



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

September 22, 2006

Christopher J. Ward, Treasurer  
National Republican Congressional Committee  
320 First Street  
Washington, DC 20003

**Response Due Date:  
October 23, 2006**

Identification Number: C00075820

Reference: August Monthly Report (7/1/06-7/31/06)

Dear Mr. Ward:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A supporting Line 15 of your report discloses an offset to an operating expenditure(s) totaling \$15,784.00 from "MCDERMOTT WILL & EMERY"; however, your report(s) does not appear to disclose a disbursement to this entity. Please provide clarifying information regarding this activity and amend your report(s) if necessary.

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.52(d)(1) 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 §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate

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committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee 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 your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Schedule B supporting Line 23 of your report discloses one or more contributions to a candidate(s) for the 2006 Primary election; however, the funds were disbursed after the election date(s) (see attached). Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign.

If any apparently impermissible contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If the contribution(s) in question should have been designated for debt retirement, you should amend your report to indicate "debt retirement," along with the year of election.

If you have made an impermissible contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule B of your report discloses an in-kind contribution(s) designated for the general election, but made before the primary election (pertinent portion(s) attached). In-kind contributions of equipment, such as computers, with a long-term useful life (e.g., an election cycle, or perhaps

longer) are similar to contributions of money and may be designated for elections beyond the next election, provided the contributor designates the contribution as such in writing. A contribution of this type of equipment is distinguishable from in-kind contributions that are used only for one particular election, such as non-exempt contributions of food or beverages consumed by primary election day workers, or printing or mailing costs related to general election events or fundraisers. Please amend your report to include a description of the nature of the in-kind contribution(s) in question. If the in-kind contribution(s) on your report does not have a "long-term useful life", it may constitute an excessive contribution(s) for the primary election (see Advisory Opinion 1996-29).

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

If you have made an excessive contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be reported on Schedule A supporting Line 16 of the Detailed Summary Page of the report covering the period in which they are received. Redesignations should be reported as memo entries on Schedule B of the report covering the period in which the redesignation is made. 11 CFR §110.2(b)

Although the Commission may take further legal steps, prompt action by your committee to refund or seek redesignation of the excessive amount will be considered.

-Schedule E discloses independent expenditures on behalf of federal candidates. Schedule B of this report disclosed in-kind contributions on behalf of some of these same candidates. Under 2 U.S.C. §431(17), an "independent expenditure" is defined as:

... an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or

suggestion of such candidate, the candidate's authorized committee, or their agents, or a political party committee or its agents.

Further, 11 CFR §109.21 outlines the factors which define a coordinated communication. Please verify that the independent expenditures made by your Committee in support of "Chris Chocola," "Chris Shays," "FRIENDS OF MIKE SODREL," "Jim Gerlach," "MARTHA RAINVILLE," "PORTER FOR CONGRESS," "ROB SIMMONS," "SHELLEY MOORE CAPITO," and "THELMA DRAKE" meet the definition of and were properly categorized as independent expenditures. If necessary, amend your reports to disclose the aforementioned transactions as in-kind contributions (Schedule B supporting Line 23 of the Detailed Summary Page).

If the reclassification of these expenditures as in-kind contributions results in excessive contributions, the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of \$5,000 per election. Please inform the Commission immediately of any corrective action in writing and provide a photocopy of your refund request(s) sent to the candidate(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

-Schedule E of your report discloses a Calendar Year-To-Date Per Election for Office Sought totals for the 2006 Ohio District 06 General and 2006 West Virginia District 01 General which appear to be incorrect. FEC calculations disclose this amount(s) to be \$16,275.00 and \$21,000.00, respectively. This figure is calculated by aggregating the total amount expended during the calendar year, per election, per office sought. Please amend your report to clarify this discrepancy.

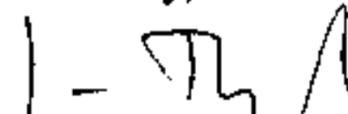
**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

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 should have any

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questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,



Jennifer Thangavelu  
Senior Campaign Finance Analyst  
Reports Analysis Division

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**Contributions After an Election – No Debt Designation**

Recipient Name	Date	Amount	Election	Election State - Date
SHELLEY MOORE CAPITO	7/1/06	\$80.00	P2006	WV - 5/9/06
PETE SESSIONS FOR CONG COMM	7/1/06	\$80.00	P2006	TX - 3/7/06
LOUIE GOHMERT FOR CONGRESS COMMITTEE	7/5/06	\$98.00	P2006	TX - 3/7/06
TED POE FOR CONGRESS	7/10/06	\$250.00	P2006	TX - 3/7/06
RON LEWIS FOR CONGRESS	7/11/06	\$98.00	P2006	KY - 5/16/06
RICHARD POMBO FOR CONGRESS	7/11/06	\$98.00	P2006	CA - 6/6/06
MIKE ROGERS FOR CONGRESS	7/11/06	\$98.00	P2006	AL - 6/6/06
MARK SOUDER FOR CONGRESS COMM	7/12/06	\$50.00	P2006	IN - 5/2/06
ERIC CANTOR FOR CONGRESS	7/13/06	\$98.00	P2006	VA - 6/13/06
DREIER FOR CONGRESS COMMITTEE	7/13/06	\$98.00	P2006	CA - 6/6/06
TIM MURPHY FOR CONGRESS	7/13/06	\$98.00	P2006	PA - 5/16/06
TIBERI FOR CONGRESS	7/13/06	\$98.00	P2006	OH - 5/2/06
HEATHER WILSON FOR CONGRESS	7/13/06	\$98.00	P2006	NM - 6/6/06
MARY BONO COMMITTEE	7/17/06	\$98.00	P2006	CA - 6/6/06
PEOPLE WITH HART INC	7/17/06	\$98.00	P2006	PA - 5/16/06
ERIC CANTOR FOR CONGRESS	7/18/06	\$98.00	P2006	VA - 6/13/06
PEOPLE FOR ENGLISH COMMITTEE	7/18/06	\$45.00	P2006	PA - 5/16/06
OXLEY FOR CONGRESS COMMITTEE	7/18/06	\$98.00	P2006	OH - 5/2/06
PEARCE FOR CONGRESS	7/18/06	\$98.00	P2006	NM - 6/6/06
MIKE ROGERS FOR CONGRESS	7/18/06	\$98.00	P2006	AL - 6/6/06
GREG WALDEN FOR CONGRESS	7/18/06	\$80.00	P2006	OR - 5/16/06
ERIC CANTOR FOR CONGRESS	7/19/06	\$98.00	P2006	VA - 6/13/06

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## Contributions After an Election – No Debt Designation (continued)

Recipient Name	Date	Amount	Election	Election State - Date
ERIC CANTOR FOR CONGRESS	7/19/06	\$98.00	P2006	VA - 6/13/06
JOHN DOOLITTLE FOR CONGRESS	7/19/06	\$98.00	P2006	CA - 6/6/06
KAY GRANGER CAMPAIGN FUND	7/19/06	\$98.00	P2006	TX - 3/7/06
HALL FOR CONGRESS	7/19/06	\$98.00	P2006	TX - 3/7/06
HALL FOR CONGRESS	7/19/06	\$98.00	P2006	TX - 3/7/06
GREG WALDEN FOR CONGRESS	7/19/06	\$325.00	P2006	OR - 5/16/06
ERIC CANTOR FOR CONGRESS	7/20/06	\$98.00	P2006	VA - 6/13/06
RON LEWIS FOR CONGRESS	7/20/06	\$98.00	P2006	KY - 5/16/06
DENNIS REHBERG FOR CONGRESS	7/20/06	\$187.50	P2006	MT - 6/6/06
MIKE ROGERS FOR CONGRESS	7/20/06	\$187.50	P2006	AL - 6/6/06
SHELLEY MOORE CAPITO	7/21/06	\$98.00	P2006	WV - 5/9/06
CHOCOLA FOR CONGRESS INC	7/21/06	\$98.00	P2006	IN - 5/2/06
PEOPLE WITH HART INC	7/21/06	\$98.00	P2006	PA - 5/16/06
ERIC CANTOR FOR CONGRESS	7/24/06	\$98.00	P2006	VA - 6/13/06
JOHN DOOLITTLE FOR CONGRESS	7/24/06	\$98.00	P2006	CA - 6/6/06
FITZPATRICK FOR CONGRESS	7/25/06	\$3,750.00	P2006	PA - 5/16/06
MARK SOUDER FOR CONGRESS COMM	7/25/06	\$1,875.00	P2006	IN - 5/2/06
PEOPLE FOR ENGLISH COMMITTEE	7/26/06	\$325.00	P2006	PA - 5/16/06
PRICE FOR CONGRESS	7/27/06	\$80.00	P2006	GA - 7/18/06
GREG WALDEN FOR CONGRESS	7/27/06	\$80.00	P2006	OR - 5/16/06
GREG WALDEN FOR CONGRESS	7/27/06	\$98.00	P2006	OR - 5/16/06
ERIC CANTOR FOR CONGRESS	7/28/06	\$98.00	P2006	VA - 6/13/06
TURNER FOR CONGRESS	7/28/06	\$325.00	P2006	OH - 5/2/06

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**In-Kind Contributions Designated for General Election but Made Before Primary Election**

Recipient Name	Date	Amount	Election	Election State - Date
PORTER FOR CONGRESS	7/10/06	\$85.00	G2006	NV - 8/15/06
CONNIE MACK FOR CONGRESS	7/12/06	\$98.00	G2006	FL - 9/5/06
CANDICE MILLER FOR CONGRESS	7/12/06	\$98.00	G2006	MI - 8/8/06
SIMMONS FOR CONGRESS	7/12/06	\$98.00	G2006	CT - 8/8/06
CANDICE MILLER FOR CONGRESS	7/13/06	\$98.00	G2006	MI - 8/8/06
PORTER FOR CONGRESS	7/25/06	\$325.00	G2006	NV - 8/15/06

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