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Federal Election Commission
Office of Complaints Examination
and Legal Administration
Attn: Donna Rawls, Paralegal
999 E Street, NW
Washington, DC 20463

Re: Response of Texans For a Conservative Majority in "RR 14L-39"

Dear Office of General Counsel:

This response is submitted on behalf of Texans For a Conservative Majority ("TCM") (C00542217) regarding your letter of December 5, 2014. This referral stems from TCM's inadvertent failure to timely disclose an independent expenditure as well as contributions received. In each instance, TCM took it upon itself to correct the reporting error as soon as it learned of the oversight.

February 11, 2014 Independent Expenditure

TCM inadvertently failed to timely report a single independent expenditure of \$74,235.36 disseminated on February 11, 2014. The Reports Analysis Division's ("RAD's") Referral regarding this previously unreported independent expenditure was generated by TCM's self-disclosure of the missed reporting to its RAD Analyst on April 14, 2014. Thus, TCM's self-disclosure constitutes a *sua sponte* submission pursuant to the Commission's Policy Regarding Self-Reporting of Campaign Finance Violations (Sua Sponte Submissions), 72 Fed. Reg. 16,695 (April 5, 2007).

Upon learning of this oversight, on April 14, 2014, TCM consultant Keith Davis ("KD") immediately contacted the assigned RAD Analyst to disclose the error. KD informed the RAD Analyst that TCM failed to timely disclose a single independent expenditure in a 48-Hour Report and further erred in not including the same independent expenditure in its 12 Day Pre-Primary Report. On the same day, TCM filed a 48-Hour Report disclosing the subject independent

expenditure. On the following day, TCM filed an amended 12 Day Pre-Primary Report disclosing the subject independent expenditure.

On May 5, 2014, the Commission sent TCM an RFAI regarding the Amended 12 Day Pre-Primary Report. TCM responded to the RFAI in a timely manner, and provided the response below informing the Commission that the February 11, 2014 independent expenditure of \$74,235.36 was the same expenditure that TCM self-disclosed to the RAD Analyst.

Texans for a Conservative Majority (FEC ID# C00542217) is in receipt of your Request for Additional Information dated May 5, 2014, concerning our amended 2014 pre-primary report.

In preparing the 2014 first quarter report, the Committee became aware that although two payments of \$ 74,235.36 had been made to Majority Strategies, only one of these expenditures had been reported.

The committee immediately filed the 48-hour notice for this expenditure, and also amended the pre-primary report to include this second payment.

Miscellaneous Report to FEC (Form 99 - May 7, 2014). In addition to providing this full explanation of events, KD placed a follow-up call to the RAD analyst on the same day that TCM submitted its response to the RFAI to ensure that the RAD Analyst was fully aware of the link between his previous call regarding a late filing and the subject of the RFAI.

As explained in TCM's response to the RFAI, the inadvertently overlooked February 11, 2014 independent expenditure was *for the exact same dollar amount* as a previous independent expenditure *made to the same recipient* for a communication disseminated just eight (8) days earlier. As a result, the two expenditures for the same dollar amount were inadvertently conflated and the February 11, 2014 expenditure was not timely reported in either a 48-Hour Report or the original 12 Day Pre-Primary Report.

As is evident from the procedural history described above and in the communications between TCM and the RAD Analyst, TCM has taken all possible steps with great urgency to correct the inadvertent late disclosure of the February 11, 2014 independent expenditure. TCM respectfully requests that the Commission's review of this oversight take into account the *sua sponte* disclosure by TCM and the urgency with which the oversight was remedied.

2013 Year End Contributions

TCM's original 2013 Year-End Report disclosed no contributions received during the reporting period. The failure to report these contributions in the original 2013 Year-End Report became apparent during the course of TCM's regular review of its previously filed reports. The previously unreported contributions were unintentionally overlooked while preparing the original 2013 Year-End Report. TCM took it upon itself to remedy this error by filing an Amended 2013 Year-End Report on February 20, 2014, as soon possible upon learning that it had inadvertently failed to disclose contributions totaling \$180,000. The Amended Report filing thus generated the Commission's RFAI dated March 27, 2014. TCM's response to the Commission's March 27, 2014 RFAI is as follows:

Texans for a Conservative Majority (FEC ID# C00542217) is in receipt of your Request for Additional Information dated March 27, 2014, concerning our amended 2013 year-end report.

With respect to the donations referenced on the RFAI attachment page, we have amended our report to reflect the memo text 'non contribution account' to indicate that all of these donations were deposited into an account not used to make donations to federal candidates or committees.

Although the Committee had balanced its books as of the close of the year, the original FEC report inadvertently omitted the information for the donor receipts.

The amendment was filed as soon as the Committee became aware of the omission.

Miscellaneous Report to FEC (Form 99 - May 1, 2014).

Along with the above-quoted response, TCM filed a Second Amended 2013 Year-End Report. As is explained in TCM's response to the RFAI, the Second Amended 2013 Year-End Report includes memo text for each of the late-reported contributions noting that each contribution was received and deposited into TCM's "non contribution account." This Second Amended Year-End Report was filed so that TCM could include this memo text regarding its "non contribution account" and no other changes were made. Although these contributions were in fact late-reported, they were neither prohibited nor excessive.

Immediately upon learning of the contributions that were not included in TCM's original 2013 Year-End Report, TCM took action and filed its Amended 2013 Year-End Report fully disclosing the contributions. TCM's filing of the Amended 2013 Year-End Report generated the Commission's March 27, 2014 RFAI, and ultimately, the current referral of this reporting error. In order to clarify that these contributions were neither prohibited nor excessive, TCM filed its response to the Commission's RFAI and filed a Second Amended 2013 Year-End Report to make clear that the contributions were permissible as they were received and deposited in TCM's "non contribution account."

Conclusion

TCM intends to cooperate fully with the Commission in resolving this matter. We respectfully request that the Commission's consideration of this referral take into account the forthright nature in which TCM brought these administrative oversights to the Commission's attention, and the urgency with which TCM undertook action to correct the oversights.