



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

THIS IS THE BEGINNING OF MUR # 3457

DATE FILMED 10/27/93 CAMERA NO. 2

CAMERAMAN MC

93040982703

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 18 April 1991

ANALYST: KELLY HUFF

- I. COMMITTEE: Pro Hispanic Political Action Committee
(C00245746)
Gualberto Medina, Treasurer^{1/}
19 East Lancaster Avenue
Paoli, PA 19301
- II. RELEVANT STATUTE: 2 U.S.C. §441a(a)(1)(A)
11 CFR §102.5(a)(1)(i)
- III. BACKGROUND:
- A. Apparent Excessive Contributions Made to Federal Candidate Committees

The Pro Hispanic Political Action Committee (the "Committee") made two (2) apparent excessive contributions, totalling \$1,500, to two (2) federal candidate committees during calendar year 1990.

On October 30, 1990, the Committee filed its initial report, the 1990 October Quarterly Report. The report disclosed three (3) contributions made to two (2) federal candidate committees all designated for the general election. One (1) contribution for \$2,000 was made to the Ros-Lehtinen for Congress Committee on October 5, 1990. The two (2) other contributions were made to the Franco for Congress Committee. One (1) contribution for \$1,000 was made on June 12, 1990, while the second contribution for \$500 was made on October 5, 1990 (Attachment 2).

^{1/} The treasurer of record, Mr. Gualberto Medina, resigned as treasurer on April 1, 1991. The Committee has not informed the Commission on who has filled the vacancy.

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On January 2, 1991, a Request for Additional Information ("RFAI") was sent to the Committee. The RFAI notified the Committee that a non-qualified committee was limited to a \$1,000 contribution limit per candidate per election. The RFAI recommended the Committee refund and/or redesignate any contribution(s) that were excessive (Attachment 3).

On January 17, 1991, Mr. Gualberto (Gil) Medina, the treasurer of the Committee, called the Reports Analysis Division ("RAD") analyst. Mr. Medina stated he was unaware that his committee could not make contributions in excess of \$1,000 to federal candidate committees. Mr. Medina said he would request a refund of the excessive contributions from the federal candidate committees (Attachment 4).

On January 24, 1991, a Second Notice was sent to the Committee for failure to respond to the RFAI (Attachment 5).

On January 31, 1991, the Committee sent its response to the Commission. The Committee stated that \$1,000 had been refunded by the Ros-Lehtinen for Congress Committee on January 15, 1991, while a refund of the excessive contribution was requested from the Franco for Congress Committee (Attachment 6).

On March 6, 1991, Mr. Medina called the RAD analyst. Mr. Medina stated he has not received a refund from the Franco for Congress federal candidate committee. Mr. Medina has been unable to reach them by phone and has sent a second letter requesting a refund (Attachment 7).

As of this date, the Committee has not reported the receipt of any additional refunds.

B. Contributions Received From Unregistered Organizations

The Committee received three (3) contributions from three (3) unregistered organizations totalling \$10,500 during calendar year 1990.

The Committee's 1990 October Quarterly Report disclosed two (2) \$5,000 contributions received on October 4, 1990, from the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee, ^{2/} while a \$500 contribution was received on September 2, 1990 from DEC/VAL PAC (Attachment 2).

^{2/} Registration Notices were sent to the apparent unregistered organizations on December 18, 1990.

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On January 2, 1991, an RFAI was sent to the Committee questioning the contributions. The RFAI requested clarification regarding the source of the funds from the unregistered organizations. If the contributions were not permissible, the Committee was advised to refund and/or transfer-out the impermissible funds (Attachment 3).

On January 24, 1991, a Second Notice was sent to the Committee for failure to respond to the RFAI (Attachment 5).

On January 31, 1991, the Committee sent its response to the Commission. The Committee stated that the contributing organizations did not want to register with the Commission, and requested a transfer-out of their contributions to a non-federal account (Attachment 6).

On March 6, 1991, Mr. Medina, the treasurer of the Committee, called the RAD analyst. He stated he would be sending copies of the checks to show when the transfer-out of the impermissible funds occurred (Attachment 7).

On April 8, 1991, the Committee sent photocopies of checks used to transfer \$10,000 on February 6 and February 25, 1991, to a non-federal account, however, \$500 of the impermissible funds was not transferred (Attachment 8).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

93040982706

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION	TYPE OF FILER
PRO HISPANIC POLITICAL ACTION COMMITTEE INC				ID #C00245746 NON-PARTY NON-QUALIFIED			
CONNECTED ORGANIZATION: NONE							
1990 STATEMENT OF ORGANIZATION				8JUN90	2	90FEC/642/0971	
REQUEST FOR ADDITIONAL INFORMATION				1JUL90	1	90FEC/644/3137	
STATEMENT OF ORGANIZATION - AMENDMENT				16JUL90	5	90FEC/648/0040	
MISCELLANEOUS NOTICE FROM FEC				24DEC90	1	90FEC/679/1049	
OCTOBER QUARTERLY				01JUN90 - 17OCT90	11	90FEC/669/5194	
OCTOBER QUARTERLY - AMENDMENT				1JUL90 - 30SEP90	5	91FEC/684/5350	
OCTOBER QUARTERLY - AMENDMENT				1JUL90 - 30SEP90	2	91FEC/690/3246	
REQUEST FOR ADDITIONAL INFORMATION				1JUL90 - 30SEP90	5	91FEC/679/3787	
REQUEST FOR ADDITIONAL INFORMATION 2ND				1JUL90 - 30SEP90	7	91FEC/682/4534	
POST-GENERAL				18OCT90 - 16NOV90	7	90FEC/673/3645	
POST-GENERAL - AMENDMENT				18OCT90 - 16NOV90	2	91FEC/691/3418	
POST-GENERAL - AMENDMENT				18OCT90 - 16NOV90	13	91FEC/692/1077	
REQUEST FOR ADDITIONAL INFORMATION				18OCT90 - 16NOV90	2	91FEC/690/3678	
YEAR-END				27NOV90 - 31DEC90	6	91FEC/682/5251	
TOTAL		24,846	0	24,312	0	71	TOTAL PAGES

All reports listed above have been reviewed.
 Ending cash-on-hand as of 12/30/90: \$34.49
 Debts and obligations owed to the committee as of 12/31/90: \$0
 Debts and obligations owed by the committee as of 12/31/90: \$8,263.00

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SCHEDULE B ITEMIZED DISBURSEMENTS

CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES

Use separate schedules for each category of the Data for Summary Page

PAGE 1 OF 2
FOR LINE NUMBER 821

All contributions reported on this Schedule B and Statements may not be sold or used by any person for the purpose of soliciting contributions or for carrying out activities other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Pro Hispanic Political Action Committee

C0245746

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Contribution	Date (month, day, year)	Amount of Each Disbursement This Period
Committee to Elect Duke Cunningham P.O. Box 129068 Chilla Vista, CA 92012	to Duke Cunningham House Candidate/44th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		8-15-90	1,000.00
Harry Singleton for Congress 1511 K Street, N.W., Ste. 439 Washington, D.C. 20005	to Harry Singleton House Candidate Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	1,000.00
Ros-Lehtinen for Congress 2227 Coral Way Miami, FL 33143	to Ileana Ros-Lehtinen House Candidate/18th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	2,000.00
Soto for Congress 1087 Neuman Avenue Seekonk, MA 02771	to John Soto House Candidate/4th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	500.00
Franco for Congress P.O. Box 844 Montgomery Park, CA 91754	to Reuben P. Franco House Candidate/30th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90 6-12-90	500.00 1,000.00
"Jerry" Gonzales for Congress P.O. Box 812 Pleasanton, TX 78064	to Jerome L. Gonzales House Candidate/23rd Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	500.00
Victor Romero for Congress P.O. Box 1438 Pleasanton, CA 94566	to Victor Romero House Candidate/9th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	500.00
Edwin Ramos for Congress 319 Harman Street Brooklyn, NY 11237	to Edwin Ramos House Candidate/13th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	500.00
Phil Archilletta for Congress P.O. Box 07 Ojo collante, NM 87549	to Phil Archilletta House Candidate/19th Dist. Disbursement for <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General Other (specify) 1990		10-5-90	500.00

SUBTOTAL of Disbursements This Page (omit one)	7,500.00
TOTAL This Period (omit this line number on)	

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules for each category of the Detailed Summary Page

PAGE 1 of 1
FOR LINE NUMBER 011(c)

(CONTRIBUTIONS FROM OTHER POLITICAL COMMITTEES)

All information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for any other purpose other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Attachment 2
(3 of 3)

Pro Hispanic Political Action Committee

C0245746

2-307021TU

A Full Name, Mailing Address and ZIP Code

Campaign America
511 Capitol Hill Ct., Suite #100
Washington, D.C. 20002

Name of Employer

Date (month, day, year)

7-30-90

Amount of Each Receipt this Period

500.00

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$ 500.00

B Full Name, Mailing Address and ZIP Code

Dec/Val PAC
Fox, Rothchild, O'Brien & Frankel
200 Market St., Phila., PA 19163

Name of Employer

Date (month, day, year)

9-2-90

Amount of Each Receipt this Period

500.00

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$ 500.00

C Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$

D Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$

E Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$

F Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$

G Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Receipt For Primary General
 Other (specify)

Occupation

Aggregate Year-to-Date > \$

SUBTOTAL of Receipts This Page (optional)

TOTAL This Period (last page this line number only)

1,000.00



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20543

RQ-2

JAN 2 1991

Gualberto Medina, Treasurer
Pro Hispanic Political Action Committee Inc.
19 East Lancaster Avenue
Paoli, PA 19301

Identification Number: C00245746

Reference: October Quarterly Report (7/1/90-9/30/90)

Dear Mr. Medina:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a political committee, other than a multicandidate committee, from making a contribution to a candidate for federal office in excess of \$1,000 per election. (2 U.S.C. §441a(a))

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with a clarifying information. If you have made an excessive contribution, you should either notify the recipient and request a refund of the amount in excess of \$1,000 and/or notify the recipient, in writing, of your redesignation of the contribution. All refunds and redesignations must be made within sixty days of the treasurer's receipt of the contribution. Refunds are reported on Line 16 of the Detailed Summary Page and on Schedule A of the report covering the period during which they are received. Redesignations are reported as memo entries on Schedule B of the report covering the period during which the redesignation is made. (11 CFR §110.1(b))

Although the Commission may take further legal steps regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Please provide the Column B totals for the Summary and Detailed Summary Pages.

PRO HISPANIC POLITICAL ACTION COMMITTEE INC.
Page 2

-Your calculation for Line 21 appears to be incorrect. FEC calculations disclose this amount to be \$12,000. Please provide the corrected total on the Detailed Summary Page.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR §102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Should you choose to refund or transfer-out the funds, the Commission will presume the funds were impermissible, absent a statement from your committee to the contrary. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

304098-207-1.2.1

KH

PRO HISPANIC POLITICAL ACTION COMMITTEE INC.
Page 3

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

-Schedule A of your report discloses a receipt of \$1,103.55 from the Pro Hispanic Political Action Committee (pertinent portion(s) attached). Please clarify whether this transfer is from an account maintained by your committee for non-federal activity. If so, be advised that such transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer should be returned to the non-federal account. Please inform the Commission immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on a supporting Schedule B for Line 20 of your next report.

If, however, this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the funds in question, or clarification of the transaction, will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,

Kelly A. Huff

Kelly A. Huff
Reports Analyst
Reports Analysis Division

93040902713

TELECON

Attachment 4
(1 of 1)

ANALYST: Kelly Huff

CONVERSATION WITH: Gualberto (Gil) Medina

COMMITTEE: Pro Hispanic Political Action Committee

DATE: January 17, 1991

SUBJECT(S): Request for Additional Information dated January 2, 1991

Mr. Medina called in regard to the RFAI that was sent out of this office about his committee's 1990 October Quarterly Report.

Mr. Medina said he was not aware that his committee could not make contributions to federal candidates in excess of \$1000 limit per candidate per election. He said he would request a refund from those candidates which received the excessive contributions.

We also discussed the fact that the committee's federal account could not receive funds from their non-federal account.

93040982714



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

RQ-3

January 24, 1991

Gualberto Medina, Treasurer
Pro Hispanic Political Action Committee Inc.,
19 East Lancaster Avenue
Paoli, PA 19301

Identification Number: C00245746

Reference: October Quarterly Report (7/1/90-9/30/90)

Dear Mr. Medina:

This letter is to inform you that as of January 23, 1991, the Commission has not received your response to our request for additional information, dated January 2, 1991. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Kelly Huff on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

A handwritten signature in cursive script that reads "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

JOHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

RECEIVED
FEB 1 1991
FEB 1 1991

91 JAN 31 AM 11:33

Attachment 6 (1 of 4)

The Charles Building, 125 N. 8th St.
Fourth Floor
Philadelphia, Pennsylvania 19106
Phone: (215) 279-4882
Fax: (215) 823-8228

January 25, 1991

Ms. Kelly A. Huff
Reports Analyst
Federal Election Commission
Washington, D.C. 20463

RE: FEC Letter Dated January 2, 1991

Dear Ms. Huff:

The purpose of this letter is to respond to the following issues raised by you in the above referenced letter:

1. Schedule B Discloses Contributions
Which Exceed the \$1,000 Limit

We have obtained a re-imbusement from the Ros-Lehtinen for Congress Committee (copy of check attached). We could not reach Franco for Congress representatives by telephone but have written them (copy of letter attached).

2. Provide Column B Totals For
the Summary and Detailed
Summary Pages

This was our first report so column A and B are identical.

3. Calculation for Line 21 Should
Total \$12,000

The total reported of \$11,500 is correct. There was a typographical error on the amount reported for Harry Singleton. The amount should be \$500.

93040982716

DHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

4. Schedule A Discloses The Contributions From Organizations Which are Not Political Action Committees

The organizations which made these contributions do not wish to submit a Statement of Organization and File disclosure forms. They have asked us to transfer the funds in question to an account not used to influence federal elections. The President of the Pro-Hispanic PAC has agreed to comply with their request and we will provide you with proof of transfer and an amended report.

XXX

5. Receipt of \$1,103.55 from an Account Maintained for Non-Federal Activity

11 CFR Section 106.1(e) provides that a group that has established both a Federal and non-Federal account must allocate overhead expenses on a reasonable basis. We allocated indirect expenses based on Federal and non-Federal funds raised (70% and 30% respectively). We did not know what the totals were until the end of the quarterly reporting period at which time we made an allocation and re-imbursed the federal fund for the overhead for which it had overpaid. We feel that we complied fully with Section 106.1(e).

Sincerely,

Gualberto Medina

Gualberto Medina, Esq., C.P.A.

GM/ap

cc: Alfred Gonzalez, President
10 East Lancaster Avenue
Paoli, PA 19301

Republican National Republic Assembly
440 First Street, N.W.
Suite 414
Washington, D.C. 20001

'90 National Hispanic Heritage
Presidential Tribute Committee
440 1st Street, N.W.
Suite 414
Washington, D.C. 20001

9-3-04-02-8277



HOUSE OF REPRESENTATIVES

ILEANA ROS-LEHTINEN

2227 Coral Way
Miami, FL 33145-3508
(305) 557-2414
Fax (305) 659-8984

Pro Pac.

Thank you for all of your help!

Enclosed please find your return check from our 1990 campaign.

As of today, January 15, 1991, the FEC still did not have you recorded as a multi-candidate PAC. You may want to check with them at 1-800-424-9530.

We've enclosed a return, pre-paid envelope for you if need be..

Thanks again for your support.

Ileana Ros-Lehtinen Campaign

03040982718

ILEANA ROS-LEHTINEN FOR CONGRESS 1990 8421-B NW 50TH ST. MIAMI, FL 33166	1473 00-00 000000
PAY TO THE ORDER OF <u>Pro Hispanic PAC</u>	<u>1-15-91</u>
<u>One thousand and No/100's</u>	<u>1000.00</u>
SunBank/Miami, B.A. RETURN TO: Ileana Ros-Lehtinen 2227 Coral Way, Miami, FL 33145-3508 Return of 1/2 of \$1000 due to multi-candidate	<u>John J. McGuire</u> 066000604:0602001008935r 1473

JOHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

The Charles Building, 125 N. 5th St.
Fourth Floor
Philadelphia, Pennsylvania 19106
Phone 215-575-8442
Fax (215) 575-0224

January 25, 1991

Reuben P. Franco
House Candidate
30th District
P.O. Box 844
Montgomery Park, CA 91754

RE: Contribution From The Pro-Hispanic Political Action Committee Exceeding Limits For a Committee That is Not a Multi-Candidate PAC

Dear Mr. Franco:

The FEC has advised us that our PAC can only contribute \$1,000.00 per candidate per year until we qualify as a multi-candidate PAC. We contributed \$1,000 to your campaign on October 5, 1990 and \$500 on June 12, 1990, exceeding our permissible contribution by \$500.

We need for you to re-inburse us so that we are both in compliance with FEC requirements.

Sincerely,

Gualberto Medina

Gualberto Medina, Esq., C.P.A.

cc: Alfred Gonzalez, President
10 East Lancaster Avenue
Paoli, PA 19301

93040982719

TELECON

ANALYST: Kelly Huff

CONVERSATION WITH: Gualberto (Gil) Medina

COMMITTEE: Pro Hispanic Political Action Committee

DATE: March 6, 1991

SUBJECT(S): The analyst left a message on February 28, 1991 for the treasurer to contact the Commission analyst.

Mr. Medina returned the analyst's call on this date.

The discussion was in regards to his response to the Commission about the RFAI that was sent referencing his committee's October Quarterly Report. It stated funds from the unregistered organizations were transferred out but did not list dates of when the transfers occurred.

Mr. Medina stated he would send copies of the checks informing the Commission when the transfer occurred.

Mr. Medina also stated his committee has not received a refund from the Franco for Congress federal candidate committee. He stated he could not reach them by phone because the phone number had been disconnected. He stated the first letter that he sent to this committee has not been returned so he sent another letter restating his case.

93040982720

**PRO
PAC**

PRO HISPANIC POLITICAL ACTION COMMITTEE
— A NON-PROFIT CORPORATION —

19 East Lancaster Avenue, Pooli, Pennsylvania 19301, (215) 296-5649

Attachment 8
(1 of 3)

RECEIVED
FEDERAL ELECTION COMMISSION
MAR 6 11 59

APR -8 PM 12:38

April 1, 1991

Ms. Kelly A. Huff
Reports Analyst
Federal Election Commission
Washington, D.C. 20463

Re: PEC Letter Dated Jan. 2, 1991
ID# C00245746

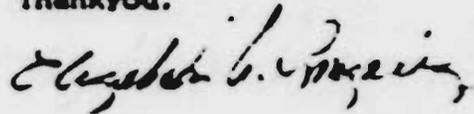
Dear Ms. Huff:

As per the enclosed letter, I am sending you photocopies of the
cheques used to transfer the two 5,000.00 - (schedule A) contributions
to our state account.

According to same enclosed letter, we have now complied with
all requests in a satisfactory manner.

Please send a response letter so that we may finally wrap up the
October 17, 1990 report.

Thankyou.



Elizabeth W. Gonzalez

93040982721

PRO PAC

PRO HISPANIC POLITICAL ACTION COMMITTEE
9 East Lancaster Avenue, Paoli, Pennsylvania 19381 (717) 774-8488

DATE	AMOUNT

88-848
816

1029

CHECK
AMOUNT

PAY TO THE ORDER OF Five Thousand and 00/100 DOLLARS

19 E. LANCASTER AVE.
PAOLI, PA. 19381

BRYN MAWR TRUST COMPANY
PAOLI, PENNSYLVANIA

April 2, 2004

00225910
⑆001029⑆ ⑆031908485⑆ ⑆240-2552⑆ ⑆000050000⑆

93040982722

FEB 25 2011



0607 33949

PRE DEPOSIT ONLY
240-2420

**PRO
PAC**

PRO HISPANIC POLITICAL ACTION COMMITTEE
2000 Lancaster Avenue, East, Pennsylvania 17301, (717) 291-2222

DATE	MEMO	AMOUNT

60-426
510

1025
CHECK
AMOUNT

PAY Five thousand and xx 00/100 DOLLARS

19 E. Lancaster Ave
Paoli, Pa. 19301

BRYN MAWR TRUST COMPANY
PAOLI, PENNSYLVANIA

Alfred R. [Signature]

⑈001025⑈ ⑆031908⑆54 3 24 2552⑈ ⑆000050000⑆

FOR DEPOSIT ONLY
BRYN MAWR TRUST CO.
PRO HISPANIC PAC
240-2420

9304082720

RECEIVED
F.E.C.
SECRETARIAT

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

91 NOV -7 PM 2:05

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

RAD Referral # 91L-42
STAFF MEMBER Mary P. Mastrobattista

SOURCE: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS: Pro Hispanic Political Action Committee and
Elizabeth W. Gonzalez, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441a(a)(1)(A)
2 U.S.C. § 441b(a)
11 C.F.R. § 102.5(a)
11 C.F.R. § 102.5(b)

INTERNAL REPORTS CHECKED: 1990 October Quarterly Report

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was referred to the Office of the General Counsel by the Reports Analysis Division. (Attachment 1). The referral concerns two issues: (1) the making of two excessive contributions by the Pro Hispanic Political Action Committee (the "Committee") and Elizabeth W. Gonzalez, as treasurer; and (2) the acceptance of contributions from three unregistered organizations by the Committee.

II. FACTUAL AND LEGAL ANALYSIS

A. Excessive Contributions

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000. The term "person" includes a political committee. 2 U.S.C. § 431(11).

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The Committee registered with the Commission on June 8, 1990, and as of the 1990 general election had not qualified as a multicandidate committee.¹ According to the referral, the Committee made two apparent excessive contributions totaling \$1,500 to two federal candidate committees in 1990. The first contribution at issue was reported by the Committee as having been made on October 5, 1990 to the Ros-Lehtinen for Congress Committee, in the amount of \$2,000. The entire \$2,000 was designated for the 1990 general election. Therefore, the Committee made a \$1,000 excessive contribution to the Ros-Lehtinen for Congress Committee.

The second excessive contribution was made to Franco for Congress. According to the Committee's October 1990 Quarterly Report, the Committee made two contributions to Franco for Congress totaling \$1,500. The first contribution was made on June 12, 1990, in the amount of \$1,000. The second contribution was made on October 5, 1990, in the amount of \$500. Both contributions were designated for the 1990 general election. Therefore, the Committee made a \$500 excessive contribution to Franco for Congress.

In response to a request for additional information, Gualberto Medina, the Committee's former treasurer, stated that he was unaware that the Committee could not make contributions in excess of \$1,000 to federal candidate committees. The

1. According to the Committee's 1991 Mid-Year Report, the Committee had a cash on hand balance of \$63.01 as of June 30, 1991.

Committee subsequently requested refunds of both excessive contributions. The Committee received a refund of \$1,000 from the Ros-Lehtinen for Congress Committee by check dated January 15, 1990. It appears that the Committee has not received a refund of the \$500 excessive contribution from Franco for Congress, although a refund was requested by letter dated January 23, 1991.

From the foregoing, it appears that the Committee made two excessive contributions to two federal candidate committees totaling \$1,500. Therefore, this Office recommends that the Commission find reason to believe that the Pro Hispanic PAC and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A).

B. Contributions from Unregistered Organizations

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation or labor organization to make a contribution in connection with a federal election. Furthermore, 2 U.S.C. § 441b(a) prohibits any candidate, political committee or other person knowingly to accept or receive any contribution prohibited by this section.

11 C.F.R. § 102.5(a)(1) provides that a political committee has two available alternatives to ensure that prohibited monies are not used in connection with federal elections: (1) it may establish a single account for both federal and nonfederal activity, with such an account containing only contributions subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended, or (2) it may

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establish a separate federal account for federal activity and a second account for state and local election activity. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), only funds subject to the prohibitions and limitations of the Act may be deposited into the separate federal account.

Under 11 C.F.R. § 102.5(b)(1), an organization that is not a political committee under the Act which makes contributions or expenditures must either: (1) establish a separate account to which only funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions and expenditures shall be made, or (2) demonstrate through a reasonable accounting method that whenever such organization makes a contribution or expenditure, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such contribution or expenditure.

According to the referral, the Committee deposited into its federal account a total of \$10,500 in contributions from three unregistered organizations from the period of September 2, 1990 through October 4, 1990. The first contribution was in the amount of \$500 and was reported by the Committee as received on September 2, 1990 from "DEC/VAL PAC." Further research has revealed, however, that this contribution was made by the Delaware Valley Leadership Fund, which is a registered committee. The Delaware Valley Leadership Fund reported making a \$500 contribution to the Pro Hispanic PAC on July 27, 1990. The Pro Hispanic PAC reported receipt of a \$500 contribution

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from "DEC/VAL PAC" on September 2, 1990, but did not report receipt of any contribution from the Delaware Valley Leadership Fund in the third quarter of 1990. Thus, it appears that the contribution reported by the Committee as received from "DEC/VAL PAC" was actually received from the Delaware Valley Leadership Fund, a registered committee.²

The second and third contributions from unregistered organizations were both in the amount of \$5,000 and were both received on October 4, 1990. These two contributions were from the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee.³ In response to a request for additional information, the Committee stated that the contributing organizations did not wish to register with the Commission and that the contributing organizations requested that their contributions be transferred to the Committee's non-federal account. The Committee transferred \$10,000 from its federal account to its non-federal account in

2. We have contacted the Reports Analysis Division regarding the \$500 contribution, and both offices agree that this contribution should be dropped from the referral.

3. According to the Committee's 1990 October Quarterly Report, the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee share the same address in the District of Columbia. Neither organization is registered as a political committee with the District's Office of Campaign Finance, nor is either organization registered as a corporation in the District. The Republican National Hispanic Assembly is listed in the Encyclopedia of Associations as an association of 10,000 members which is an auxiliary organization of the Republican National Committee for Hispanics and as being affiliated with the Republican National Committee. It appears that the '90 National Hispanic Heritage Presidential Tribute Committee is a project of the Republican National Hispanic Assembly.

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two separate transactions: \$5,000 on February 6, 1991, and \$5,000 on February 25, 1991.

As stated above, it appears that the Committee accepted \$10,000 in contributions from two unregistered organizations. It is possible that these contributions included corporate funds or funds from labor organizations. Accordingly, further investigation is needed in order to determine whether the contributions received by the Committee from the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee included funds from corporations or labor organizations. Therefore, this Office recommends that the Commission find reason to believe that the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

IV. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
3. Approve the attached factual and legal analysis and the appropriate letter.

Lawrence M. Noble
General Counsel

Date

11-7-91

BY:


Lois G. Lerner
Associate General Counsel

Attachments:

1. Referral Materials
2. Factual and Legal Analysis

93040982729



FEDERAL ELECTION COMMISSION
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: NOVEMBER 8, 1991

SUBJECT: RAD REFERRAL #91L-42: FIRST GENERAL COUNSEL'S REPORT
DATED NOVEMBER 7, 1991.

The above-captioned document was circulated to the
Commission on THURSDAY, NOVEMBER 7, 1991 at 4:00 P.M.

Objection(s) have been received from the Commissioner(s)
as indicated by the name(s) checked below:

Commissioner Aikens _____
Commissioner Elliott _____
Commissioner Josefiak XXX
Commissioner McDonald _____
Commissioner McGarry _____
Commissioner Thomas _____

This matter will be placed on the meeting agenda
for TUESDAY, NOVEMBER 19, 1991.

Please notify us who will represent your Division before the
Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Pro Hispanic Political Action) RAD Referral
Committee and Elizabeth W.) #91L-42
Gonzalez, as treasurer)

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on November 19, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to RAD Referral #91L-42:

1. Open a MUR.
2. Find reason to believe that the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
3. Approve the factual and legal analysis and the appropriate letter as recommended in the General Counsel's report dated November 7, 1991.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

11-20-91
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 26, 1991

Elizabeth W. Gonzalez, Treasurer
Pro Hispanic Political Action Committee
19 East Lancaster Avenue
Paoli, PA 19301

RE: MUR 3457
Pro Hispanic Political Action
Committee and Elizabeth W.
Gonzalez, as treasurer

Dear Ms. Gonzalez:

On November 19, 1991, the Federal Election Commission found that there is reason to believe the Pro Hispanic Political Action Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter.

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Elizabeth W. Gonzalez
Page 2

Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Vice Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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Committee, in the amount of \$2,000. The entire \$2,000 was designated for the 1990 general election. Therefore, the Committee made a \$1,000 excessive contribution to the Ros-Lehtinen for Congress Committee.

The second excessive contribution was made to Franco for Congress. According to the Committee's October 1990 Quarterly Report, the Committee made two contributions to Franco for Congress totaling \$1,500. The first contribution was made on June 12, 1990, in the amount of \$1,000. The second contribution was made on October 5, 1990, in the amount of \$500. Both contributions were designated for the 1990 general election. Therefore, the Committee made a \$500 excessive contribution to Franco for Congress.

In response to a request for additional information, Gualberto Medina, the Committee's former treasurer, stated that he was unaware that the Committee could not make contributions in excess of \$1,000 to federal candidate committees. The Committee subsequently requested refunds of both excessive contributions. The Committee received a refund of \$1,000 from the Ros-Lehtinen for Congress Committee by check dated January 15, 1990. It appears that the Committee has not received a refund of the \$500 excessive contribution from Franco for Congress, although a refund was requested by letter dated January 23, 1991.

From the foregoing, it appears that the Committee made two excessive contributions to two federal candidate committees totaling \$1,500. Therefore, there is reason to believe that the

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Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A).

B. Contributions from Unregistered Organizations

Under 2 U.S.C. § 441b(a), it is unlawful for any corporation or labor organization to make a contribution in connection with a federal election. Furthermore, 2 U.S.C. § 441b(a) prohibits any candidate, political committee or other person knowingly to accept or receive any contribution prohibited by this section.

11 C.F.R. § 102.5(a)(1) provides that a political committee has two available alternatives to ensure that prohibited monies are not used in connection with federal elections: (1) it may establish a single account for both federal and nonfederal activity, with such an account containing only contributions subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended, or (2) it may establish a separate federal account for federal activity and a second account for state and local election activity. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), only funds subject to the prohibitions and limitations of the Act may be deposited into the separate federal account.

Under 11 C.F.R. § 102.5(b)(1), an organization that is not a political committee under the Act which makes contributions or expenditures must either: (1) establish a separate account to which only funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions and expenditures shall be made, or (2) demonstrate through a

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reasonable accounting method that whenever such organization makes a contribution or expenditure, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such contribution or expenditure.

According to available information, the Committee deposited into its federal account a total of \$10,000 in contributions from two unregistered organizations. The contributions from unregistered organizations were both in the amount of \$5,000 and were both received on October 4, 1990. These two contributions were from the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee. In response to a request for additional information, the Committee stated that the contributing organizations did not wish to register with the Commission and that the contributing organizations requested that their contributions be transferred to the Committee's non-federal account. The Committee transferred \$10,000 from its federal account to its non-federal account in two separate transactions: \$5,000 on February 6, 1991, and \$5,000 on February 25, 1991.

As stated above, it appears that the Committee accepted \$10,000 in contributions from two unregistered organizations. It is possible that these contributions included corporate funds or funds from labor organizations. Accordingly, further investigation is needed in order to determine whether the contributions received by the Committee from the Republican National Hispanic Assembly and the '90 National Hispanic

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Heritage Presidential Tribute Committee included funds from corporations or labor organizations. Therefore, there is reason to believe that the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

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PRO HISPANIC POLITICAL ACTION COMMITTEE

- A NON-PROFIT CORPORATION -

19 East Lancaster Avenue, Paoli, Pennsylvania 19301, (215) 296-5648

RECEIVED
FEDERAL ELECTION COMMISSION
PH12: 14
DEC 16

December 11, 1991

Ms. Mary P. Mastrobattista
Office of the General Counsel
999 E Street, N.W.
Washington, D.C. 20403

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
91 DEC 16 PM 4:04

RE: FEC Letter Dated November 26, 1991
MUR 3457
Received December 1, 1991

Dear Ms. Mastrobattista:

As per our telephone conversation of Tuesday, December 2, 1991, and in accordance with the FEC instructions, the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as Treasurer, are requesting a Pre-Probable Cause Conciliation (11 C.F.R. Section 111.18(d)).

The FEC Factual and Legal Analysis (MUR 3457) is correct with the exception of the fact that Gualberto Medina was Treasurer until April 10, 1991.

As per the enclosed letter from the FEC received January 2, 1991 (ID #COO245746), the Pro Hispanic Political Action Committee and Gualberto Medina, as Treasurer, complied within the sixty day allowance period:

January 15, 1991	\$1,000.00	Ileana Ros-Lehtinen Campaign returned excessive contribution
January 25, 1991	\$ 500.00	Reuben P. Franco Letter sent requesting excessive contribution return. Franco lost election. Committee disbanded. We were unable to obtain reimbursement.

Board Members

- Alfred G. Gonzalez, CHAIRMAN
- Hon. Jane Baker, SECRETARY
- Gualberto Medina, Esq., C.P.A. TREASURER
- Elizabeth Gonzalez

Advisory Board

- Everett Alvarez, Pres. Etegrad, Inc. Falls Church, VA
- Joyanne Austin CO-Chairman Republican National Committee Washington, D.C.
- Zulma X. Barrios, Pres. Children with Rights in America (CRIA) Washington, D.C.
- Senator David Cruz State Senator from Puerto Rico San Juan, Puerto Rico
- Luis A. Ferré (Former Governor of Puerto Rico) San Juan, Puerto Rico
- Elsie H. Hillman Republican National Committeewoman for PA Pittsburgh, PA
- Michael A. Meahan, Esq. Meahan and Steubler Philadelphia, PA
- Charles Darwin Snelling President The Snelling Company Allentown, PA

Ms. Mary P. Mastrobattista
December 11, 1991
Page Two

February 6, 1991	\$5,000.00	Republican National Hispanic Assembly and
February 25, 1991	\$5,000.00	1990 National Hispanic Heritage Presidential Tribute Committee

We were unaware that these committees were not registered with the FEC. As soon as funds were available, these contributions were transferred with the acknowledgment of the committees to our State account.

Enclosed are copies of correspondence pertinent to the investigation. I hope these will help in clarifying the situation. Thank you for your advice.

Sincerely,

Elizabeth W. Gonzalez
Elizabeth W. Gonzalez

EWG:pf

Enclosures

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PRO HISPANIC POLITICAL ACTION COMMITTEE
— A NON-PROFIT CORPORATION —
19 East Lancaster Avenue, Paoli, Pennsylvania 19301, (215) 296-5648

April 1, 1991

Ms. Kelly A. Huff
Reports Analyst
Federal Election Commission
Washington, D.C. 20463

Re: FEC Letter Dated Jan. 2, 1991
ID# C00245746

Dear Ms. Huff:

As per the enclosed letter, I am sending you photocopies of the cheques used to transfer the two 5,000.00 - (schedule A) contributions to our state account.

According to same enclosed letter, we have now complied with all requests in a satisfactory manner.

Please send a response letter so that we may finally wrap up the October 17, 1990 report.

Thankyou.

Elizabeth W. Gonzalez

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PRO PAC SM

PRO HISPANIC POLITICAL ACTION COMMITTEE
19 East Lancaster Avenue, Paoli, Pennsylvania 19301, (715) 294-5648

DATE	INVOICE	AMOUNT
9 1 0		

60-848
319

PAY Five thousand and XX 100 DOLLARS

1029
CHECK
AMOUNT

DATE	TO THE ORDER OF	DESCRIPTION	CHECK NO.
2-15-91	PRO HISPANIC POLITICAL ACTION COMMITTEE	RESTRICTION FUND	1029

19 E. LANCASTER AVE.
PAOLI, PA. 19301

BRYN MAWR TRUST COMPANY
PAOLI, PENNSYLVANIA

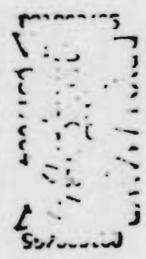
Alfred M. Meryly

McBee cc

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FEB 25 91



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AREA BELOW THIS LINE IS
RESERVED FOR FINANCIAL INSTITUTION USE

240-2420
PRE DEPOSIT ONLY

PRO PAC

PRO HISPANIC POLITICAL ACTION COMMITTEE
19 East Lancaster Avenue, Paoli, Pennsylvania 17301, (717) 294-5648

DATE	INVOICE	AMOUNT
9 10		

60-84E
319

PAY Two thousand and XX 100 DOLLARS

1029
CHECK
AMOUNT

DATE: 2-15-91 TO THE ORDER OF: PRO HISPANIC POLITICAL ACTION COMMITTEE CHECK NO. 1029

19 E. LANCASTER AVE.
PAOLI, PA. 19301

BRYN MAWR TRUST COMPANY
PAOLI, PENNSYLVANIA

McBee CO

00225910

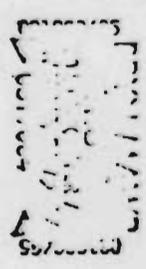
⑈001029⑈ ⑆031908485⑆ ⑈240⑈2552⑈

⑈000050000⑈

Alfred M. Mandy

93040982743

FEB 25 91



AREA BELOW THIS LINE IS
RESERVED FOR FINANCIAL INSTITUTION USE

0607 33959

240-2420
PRE DEPOSIT ONLY

JOHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

The Charles Building, 125 N. 8th St.
Fourth Floor
Philadelphia, Pennsylvania 19106
Phone: (215) 629-9882
Fax: (215) 829-8224

March 13, 1991

Mr. Alfred G. Gonzalez, Chairman
Pro Hispanic Political PAC
19 East Lancaster Avenue
Paoli, Pennsylvania 19301

RE: FEC Letter of
January 2, 1991

Dear Al;

The purpose of this letter is to advise you that I spoke with Kelly A. Huff of the FEC this week and that she accepted all of our responses to her letter of January 2, 1991. The only additional documentation that she needs is proof that we have transferred the two \$5,000 (Schedule A) contributions to our state account.

Please provide Ms. Huff with proof of transfer at your earliest convenience.

Sincerely,

Gualberto Medina

Gualberto Medina

GM/ap

cc: Ms. Kelly A. Huff
Reports Analyst
FEC
Washington, DC 20463

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HOUSE OF REPRESENTATIVES

2227 Coral Way
Miami, FL 33145-3508
(305) 859-8414
Fax: (305) 859-8984

ILEANA ROS-LEHTINEN

Pro Pac,

Thank you for all of your help!

Enclosed please find your return check from our 1990 campaign.

As of today, January 15, 1991, the FEC still did not have you recorded as a multi-candidate PAC. You may want to check with them at 1-800-424-9530.

We've enclosed a return, pre-paid envelope for you if need be..

Thanks again for your support.

Ileana Ros-Lehtinen Campaign

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ILEANA ROS-LEHTINEN FOR CONGRESS 1990 8421-B NW 58TH ST. MIAMI, FL 33186		1473 03-99 002/000
PAY TO THE ORDER OF <u>Pro Hispanic PAC</u>		<u>1-15-91</u>
<u>One thousand and ^{No}/₁₀₀'s</u>		\$ <u>1000.00</u>
SunBank/Miami, N.A. 602 7905 N.W. 58th Street Miami, FL 33186		
Return of 1/2 of 1/5/90 due to non multi-candidate for state		<u>Debra L Murgione</u>
⑆066000604⑆0602001008935⑆ 1473		

JOHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

The Charles Building, 125 N. 6th St.
Fourth Floor
Philadelphia, Pennsylvania 19106
Phone: (215) 629-9882
Fax: (215) 829-9224

January 25, 1991

Reuben P. Franco
House Candidate
30th District
P.O. Box 844
Montgomery Park, CA 91754

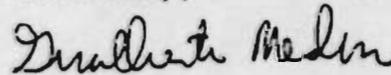
RE: Contribution From The Pro-
Hispanic Political Action Committee
Exceeding Limits For a Committee
That is Not a Multi-Candidate
PAC

Dear Mr. Franco:

The FEC has advised us that our PAC can only contribute \$1,000.00 per candidate per year until we qualify as a multi-candidate PAC. We contributed \$1,000 to your campaign on October 5, 1990 and \$500 on June 12, 1990, exceeding our permissible contribution by \$500.

We need for you to re-imburse us so that we are both in compliance with FEC requirements.

Sincerely,



Gualberto Medina, Esq., C.P.A.

cc: Alfred Gonzalez, President
10 East Lancaster Avenue
Paoli, PA 19301

93040982746

JOHN MILLIGAN
CERTIFIED PUBLIC ACCOUNTANT

The Charles Building, 125 N. 8th St.
Fourth Floor
Philadelphia, Pennsylvania 19106
Phone: (215) 629-9882
Fax: (215) 829-9224

January 25, 1991

Ms. Kelly A. Huff
Reports Analyst
Federal Election Commission
Washington, D.C. 20463

RE: FEC Letter Dated January 2, 1991

Dear Ms. Huff:

The purpose of this letter is to respond to the following issues raised by you in the above referenced letter:

1. Schedule B Discloses Contributions Which Exceed the \$1,000 Limit

We have obtained a re-imbusement from the Ros-Lehtinen for Congress Committee (copy of check attached). We could not reach Franco for Congress representatives by telephone but have written them (copy of letter attached).

2. Provide Column B Totals For the Summary and Detailed Summary Pages

This was our first report so column A and B are identical.

3. Calculation for Line 21 Should Total \$12,000

The total reported of \$11,500 is correct. There was a typographical error on the amount reported for Harry Singleton. The amount should be \$500.

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4. Schedule A Discloses The
Contributions From Organizations
Which are Not Political Action
Committees

The organizations which made these contributions do not wish to submit a Statement of Organization and File disclosure forms. They have asked us to transfer the funds in question to an account not used to influence federal elections. The President of the Pro-Hispanic PAC has agreed to comply with their request and we will provide you with proof of transfer and an amended report.

5. Receipt of \$1,103.55 from
an Account Maintained for
Non-Federal Activity

11 CFR Section 106.1(e) provides that a group that has established both a Federal and non-Federal account must allocate overhead expenses on a reasonable basis. We allocated indirect expenses based on Federal and non-Federal funds raised (70% and 30% respectively). We did not know what the totals were until the end of the quarterly reporting period at which time we made an allocation and re-imbursed the federal fund for the overhead for which it had overpaid. We feel that we complied fully with Section 106.1(e).

Sincerely,

: Gualberto Medina, Esq., C.P.A.

GM/ap

cc: ✓ Alfred Gonzalez, President
10 East Lancaster Avenue
Paoli, PA 19301

Republican National Republic Assembly
440 First Street, N.W.
Suite 414
Washington, D.C. 20001

'90 National Hispanic Heritage
Presidential Tribute Committee
440 1st Street, N.W.
Suite 414
Washington, D.C. 20001

93040982748



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-3

January 24, 1991

Gualberto Medina, Treasurer
Pro Hispanic Political Action Committee Inc.,
19 East Lancaster Avenue
Paoli, PA 19301

Identification Number: C00245746

Reference: October Quarterly Report (7/1/90-9/30/90)

Dear Mr. Medina:

This letter is to inform you that as of January 23, 1991, the Commission has not received your response to our request for additional information, dated January 2, 1991. That notice requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). A copy of our original request is enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Kelly Huff on our toll-free number (800) 424-9530 or our local number (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure

93040982749

*Added for
Executive
Response letter
mailed Jan 25, 1991*



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

JAN 2 1991

Gualberto Medina, Treasurer
Pro Hispanic Political Action Committee Inc.
19 East Lancaster Avenue
Paoli, PA 19301

Identification Number: C00245746

Reference: October Quarterly Report (7/1/90-9/30/90)

Dear Mr. Medina:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule B of your report (pertinent portion(s) attached) discloses a contribution(s) which appears to exceed the limits set forth in the Act. The Act precludes a political committee, other than a multicandidate committee, from making a contribution to a candidate for federal office in excess of \$1,000 per election. (2 U.S.C. §441a(a))

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with a clarifying information. If you have made an excessive contribution, you should either notify the recipient and request a refund of the amount in excess of \$1,000 and/or notify the recipient, in writing, of your redesignation of the contribution. All refunds and redesignations must be made within sixty days of the treasurer's receipt of the contribution. Refunds are reported on Line 16 of the Detailed Summary Page and on Schedule A of the report covering the period during which they are received. Redesignations are reported as memo entries on Schedule B of the report covering the period during which the redesignation is made. (11 CFR §110.1(b))

Although the Commission may take further legal steps regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Please provide the Column B totals for the Summary and Detailed Summary Pages.

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-Your calculation for Line 21 appears to be incorrect. FEC calculations disclose this amount to be \$12,000. Please provide the corrected total on the Detailed Summary Page.

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. Under 11 CFR §102.5(b), organizations which are not political committees under the Act must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of the Act. (2 U.S.C. §§441a(f) and 441b) If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.5(a).

Please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received funds which are not permissible, the Commission recommends that you refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer-out. Should you choose to refund or transfer-out the funds, the Commission will presume the funds were impermissible, absent a statement from your committee to the contrary. Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 20 of the report covering the period during which they are made.

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If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of prohibited contributions, prompt action by your committee in refunding or transferring-out the amounts will be taken into consideration.

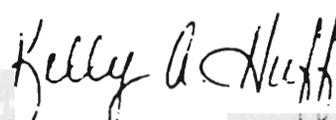
-Schedule A of your report discloses a receipt of \$1,103.55 from the Pro Hispanic Political Action Committee (pertinent portion(s) attached). Please clarify whether this transfer is from an account maintained by your committee for non-federal activity. If so, be advised that such transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer should be returned to the non-federal account. Please inform the Commission immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on a supporting Schedule B for Line 20 of your next report.

If, however, this transaction represents an "internal transfer" of funds from one federal account to another, and the source(s) of such funds has been identified in previous reports of receipts and disbursements, please note that such transfers should not be itemized as doing so inflates total receipts and cash on hand. If this is the case, please amend your report accordingly.

Although the Commission may take further legal action regarding the acceptance of funds from a non-federal account, your prompt transfer-out of the funds in question, or clarification of the transaction, will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 376-2480.

Sincerely,



Kelly A. Huff
Reports Analyst
Reports Analysis Division

93040982752

92 APR 30 AM 10:35

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Pro Hispanic Political Action Committee)
and Elizabeth W. Gonzalez, as treasurer)

SENSITIVE
MUR 3457

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On November 19, 1991, the Commission found reason to believe that the Pro Hispanic Political Action Committee (the "Committee") and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). The Respondents submitted a response to the Commission's reason to believe notification and requested pre-probable cause conciliation. This Office recommends that the Commission grant the Respondents' request to enter into conciliation prior to a finding of probable cause to believe.

II. ANALYSIS

The Commission's reason to believe findings in this matter rested upon two types of evidence. One type indicated that the Respondents made two excessive contributions totaling \$1,500 in violation of 2 U.S.C. § 441a(a)(1)(A). The other type demonstrated that the Respondents received two contributions totaling \$10,000 from two unregistered organizations in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). The investigation into this matter has supported the Commission's reason to believe findings. Because the investigation has concluded, this Office recommends that the Commission enter into pre-probable cause conciliation with the Respondents.

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A. Excessive contributions

Under 2 U.S.C. § 441a(a)(1)(A), it is unlawful for any person to make contributions to any candidate and his authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000. The term "person" includes a political committee. 2 U.S.C. § 431(11).

The evidence demonstrates that the Respondents made a \$1,000 excessive contribution to the Ros-Lehtinen for Congress Committee on October 5, 1990. The Ros-Lehtinen for Congress Committee refunded the \$1,000 excessive contribution to the Respondents by check dated January 15, 1991. In addition, the Respondents made a \$500 excessive contribution to Franco for Congress on October 5, 1990. Respondents requested, but never received, a refund of the \$500 excessive contribution from Franco for Congress.

B. Contributions from Unregistered Organizations

The Respondents also received two improper contributions from two unregistered organizations. The legal standards applicable to this violation appear at 2 U.S.C. § 441b(a) and 11 C.F.R. §§ 102.5(a) and (b). First, 2 U.S.C. § 441b(a) makes it unlawful for any corporation or labor organization to make a contribution in connection with a federal election. Furthermore, 2 U.S.C. § 441b(a) prohibits any candidate, political committee or other person knowingly to accept or receive any contribution prohibited by this section.

Second, 11 C.F.R. § 102.5(a)(1) provides that a political committee has two available alternatives to ensure that

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prohibited monies are not used in connection with federal elections. It may establish a single account for both federal and nonfederal activity, with such an account containing only contributions subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended. Or, it may establish a separate federal account for federal activity and a second account for state and local election activity. Pursuant to 11 C.F.R. § 102.5(a)(1)(i), only funds subject to the prohibitions and limitations of the Act may be deposited into the separate federal account.

Lastly, 11 C.F.R. § 102.5(b)(1) provides that an organization that is not a political committee under the Act may make contributions or expenditures in one of two ways. It may establish a separate account to which only funds subject to the prohibitions and limitations of the Act shall be deposited and from which contributions and expenditures shall be made. Or, it may demonstrate through a reasonable accounting method that whenever such organization makes a contribution or expenditure, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such contribution or expenditure.

The evidence available indicates that the Respondents received two \$5,000 contributions on October 4, 1990 from two unregistered organizations: the Republican National Hispanic Assembly and the '90 National Hispanic Heritage Presidential Tribute Committee. In response to the Commission's reason to believe notification, the Respondents did not argue that the

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contributions contained no prohibited funds.¹ Instead, they stated that they were unaware that these two organizations making the contributions were not registered with the Commission. The Respondents further stated that, as soon as funds were available, these two contributions were transferred from the Committee's federal account to its non-federal account "with the acknowledgment of" the two unregistered organizations. The Respondents transferred \$5,000 from the Committee's federal account to its non-federal account on February 6, 1991. The Respondents transferred an additional \$5,000 from the Committee's federal account to its non-federal account on February 25, 1991.

III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

1. Through telephone conversations, this Office informed Respondents of the possibility of responding to the Commission's reason to believe findings by demonstrating that the contributions received from the two unregistered organizations did not contain prohibited funds. Respondents indicated that they were not interested in pursuing this point.

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IV. RECOMMENDATIONS

1. Enter into conciliation with the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, prior to a finding of probable cause to believe.

2. Approve the attached proposed conciliation agreement and the appropriate letter.

Lawrence M. Noble
General Counsel

4/29/92
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. Request for conciliation
2. Proposed Conciliation Agreement

Staff assigned: Mary P. Mastrobattista

93040982757

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Pro Hispanic Political Action Committee) MUR 3457
and Elizabeth W. Gonzalez, as treasurer.)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 5, 1992, the Commission decided by a vote of 5-0 to take the following actions in MUR 3457:

1. Enter into conciliation with the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and the appropriate letter, as recommended in the General Counsel's Report dated April 29, 1992.

Commissioners Aikens, Elliott, McGarry, Potter and Thomas voted affirmatively for the decision; Commissioner McDonald did not cast a vote.

Attest:

May 5 1992
Date

Marjorie W. Emmons
for Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Thurs., April 30, 1992	10:35 a.m.
Circulated to the Commission:	Thurs., April 30, 1992	4:00 p.m.
Deadline for vote:	Tues., May 5, 1992	4:00 p.m.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 11, 1992

Elizabeth W. Gonzalez, Treasurer
Pro-Hispanic Political Action Committee
19 East Lancaster Ave.
Paoli, PA 19301

RE: MUR 3457
Pro Hispanic Political Action
Committee and Elizabeth W.
Gonzalez, as treasurer

Dear Ms. Gonzalez:

On November 19, 1991, the Federal Election Commission found reason to believe that the Pro-Hispanic Political Action Committee and you, as treasurer, violated 2 U.S.C. § 441a(a)(1)(A), 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). At your request, on May 5, 1992, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3400.

Sincerely,

Mary P. Mastrobattista
Attorney

Enclosure
Conciliation Agreement

93040982759

Richard E. Messick

1602C Beekman Pl., N.W. • Washington, D.C. 20009 • 202/332-0986 • 202/234-2585 (fax)

JUN 23 11 51 AM '92

June 26, 1992

Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3457

Dear Ms. Mastrobattista:

I have just been retained by PRO PAC and Elizabeth Gonzalez, its treasurer, to represent them in MUR 3457. A designation of counsel form is attached.

Sincerely,



Richard E. Messick

Attachment

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92 JUN 29 PM 3:48

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STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF COMPLAINTS AND
92 JUN 29 PM 3:48

MUR 3457

NAME OF COUNSEL: Richard E. Messick
1602C Beekman Place, N.W.
Washington, D. C. 20009

TELEPHONE: 202/332-0986 // 202/234-2585 (fax)

The above named individual is hereby designated as my
counsel and is authorized to receive any notification and other
communications from the Commission and to act on my behalf before
the Commission.

6/26/92
DATE

Allyson D. ... Chairman
SIGNATURE

RESPONDENT'S NAME: Pro Hispanic Political Action Committee and
Elizabeth W. Gonzalez, as Treasurer
ADDRESS: 19 East Lancaster Avenue
Pooli, Pennsylvania 19301
BUSINESS PHONE: 215/296-5648

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Richard E. Messick

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

1802C Beekman Pl., N.W. • Washington, D.C. 20009 • 202/332-0986 • 202/234-2585 (fax)

AUG 18 11 04 AM '92

August 14, 1992

Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
92 AUG 18 PM 3:40

Re: MUR 3457

Dear Ms. Mastrobattista:

Enclosed is a letter just received from the National Hispanic Heritage Presidential Tribute confirming that its contribution to Pro PAC in 1990 did not involve either labor or corporate funds. I anticipate receiving a similar letter from the National Hispanic Assembly shortly and will forward it just as soon as I do. At that time I hope we can resolve this MUR to our respective clients' satisfaction.

Sincerely,



Richard E. Messick

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National Hispanic Heritage Presidential Tribute

August 11, 1992

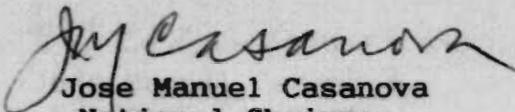
Richard E. Messick, Esq.
Counsel to Pro Hispanic
Political Action Committee
1602C Beckman Place, N.W.
Washington, D.C. 20009

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
92 AUG 18 PM 3:40

Dear Mr. Messick:

I was chairman of the National Hispanic Heritage Presidential Tribute Committee throughout the fall of 1990. During this period the Committee made out a check for \$5,000 to Pro Hispanic Political Action Committee. I know from my own personal knowledge that from the time the Committee wrote this check through the time it was cashed, the Committee always had at least \$5,000 in contributions from individuals in its checking account.

Sincerely,


Jose Manuel Casanova
National Chairman

JMC/jip

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 4, 1992

Richard E. Messick, Esq.
1602C Beekman Pl., N.W.
Washington, D.C. 20009

RE: MUR 3457
Pro Hispanic Political Action
Committee and Elizabeth W.
Gonzalez, as treasurer

Dear Mr. Messick:

By letter dated August 14, 1992, you forwarded to this Office a letter from Jose Manuel Casanova, National Chairman, National Hispanic Heritage Presidential Tribute. In his letter, Mr. Casanova stated that he was the chairman of the National Hispanic Heritage Presidential Tribute Committee throughout the fall of 1990. Mr. Casanova further stated that he knew from his own personal knowledge that from the time the committee wrote the \$5,000 contribution check through the time it was cashed, the committee always had at least \$5,000 in contributions from individuals in its checking account.

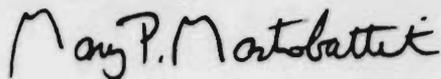
Under 11 C.F.R. § 102.5(b), an unregistered organization that makes contributions from an account containing funds prohibited by the Act must demonstrate through a reasonable accounting method that whenever the organization makes a contribution, that organization has received sufficient funds subject to the limitations and prohibitions of the Act to make such a contribution. As stated in our letter dated August 20, 1992, this Office reviewed Mr. Casanova's letter and determined that it failed to meet the requirements of 11 C.F.R. § 102.5(b). However, this Office is willing to consider additional evidence from the two unregistered organizations from which your clients received contributions which demonstrates that the contributions did not include funds prohibited by the Act. Such evidence should be in the form of an affidavit from the chairman or treasurer of the unregistered organization. The evidence should include a statement to the effect that the representation that the contributions did not include funds prohibited by the Act is based upon the affiant's review or knowledge of the organization's financial records.

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Richard E. Messick, Esq.
Page 2

Should you have any questions, please contact Mary P. Mastrobattista, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,



Mary P. Mastrobattista
Attorney

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JAN 15 11 22 AM '93

Richard E. Messick
Attorney at Law

3445 Mt. Pleasant Street, N.W.
Washington, D.C. 20010

202/332-0986
202/234-2585(fax)

January 14, 1993

Mary P. Mastrobattista, Esquire
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

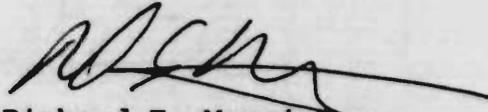
MUR 3457, PRO Hispanic Pac and
Elizabeth W. Gonzalez

Dear Ms. Mastrobattista:

Please send all further correspondence and pleadings in the above referenced matter to me at the address shown on the letterhead.

I trust you had a good holiday; I expect to forward the material from the treasurer of the two pacs shortly.

Sincerely,



Richard E. Messick

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93 JAN 15 PM 3:49

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*Richard E. Messick
Attorney at Law*

3445 Mt. Pleasant Street, N.W.
Washington, D.C. 20010

202/332-0986
202/234-2585(fax)

January 19, 1992

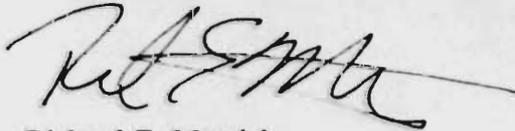
Ms. Mary P. Mastrobattista
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 3457

Dear Ms. Mastrobattista:

Enclosed are affidavits from Jose Manuel Casanova, chairman of both the National Hispanic Heritage Presidential Tribute Committee and the Republican National Hispanic Assembly during the fall of 1990. They are presented to show that Pro Hispanic PAC's acceptance of contributions from the two committees were not as serious a violation of the Commission's rules as the Commission had believed when it proposed conciliating the violation

Sincerely,



Richard E. Messick

93040982767

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Pro Hispanic Political Action Committee
and Elizabeth W. Gonzalez, as treasurer

)
)
) **MUR 3457**
)
)

**Affidavit of Jose Manuel Casanova, Chairman
National Hispanic Heritage Presidential Tribute Committee**

Pursuant to section 1746 of title 28 of the United States Code, I, Jose Manuel Casanova, say as follows:

1. Throughout the fall of 1990 I was chairman of the National Hispanic Heritage Presidential Tribute Committee ("Tribute Committee").

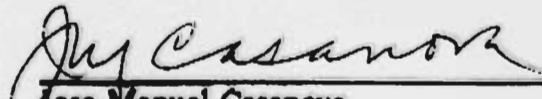
2. The Tribute Committee maintains two banks accounts: a money market fund and a checking account; funds are transferred from the money market account to the checking account as needed.

3. On October 3, 1990, the Tribute Committee made out a check for \$5,000 to Pro Hispanic Political Action Committee; the check was cashed October 5, 1990.

4. I have reviewed the Tribute Committee's financial records; they show that from the time the Tribute Committee wrote this check until the time it was cashed, the Tribute Committee always had at least \$5,000 in contributions from individuals in its two accounts.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Executed this 14th day of
~~December 1990~~
January 1993



Jose Manuel Casanova

93040982768

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Pro Hispanic Political Action Committee
and Elizabeth W. Gonzalez, as treasurer

)
)
) **MUR 3457**
)
)

**Affidavit of Jose Manuel Casanova
Chairman, Republican National Hispanic Assembly**

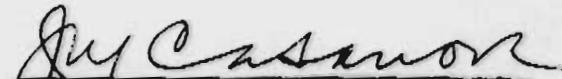
Pursuant to section 1746 of title 28 of the United States Code, I, Jose Manuel Casanova, say as follows:

1. In 1990 I was chairman of the Republican National Hispanic Assembly ("Hispanic Assembly").
2. I have reviewed the Hispanic Assembly's financial records; they show that during 1990 the Hispanic Assembly received in excess of \$13,000 from individuals.
3. On October 3, 1990, the Hispanic Assembly made out a check for \$5,000 to Pro Hispanic Political Action Committee; the check was cashed October 5, 1990.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Executed this 14th day of

~~December 1990~~
January 1993


Jose Manuel Casanova

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MUR # 3457

ADDITIONAL DOCUMENTS WILL BE ADDED TO THIS FILE AS THEY
BECOME AVAILABLE. PLEASE CHECK FOR ADDITIONAL MICROFILM
LOCATIONS.

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FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20461

THIS IS THE End of MUR# 3457

DATE FILMED 10/21/93 CAMERA NO. 2

CAMERAMAN MC

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FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

Microfilm
 Public Records
 Press

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 3457.

12/10/93

93043542638

**THE READER IS REFERRED TO ADDITIONAL MICROFILM LOCATIONS
FOR THE FOLLOWING DOCUMENTS PERTINENT TO THIS CASE**

1. Memo, General Counsel to the Commission, dated September 22, 1992, Subject: Priority System Report. See Reel 354, pages 1590-94.
2. Memo, General Counsel to the Commission, dated April 14, 1993, Subject: Enforcement Priority System. See Reel 354, pages 1595-1620.
3. Certification of Commission vote, dated April 28, 1993. See Reel 354, pages 1621-22.
4. General Counsel's Report, In the Matter of Enforcement Priority, dated December 3, 1993. See Reel 354, pages 1623-1740.
5. Certification of Commission vote, dated December 9, 1993. See Reel 354, pages 1741-1746.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DEC 10 1991

Richard E. Messick, Esquire
Suite 700, North Building
601 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

RE: MUR 3457
Pro Hispanic Political
Action Committee and
Elizabeth W. Gonzalez, as
treasurer

Dear Mr. Messick:

On November 26, 1991, your clients were notified that the Federal Election Commission had found reason to believe the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a). On December 16, 1991, your clients submitted a response to the Commission's reason to believe findings.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no further action against the Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer. See attached narrative. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional

93043542640

Richard E. Messick
page 2

materials, any permissible submissions will be added to the public record when they are received.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Karen W. White

Karen W. White

Attachment
Narrative

Date the Commission voted to close the file: DEC 09 1993

93043542641

MUR 3457

PRO HISPANIC POLITICAL ACTION COMMITTEE

This was a Reports Analysis Division referral that involved the making of two excessive contributions totaling \$1,500 and the receipt of contributions from two unregistered organizations totaling \$10,000. In response to inquiries from RAD, the Committee transferred \$10,000 from its federal account to its non-federal account and received a refund of the \$1,000 excessive contribution. The Committee requested, but never received, a refund of the \$500 excessive contribution. On November 19, 1991, the Commission found reason to believe that Pro Hispanic Political Action Committee and Elizabeth W. Gonzalez, as treasurer, violated 2 U.S.C. §§ 441a(a)(1)(A), 441b(a) and 11 C.F.R. § 102.5(a).

This matter has little or no impact on the process, involves no significant issue relative to the other issues pending before the Commission, involves insubstantial amounts of money and inexperienced actors. There is no indication of any serious intent by respondents to violate the FECA.

93043542642