

October 13, 2006

Mr. Christopher J. Morse
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street NW
Washington, DC 20463

RE: 2006 October Quarterly Report 7/1/06-9/30/06

Dear Mr. Morse:

The Bluegrass Committee collected earmarked contributions from donors during the 7/1/06-9/30/06 reporting period. The earmarked contributions that were deposited have been reported as live entries and those contributions were transmitted to the recipient candidate committee via Bluegrass Committee check. The Bluegrass Committee issued the following checks to the Bob Corker Senate campaign: \$40,867 on 8/11/06, \$40,301 on 8/22/06, \$683.34 on 8/25/06, and \$4,100 on 9/8/06. Our software is not capable of reporting each check and then splitting the transaction out with memo entries. Therefore, we have had to report live entries that add up to each check. We would like to thank you for your guidance on this matter. The Bluegrass Committee also received earmarked contributions and passed them on to the recipient candidate committees in the form of the donor's check. We have reported the receipt and disbursement of those earmarked contributions as memo entries on Schedules A and B. The Bluegrass Committee did not exercise any direction or control over any of the earmarked transactions.

The Bluegrass Committee passed along BellSouth Fed PAC's earmarked contribution to Bob Corker for Senate. Please note that the earmarked contribution was designated for Primary Debt Retirement.

The correct aggregate for the National Automobile Dealers Assn. PAC is \$2,500.

The Bluegrass Committee deposited an earmarked contribution from Barbara Peters for Bob Corker for Senate. Unfortunately, this contribution bounced (please see negative entry) after the Corker campaign had been issued a check based on deposited earmarks on 8/22/06 for \$40,301. In order to remedy this situation, the Corker campaign issued the Bluegrass Committee a \$1000 refund.

There were no expenditures made on behalf of specifically identified federal candidates on Schedule B, supporting Line 21(b). These payments are on the appropriate line and Schedules B and E for Lines 23 and 24 are not required.
