



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 7, 2004

Buck Schilling, Treasurer
Republican Party Of Wisconsin
148 E. Johnson Street
P.O. Box 31
Madison, WI 53703

Response Due Date:
February 6, 2004

Identification Number: C00074450

Reference: Amended December Monthly Report (11/1/03-11/30/03), received
12/23/03

Dear Mr. Schilling:

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 H4 supporting Line 21(a) of your report discloses a payment(s) for "Employee Flex Spending Plan," "Employee Flex Spending Program," "Employee Simple [RA Plan," "Payroll Tax," and "Payroll Taxes." Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding this improper allocation activity, your prompt action will be taken into consideration.

-Your report discloses a draw on a line of credit from a lending institution; however, you have not submitted a Schedule C-1 (copy attached) and a

copy of the loan agreement. As an electronic filer, you must submit the Schedule C-1 electronically without the original signature from the lending institution. In addition, you must mail a copy of the loan agreement and a separate copy of the Schedule C-1 that contains the original signature from the lending institution. Please submit the missing documents. (11 CFR §§104.3(d)(2), 104.3(d)(3) and 104.18(h))

-Schedule B supporting Line 21(b) of your report discloses a payment(s) totaling \$5,335.45 for "Postage," "Printing," and "Turnout calls." Expenditures and disbursements for public communications (as defined under 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24.

Please provide further clarification regarding this activity, specifically whether it referenced and promoted, supported, attacked or opposed a clearly identified candidate for Federal office. If this is the case, please amend your report to properly disclose this activity as an in-kind contribution, an independent expenditure or a coordinated expenditure, as appropriate, on a Schedule B, E or F supporting Lines 23, 24 or 25, respectively.

Unlike previous election cycles, 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 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 1, then press 2 to reach the Reports Analysis Division) or my local number (202) 694-1135.

Sincerely,



Maureen Benitz
Campaign Finance Analyst
Reports Analysis Division

LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

Supplementary for
Information found on
Page _____ of Schedule C

Federal Election Commission, Washington, D.C. 20463

NAME OF COMMITTEE (In Full)		FEC IDENTIFICATION NUMBER C
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LENDING INSTITUTION (LENDER) Full Name	Amount of Loan	Interest Rate (APR) %
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Mailing Address	Date Incurred or Established
City State Zip Code	Date Due

A. Has loan been restructured? No Yes If yes, date originally incurred

B. If line of credit, Amount of this Draw: Total Outstanding Balance:

C. Are other parties secondarily liable for the debt incurred?
 No Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?
 No Yes If yes, specify: _____
What is the value of this collateral?
Does the lender have a perfected security interest in it? No Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan? No Yes If yes, specify: _____
What is the estimated value?

A depository account must be established pursuant to 11 CFR 100.82(e)(2) and 100.142(s)(2).
Date account established: _____ Location of account: _____
Address: _____
City, State, Zip: _____

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

G. COMMITTEE TREASURER Typed Name Signature	DATE
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H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:
i. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.
ii. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.
iii. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.82 and 100.142 in making this loan.

AUTHORIZED REPRESENTATIVE Typed Name Signature	Title	DATE
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