

ETEXT ATTACHMENT

04/19/2004 18 : 58

Mr. Erik W. Koeppen
Reports Analysis Division
Federal Election Commission
Washington, DC 20463

Identification Number: C00011114
Reference: Year End Report (12/01/03 - 12/31/03)

Dear Mr. Koeppen,

This letter is in response to your inquiry of March 17, 2004, in which you question whether Schedule E of AFSCME PEOPLE's Year End report indicates that the committee may have failed to file one or more of the required 48 hour notices for independent expenditures.

As we have discussed, AFSCME PEOPLE engaged in a variety of independent expenditures in December of 2003. AFSCME PEOPLE had not previously engaged in independent expenditures of this type or volume and its staff had numerous discussions with Federal Election Commission staff regarding how to meet the 48 hour reporting obligations. Both as a result of its independent analysis and later based upon conversations with FEC staff, AFSCME PEOPLE filed 48 hour reports on December 5, 12, 15 and 18, 2003, reflecting disbursements that exceed the \$10,000 threshold. Because of difficulties AFSCME PEOPLE had with the FEC software, those reports did not have accompanying attachments reflecting the disbursements. After conversations with the FEC regarding how to override features in the FEC's software, these reports were amended on January 21, 2004 to detail the disbursements.

Based upon the FEC advice, AFSCME PEOPLE maintained a cumulative year to date independent expenditure transaction total in December and reported on Form 24 the single incremental transaction that caused the yearly total to increase by each additional \$10,000. This methodology resulted in the committee filing an additional fourteen (14) Form 24 reports in December. Per our understanding of the FEC's instructions, the transactions reported on Form 24 represented only the individual disbursements(s) that were the next incremental \$10,000 amount year to date, which we understood to meet the Commission's 48 hour disclosure requirement.

Your letter of March 17, 2004 included a schedule of transactions and you infer that they should have been included in 48 hour reports. We note that three of those transactions were included on 48 hour reports. One transaction was reported on December 24, 2003 (\$10,000 to Strategic Consulting Group) and two were reported on December 31, 2003 (\$807.70 to Nicole Thompson and \$98.64 to Nicole Thompson).

Based on consultation with counsel, it is now AFSCME PEOPLE's belief, in light of FEC AD 2003-40 (issued 2/6/04), that the reporting method that FEC staff had guided us to follow is not the preferred reporting method. AFSCME PEOPLE is willing to file amended 48 hour reports, though given that all of that data was included in AFSCME PEOPLE's Year End report filed January 31, 2004, it is not clear that this would serve a useful purpose.

We appreciate your consideration of this response. Please let us know if you believe that there is any additional information or actions AFSCME PEOPLE should take.