



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

April 7, 2011

MICHAEL F. CHILDERS, TREASURER
DEMOCRATIC PARTY OF WISCONSIN
110 KING ST STE 203
MADISON, WI 53703

Response Due Date
05/12/2011

IDENTIFICATION NUMBER: C00019331

REFERENCE: AMENDED 30 DAY POST-GENERAL REPORT (10/14/2010 - 11/22/2010),
RECEIVED 12/06/2010

Dear Treasurer:

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. **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 4 item(s):

1. Schedule A supporting Line 12 discloses a transfer(s)-in from "Democratic National Committee," "Democratic Senatorial Campaign Committee" and "Democratic Congressional Campaign Committee." Schedule B supporting Line 21(b) reflects payments for "Exempt - debt payment," "Exempt - direct mail," "Exempt - Mail," "Exempt - mailing," "Exempt - volunteer lit" and "Exempt - yard signs." Please be advised that a state or local party committee may pay for campaign materials (such as pins, posters, bumper stickers and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and for voter drive activity conducted on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR § §100.87 and 100.147 and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfer(s)-in and subsequent payments for the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of 'exempt' activity as described above and if any

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portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate.

2. Your report discloses an outstanding balance(s) beginning this period for a debt(s) owed to "Unity Health Insurance." However, an outstanding balance(s) at the close of the period was not disclosed on your Amended 2010 12 Day Pre-General Report (10/1/10 - 10/13/10), received 10/29/10. Please amend your report(s) to clarify this discrepancy.

3. Schedule H6 supporting Line 30(a) of your report discloses a payment(s) for "Advertisement," "Calls" and "Printing." Please be advised that pursuant to 11 CFR §300.33(c)(1), expenditures for public communications (as defined by 11 CFR §100.26) that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any such candidate for Federal office must not be allocated between or among federal, non-federal and Levin accounts. Only federal funds may be used.

Further, expenditures and disbursements for public communications that refer to a clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s). However, public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate, rather than on Schedule B for Line 30(b). Please clarify if this activity meets the definition of Federal Election Activity or if it contains express advocacy and amend your report to properly disclose this activity, if necessary.

If this activity was categorized incorrectly, the Commission recommends that you immediately transfer the funds received by your federal account for this activity back to the non-federal or Levin account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

4. Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Offsets to operating expenditures should be properly disclosed on a separate Schedule A,

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supporting Line 15 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

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) 694-1143.

Sincerely,

A handwritten signature in black ink that reads "Kaitlin Eger". The signature is written in a cursive style with a large initial "K".

Kaitlin Eger
Senior Campaign Finance Analyst
Reports Analysis Division