



Federal Election Commission  
Washington, DC 20463

COMMISSION  
SECRETARIAT

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**MEMORANDUM**

**SENSITIVE**

March 30, 2007

**TO:** The Commission

**THROUGH:** Patrina M. Clark  
Staff Director

Margarita Maisonet  
Chief Compliance Officer

**FROM:** Deborah Kant  
Director, ADR Office

**SUBJECT:** ADR 370, Chuck Espy For Congress and Cleveland Moton, Treasurer,  
Recommendation to Dismiss

On December 5, 2006, the ADR Office received MUR 5791 to review and determine its appropriateness for ADR processing. Based on that review, we recommend that it be closed. Following the procedures approved by the Commission on March 3, 2003, this matter will be closed by the ADR Office if the Commission approves the Recommendation in this Memorandum. OGC concurs in the description of this matter, and that it not be returned to OGC for further action.

**ADR Case:** ADR 370

**Source No.** MUR 5791

**Respondents:**  
Chuck Espy for Congress  
Cleveland Moton, Treasurer

**Respondents' Rep.:**  
Cleveland Moton

**Complainant:** Brian Rothenberg

**Committee Name:** Chuck Espy For Congress

**Date Complaint Filed:** 8/8/06

**Committee Type:** Authorized

**Date Forwarded to ADRO:** 12/05/06

**District #/or State:** MS -2nd District

**Election - Won/Lost:** Lost Primary

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**Election Cycle: 2006**

**Summary and Analysis of Case:** Committees may not accept contributions that exceed the limits set forth in the FECA. The law requires committees either to refund excessive contributions to the donor, re-designate the contribution to another election, if appropriate, or re-attribute the contribution if the contribution is a joint contribution. The law also provides that candidate may expend unlimited expenditures of their own personal funds.

In this case, Complainant alleged that Chuck Espy, a primary candidate for the second district in Mississippi, and his campaign, accepted \$4200 in contributions from his uncle, Michael Espy, and stated that the Respondents (Chuck Espy for Congress, and Cleveland Moton, Treasurer, or "the Committee") and were required to refund the excessive contribution. The Complainant also alleged the candidate did not report the sources for his \$24,100 of contributions. Respondents stated that they refunded the \$2100 in excessive contributions from the candidate's uncle, Mike Espy, and that they would report this refund in the next FEC Quarterly Report. With respect to the candidate's contributions, the Committee explained that all of \$24,100 came from the candidate's personal funds. The Committee further explained that \$22,000 of \$24,100 were personal funds which were left over funds from a home equity loan the candidate took out to pay off his first and second mortgages. These funds did not represent a candidate loan, the Respondents stated, because the Committee never intended to repay the candidate.

**RECOMMENDATION:**

1. **Dismiss ADR 370 /MUR 5791 to the ADR Office.**

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