

deposited \$50 million in his authorized committee's account and filed an initial notification of expenditures from personal funds on FEC Form 10 with the Secretary of the Senate. Given that there were no opposing candidates vying for the Republican nomination, Rockford satisfied his remaining reporting obligations by faxing copies of his FEC Form 2 and FEC Form 10 to the Commission.

Initial Notification of Expenditure From Personal Funds

On April 4, 2003, the day after Hyer entered the race, Rogers immediately pumped \$7.5 million of his personal funds into his authorized committee's account. Because \$7.5 million was more than two times the threshold amount of \$1,142,000, within 24 hours of depositing the funds, Rogers filed an initial notification of expenditures from personal funds on FEC Form 10 with the Secretary of the Senate and faxed a copy of the form to the FEC and to the Miller and Hyer campaigns, as required by 11 CFR 400.21, 400.23, and 400.24.

Miller's campaign received Rogers's notification on April 5, 2003. Miller responded by contributing to her authorized committee \$3,000,000. Because a contribution from a candidate to the candidate's authorized committee was considered an expenditure of personal funds under 11 CFR 400.4 and because the total contribution amount (\$3,000,000) exceeded two times the threshold amount ($2 \times \$1,142,000 = \$2,284,000$), within 24 hours of making the loan, Miller was required to file a notification of expenditures from personal funds on FEC Form 10. On April 6, 2003, Miller filed her original FEC Form 10 with the Secretary of the Senate and faxed copies of the form to the Commission and to the Rogers and Hyer campaigns.

Miller was aware that once she received Rogers's initial notification, it was possible for her authorized committee to begin receiving contributions from individuals in excess of the usual \$2,000 limit. She scrambled to do the necessary calculations to determine the increased limit. According to the procedure outlined in 11 CFR 400.40, Miller first needed to determine the "opposition personal funds amount," the computation of which is explained at 11 CFR 400.10.

Calculating the Opposition Personal Funds Amount for the Miller Campaign

Miller quickly noticed that there were three different formulas for calculating the opposition personal funds amount and that the appropriate formula depended on the date of calculation.

Because the date was April 7, 2003, she determined that the first formula was the correct one to use because April 7, 2003, was prior to July 16 of the year preceding the year in which the general election was to be held. (The general election was scheduled to be held on November 8, 2004.) According to the formula, the opposition personal funds amount on April 6, 2003 was equal to the greatest aggregate amount of expenditures from personal funds made by her opposing candidate (Rogers) minus the greatest aggregate amount of expenditures from personal funds made by her. Thus, as of April 7, 2003, the opposition personal funds amount was \$7,500,000 minus \$3,000,000, or \$4,500,000. Miller notified her national and State party committees and the Commission of this calculation, as required by 11 CFR 400.30(b).

Calculating the Increased Contribution and Coordinated Party Expenditure Limits for the Miller Campaign

Miller returned to the table in 11 CFR 400.10 to continue calculating the increased limit. According to the table, if the opposition personal funds amount (\$4,500,000) was greater than the sum of the product of \$0.08 times the voting age population of New Franklin (24,800,000) plus \$300,000 but less than or equal to the sum of the product of \$0.16 times the voting age population of New Franklin (24,800,000) plus \$600,000, then her authorized committee may accept three times the ordinary contribution limit of \$2,000, or \$6,000.

Miller made the following calculations:

$$(\$0.08 \times 24,800,000) + \$300,000 = \$2,284,000$$

$$(\$0.16 \times 24,800,000) + \$600,000 = \$4,568,000.$$

Because the opposition personal funds amount (\$4,500,000) was between \$2,284,000 and \$4,568,000, the increased limit for individual contributions to Miller's authorized committee was \$6,000 (three times the ordinary limit). According to the table, Miller's national party committee was also able to make coordinated expenditures on behalf of her campaign in connection with the general election. Miller located a copy of the March 2002 FEC Record, which contained a table showing the coordinated party expenditure limits for 2002 Senate nominees. Miller found the amount for New Franklin, \$1,781,136, which represented \$0.02 times the voting age population of New Franklin (24,800,000), indexed for inflation. Given that her national and State party

committees have a policy of not making coordinated expenditures before the primary election when there are multiple candidates vying for the Democratic Party's nomination, Miller knew that she could not count on any assistance from either committee until the general election.

Calculating the Proportionality Provision Amount for the Miller Campaign

Miller was all set to call her closest supporters to begin soliciting \$6,000 checks when she suddenly realized that she and her authorized committee were required, under 11 CFR 400.31 to constantly monitor a certain proportion to make sure that the aggregate amount of contributions made under the increased limit never exceeded 110 percent of the opposition personal funds amount (\$4,500,000). Miller made the calculation as follows: $1.10 \times \$4,500,000 = \$4,950,000$. She immediately started making calls, realizing that she could accept contributions under the increased limits only until the aggregate amount of such contributions to her campaign equaled \$4,950,000.

Calculating the Opposition Personal Funds Amount for the Hyer Campaign

Having received Rogers's initial notification of expenditure from personal funds on April 5, 2003, and Miller's initial notification on April 6, 2003, Hyer set out to determine the increased contribution and coordinated party expenditure limits applicable to his campaign. In order to perform the necessary calculations, Hyer first needed to determine the opposition personal funds amount as of April 5, 2003.

Under 11 CFR 400.10, the opposition personal funds amount prior to June 30 of the year preceding the year in which the general election is held is the difference between the greatest aggregate amount of expenditures from personal funds made by the opposing candidate and the candidate himself in the same election. Hyer considered for a minute which of the three announced Senate candidates, Rogers, Miller, or Rockford, was his "opposing candidate," for purposes of the formula. He quickly ruled out Rockford because he realized that in the primary election cycle, he and Rockford were not seeking the nomination of the same political party.

Of the two remaining candidates, Hyer concluded that the contribution and coordinated expenditure limits would be much higher if Rogers were the opposing candidate. As of April 6, 2003, the aggregate amount of Rogers's