



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

March 21, 2007

Ranny Cooper, Treasurer
EMILY's List
1120 Connecticut Avenue NW, Ste 1100
Washington, DC 20036

**Response Due Date:
April 20, 2007**

Identification Number: C00193433

Reference: Year End Report (11/28/06-12/31/06)

Dear Ms. Cooper:

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:

-Schedule A supporting Line 15 of your report discloses a payment(s) from "Karen Carter for Congress" for "Political Consulting" provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

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-Schedule A supporting Line 15 of your report discloses a payment from "Grassroots Solutions" for "Sublease Rent". It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1) and (2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)

-Schedule A supporting Line 17 of your report discloses a payment(s) from "Peggy Egan" for apparent goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be a contribution(s) received by your committee from an individual and may be prohibited subject to the limits set forth at 2 U.S.C. §§441a and 441a(f) or 11 CFR §110.1(d).

-On Schedule(s) B supporting Line(s) 21(b) of the Detailed Summary Page, you have not included the full name and/or mailing address for the payment made to "Virgin Mobile USA". Please amend your report accordingly.

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-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) B and H4 of your report to clarify the following description(s): "Consulting Political." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Schedule B supporting Line 21(b) of your report discloses negative entries to "Production Solutions, Inc." for the receipt of apparent credits during this or previous reporting periods. Please be advised that the receipt of offsets to operating expenditures should be disclosed on Schedule A supporting Line 15 of the Detailed Summary Page if the vendor wrote a refund/rebate check on its account. If a check was not written by the vendor, and your committee received a credit instead, a negative entry may be used, but further clarifying information is required to ensure that your committee did not receive a prohibited corporate in-kind contribution 11 CFR. §100.52 (d)(1). Please amend your report to properly disclose this activity or provide clarifying information.

-Schedule B of your report discloses a voided or returned check(s) for an expenditure(s) or reimbursement(s) made to an individual(s) during this or previous reporting periods where an adequate explanation has not been provided. Please clarify if and when this check(s) was reissued. If this check(s) was not reissued, please be advised that this may result in an in-kind contribution received by your committee from this individual(s) and should be reported on Schedules A and B accordingly. Please amend your report to provide further clarification regarding this activity.

-The independent expenditure schedule (Schedule E) should disclose the following information: the name and mailing address of the payee, the purpose of the expenditure, the date of payment, the amount of payment, the name and office sought, state and district (if applicable) of the federal candidate, the calendar year-to-date, per election, for office sought total, the election designation, an indication of whether the candidate was supported or opposed and the signature of the treasurer. Please amend Schedule E by providing the election designation. 11 CFR §104.3(b)(3)(vii)

-Schedule E discloses independent expenditures on behalf of federal candidates. Schedule B of this report disclosed in-kind contributions on behalf of some of these same candidates. Under 2 U.S.C. §431(17), an "independent expenditure" is defined as:

... an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or

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suggestion of such candidate, the candidate's authorized committee, or their agents, or a political party committee or its agents.

Further, 11 CFR §109.21 outlines the factors which define a coordinated communication. Please verify that the independent expenditures made by your Committee in support of "Karen Carter" meet the definition of and were properly categorized as independent expenditures. If necessary, amend your reports to disclose the aforementioned transactions as in-kind contributions (Schedule B supporting Line 23 of the Detailed Summary Page).

If the reclassification of these expenditures as in-kind contributions results in excessive contributions, the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of \$5,000.00 per election. Please inform the Commission immediately of any corrective action in writing and provide a photocopy of your refund request(s) sent to the candidate(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

-Schedule B supporting Line 23 of your report discloses in-kind contributions of "In-Kind Life Insurance" and "In-Kind Salaries" made to Karen Carter for the 2006 Runoff election. However, these goods or services appear to have been provided after the Runoff election date (see attached). Please be advised that if goods or services are provided to a candidate in one reporting period and the payment is made in a later reporting period, the in-kind contribution should be reported as a memo entry on Schedule B, supporting line 23, as well as a debt on schedule D when the goods or services are provided. When the payment for the in-kind contribution is made, the report should show a payment to the vendor on Schedule B, supporting line 23.

Please provide further clarifying information regarding these in-kind contributions disclosed after the Runoff election date and amend your report as appropriate.

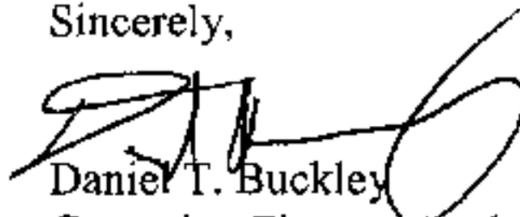
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.**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

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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 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- 1141.

Sincerely,



Daniel T. Buckley
Campaign Finance Analyst
Reports Analysis Division

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Recipient Name	Date	Amount	Election	Election State - Date
Dana Jones	12/15/2006	\$546.36	"Runoff"	LA - 12/09/2006
Eureka Gilkey	12/15/2006	\$595.37	"Runoff"	LA - 12/09/2006
UNUM Life Insurance Co. of America	12/21/2006	\$60.81	"Runoff"	LA - 12/09/2006

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