



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

August 14, 2016

KEVIN BROGHAMER, TREASURER
RAND PAUL FOR US SENATE 2016
PO BOX 72928
NEWPORT, KY 41072

Response Due Date

09/19/2016

IDENTIFICATION NUMBER: C00496075

REFERENCE: JULY QUARTERLY REPORT (04/28/2016 - 06/30/2016)

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. **An adequate response must be received at the Senate Public Records Office by the response date noted above. 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 of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached). The Commission notes your additional explanation regarding the committee's corrective action taken for some of these contributions.

An individual or a political committee other than an authorized committee or a 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), and 102.13(c))

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

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Please be reminded that all refunds, redesignations and reattributions must be made within 60 days of receipt of the contribution. To date, one or more of the apparent excessive contributions have not been refunded, redesignated, or reattributed.

For reattributions, the funds can be retained if, within 60 days of receipt, the excessive amount was properly reattributed to another person. 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 who signed the check 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 was properly designated 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) the 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)) 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, the excessive amount must be refunded. (11 CFR § 103.3(b)(1))

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

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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 or redesignate and/or reattribute the excessive amount will be taken into consideration.

2. Schedule A of your report discloses one or more contributions received after the 2016 primary election that are designated for the 2016 primary. These contributions may only be accepted to the extent that the committee has net debts outstanding from the 2016 primary election. For more information on how to calculate net debts outstanding, please see page 27 of the Campaign Guide for Congressional Candidates and Committees, which is available online at <http://www.fec.gov/pdf/candgui.pdf>. (11 CFR § 110.1(b)(3)(i))

A contribution is considered made when the contributor relinquishes control over the contribution. A contributor shall be considered to have relinquished control over the contribution when it is delivered to the candidate, when it is delivered to an authorized committee of the candidate, or to an agent of an authorized committee of the candidate. A contribution that is mailed to any of the aforementioned recipients will be considered made on the date of the postmark. Envelopes should be retained for the committee's records. (11 CFR § 110.1(b)(6))

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

If a contribution exceeds the amount of net debts outstanding from the 2016 primary election, you may have to refund or redesignate the contribution.

The funds can be retained if, within 60 days of receipt, the excessive amount was 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

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contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election, or (2) the 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))

If the foregoing conditions for redesignations are not met within 60 days of receipt, the excessive amount must be refunded. See 11 CFR § 103.3(b)(3).

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 and/or letters 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 are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation 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 or redesignate the excessive amount will be taken into consideration.

3. Schedule A of your report discloses one or more contributions that appear to be from a corporation (see attached). 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)) and 11 CFR § 103.3(b) prohibit the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations.

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

If you have received prohibited contributions, you must make a refund within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(1) and (2))

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

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corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund is made. (11 CFR § 104.8(d)(4))

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

4. Schedule A of your report discloses one or more contributions from organizations which are not political committees registered with the Commission (see attached). In order for your committee to accept contributions from unregistered organizations, your committee should take steps to ensure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 52 U.S.C. §§ 30116(f) and 30118 (formerly 2 U.S.C. §§ 441a(f) and 441b) or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: (1) establish a separate account which contains only those funds permitted under the Act, or (2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

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

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

Please note, you will not receive an additional notice from the Commission on this

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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.**

A written response or an amendment to your original report(s) correcting the above problems should be filed with the Senate Public Records Office. Please contact the Senate Public Records Office at (202) 224-0322 for instructions on how and where to file an amendment. For additional information about the report review process or specific filing information for your committee type, please visit <http://www.fec.gov/rad/>. 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) 694-1187.

Sincerely,



Laura Beaufort
Sr. Campaign Finance & Reviewing Analyst
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions
Rand Paul for US Senate 2016 (C00496075)**

Excessive Contributions from Individuals

Contributor Name	Date	Amount	Election
Bailey, Catherine Todd Ms	10/21/14	\$500.00	G2016
Bailey, Catherine T Mrs	6/26/16	\$2,700.00	G2016
Beal, D Andrew Mr	9/23/11	\$2,500.00	G2016
Beal, D Andrew Mr	6/19/16	\$400.00	G2016
Boyd, James R	9/30/13	\$2,600.00	P2016
Boyd, James R Mr	5/4/16	\$1,000.00	P2016
Boyd, James R Mr	6/30/16	\$900.00	P2016
Calandra, Frank Jr	12/31/13	\$2,500.00	P2016
Calandra, Frank Mr Jr	5/9/16	\$5,000.00	P2016
Claywell, J L	9/30/13	\$2,000.00	P2016
Claywell, J Leon Mr	5/11/16	\$1,000.00	P2016
Coen, Donald Wayne Mr	6/27/16	\$3,500.00	G2016
Gross, Walter L III	12/31/13	\$2,000.00	P2016
Gross, Walter L III	3/12/14	\$2,600.00	P2016
Gross, Walter L Mr III	3/12/14	\$2,600.00	P2016
Gross, Walter L Mr III	5/11/14	-\$2,000.00	P2016
Gross, Walter L Mr III	3/31/16	\$100.00	P2016
Gross, Walter L Mr III	5/17/16	\$1,000.00	P2016
Hatfield, Edward Mr	6/2/16	\$2,700.00	G2016
Hatfield, Edward Mr	6/30/16	\$2,700.00	G2016
Joseph, Neil Howard Dr	7/12/14	\$250.00	P2016
Joseph, Neil Howard Dr	12/29/14	\$2,600.00	P2016
Joseph, Neil Howard Dr	12/29/14	\$2,600.00	P2016
Joseph, Neil Howard Dr	1/28/15	-\$250.00	P2016
Joseph, Neil Howard Dr	3/20/15	\$2,350.00	P2016
Joseph, Neil Howard Dr. Md	4/2/15	-\$2,350.00	P2016
Joseph, Neil Howard Dr. Md	4/2/15	-\$100.00	P2016
Joseph, Neil Howard Dr. Md	4/2/15	-\$250.00	P2016
Joseph, Neil Howard Dr Md	5/2/16	\$2,700.00	P2016
Martens, James A Mr	5/9/14	\$2,600.00	P2016

**Excessive, Prohibited, and Impermissible Contributions
Rand Paul for US Senate 2016 (C00496075)**

Martens, James	5/10/16	\$1,000.00	P2016
Martino, Michael	9/30/13	\$2,600.00	G2016
Martino, Michael	6/30/16	-\$2,600.00	G2016
Martino, Michael E Mr	5/25/16	\$5,400.00	G2016
Morris, Nate R Mr	3/31/16	\$1,000.00	P2016
Morris, Nate R Mr	5/17/16	\$2,700.00	P2016
Rice, Matthew	12/31/13	\$2,600.00	P2016
Rice, Matthew Mr	5/17/16	\$5,400.00	P2016

Excessive Contributions from Committees

Contributor Name	Date	Amount	Election
American Association Of Orthodontists PAC	5/24/16	\$2,500.00	G2016
American Association Of Orthodontists PAC	6/30/16	\$5,000.00	G2016

Contributions from Possible Prohibited Entities

Contributor Name	Date	Amount	Election
Elora Pallet Shop	6/30/16	\$35.00	G2016

Contributions from Unregistered Organizations

Contributor Name	Date	Amount	Election
Apartment PAC KY	6/19/16	\$1,000.00	G2016
KY Motorcycle Freedom Fund PAC	6/30/16	\$200.00	G2016