



Federal Election Commission
Washington, DC 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2007 NOV -2 A 10: 24

MEMORANDUM

November 2, 2007

SENSITIVE

TO: The Commission

THROUGH: Patrina M. Clark *[Signature]*
Staff Director

FROM: John D. Gibson *[Signature]*
Chief Compliance Officer

Deborah Ruth Kant *[Signature]*
Director, ADR Office

SUBJECT: ADR 424 Lewis for Congress Committee and Dr. Robert Percy, Treasurer,
Recommendation to Assign¹

ADR Case: ADR 424

Source No. RR 07L-39

Respondents:
Lewis for Congress Committee
Dr. Robert Percy, Treasurer

Respondents' Rep.:
Dr. Robert Percy

Referral: OGC

Committee Name: Lewis for Congress Committee

Date Referral Filed: 10/17/07

Committee Type: Authorized

Date Forwarded to ADRO: 10/25/07

District #/or State: CA, 41st Dist.

Election Cycle: 2006

Election - Won/Lost: Won

¹ The Office of General Counsel reviewed the ADR Memorandum, and concurs in the description of the case.

28190274248

Summary of the Case: Treasurers of political committees are required to report all financial activity, including receipts. 2 U.S.C. §§ 434(a), 434(b)(2), 11 C.F.R. § 104.3(a). In this case, Respondents (or “the Committee”) failed to disclose \$276,614.66 in additional receipts on its 2006 30 Day Post-General Report (a 191% increase in financial activity). The Committee filed the original report on December 7, 2007, and filed the amended report disclosing the increase in activity on April 15, 2007.

Respondents explained that increase resulted from capital gains on a sale of stock during the reporting period. According to the Committee, a transfer of funds to the National Republican Congressional Committee of \$335,000 triggered the sale. The Committee further explained that did not learn of the amount of the capital gain until 2007 when the Committee received a 1099B tax form reflecting this gain.

RECOMMENDATION:

- 1. Assign ADR 424/RR 07L-39 to the ADR Office.**

28190274249