behalf of candidates they will be reported correctly just as the Committee has done consistently.

You have again stated that the Committee disclosed limited administrative expenses. In this letter regarding the March Monthly Report you addressed the February and March Monthly reports as well as the April report of activity which began after the March activity ended. In all, you have stated that the Committee's administrative expense over three months are limited. The millions of dollars spent on administrative expenses for that quarter of activity more than exceeds those of other similar committees and while the Committee pays quarterly lease obligations rather than monthly rent, all other administrative expense are paid by the Committee and disclosed properly.

You have stated that in-kind activity has been disclosed on the wrong line and should be on a seperate Schedule B supporting Line 23. The Committee made no direct contributions during the period. In-Kind contributions appear on a seperate Schedule B supporting Line 23 on the original filing.

Please contact me if you have any further questions.