



FEDERAL ELECTION COMMISSION
Washington, DC 20463

November 2, 2005

New Hampshire Democratic State Committee
2½ Beacon Street
Concord, NH 03301

Re: ADR 300 (RR 05L-53)
New Hampshire Democratic Committee and Martha Fuller Clark, Treasurer

Dear Ms. Clark:

The Reports Analysis Division of the Federal Election Commission ("FEC" or "Commission") determined that matters arising from its recent review of the 2004 Pre-General Report filed by the New Hampshire Democratic Committee warranted further examination for possible violation of the Federal Election Campaign Act of 1971, as amended. The Commission, thereafter, reviewed the file and voted on October 21, 2005 to assign this matter to the FEC's Alternative Dispute Resolution Office ("ADRO") for processing.

The FEC established the ADR Program to provide an informal means for resolving matters that come before the Commission and to facilitate negotiations directly with Respondents. The ADR Program provides Respondents with an opportunity to negotiate, and if necessary, mediate settlement of a matter that is mutually agreeable. The negotiations occur prior to any Commission consideration of whether there is reason to believe a violation has occurred. If negotiations and/or mediation are successful, the resulting settlement would conclude the matter.

The Commission, in referring the matter to the ADR office, determined that the case is eligible for processing in the ADR program. If Respondents decide to participate in the Program, i.e., negotiation and/or mediation, you must: 1) indicate in writing a willingness to have your case submitted to the ADR process; 2) agree to participate in the bilateral negotiations and if necessary, mediation; and 3) waive the statute of limitations while the matter is being processed under the FEC's ADR program.

The issues referred to the ADRO and the focus of our subsequent negotiations are summarized as follows:

RAD referred the New Hampshire Democratic State Committee and Martha Fuller Clark, Treasurer ("Respondents" or the "Committee") for failing to disclose all disbursements in their 2004 12 Day Pre-General Report. RAD stated that the Committee filed a 12 Day

Pre-General Report on October 21, 2004 disclosing Other Federal Operating Expenditures of \$227,129.22, and disclosing no Federal Election Activity Paid Entirely With Federal Funds, for total federal disbursements of \$227,129. The referral goes on to show that on December 10, 2004, the Committee filed an amended 2004 12 Day Pre-General that disclosed \$250,556.89 for Other Federal Operating Expenditures, \$27,295.33 for Federal Election Activity Paid Entirely With Federal Funds for a Total Federal Disbursements of \$277,852.22. This resulted in a difference in federal disbursements of \$50,723.22. Respondents contend that they filed the original report without the benefit of bank records, but when they received their statements from the bank and realized the errors, they filed the amended report.

If after reviewing this letter and the enclosed brochure, which describes the ADR program, Respondents would like this case selected for ADR processing, you need to affirmatively indicate that on the enclosed Commitment to Submit Matter to ADR Program form. **Failure to respond affirmatively within fifteen (15) business days of receipt of this letter will be taken as a notice of disinterest in the program and your case will be dropped from further consideration for ADR.** In that event, your case will be sent to the FEC's Office of General Counsel and the likelihood that the Committee will be audited during the next election cycle will increase.

This matter has been designated as ADR 300. Please refer to this number in future correspondence with the FEC. If you have questions about the ADR Program, please contact the ADRO at my direct dial as indicated below

Sincerely,

Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office
202-694-1665

Enclosures: Brochure
Commitment to Submit Matter to ADR
Designation of Representative/Counsel

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