

## ETEXT ATTACHMENT

02/14/2005 18 : 19

Continuation of Memo Text entry from Amended October Monthly (9/1/04 - 9/30/04) per your letter dated January 14, 2005:

Because it received advance payment for the expenses, LCV did not make a contribution to the identified candidates. After reviewing our March Monthly Report, we discovered that we inadvertently failed to disclose this advance payment for the use of LCV's resources and facilities. We regret this reporting error and are filing an amended March Monthly Report to reflect the disbursement and correct the total of the committee's unitemized contributions for the period, which we discovered was also in error. We are also recharacterizing the in-kind contributions reported on Schedule B of the October Monthly report as memo entries, since the disbursement for these expenses actually occurred in February. Please inform us if you believe additional amendments to the reports are required.

2) You have asked that we clarify whether payment for the expenditures noted on Schedule E were intended to influence federal elections. Because these were independent expenditures supporting the named candidates, we believe it is clear from the Schedule E that these were payments intended to influence federal elections. The dates noted on Schedule E were the dates the communications, which solicited contributions for the named candidates, were made. The Committee served as a conduit for the collection of contributions earmarked for the named candidates pursuant to 11 CFR 110.6. The costs associated with soliciting the contributions were reported as independent expenditures in accordance with Advisory Opinion 2003-23 because they were not coordinated with any of the candidates, their committees or their agents. As noted above, on February 27, 2004, the Committee made a \$2,000 payment to LCV as an advance against expenses of this kind. After reviewing our past reports, we discovered that we inadvertently failed to disclose this advance payment for the use of LCV's resources and facilities in our March Monthly Report. We are filing an amended March Monthly report to reflect the disbursement and correct the total of the Committee's unitemized contributions for the period, which we discovered was also in error. We are also recharacterizing the reported independent expenditures as memo entries since the disbursement for these expenses occurred in February, but the communications they supported were made in September. Please inform us if you believe additional amendments to the reports are required.

3) You have asked that we amend certain reports to reflect in-kind contributions to Sherwood Boehlert or provide additional clarifying information concerning the independent expenditures made in support of Sherwood Boehlert we reported on Schedule E. Since the reported expenditures were not coordinated with Sherwood Boehlert, his committee or any agent of him or his committee, they were independent expenditures.

The in-kind contributions we reported on Schedule B of a previous report consisted of costs soliciting individual earmarked contributions from members of LCV for Sherwood Boehlert. These costs were reported as in-kind contributions in accordance with Advisory Opinion 1980-46 even though there was no coordination with the candidate or his agents. In AO 1980-46, the Commission considered a political committee serving as a conduit for earmarked contributions to a candidate. The Commission decided that the solicitation costs incurred by the Committee had to be treated as an in-kind contribution to the candidate regardless of whether the solicitation was coordinated with the candidate. We realize that AO 2003-23 appears to supersede AO 1980-46 by suggesting that such costs may be treated as independent expenditures if there is no coordination, and the Committee decided some time after the Boehlert solicitations were made to treat such expenditures as independent going forward, but at the time the communica