



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

September 21, 2005

Donna Marie Titzman, Treasurer
Valero Energy Corporation
Political Action Committee
P.O. Box 696000
San Antonio, TX 78269

Response Due Date:
October 21, 2005

Identification Number: C00109546

Reference: Mid Year Report (1/1/05 - 6/30/05)

Dear Ms. Titzman:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A of your report discloses a receipt(s) of \$463.25 from the "Valero Energy Corporation Political Action Committee". Please clarify whether this transfer(s) is from an account maintained by your committee for non-federal activity. If so, be advised that such a transfer is prohibited by 11 CFR §102.5(a)(1)(i) and the full amount of the transfer(s) should be returned to the non-federal account. Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out. In addition, the transfer-out should be disclosed on Schedule B supporting Line 22 of your next report.

If 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

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of the impermissible funds or clarification of the transaction, will be taken into consideration.

-Schedule B of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) prohibits a multicandidate committee and its affiliates from making a contribution to a candidate for federal office in excess of \$5,000 per election.

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

If any contribution you made exceeds the limits, you must request a refund of the excessive amount or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund of the excessive amount.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

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

-Lines 23 and 29 of the Detailed Summary Page of your report disclose a total of \$216,500 and \$198,800, respectively, in disbursements. The sum of the entries itemized on Schedule B, however, indicates the totals to be \$221,500 and \$202,000, respectively. Please amend your report to clarify the discrepancy.

-Please amend Schedule B supporting Line 23 by providing the office sought (House, Senate or President), state and congressional district, if applicable, for each contribution made. 11 CFR §104.3(b)(3)(ii) and (v)

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-Schedule B supporting Line 23 of your report discloses contributions to Buckeye PAC, Committee for the Preservation of Capitalism PAC (CPCPAC), Eric PAC, Fund for a Conservative Future, KOMPAC, Leadership Empowerment and Development PAC, Longhorn PAC, Louisiana Reform PAC, Pete's Political Action Committee, and Rely On Your Beliefs Fund (RYOB); however, you have also disclosed "(Sen George Voinovich PAC)," "(Jim McCreary's PAC)," "(Eric Cantor's Pac)," "(Jim Inhofe PAC)," "(Dennis Hastert Pac)," "(Charlie Gonzalez)," "(Lamar Smith PAC)," "(Sen David Vitter)," "(Pete Domenici's PAC)" and "(Roy Blunt Pac)," respectively, for these transactions. Please clarify whether these were earmarked contributions made by your committee through these committees to these respective candidates, or if you made the contributions to the political committees exercising no direction or control over how the funds were to be used. If the latter is the case, please do not include the candidate's name on your report. Please amend your report to clarify the ultimate recipient of this contribution(s).

-Schedule B supporting Line 23 discloses a contribution to "Richard Santorum 2006 (General)" for which multiple election designations have been provided. Please note that if multiple designations are included in your report, the contribution will be attributed to the next upcoming election for the recipient candidate. Thus, for future reporting purposes, it is in your committee's interest to designate the appropriate election in order to avoid the appearance of excessive contributions made to federal candidates by your committee.

Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. 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.

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. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please

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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) 694-1157.

Sincerely,



Laura E. Sinram

Campaign Finance Analyst

Reports Analysis Division

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Recipient Name	Date	Amount	Election	Report
Congressman Joe Barton Committee, The	12/2/04	\$5,000.00	P2006	Year End 2004
The Congressman Joe Barton Committee	3/20/05	\$2,000.00	P2006	Mid Year 2005
Texans for Henry Bonilla	2/4/05	\$5,000.00	P2006	Mid Year 2005
Texans for Henry Bonilla	3/20/05	\$5,000.00	P2006	Mid Year 2005
Heather Wilson for Congress	3/20/05	\$5,000.00	P2006	Mid Year 2005
Heather Wilson for Congress	6/28/05	\$2,500.00	P2006	Mid Year 2005
Tom Cole for Congress	4/26/05	\$5,000.00	P2006	Mid Year 2005
Tom Cole for Congress	6/28/05	\$5,000.00	P2006	Mid Year 2005
Kay Bailey Hutchison for Senate Committee	12/16/03	\$5,000.00	P2003 ¹	Year End 2003
Kay Bailey Hutchison for Senate Committee	3/20/05	\$5,000.00	P2006	Mid Year 2005
John Ensign for Senate	1/29/04	\$2,500.00	P2004 ²	April Quarterly 2004
John Ensign for Senate	7/21/04	\$1,000.00	G2004 ³	August Monthly 2004
John Ensign for Senate	4/26/05	\$1,500.00	P2006	Mid Year 2005
John Ensign for Senate	4/26/05	\$3,500.00	P2006	Mid Year 2005
Rick Santorum for U.S. Senate	4/26/05	\$1,500.00	P2006	Mid Year 2005
Rick Santorum for U.S. Senate	5/18/05	\$2,000.00	P2006	Mid Year 2005
Richard Santorum 2006 (General)	6/28/05	\$3,500.00	P2006	Mid Year 2005
Richard Santorum 2006 (Primary)	6/28/05	\$1,500.00	P2006	Mid Year 2005

¹ Schedule B of your report discloses this contribution as designated to the 2003 Primary election; however, this candidate did not participate in a Primary election in 2003. Therefore, this contribution has been attributed to the next scheduled Federal election for this candidate, the 2006 Primary.

² Schedule B of your report discloses this contribution as designated to the 2004 Primary election; however, this candidate did not participate in a Primary election in 2004. Therefore, this contribution has been attributed to the next scheduled Federal election for this candidate, the 2006 Primary.

³ Schedule B of your report discloses this contribution as designated to the 2004 General election; however, this candidate did not participate in a General election in 2004. Therefore, this contribution has been attributed to the next scheduled Federal election for this candidate, the 2006 Primary.

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