



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

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

JUN 22 1994

Identification Number: C00003111

Reference: April Quarterly Report (1/1/94-3/31/94)

Dear Mr. Nicholson:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses no payments for administrative expenses. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X submitted each year. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Schedule D supporting Line 10 of the Summary Page discloses debts owed to your non-federal account totalling \$19,612. 11 CFR §§106.5 and 106.6 requires that all shared expenses be paid from the federal

account and allows the non-federal account to transfer-in its share of the expense no more than 10 days before or 60 days after payment by the federal account.

The outstanding debt owed to your non-federal account must be paid immediately, as it represents a subsidization of federal activity by your non-federal account. Such activity is a violation of 11 CFR §102.5.

Although the Commission may take further legal steps concerning this prohibited activity, your prompt payment of the debt will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Andrew J. Dodson  
Senior Reports Analyst  
Reports Analysis Division

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