



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

December 14, 2005

Ken A. Crerar, Treasurer
The Council of Insurance Agents & Brokers Political
Action Committee
701 Pennsylvania Avenue NW, Suite 750
Washington, DC 20004

Response Due Date:
January 13, 2006

Identification Number: C00039578

Reference: November Monthly Report (10/01/05-10/31/05)

Dear Mr. Crerar:

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 B of your report discloses a total of \$2,504.60 in payments to your connected organization for "in-kind contribution." 2 U.S.C. §441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election; however, a connected organization may pay for the solicitation and administrative costs of its separate segregated fund. Further, 11 CFR §114.2(f) prohibits corporations and labor organizations from facilitating the making of contributions to candidates or political committees, other than to the separate segregated funds of the corporations and labor organizations. Facilitation means using corporate or labor organization resources or facilities to engage in fundraising activities in connection with any federal election. The use of corporate or labor organization resources in connection with a fundraiser may be permissible for certain fundraising activities only if the corporation or labor organization receives **advance** payment for the fair market value of such services. 11 CFR §114.2(f)(2)(i)(A), (C) and (E)

Please amend your report to clarify whether the payment to your connected organization was for expenditures which were intended to influence federal elections and provide the dates of the activity conducted by your connected

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organization. In addition, please clarify whether your committee made advance payment for these services to your connected organization. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

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 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) 694-1139.

Sincerely,



Karen E. Trainer
Campaign Finance Analyst
Reports Analysis Division

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11