FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Vera G. Davis, Treasurer
Davis for Congress\Friends of
Danny K. Davis
5956 W. Race Avenue
Chicago, IL 60644

DEC 7 1999

Identification Number: C00172619

Reference: Mid-Year Report (1/1/99-6/30/99)

Dear Ms. Davis:

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:

-When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used personal funds or borrowed the money from a lending institution or some other source. If the candidate borrowed funds from a lending institution, or other source, please provide the name of the lending institution and the complete terms of the loan. Additionally, for loans from a lending institution, you must file an FEC FORM C-1 (copy attached) and a copy of the loan agreement. If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission Regulations. See 11 CFR §110.10. (11 CFR §§100.7(a)(1) and 104.3(d))

-Your report includes loans owed to Danny K. Davis with due dates of 12/01/96. Please clarify the current status of these loans and disclose the current terms and conditions if the loans were renegotiated. Note that an overdue loan may be considered a contribution by the candidate. (11 CFR §100.7(b)(11))

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our