

Democracy North Carolina

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July 30, 2008

Mr. Larry Leake, Chair
Mr. Gary Bartlett, Executive Director
State Board of Elections
PO Box 27255
Raleigh, NC 27611-7255

Regarding RGA NC 2008 PAC

Dear Gentlemen,

I write to formally request that the State Board of Election investigate possible violations of North Carolina law in the operation of an independent expenditure committee created by the national Republican Governors Association, called RGA NC 2008 PAC.

This PAC filed organization papers with the State Board of Elections in May and has since disclosed receiving in excess of \$380,000 from individual donors across the nation in amounts of up to \$100,000 per donor. In accordance with a May 1, 2008, ruling by the Fourth Circuit Court of Appeals, the PAC can receive unlimited donations directly from individuals. However, it appears that the individuals listed on the PAC's reports actually gave their donations to another entity, namely the Republican Governors Association (RGA), which in turn forwarded the money to the RGA NC 2008 PAC. Donors listed on the reports told reporters they had no idea their money was going to a North Carolina PAC or was being used to impact a North Carolina election. It appears that the real donor to the RGA NC 2008 PAC is the RGA itself, or a unit of the RGA, not these individuals. It is not clear that the RGA can legally make donations to the PAC since the RGA accepts corporate donations. What does seem clear is that the PAC is violating the prohibition against accepting contributions made "in the name of another" (NCGS 163-278.14), as well as laws regarding the proper disclosure of the true source of its money.

The RGA NC 2008 PAC is not the only situation in North Carolina where donors are solicited by a national organization and money is then sent in those individuals' names to a NC PAC. I believe the Board needs to investigate the extent and legal ramifications of such transactions. It is no doubt easier for the national organization to operate in this fashion, but North Carolina law requires a clear and close nexus between the donor and the recipient to reveal the flow of money and avoid the use of slush funds, blank checks, and deceptive conduits that can have a corrupting influence on our elections. It is not too much to ask that these entities obey the law and tell the donors exactly what their money is being solicited for.

I respectfully submit this complaint and call for investigation as a NC registered voter, in accordance with NCGS 163-278.22(7). Upon information and belief, I attest and affirm that it is a truthful statement of the facts, as I know them. Thank you for your assistance.

Sincerely,

Bob Hall