FEC Record August 2014

Contents

Federal Election Commission
999 E Street, NW
Washington, DC 20463

The FEC Record is produced by the Information Division, Office of Communications.

Toll free 800-424-9530
Local 202-694-1100
Email info@fec.gov

Greg Scott, Director
Alex Knott, Sr. Writer/Editor
Dorothy Yeager, Production Manager

Outreach

Roundtable on Pre-Election Communications

On Thursday, August 21, 2014, from 1:00 pm to 2:30 pm EDT, the Commission will host a roundtable workshop to review the rules and reporting requirements for specific types of pre-election communications, including:

- Electioneering communications;
- Independent expenditures; and
- Coordinated communications.

The presentation will also highlight recent court decisions, advisory opinions and rulemakings related to these types of communications. Attendees representing registered committees will have an opportunity to meet their Campaign Finance Analyst after the session.

Webinar Information. The workshop will be simulcast for online attendees. Additional instructions and technical information will be provided to those who register for the webinar.

In-person Attendees. Attendance is limited to 50 people. The workshop will be held at the FEC's headquarters at 999 E Street, NW, Washington, DC. The building is within walking distance of several subway stations.

Registration Information. The registration fee is $25 to attend in-person or $15 to participate online. A full refund will made for all cancellations received on/before Friday, August 15; no refund will be made for cancellations received after that date. Complete registration information is available on the FEC's website at http://www.fec.gov/info/outreach.shtml#roundtables and from Faxline, the FEC's automated fax system (202/501-3413, request document 590).

Workshop Materials. Webinar participants will receive electronic copies of workshop materials in advance. During registration, those attending in-person may choose to receive electronic copies in advance or a folder with printed materials at the event.

Registration Questions
Please direct all questions about the roundtable/webinar registration and fees to Sylvester Management at 1-800/246-7277 or email Rosalyn@sylvestermanagement.com. For other questions call the FEC's Information Division at 800/424-9530 (press 6), or send an email to Conferences@fec.gov.

(Posted 07/10/2014; By: Isaac Baker)

Resources:

- FEC Educational Outreach Page
- Filing Dates

Litigation

Holmes, et al. v. FEC

On July 21, 2014, Laura Holmes and Paul Jost filed suit against the Commission in the U.S. District Court for the District of Columbia challenging the per election limits on individual contributions to candidates. The plaintiffs claim those limits violate their First and Fifth Amendment rights. They ask the district court to make findings of fact and to certify any constitutional questions to the *en banc* U.S. Court of Appeals for the D.C. Circuit, and seek declaratory and injunctive relief.

Background
The plaintiffs, who are married to one another, each wish to contribute to a particular federal candidate's general election campaign up to double the maximum per election amount permitted by the Federal Election Campaign Act (the Act). For 2014, that amount is $2,600 per candidate, per election. Each of the candidates Ms. Holmes and Mr. Jost support won his or her 2014 primary race and is now running in a general election. Plaintiffs allege that those candidates' general election opponents did not face any significant primary opposition.

The plaintiffs have already contributed $2,600 to each of the general election campaigns of the candidates they support, and have chosen not to make contributions to those candidates' primary election campaigns. Now, the plaintiffs each seek to contribute an additional $2,600 to their candidates, but to do so entirely for the general election. In effect, the plaintiffs seek to combine the FECA's per election contribution limits for their preferred candidates' primary and general election campaigns so that they can contribute up to $5,200 to those candidates' general election campaigns, while not making any contributions to the candidates' primary election campaigns.

Federal Election Campaign Act Provisions
The Act allows individuals to contribute "to any [federal] candidate and his authorized political committees with respect to any election for Federal office…" where "election" is defined to include, among other things, a general or primary election. 2 U.S.C. §§441a(a)(1)(A) and 431(1)(A). Contributors may indicate to which election his or her contribution is

intended to be applied (including future elections); otherwise, "undesignated" contributions are presumed to be for the next election in which the candidate participates. 11 CFR 110.1 (b)(2)(i)-(ii). Contributions that are made after the date of the designated election may only be used to retire outstanding debts from that election. 11 CFR 110.1(b)(3)(i)(A).

Constitutional Challenge
The plaintiffs allege that the per election contribution limits prevent contributors from giving the total amount permitted for a candidate's primary and general election campaigns "at the time they feel is most critical in the election cycle. That is, the law allows a contributor to associate with an individual candidate up to $5,200 per election cycle…[but the plaintiffs] do not wish, however, to split their contributions between the primary and general elections…[i]nstead they wish to give to candidate challenging incumbents who did not face significant opposition from within their own political party."

The plaintiffs maintain that "artificially bifurcating" the election cycle limits by imposing separate limits for primary and general elections unconstitutionally burdens the plaintiffs' First Amendment right of association and furthers no compelling anti-corruption governmental interest, especially in the cases where the incumbent faced no substantial primary challenger.

The plaintiffs also allege that the per election contribution limits unconstitutionally deprive them of their Fifth Amendment right to equal protection of the law and that the separate contribution limitations for primary and general elections artificially favor contributors to incumbent candidates that do not face substantial primary opposition over others.

The plaintiffs invoke the jurisdictional provision of 2 U.S.C. §437h, which requires the district court to make findings of fact and to certify any substantial constitutional questions to the *en banc* U.S. Court of Appeals for the D.C. Circuit. The plaintiffs also seek a declaratory judgment from the court that the contribution limits that apply to primary and general elections separately are unconstitutional as applied to the plaintiffs because they violate the First Amendment guarantee of freedom of association and their Fifth Amendment right to equal protection of the law. Plaintiffs also seek an injunction barring enforcement of the individual, per election contribution limits.

(Posted 08/01/2014; By: Myles Martin)

Resources:
- *Holmes, et. al. v. FEC* Ongoing Litigation Page
- FEC Contribution Limits

Parsons, et al. v. FEC

On July 24, 2014, Inga L. Parsons and Stephen C. Leckar filed suit in the U.S. District Court for the District of Columbia challenging the constitutionality of the ban on contributions from government contractors. The plaintiffs contend that the ban violates the First Amendment and the Equal Protection guarantee of the Fifth Amendment.

Background
Plaintiffs Inga L. Parsons and Stephen C. Leckar contend that they are subject to the government contractor ban because they are panel attorneys under the Criminal Justice

Act (CJA). Both assert that they are eligible to vote and would like to make lawful contributions to federal candidates running in the 2016 elections.

Analysis
The Federal Election Campaign Act (the Act) prohibits any person with a government contract from making any contribution "to any political party, committee, or candidate for public office or to any person for any political purpose or use." 2 U.S.C. §441c. This prohibition applies for the duration of any contract including the bidding process with the United States government or its agencies or departments, and includes contracts for personal services.

According to the plaintiffs' complaint, this provision violates the Equal Protection guarantee of the Fifth Amendment because it treats them differently than other individuals and corporations. For instance, FEC regulations permit officers, employees and/or stockholders of corporations with federal contracts to make contributions using personal funds. 11 CFR 115.6.

The plaintiffs also claim the ban violates the First Amendment. They argue that the ban is not sufficiently narrowly tailored because it prevents contractors from contributing to any federal candidate, even when the candidate has no connection to the relevant contract.

The plaintiffs seek the District Court's certification of facts and constitutional issues to the U.S. Court of Appeals for the District of Columbia Circuit, and ask that court to declare the ban unconstitutional and to enjoin the Commission from enforcing it against plaintiffs. They argue that their suit is a companion case to *Wagner v. FEC*, in which the District Court entered a certification order on June 5, 2013. *Wagner* is now pending before the *en banc* Court of Appeals, with oral argument scheduled for September 30, 2014.

(Posted 08/01/2014; By: Alex Knott)

Resources:

- *Parsons, et al. v. FEC* Ongoing Litigation Page

See also, *Wagner v. FEC* Ongoing Litigation Page)

Advisory Opinions

AO 2014-04: State Law Does Not Apply to SSF's Payroll Deductions

Under the Federal Election Campaign Act (the Act) and Commission regulations, Enterprise Holdings, Inc. may use payroll deduction for contributions to its SSF. According to the New York State Department of Labor, the state's restrictions on corporate payroll deductions do not apply to solicitations by federal separate segregated funds (SSFs). As such, the Commission need not address whether the federal statutory provisions and regulations that permit those deductions preempt the state law.

Background
Enterprise Holdings, Inc. – the corporate parent of Enterprise Rent-A-Car, Alamo Rent-A-Car, and National Car Rental – asked whether the Act and Commission regulations preempt a New York state law that limits the types of payroll deductions employers may

provide for their employees. N.Y. Lab. Law § 193 and N.Y. Comp. Codes R. & Regs. Tit. 12, § 195-4.5(f).

During the comment period for the advisory opinion request, the New York State Department of Labor clarified that the state law does not apply to the salary deductions proposed by Enterprise or to any other SSF deductions made in accordance with the Act and Commission regulations.

Analysis
Enterprise's use of payroll deductions to process voluntary contributions to Enterprise PAC is permissible under the Act and Commission regulations. The regulations expressly permit a corporation to use payroll deductions to facilitate the making of voluntary contributions from the corporation's executive and administrative personnel to its SSF. 11 CFR 114.1(f), 114.2(f)(4)(i) and 114.5(k)(1); see also Advisory Opinion 2010-12 (Procter & Gamble).

Because the New York State Department of Labor has clarified that the state statute and regulation at issue do not apply to the requestor's payroll deductions for its SSF, the Commission need not reach the preemption question presented in the request.

Date issued: 06/26/2014; Length: 4 pages.

(Posted 07/02/2014; By: Alex Knott)

Resources:
- Advisory Opinion 2014-04 [PDF]
- Commission consideration of Advisory Opinion 2014-04

AO 2014-05: State Law Does Not Apply to SSF's Federal Solicitations

Under the Federal Election Campaign Act (the Act) and Commission regulations, the separate segregated fund (SSF) of a corporation without capital stock may solicit federal contributions at any time from its solicitable class and twice yearly from an expanded group of individuals. According to the Michigan Department of State, a state law that restricts SSF solicitations for state and local activity does not apply to federal solicitations. As a result, the Commission need not address whether the Act preempts that statute.

Background
Henry Ford Health System Government Affairs Services (HFHS GAS) is a nonprofit membership corporation wholly owned by Henry Ford Health System ("HFHS"), a Michigan 501 (c)(3) nonprofit corporation with a number of other wholly owned subsidiaries.
The HFHS GAS Political Action Committee (SSF) is registered with both the FEC and the Michigan Board of Elections. The committee asks whether it may solicit contributions from employees of its connected organization's corporate parent and that parent's other subsidiaries as permitted under the Federal Election Campaign Act, 2 U.S.C. §§ 431-457 (the Act), and Commission regulations. The SSF also asks whether the Act preempts Michigan law concerning the solicitation of these contributions.

Analysis
Because HFHS and its subsidiaries are affiliated, the HFHS GAS SSF may solicit contributions from the executive and administrative personnel (and families) of HFHS and its subsidiaries. It also may solicit contributions from other employees of HFHS and its subsidiaries twice yearly, as permitted under the Act and Commission regulations. 11 CFR 114.5(g)(1) and 114.6(a).

The Michigan Department of State has confirmed that the Michigan Campaign Finance Act (Mich. Comp. Laws Ann. §§ 169.201-.282) applies only to contributions for state and local elections and not to contributions made to support or oppose candidates for federal office. Therefore the Commission does not need to address the preemption question posed in this request.

The Commission expressed no opinion regarding any implications of the proposal under the Internal Revenue Code because those issues are outside the Commission's jurisdiction.

Date issued: 07/23/2014; Length: 6 pages.

(Posted 07/28/2014; By: Alex Knott)

Resources:
- Advisory Opinion 2014-05 [PDF]
- Commission consideration of Advisory Opinion 2014-05

AO 2014-06: Campaign and Leadership PAC May Purchase and Distribute Book

Rep. Paul Ryan's campaign committee and leadership PAC may purchase, distribute and promote the Congressman's book, subject to certain requirements described in the advisory opinion. As proposed, the activity will not result in an impermissible personal use of campaign funds, nor will the publisher's discounted sale of the book to the committees result in a prohibited corporate contribution.

Background
Rep. Paul Ryan is a member of the U.S. House of Representatives and a candidate for the First Congressional District of Wisconsin. His principal campaign committee is Ryan for Congress and his leadership PAC is Prosperity Action (the Committees).

Grand Central Publishing (the Publisher) plans to publish and market a book authored by Rep. Ryan entitled *The Way Forward*. Rep. Ryan's agreement with the Publisher provides for the payment of royalties based on an "industry-standard" percentage of net sales revenue with no advance payment of royalties to the Congressman.

The Committees intend to purchase copies of the book from the Publisher at a discounted bulk rate to distribute to their supporters and contributors. The Publisher will donate any royalties generated by these purchases to a section 501(c)(3) charitable organization that is not associated with Rep. Ryan or his family.

The Committees also plan to promote the book on their websites and social media pages (such as Twitter and Facebook) by using one- to two-sentence references and hyperlinks directing readers to the Publisher's website or to an online book seller. The cost of placing the promotional material on their website and social media pages would be *de minimis* or free.

Finally, Rep. Ryan intends to use personal funds to purchase or rent the email and mailing lists from Ryan for Congress and Prosperity Action in order to promote his book. Rep. Ryan will enter into separate list rental agreements with each committee to pay the fair market value for renting the lists.

Rep. Ryan, Ryan for Congress, and Prosperity Action ask several questions including: whether the Committees may use committee funds to purchase the book; whether the purchase would result in an in-kind contribution to the Committees from the Publisher; whether the Committees may promote the book on websites and social media pages if the cost of doing so is *de minimis*; whether Rep. Ryan may use the Committees' mailing lists to promote his book if he pays the fair-market rental value for the lists; and whether the Publisher's costs for the publication and promotion of the book are covered by the media exemption or are *bona fide* commercial activity.

Analysis

Under the Act and Commission regulations, an authorized committee may spend its funds to finance activities "in connection with the campaign for federal office of the candidate..." 2 U.S.C. §439a(a)(1); 11 CFR 113.2(a). Such spending must not, however, result in the conversion of campaign funds to the personal use of the candidate or any other person. 2 U.S.C. §439a(b); 11 CFR 113.1(g), 113.2(e). Campaign funds are considered to be converted to personal use if the funds are "used to fulfill any commitment, obligation or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office." 2 U.S.C. §439a(b)(2); 11 CFR 113.1(g).

Citing its previous decisions in AOs 2001-08 (Specter) and 2011-02 (Brown), the Commission concluded the campaign's limited purchase of the book for distribution to contributors and supporters is not a personal use of campaign funds because it relates to Rep. Ryan's reelection campaign and the resulting royalties will go to charity. The Commission also concluded that Prosperity Action can purchase copies of Rep. Ryan's book directly from the Publisher for election-related distribution, but could not agree on the legal basis for this conclusion by four affirmative votes.

The Commission further determined that the Committees may purchase copies of the books as proposed directly from the Publisher at the standard discounted bulk rate. Under the Act and Commission regulations, the sale of goods or services at a discount does not result in a contribution if the discount is made available in the ordinary course of business and on the same terms and conditions to the vendor's other customers that are not political organizations or committees. See, AOs 2004-18 (Lieberman); 2001-08 (Specter); 1996-02 (CompuServe); 1995-46 (D'Amato). As a result, the Publisher is not making an in-kind contribution to the Committees by offering them its normal bulk discount rate.

Likewise, the Commission approved the Committees' request to promote the book by placing references to the book on their websites and social media pages of one or two sentences that include hyperlinks to the Publisher's website or to online booksellers. Because the amount of material and cost of promoting the book is *de minimis*, no personal use will result. See AO 2006-07 (Hayworth). However, the Commission could not agree by the

necessary four votes whether Prosperity Action could place additional promotional content on its website and social media sites at more than *de minimis* cost.

The Commission also concluded that Rep. Ryan's purchase and use of the Committees' email and mailing lists to promote his book will not result in personal use because he will pay the fair market value. Commission regulations provide that "the transfer of a campaign committee asset is not personal use so long as the transfer is for fair market value." 11 CFR 113.1(g)(3). See also AOs 2011-02 (Brown); 2002-14 (Libertarian National Committee); 1982-41 (Dellums); and 1981-46 (Dellums).

Finally, the Commission found no indication that the Publisher seeks to influence a federal election, and noted that all of Rep. Ryan's books would be sold at usual and normal sales prices. Therefore, the Publisher's costs and expenses for publication and promotion of Rep. Ryan's book are not subject to the Act's regulation because they are *bona fide* commercial activity.

Date Issued: July 23, 2014; Length: 10 pages.

(Posted 08/01/2014; By: Zainab Smith)

Resources:

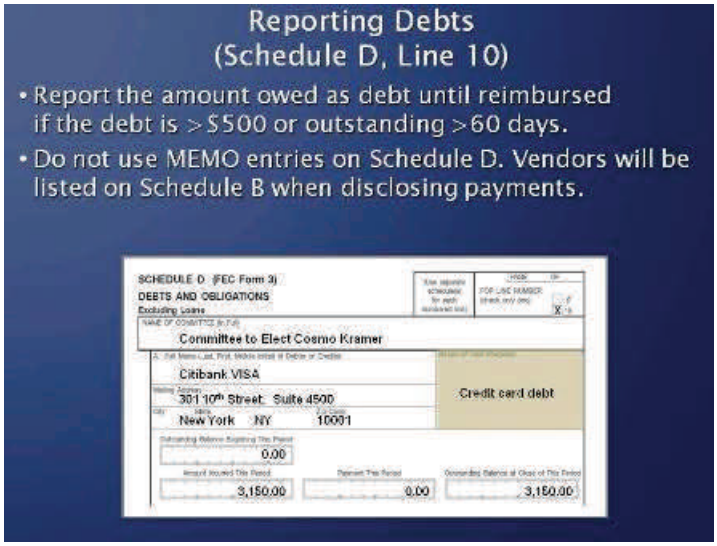
- Advisory Opinion 2014-06 [PDF]
- Commission Discussion of AO 2014-06
- Concurring Opinion issued by Chairman Lee E. Goodman and Commissioners Matthew S. Petersen and Caroline C. Hunter

Reporting

Reporting Campaign Debt

This article answers common questions about reporting campaign debt. The Federal Election Campaign Act (the Act) and Commission regulations require committees to report debts and obligations continuously if they exceed $500 or have been outstanding 60 days or more. 11 CFR 104.3(d) and 104.11. This article addresses the process of reporting campaign debts including reporting estimated debts, unpayable debts, disputed debts, candidate loans and fundraising to retire debts.

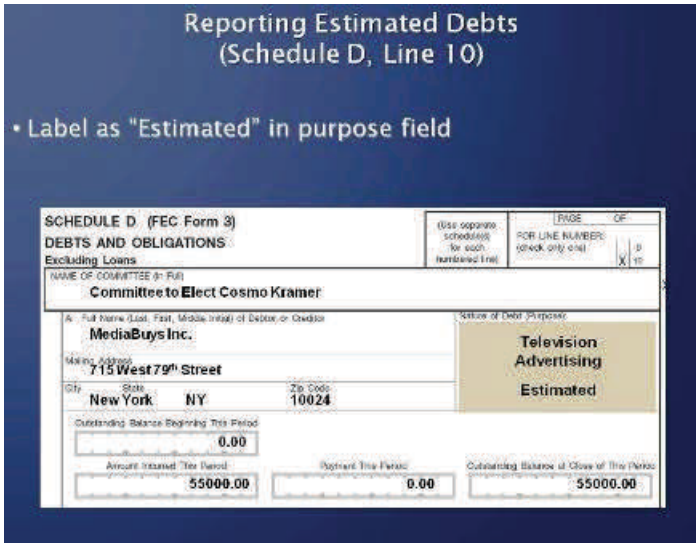
When should the committee disclose a debt it owes?
A debt of $500 or less is reportable once it has been outstanding 60 days from the date incurred (the date of the transaction, not the date the bill is received). The debt must be disclosed on the next regularly scheduled report. A debt exceeding $500 must be disclosed in the report covering the date on which the debt was incurred, and must be reported on Schedule D until it is repaid in full (see example). 11 CFR 104.3(d) and 104.11.



Click picture to enlarge

Payments made on the debt are also reported on Schedule D until the debt is retired. The debt repayments made must also be reported on the appropriate line number of the Detailed Summary Page and itemized on Schedule B if necessary. On line 10 of the Form 3 Summary Page, the committee enters the total of outstanding debts owed by it (from Schedule D), plus the balance of outstanding loans owed by it (from Schedule C). Paper filers must be sure to label the Schedule D as "debt owed by the committee" by checking the box for line 10 at the top of Schedule D.

What if the treasurer does not know the exact amount of a debt?
If the exact amount of a debt is not yet known, the treasurer may report an estimated amount, provided that the report notes that the figure is an estimate. (See example.)



Click picture to enlarge

Once the committee knows the actual amount, the treasurer must either amend the earlier report (and all subsequent reports) to indicate the correct amount, or include the correct figure, along with an explanation of the change, in the campaign's next report. 11 CFR 104.11(b).

What if the committee has disputed debts?
A disputed debt is a bona fide disagreement between the creditor and the committee as to the existence of a debt or the amount owed by the committee. 11 CFR 116.1(d). If the creditor provided something of value, notwithstanding the dispute, then the committee must disclose the following: the amount the committee admits it owes; the amount the creditor claims is owed; and any amounts the committee has paid the creditor. 11 CFR 116.10. The committee may also note on the report that disclosure of a disputed debt is not an admission of liability or a waiver of any claims against the creditor. Once a dispute is resolved, the committee should report the correct amount on the next report, along with a statement explaining that the dispute was resolved.

Can the committee stop reporting unpayable debts?
A committee with an unpayable debt (e.g., a debt owed to a defunct entity) that wants to stop reporting the debt should call its Reports Analysis Division (RAD) analyst for assistance. (The name and contact number of the assigned analyst can be accessed on the RAD FAQs web page.) RAD typically advises committees to file a statement on Form 99 (Miscellaneous Text Statement) that includes a request to discontinue reporting the debt and an explanation of why the debt is unpayable and what efforts the committee has made to contact the vendor, including the timeline and any supporting details. Committees must continue to report the debt until they have verified with RAD that a debt may be left off future reports. 11 CFR 116.9.

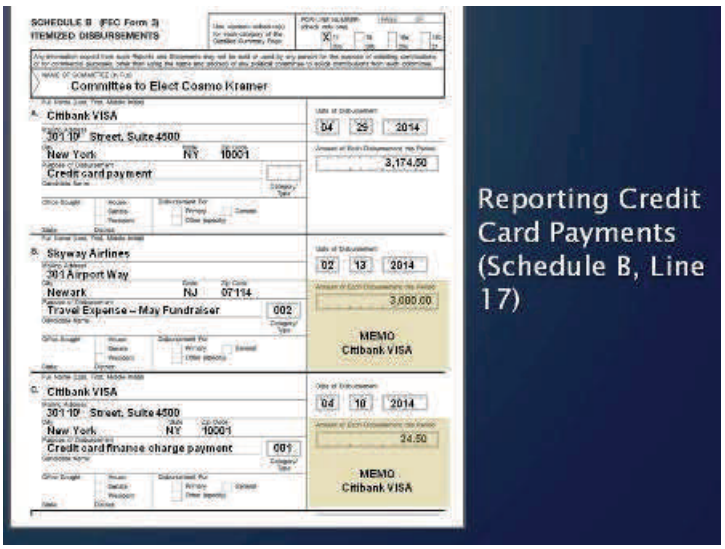
How does the committee report debts owed to it?
Continuously report a debt owed to the committee on Schedule D if the debt exceeds $500 or has been outstanding 60 days or more. 11 CFR 104.3(d) and 104.11. Payments received on the debt are also reported on Schedule D until the debt is retired. The debt repayments received must also be reported on the appropriate line number of the Detailed Summary Page and itemized on Schedule A if necessary. On line 9 of the Form 3 Summary Page, the committee enters the total of outstanding debts owed to it (from Schedule D), plus the balance of outstanding loans owed to it (from Schedule C). Paper filers must be sure to label the Schedule D as "debt owed to the committee" by checking the box for line 9 at the top of Schedule D.

May the campaign continue to raise contributions to retire debts after the election?
Yes. When raising contributions to retire debts after the election is over, a campaign must remember three general rules:
1. Debt retirement contributions are subject to the limits and prohibitions of the Act and must be aggregated with the contributor's prior contributions for that election;
2. Contributions made after an election to retire debts must, in most cases, be specifically designated for that election by the contributor; and
3. Contributions designated for, but made after, a particular election may not exceed the campaign's net debts outstanding. 11 CFR 110.1(b)(3)(i).

How do I calculate "net debts outstanding?"
A campaign's "net debts outstanding" consist of unpaid debts incurred with respect to the particular election less the sum of: 1) cash on hand; 2) amounts owed to the candidate or the committee; and 3) personal loans in excess of $250,000. "Unpaid debts" include the following: all outstanding debts and obligations; the estimated cost of raising funds to liquidate the debts; and if the campaign is terminating, estimated winding down costs (for example, office rental, staff salaries and office supplies). 11 CFR 110.1(b)(3)(ii). "Cash on hand" consists of the resources available to pay the campaign's total debts, including currency, deposited funds, traveler's checks, certificates of deposit, treasury bills and any other investments valued at fair market value. "Amounts owed" includes amounts owed to the campaign with respect to that election in the form of credits, refunds of deposits, returns and receivables or a commercially reasonable estimate of the collectible amount.

A campaign calculates its net debts outstanding as of the day of the election. Thereafter, the campaign continually recalculates its total net debts outstanding as additional funds are received for, or spent on, the election for which the debt remains. 11 CFR 110.1(b)(3)(ii) and (iii).

How should the committee report credit card payments?
Payments to credit card companies should be disclosed on Schedule B, line 17. Use MEMO entries to identify the original vendor(s) if payments to the vendor(s) exceed $200 during the election cycle. For more information, see the Interpretive Rule on Reporting of Ultimate Payees, 78 *Fed. Reg.* 40625 (2013). 11 CFR 104.9(a) and (b). (See example.)

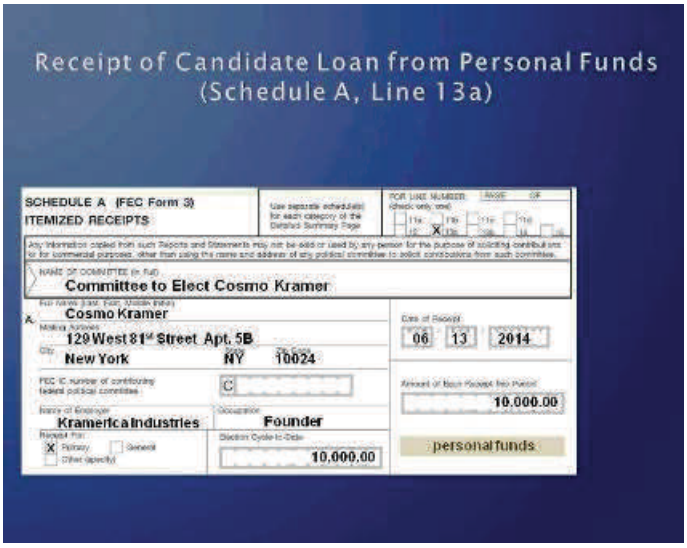


Click picture to enlarge

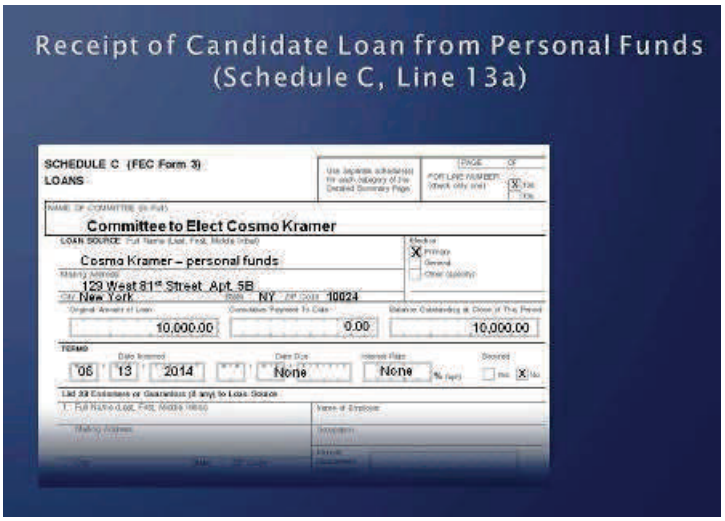
If there are multiple credit card payments on a report, you should clearly identify the payment to which each memo entry relates.

How should the committee report a loan from the candidate's personal funds?
Report the initial receipt of the loan from the candidate on Schedule A, line 13(a) regardless of the amount of the loan. 11 CFR 104.3(a)(4)(iv). The loan must also be reported

continuously on Schedule C until it is repaid in full. Make sure to include all loan terms on Schedule C. If there is no due date or interest rate, you can enter "none" or "n/a," but you cannot leave these fields blank. Be sure to include the term "personal funds" on either Schedule A or C. (See examples.)



Click image to enlarge



Click image to enlarge

Are there any special rules on repaying personal loans from the candidate?
If the candidate makes loans to the campaign (including advances or candidate endorsed bank loans) that aggregate more than $250,000, the following rules apply:

- The committee may use contributions to repay the candidate for the entire amount of the loan or loans only if those contributions were made on or before the day of the election; and

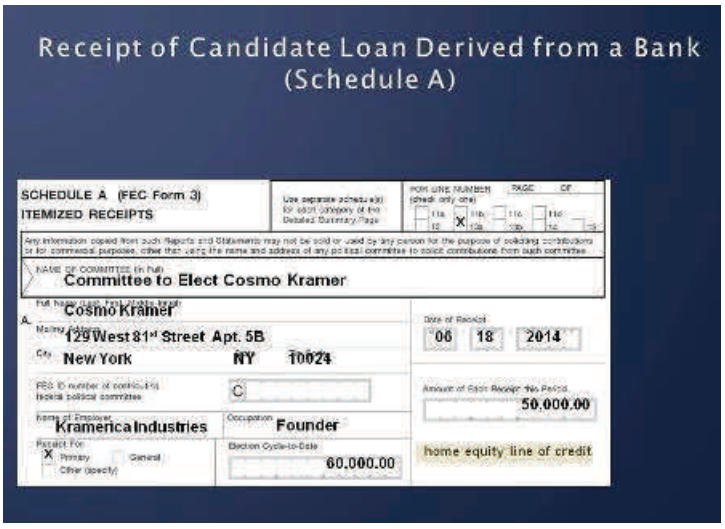
- The committee may use contributions to repay the candidate only up to $250,000 from contributions made after the date of the election.

If the committee uses the amount of cash-on-hand as of the date of the election to repay the candidate for loans in excess of $250,000, then it must do so within 20 days of the election. During that time, the committee must treat the portion of candidate loans that exceed $250,000, minus the amount of cash-on-hand as of the day after the election as a contribution by the candidate. 11 CFR 116.11(c).

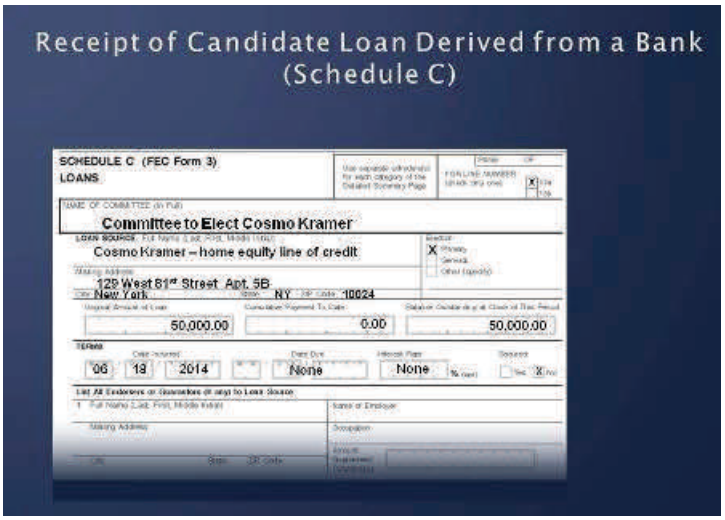
Any loan payments must be reported on Schedule B, line 19(a) and on Schedule C. 11 CFR 104.3(b)(4)(iii). Any interest payments must be reported as an operating expenditure and require itemization on Schedule B, line 17 once payments to the candidate exceed $200 in the election cycle.

How should the committee report a loan from the candidate derived from a lending institution?

For candidate loans to the committee derived from the candidate's line of credit or bank loan, report the initial receipt of the loan from the candidate on Schedule A, line 13(a) regardless of the amount of the loan. 11 CFR 104.3(a)(4)(iv). The loan must also be reported continuously on Schedule C until it is repaid in full. Make sure to include the loan terms between the candidate and the committee on Schedule C. If there is no due date or interest rate, you can enter "none" or "n/a," but you cannot leave these fields blank. Be sure to indicate the original source of the funds (e.g., "home equity line of credit," "advance on brokerage account," etc.) on Schedules A and C. In addition, the terms of the loan, advance, or line of credit extended by the lending institution to the candidate must be reported on Schedule C-1. Schedule C-1 must disclose the date, amount, and interest rate; the name and address of the lending institution; and the types and value of collateral that secure the loan, advance, or line of credit. Schedule C-1 must be filed with the first report disclosing the loan, and in succeeding reporting periods each time the loan or line of credit is restructured. (See examples.)



Click image to enlarge



Click image to enlarge

Click image to enlarge

May the candidate forgive a loan made to the campaign?
Yes. If the candidate is forgiving a loan, the candidate must write a letter, preferably on campaign letterhead, addressed to the FEC stating that he/she forgives the loan (Senate committees must send this letter to the Secretary of the Senate). The candidate's original

signature must be on this letter. If the committee files electronically, contact the software provider for help in disclosing loan forgiveness on the report. Paper filers must reduce the loan amount manually on the report.

For additional information on reporting campaign debt, please consult Chapter 13 of the *Campaign Guide for Congressional Candidate Committees* [PDF] and RAD's online answers to frequently asked reporting questions.

(Posted 07/21/2014; By: Zainab Smith)

Resources:

- Help With Reporting and Compliance
- Resources for Committee Treasurers
- Article: Interpretive Rule on Reporting Ultimate Payee for Political Committee Disbursements

Statistics

FEC Summarizes First 15 Months of Campaign Activity for the 2013-2014 Election Cycle

Congressional candidates running in the 2013-2014 election cycle received $850.2 million and disbursed $478.6 million between January 1, 2013 and March 31, 2014, according to an analysis by the Federal Election Commission.

The 198 candidates running for Senate in 2014 – as well as in the 2013 and 2014 special elections – reported total receipts of $312.8 million, disbursements of $177.1 million, debts of $10 million and cash-on-hand of $185.4 million during the period.

Meanwhile, 1,226 candidates running for the House of Representatives in 2014 and in the 10 special elections during the 15-month period reported combined receipts of $537.4 million, disbursements of $301.5 million, debts of $56.9 million and cash-on-hand of $372.7 million through March 2014.

National, state and local political party committees reported combined receipts of $596.6 million in federal funds for the 15-month period, disbursements of $456 million, debts of $18.2 million and cash-on-hand of $155.3 million as of March 31, 2014.

Based on reports filed with the Commission during the same period, 7,025 federal PACs reported total receipts of $1.1 billion, disbursements of $951.5 million, debts of $20.9 million and combined cash-on-hand of $594.1 million. Contributions by PACs to congressional candidates seeking office in the 2013-2014 election cycle totaled $238.7 million as of March 31, 2014.

Also during the period, independent expenditures reported to the Commission in connection with congressional elections during the 2013-2014 election cycle totaled $50.5 million.

Independent Expenditure-Only Political Committees (Super PACs) accounted for $28.6 million of all independent expenditures disclosed to the Commission. Committees with Non-Contribution Accounts (Hybrid PACs) reported $1.5 million and other PACs reported $5.1 million. Independent expenditures made by persons other than political committees totaled $8.6 million, and party committees reported independent expenditures totaling $6.7 million.

Data summary tables for reports submitted to the Commission through March 31, 2014 are listed below for:

- Congressional candidate committees;
- Political party committees;
- PACs; and
- Independent expenditures.

(Posted 07/17/2014; By Alex Knott)

Resources:

- FEC Press Release
- Campaign Finance Disclosure Portal