



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 30, 2016

MR JAMES FRANCIS, TREASURER
PEOPLE FOR PEARCE
PO BOX 2696
HOBBS, NM 88241-2696

Response Due Date

08/04/2016

IDENTIFICATION NUMBER: C00463836

REFERENCE: 12 DAY PRE-PRIMARY REPORT (04/01/2016 - 05/18/2016)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 item(s):

1. Schedule A of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached).

An individual or a political committee other than an authorized committee or qualified multi-candidate committee may not make a contribution(s) to a candidate for federal office in excess of \$2,700 per election. An authorized committee may not make a contribution(s) to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (52 U.S.C. § 30116(a) and (f) (formerly 2 U.S.C. § 441a(a) and (f)); 11 CFR § 110.1(b), (e) and (k))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. If any contribution you received exceeds the limits, you may have to refund the excessive amount.

Excessive contributions may be retained if, within 60 days of receipt, the excessive portions are properly redesignated or reattributed. Guidelines for

PEOPLE FOR PEARCE

Page 2 of 4

each option are provided below.

For reattributions, excessive contributions from individuals can be retained if, within 60 days of receipt, the excessive amount is properly reattributed to another person. Please note that reattributions only apply to excessive contributions from individuals. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor; or (2) the committee reattributes by presumption the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

For redesignations, the funds can be retained if, within 60 days of receipt, the excessive amount is properly redesignated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election; or (2) your committee redesignates by presumption the excessive portion of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B)) Please note that you cannot presumptively redesignate an excessive contribution from a multi-candidate committee. Also, a contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt of the contribution, the excessive amount must be refunded. See 11 CFR § 103.3(b)(1).

If you have not already done so, please inform the Commission of your

PEOPLE FOR PEARCE

Page 3 of 4

corrective action immediately in writing and provide photocopies of any refund checks and/or letters reattributing or redesignating the contributions in question. Refunds are reported on Line 20(a), (b), or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation and/or reattribution is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund, redesignate, and/or reattribute the excessive amount will be taken into consideration.

2. Schedule A of your report discloses one or more in-kind contributions made before the primary election that are designated for the general election and appear to exceed the limits set forth in the Act (see attached).

In-kind contributions of equipment, such as computers, with a long-term useful life (e.g., an election cycle, or perhaps longer) are similar to contributions of money and may be designated for elections beyond the next election, provided the contributor designates the contribution as such in writing. A contribution of this type of equipment is distinguishable from in-kind contributions that are used only for one particular election, such as non-exempt contributions of food or beverages consumed by primary election day workers, or printing or mailing costs related to general election events or fundraisers.

The in-kind contribution on your report does not have a "long-term useful life" and constitutes an excessive contribution for the primary election (see Advisory Opinion 1996-29). You must refund the excessive amount to the donor.

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

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks. Refunds are reported on Line 20(a), (b) or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. (11 CFR § 104.8(d)(2), (3) and (4))

PEOPLE FOR PEARCE

Page 4 of 4

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund the excessive amount will be taken into consideration.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. 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. **Requests for extensions of time in which to respond will not be considered.**

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) 694-1174.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jaime', with a stylized flourish extending to the right.

Jaime Amrhein
Campaign Finance Analyst
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions
People for Pearce (C00463836)**

Excessive Contributions from Committees

Contributor Name	Date	Amount	Election
Bass Brothers Enterprises, Inc. PAC	6/30/15	\$5,000.00	P2016
Bass Brothers Enterprises, Inc. PAC	5/10/16	\$5,000.00	P2016

In-Kind Contributions Designated to the General Election, Made Before the Primary

Recipient Name	Date	Amount	Election
Haarmeyer, Mary	4/22/16	\$629.70	G2016