



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

May 28, 2018

MR. JOSE H. VILLAREAL, TREASURER
CASTRO FOR CONGRESS
PO BOX 544
SAN ANTONIO, TX 78292

Response Due Date
07/02/2018

IDENTIFICATION NUMBER: C00497933

REFERENCE: APRIL QUARTERLY REPORT (02/15/2018 - 03/31/2018)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 4 item(s):

1. Schedule A of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached). The Commission notes your additional explanation regarding the committee's corrective action taken for some of these contributions.

An individual or a political committee other than an authorized committee or a qualified multi-candidate committee may not make a contribution(s) to a candidate for federal office in excess of \$2,700 per election. An authorized committee may not make a contribution(s) to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (52 U.S.C. § 30116(a) and (f) (formerly 2 U.S.C. § 441a(a) and (f)); 11 CFR §§ 110.1(b), (e) and (k), and 102.13(c))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

Please be reminded that all refunds, redesignations and reattributions must be made within 60 days of receipt of the contribution. To date, one or more of the

CASTRO FOR CONGRESS

Page 2 of 5

apparent excessive contributions have not been refunded, redesignated, or reattributed.

For reattributions, the funds can be retained if, within 60 days of receipt, the excessive amount was properly reattributed to another person. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor; or (2) the committee reattributes by presumption the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor who signed the check an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

For redesignations, the funds can be retained if, within 60 days of receipt, the excessive amount was properly designated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election; or (2) the committee redesignates by presumption the excessive portion of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B)) A contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt, the excessive amount must be refunded. (11 CFR § 103.3(b)(1))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/ or letters reattributing or redesignating the contributions in question. Refunds are reported on Line 20(a), (b), or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period

CASTRO FOR CONGRESS

Page 3 of 5

in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation and/or reattribution is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund or redesignate and/or reattribute the excessive amount will be taken into consideration.

2. Schedule A of your report discloses one or more contributions that appear to be from a corporation(s) and/or labor organization(s) (see attached). 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)) and 11 CFR § 103.3(b) prohibit the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations. The Commission notes your additional explanation regarding the committee's corrective action taken for this contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you must make a refund within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(1) and (2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund is made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

3. Schedule A, Line 14 of your report discloses a receipt with the description of "Void of Check Dated 2/8/18." Please be advised that if the committee received goods or services from a vendor without making any payment for the services rendered, the committee may be in receipt of a prohibited contribution. 52 U.S.C. § 30118(a) prohibits the receipt of contributions from corporations unless made from separate segregated funds established by the corporations and labor organizations. Any prohibited contribution must be refunded or disgorged.

CASTRO FOR CONGRESS

Page 4 of 5

(11 CFR § 103.3(b)(1) and (2)) The refund must be made within 30 days of the treasurer becoming aware of the possible illegality of the contribution. (11 CFR § 103.3(b)(2)) If the identity of the contributor cannot be determined, the committee must disgorge funds to a governmental entity or to a qualified charitable organization described in 26 U.S.C. § 170(c). (Commission Advisory Opinions 1995-19 and 1991-39). Please take and report corrective action or amend your report if these transactions were incompletely or incorrectly disclosed.

4. Schedule B of your report discloses one or more contributions that appear to exceed the limits established by the Act (see attached). The Act precludes an individual or a political committee from making a contribution to a political action committee in excess of \$5,000 per calendar year. (52 U.S.C. § 30116(a) (formerly 2 U.S.C. § 441a(a)) and 11 CFR 110.1(d))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If the contribution made was excessive, you must notify the recipient and request a refund of the amount in excess of \$5,000. If you have not already done so, please inform the Commission in writing of such a refund. The refund must appear on Line 15 of the Detailed Summary Page and on a supporting Schedule A of the report covering the period in which the refund is received.

Although the Commission may take further legal action concerning the excessive contribution(s), your prompt action to obtain a refund of the excessive amount will be taken into consideration.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. 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. **Requests for extensions of time in which to respond will not be considered.**

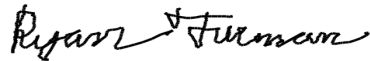
Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For additional information about the report review process or specific filing information for your committee type, please visit

CASTRO FOR CONGRESS

Page 5 of 5

<http://transition.fec.gov/rad/>. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1151.

Sincerely,

A handwritten signature in black ink that reads "Ryan Furman". The signature is written in a cursive style with a small star-like mark above the letter 'n' in "Furman".

Ryan Furman
Sr. Campaign Finance & Reviewing Analyst
Reports Analysis Division

429

**Excessive, Prohibited, and Impermissible Contributions
Castro for Congress (C00497933)**

Excessive Contributions from Individuals

Contributor Name	Date	Amount	Election
Van Buren, Toni-Marie	3/30/17	\$2,700.00	G2018
Van Buren, Toni-Marie	3/31/18	\$500.00	G2018

Excessive Contributions from Committees not Qualified for Multi-Candidate Status

Contributor Name	Date	Amount	Election
HealthTexas Management Company, LLC. Federal PAC	3/29/18	\$4,000.00	G2018

Contributions from Possible Prohibited Entities

Contributor Name	Date	Amount	Election
Law Office of David D. Christian	3/29/18	\$500.00	G2018

Excessive Contributions to Other Committees

Recipient Name	Date	Amount
Opportunity First	10/2/17	\$5,000.00
Opportunity First	3/31/18	\$2,000.00