



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

March 7, 2002

Luther Allan Markwart, Treasurer
American Sugarbeet Growers Association
Political Action Committee
1156 15th Street, NW, Suite 1101
Washington, DC 20005

Identification Number: C00167684

Reference: Amended Mid-Year Report (1/1/01-6/30/01), dated 1/22/02

Dear Mr. Markwart:

On February 13, 2002 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your February 25, 2002 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Schedule A of your report (pertinent portions attached) discloses one or more contributions which appear to be from a corporation(s). 2 U.S.C. §441b(a) prohibits the receipt of contributions from corporations unless made from a separate segregated fund established by the corporation.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have received a prohibited contribution(s), you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not

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used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. See 11 CFR 103.3(b)(1).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of a prohibited contribution, prompt action by your committee to transfer-out or refund the amount will be taken into consideration.

-Schedule B supporting Line 29(a) discloses a refund made to the Michigan Sugar Company and a voided refund made to Krengielski Farms, Inc.; however, it appears that the receipt of this contribution has not been reported by your committee. The Commission is in receipt of your document dated February 25, 2002, which included copies of the contributors' checks and deposit slips. Please provide the original date of receipt of the contribution. In addition, you must amend the report covering the period during which the contribution was received to disclose the receipt on Schedule A supporting the appropriate line of the Detailed Summary Page. 11 CFR§ 103.3(b)(1)

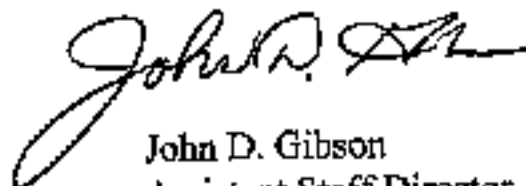
An adequate response must be received at the Commission by March 27, 2002. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions for time in which to respond will not be considered. Failure to 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.

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

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than just those portions of the report that are being amended. If you have any questions regarding this matter, please contact Jim Krebs on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division), our local number is (202) 694-1130.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Gibson". The signature is fluid and cursive, with a large initial "J" and a stylized "G".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

