



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

May 17, 2001

Jack Hanson, Treasurer
Pioneer Political Action Committee
412 First Street, SE, Suite 100
Washington, DC 20003

Identification Number: C00325357

Reference: August Monthly Report (7/1/00-7/31/00)

Dear Mr. Hanson:

On April 25, 2001, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your May 7, 2001, response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-In a letter to the Commission you state "you indicated that we are not permitted to engage in exempt activities and we have not. However, your form H2 does not permit the designation of an activity as administrative." Please be advised, Schedule H2 is used for shared federal and non-federal fundraising, exempt, and direct candidate support activity. The ratio for administrative expenses is derived from the Schedule H1. Please refer to the instructions contained on the forms when preparing your next filing.

Furthermore, you state "we will amend schedules H4 and show these expenditures as administrative". However, this change has made your EVENT YEAR-TO-DATE calculations for administrative/voter drive incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole administrative/voter drive category, not by **individual purpose** such as "Consultant Fundraising" or "Office Rent". Please amend your report by providing the correct administrative/voter drive EVENT YEAR-TO-DATE totals.

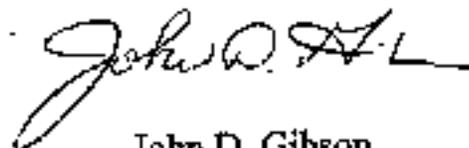
Please note, it appears your Schedule H3 was also affected by this change; please amend your report accordingly to disclose the appropriate transfers-in as administrative.

-The Commission is in receipt of your letter dated August 14, 2000 which states your software currently can not properly complete some of the schedules. You further state that you are evaluating various software programs to file future reports electronically. However, 11 CFR §104.18 states "if a committee chooses to file its reports electronically, and its first electronic report passes the Commission's validation program ...it must continue to file in an electronic format all reports covering financial activity for that calendar year, unless the Commission determines that extraordinary and unforeseeable circumstances have made it impracticable for the committee to continue filing electronically". Since the Commission has not made a determination at this time, your committee must continue to file all reports electronically for the calendar year. Please file the above referenced report electronically.

An adequate response must be received at the Commission by June 6, 2001. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

If you should have any questions related to this matter, please contact Antoinette Kitchen on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,



John D. Gibson
Assistant Staff Director
Reports Analysis Division
