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February 5, 2007

Jeff S. Jordan, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 5893

Dear Mr. Jordan:

The undersigned represents the Democratic Club of Beaufort County, South of the Broad and David Henson as Treasurer ("collectively referred to as the "DCBC-SOB"). By this letter, the committee responds to a complaint filed by Randolph Bates. In his complaint, Mr. Bates alleges that the DCBC-SOB placed several ads advocating the election of federal candidates without registering as a political committee and failed to provide an appropriate disclaimer.

The committee acknowledges that it placed three advertisements that were intended as "slate advertisements" for all of its candidates. The advertisements referred to nine non-federal candidates and only one federal candidate. Accordingly, only a small portion of the advertisement is allocable to a federal candidate.

The Federal Election Campaign Act ("the Act") requires a local party committee to register as a political committee if it makes \$1,000 in contributions or expenditures in connection with a federal election in a calendar year. 2 U.S.C. § 431(4)(C). If the committee does not reach this threshold, it may make expenditures in connection with a federal election so long as those expenditures are made from funds that are permissible under the Act. 11 C.F.R. § 102.5(b).

Contrary to Mr. Bates' assertion, the committee did not reach the \$1,000 political committee threshold. To be sure, the advertisements referenced in the complaint were the only expenditures made by the DCBC-SOB during the 2006 calendar year. The total cost for these two advertisements were \$2,321.50, including both design and advertising

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fees. Thus, the federal portion of these advertisements was \$232.15. Thus, the DCBC-SOB did not trigger political committee status in 2006. Furthermore, in accordance with 11 C.F.R. § 102.5(b), the DCBC-SOB had sufficient permissible funds to pay for the federal portion of this expenditure.

The advertisement properly acknowledged that it was paid for by the DCBC-SOB, the DCBC-SOB admits that the advertisement does not fully comply with the Commission's regulations that require all public communications that expressly advocate the election of a federal candidate to comply with the Commission's regulations since it did not state whether it was authorized by a federal candidate nor was the disclaimer in a printed box. 11 C.F.R. § 110.11(a)(2). The committee has been admonished by its Washington counsel that all advertising that references a federal candidate must comply with federal disclaimer requirements. Any such ads run in the future by the DCBC-SOB will comply with the Commission's disclaimer requirements in the future.

Based upon the small amounts spent on the advertisements, the Commission should use its prosecutorial discretion and dismiss the complaint. The complaint incorrectly alleges that the JCDP should have qualified as a federal committee. Although the advertisements run by the JCDP contained a disclaimer that properly identified the JCDP as the payee of the advertisement, the JCDP was unaware of the full requirements for federal disclaimers under the recently passed Bipartisan Campaign Reform Act. In the alternative, the Commission should refer this matter to its Alternative Dispute Resolution Division for disposition.

If you have any questions or concerns, please call me at (202) 479-1111.

Sincerely,



Neil Reiff
Democratic Club of Beaufort
County, South of the Broad and
David Henson as Treasurer

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