

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: September 16, 2005

ANALYST: Brandis Zehr

I. COMMITTEE: New Hampshire Democratic State Committee
(C00178038)
Martha Fuller Clark, Treasurer (3/29/05 – present)
Sophia Collier, Treasurer (3/5/99 – 3/29/05)
2 1/2 Beacon Street
Concord, NH 03301

II. RELEVANT STATUTE: 2 U.S.C. §434(b)(4)(A)
11 C.F.R. §104.3(b)(1)(i)
11 C.F.R. §300.36(b)(2)(iv)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

The New Hampshire Democratic State Committee (“the Committee”) filed an Amended 2004 12 Day Pre-General Report to disclose additional disbursements totaling \$50,723.22 on December 10, 2004 (Attachment 2).

On October 21, 2004, the Committee filed the 2004 12 Day Pre-General Report covering the period from October 1, 2004 through October 13, 2004. This report disclosed \$227,129.00 on Line 21(b) (Other Federal Operating Expenditures), no disbursements on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) and \$227,129.00 on Line 32 (Total Federal Disbursements) of the Detailed Summary Page (Image 24962643751).

On December 10, 2004, the Committee filed an Amended 2004 12 Day Pre-General Report,¹ which disclosed \$250,556.89 on Line 21(b) (Other Federal Operating Expenditures), \$27,295.33 on Line 30(b) (Federal Election Activity Paid Entirely With Federal Funds) and

¹ Please note that the Committee electronically filed two (2) amendments on December 10, 2004 for the 2004 12 Day Pre-General Report; a RAD review was completed for the latter amendment filed at 08:44 (Image 24981758972).

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\$277,852.22 on Line 32 (Total Federal Disbursements) of the Detailed Summary Page (Image 24981758975).

On February 9, 2005, a Request for Additional Information ("RFAI") was sent to the Committee referencing the Amended 2004 12 Day Pre-General Report, received 12/10/04 at 08:44. Among other discrepancies, the RFAI asked for clarification regarding the \$50,723.22 in additional disbursements on Lines 21(b) and 30(b) that were not disclosed on the Committee's original 2004 12 Day Pre-General Report (Image 25038731650).

On March 11, 2005, the Committee filed a miscellaneous electronic submission in response to the RFAI referencing the Amended 2004 12 Day Pre-General Report, received 12/10/04, which stated in part, "The original pre-election report was prepared without the benefit of the bank statements. Upon receiving the bank statements, the report was amended to reflect these disbursements in December; the omission of these disbursements in the original report was inadvertent" (Image 25990215473).

On March 21, 2005, the Reports Analysis Division ("RAD") analyst called the Committee regarding the Committee's possible referral to the Office of General Counsel ("OGC"). The Analyst spoke with Ms. Abbe Ross who had recently assumed responsibility for filing of the Committee's FEC reports. The Analyst advised Ms. Ross that the matter of increased disbursements disclosed on the Committee's Amended 2004 12 Day Pre-General Report was referable to the Office of General Counsel. Ms. Ross explained that at the time the original report was filed, the Committee was unaware of a significant amount of monies spent on wire fees. She stated that the individual responsible for the Committee's FEC reporting disclosed the activity as soon as he learned of it. The analyst asked Ms. Ross to provide any further clarification regarding the matter within one week (Attachment 3).

To date, no further communication has been received from the Committee regarding this matter.²

² The Committee filed subsequent Amended 12 Day Pre-General Reports on April 4, 2005 and May 20, 2005 to correct reporting errors unrelated to the issue of increased financial activity. While none of the subsequent amendments disclosed additional financial activity, the Committee did move transactions from Line 21(b) to Line 30(b), thus resulting in line total changes.