

## RYAN, PHILLIPS, UTRECHT &amp; MACKINNON\*

ATTORNEYS AT LAW

\*NON-LAWYER PARTNER

1133 CONNECTICUT AVENUE, N.W.

SUITE 300

WASHINGTON, D.C. 20036

(202) 293-1177

FACSIMILE (202) 293-3411

WWW.RPUM.COM

April 10, 2002

Mr. Thomas F. Maxwell, III  
 Reports Analysis Division  
 Federal Election Commission  
 999 B Street, N.W.  
 Washington, D.C. 20463

Re: HILLPAC (C00363994)

Dear Mr. Maxwell:

I am writing on behalf of HILLPAC in response to questions raised by you concerning information contained in HILLPAC's 30 Day Post Special Report for the period January 1, 2001 through July 9, 2001 (the "Report"). HILLPAC's response is set forth below:

1. Apparent Excessive Contribution Corrected with Amended Report

On Schedule A of the Report HILLPAC correctly reported a \$10,000 contribution from Mr. Walter Kaye received on June 28, 2001. An individual may contribute \$5,000 per calendar year to a political committee. 2 U.S.C. §441a(f). If a committee receives a contribution that exceeds the limits it may retain the funds if within 60 days of receipt the excessive amount is properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution. 11 C.F.R. §110.1(k)(3). On August 6, 2001, HILLPAC received a written authorization signed by Mr. Kaye and Ms. Selma Kaye reattributing the contribution, as follows: \$5,000 from Mr. Kaye and \$5,000 from Ms. Kaye. A copy of the written authorization is enclosed.

As a result of a clerical error, the date of the retribution to Ms. Kaye was inadvertently entered in the computer as June 28, 2001 instead of August 6, 2001. As a result of this error, the retribution was not included on the 30 Day Post Special Report for activity during the period July 10 through December 10, 2001 because it appeared to the computer that the retribution was outside this reporting period. HILLPAC has amended its 30 Day Post Special Report to properly disclose the date of the retribution by Mr. Kaye and Ms. Kaye as August 6, 2001.

RECEIVED  
 FEC MAIL ROOM  
 2002 APR 11 PM 2:41

2002-04-11 11:22:41

## HILLPAC 30-Day Post-Special Report

April 10, 2002

Page Two

2. Payments to Another Political Committee at the Usual and Normal Charge

On Schedule B supporting Line 21(b) HILLPAC disclosed payments at the usual and normal charge to two other political committees for goods and services provided by those committees. Specifically, HILLPAC paid \$1,200 to Friends of Hillary for used computer equipment on March 29, 2001 and it paid \$562.50 per month to the New York State Democratic Committee for rent during the reporting period. The steps taken in determining that HILLPAC paid these committees the usual and normal charge for the goods and services provided to HILLPAC are, as follows:

a. Payment of \$1,200 for Used Computer Equipment

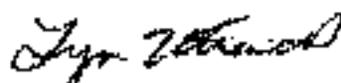
HILLPAC purchased four used personal computers from a campaign committee for \$1,200 (\$300 per computer) after the 2000 election. The campaign committee was winding down and sold some of its used computers. HILLPAC was informed that the campaign committee's computer consultant advised the campaign of the value of its used computer equipment. The price of new computers is relatively low and used equipment can be purchased at a deep discount. HILLPAC's purchase of the used computers for \$300 each is well within the usual and normal charge for such used equipment.

b. Payment of \$562.50 for Monthly Rent

HILLPAC rents a portion of a one room office in New York. The state party committee charges the same amount for all one room offices, other than corner offices. HILLPAC, therefore, is charged the usual and normal rental amount for its portion of the one room office.

We anticipate that this information sufficiently answers your questions. If you need any additional information, please contact me at your convenience.

Sincerely,



Lya Utrecht

Enclosure

2002-04-10 10:00 AM



509 2nd Street N.E. • Washington, DC 20002 • Tel: 202.675.8340 • Fax: 202.675.8350

Mr. and Mrs. Walter and Selma Kaye  
475 Park Avenue  
New York, NY 10022

Dear Walter and Selma:

Thank you for your generous contribution of \$10,000 to HILLPAC. We greatly appreciate your support.

Under Federal law, however, HILLPAC is not permitted to accept contributions of more than \$5,000 per year from an individual. Spouses or joint account holders may make a joint contribution of \$10,000 per year to the PAC in a single check, but each spouse or joint account holder must sign either the check or another written instrument to verify that not more than \$5,000 of the joint contribution is attributed to each individual's \$5,000 per year limit. A copy of check number 9476 is enclosed for your review.

In order to comply, you and your spouse or joint account holder may retribute the excessive portion of the contribution to your spouse or joint account holder by signing this letter below and returning it to us in the enclosed postage-paid envelope. If you and your spouse or other joint account holder do not wish to retribute the excessive amount, or if we do not receive the signed retribution within sixty (60) days of the date of receipt of the contribution, HILLPAC must refund the excessive portion of your contribution.

In addition, Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year. Please help us comply by completing the information requested below and return this entire letter in the enclosed postage-paid envelope at your earliest convenience before August 9, 2001. You may also fax this letter back to us at (202)675-8350.

Sincerely,

*Amey J. Williams*  
Amey J. Williams  
Compliance Department

We hereby verify that the contribution described above was intended to be a joint contribution and should be retributed as follows:

\$ <u>5,000</u> Amount Attributed to Individual	\$ <u>5,000</u> Amount Attributed to Individual
<u>Walter Kaye</u> Name of Spouse or Joint Account Holder	<u>Selma Kaye</u> Name of Spouse or Joint Account Holder
<i>[Signature]</i> Signature Required	<i>[Signature]</i> Signature Required
<u>Crutcher Erwin</u> Occupation / Employer	<u>Housewife</u> Occupation / Employer

9/27

LINK  
5875

will

7/9/01

Paid for by HILLPAC. • Contributions to HILLPAC are not tax deductible for Federal income tax purposes  
recycled paper

Federal Election Commission

## ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS

The Commission has added this page to the end of this filing to indicate how it was received.

<input checked="" type="checkbox"/>	Hand Delivered	Date of Receipt <i>4-11-02</i>
<input type="checkbox"/>	First Class Mail	POSTMARKED
<input type="checkbox"/>	Registered/Certified Mail	POSTMARKED (R/C)
<input type="checkbox"/>	No Postmark	
<input type="checkbox"/>	Postmark Illegible	
<input type="checkbox"/>	Received from the House office of Records and Registration	Date of Receipt
<input type="checkbox"/>	Received from the Senate Office of Public Records	Date of Receipt
<input type="checkbox"/>	Other ( Specify):	Postmarked and/or Date of Receipt
<input type="checkbox"/>	Electronic Filing	
<i>Am</i> PREPARER		<i>4-11-02</i> DATE PREPARED