



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Esteban Torres, Treasurer
Hispanic PAC USA, Inc.
P.O. Box 696
Madison, WI 53701

RE: MUR 5018
Hispanic PAC USA, Inc. and
Esteban Torres, as treasurer

Dear Mr. Torres:

On May 23, 2000, the Federal Election Commission found that there is reason to believe Hispanic PAC USA, Inc. and you, as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(i), (ii), and (iv), 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.

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 additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer 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.

If you are interested in expediting the resolution of this matter by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, 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.

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 attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Donald E. Campbell, the staff member assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in dark ink, appearing to read "Darryl R. Wold", written in a cursive style.

Darryl R. Wold
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Conciliation Agreement

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Hispanic PAC, USA, Inc.
and Esteban Torres, treasurer

MUR: 5018

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

The Federal Election Campaign Act of 1971, as amended ("Act"), requires treasurers of political committees, other than authorized committees of a candidate, to file periodic reports of receipts and disbursements. In any calendar year in which a regularly scheduled election is held, all political committees that choose not to file on a monthly basis shall file quarterly reports, which shall be filed no later than the 15th day after the last day of each calendar quarter. 2 U.S.C. § 434(a)(4)(A)(i). Treasurers of such committees shall also file a pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election, and which shall be complete as of the 20th day before the election. 2 U.S.C. § 434(a)(4)(A)(ii). In addition, in any other calendar year, treasurers of such committees must also file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(4)(A)(iv).

Hispanic PAC USA, Inc. is a political committee not authorized by any candidate, and has elected to report on a quarterly basis. The Committee's treasurer is Esteban

Torres. The Committee's 1997 Year End Report was due on January 31, 1998. 2 U.S.C. § 434(a)(4)(A)(iv). Pursuant to 2 U.S.C. § 434(a)(4)(A)(i), the Committee's 1998 July Quarterly Report was due on July 15, 1998, and the 1998 Year End Report was due on January 31, 1999. The Committee's 1998 12 Day Pre-General Report was due on October 22, 1998. 2 U.S.C. § 434(a)(4)(A)(ii). The Commission notified the Committee on December 30, 1996 of all reports required to be filed for 1997, and notified the Committee on December 29, 1997 of all reports required to be filed for 1998.

1997 Year End Report

On December 30, 1996, and December 29, 1997, the Commission notified the Committee that the 1997 Year End Report was due on January 31, 1998. The Committee filed its 1997 Year End Report on February 12, 1998, 12 days late, disclosing receipts of \$353.95 and disbursements of \$742.06.

1998 July Quarterly Report

On December 29, 1997, and June 19, 1998, the Commission notified the Committee that the 1998 July Quarterly Report was due on July 15, 1998. The Committee filed its 1998 July Quarterly Report on August 11, 1998, 27 days late, disclosing receipts of \$25,892.91 and disbursements of \$19,785.81.

1998 12 Day Pre-General Report

On December 29, 1997, and September 30, 1998, the Commission notified the Committee that the 1998 12 Day Pre-General Report was due on October 22, 1998. The Committee filed its 1998 12 Day Pre-General Report on December 3, 1998, 42 days late, disclosing receipts of \$5,064.50 and disbursements of \$12,129.00.

1998 Year End Report

On December 29, 1997, and December 30, 1998, the Commission notified the Committee that the 1998 Year End Report was due on January 31, 1999. The Committee filed its 1998 Year End Report on April 1, 1999, 60 days late, disclosing receipts of \$294.85 and disbursements of \$589.69.¹

Therefore, there is reason to believe that *Hispanic PAC USA, Inc.* and *Esteban Torres*, as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(i), (ii), and (iv).

¹ The Report is date stamped "received" on April 2, 1999. The Envelope Replacement Page for Incoming Documents, however, indicates that the Report was hand delivered on April 1, 1999.