

RQ-2



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

February 23, 2005

P. James Nicholson, Treasurer
Maine Republican Party
76 Silver Street
Waterville, ME 04901

Response Due Date:
March 15, 2005

Identification Number: C00003111

Reference: Amended 30 Day Post-General Report (10/14/04 – 11/22/04), received
1/25/05

Dear Mr. Nicholson:

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:

-Your report was not signed by the treasurer or designated agent listed on your Statement of Organization. Please amend your report by providing the signature of an individual that is authorized to sign the report. 2 U.S.C. §434(a)(1) and 11 CFR §104.14(a) and (d). If a new treasurer has been appointed, please file an amended Statement of Organization (FORM 1) or a letter (if not an electronic filer) to reflect this change.

-The beginning cash balance of this report should equal the ending balance of your Amended 12 Day Pre-General Report, received 1/18/05. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Your calculations for Line 8 appear to be incorrect. Cash-on-hand at the close of the current reporting period should always equal the closing calendar year-to-date cash-on-hand amount. Please provide the corrected total on the Summary Page.

-Your report discloses a negative ending cash balance of \$151,521.93. This suggests that you have either overdrawn your account, made a

MAINE REPUBLICAN PARTY

Page 2

mathematical error, or incurred a debt. If your committee has incurred a debt or obligation, please show a zero balance on Line 8 of the Summary Page and reflect the amount and the nature of the debt on Schedule D and Line 10 or provide clarifying information. 2 U.S.C. §434(b)(8)

-On Schedule H2, you disclose the ratio for "Direct Mail 2004" to be "New"; however, this activity/event was previously reported on your Amended August Monthly Report and was disclosed with a different allocation ratio. Please amend your report to clarify this discrepancy. 11 CFR §§104.10 and 104.17

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedules B and H4 of your report to clarify the following descriptions: "casual labor - getting people out t", "casual labor - getting people to vo" and "voter drive expenses". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule A supporting Line 12 discloses transfers-in from the Republican National Committee. Schedule B supporting Line 21(b) reflects payments for "pins, banners, signs" and "signs, pins, banners". Please be advised that a state or local party committee may pay for campaign materials (such as bumper stickers) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfers-in and subsequent payments for the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate.

-Schedule B supporting Lines 21(b) and 29 of your report discloses payments totaling \$65,783.19 for "banners", "banners, pins, stickers",

MAINE REPUBLICAN PARTY

Page 3

"pins, banners, signs", "signs", "signs, banners" and "signs, pins, banners". 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 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s).

Further, public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please amend your report to properly disclose this activity or provide clarifying information.

-Schedule H4 of your report discloses activity which is 100% federal. For future reporting, please be advised that any activity which is financed entirely by the federal account (including administrative expenses), should be reported on Schedule B supporting Line 21(b). 11 CFR §§106.6 and 106.7

-Your report disclosed certain categories of financial activity that have been reflected on the wrong lines of the Detailed Summary Page. Disbursements for FEA payroll should be properly disclosed on a separate Schedule B, supporting Line 30(b) of the Detailed Summary Page. Federal operating expenditures should be properly disclosed on a separate Schedule B, supporting line 21(b) of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

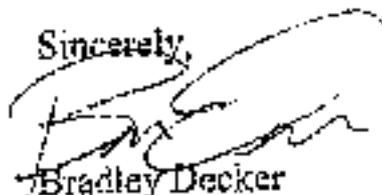
Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions of time in which to respond 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.

MAINE REPUBLICAN PARTY

Page 4

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 5 to reach the Reports Analysis Division) or my local number (202) 694-1301.

Sincerely,



Bradley Decker

Campaign Finance Analyst
Reports Analysis Division

213

