

March 4, 1980

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

ADVISORY OPINION 1980-3

Mr. Jeff Faux Chairman, Executive Committee of the Citizens Party 1737 DeSales Street, N.W., Suite 300 Washington, D.C. 20036

Dear Mr. Faux:

This is in response to your letter dated January 10, 1980, requesting an advisory opinion on behalf of the Executive Committee of the Citizens Party regarding its status as "national committee" of a political party under the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations.

You state that the Citizens Party is a "new" party, composed of American citizens of voting age who have united themselves in pursuit of certain stated principles. In July 1979, the Citizens Committee was established to pursue "party" status for the Citizens Party. While the Citizens Committee originally registered with the Commission as a political committee which supported more than one Federal candidate and was not a party committee, it recently filed a notice with the Commission declaring itself to be a "national committee of a political party" pursuant to 2 U.S.C. 431(14), registering under the name "Executive Committee of The Citizens Party."

In support of its assertion of "national committee" status, the Executive Committee (hereinafter "the Committee"), has submitted documentation of its activities and asks that the Commission issue a formal declaration affirming the Committee's status, under the Act, as a "national committee" of a political party.

"National committee" is defined by the Act as "the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level." 2 U.S.C. 431(14). In order to determine whether the Committee is eligible for

treatment as a "national committee", the Commission must first determine whether the Citizens Party qualifies as a "political party" under the Act and Commission regulations.

The term "political party" is defined as "an association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee, or organization." 2 U.S.C. 431(16). Documentation submitted by the Committee indicates that the Citizens Party intends to nominate candidates for Federal office as candidates of the Citizens Party. It appears, however, that the nominating process is in early stages of planning and that no individuals have been nominated as candidates of the Party in any forthcoming or previous Federal election. Until such time as the Committee has received verification from any State election official that a Citizens Party candidate for a Federal office has satisfied ballot access requirements in that State and that the candidate's name will appear on the election ballot as the Citizens Party candidate, the Citizens Party does not qualify as a "political party" under the Act.

Documentation provided by the committee does, however, demonstrate that it is engaged in sufficient activity on the national level to qualify as the "national committee" at such time as the Citizens Party qualifies as a "political party." The Committee has established a national office which is responsible for daily coordination of Citizens Party activity as well as dissemination of party information to the public and maintenance of communication channels within the party. Further, the Citizens Party has adopted procedures to aid in the establishment of State affiliates across the country. Fifteen State committees are now in operation and have filed with the Commission. In order to determine party platform, party structure, the election of officers and its Presidential nomination, the Citizens Party has called for a national convention to be held in April 1980. As discussed previously, the Citizens Party plans to select party candidates to run for national, State and local offices and to that end, has contacted each State election office to develop a schedule of state ballot access deadlines for the benefit of its potential candidates. Finally, the Citizens Party has instituted plans to engage in voter registration and get-out-the-vote drives in each State.

Thus, assuming that the Citizens Party proceeds on a continuing basis with implementing its stated plans with regard to party-building activities, the Commission concludes that the Executive Committee of the Citizens Party would qualify as the "national committee" of a political party when the Citizens Party attains political party status under the Act; that is, when verification is obtained from the appropriate State election official that the name of a Citizens Party candidate for Federal office will appear on that State's ballot as the candidate of the Citizens Party.

The future determination of national committee status for the Citizens Party is applicable only with regard to the contribution limitations of 2 U.S.C. 441a and the national party expenditure limitations under 2 U.S.C. 441a(d). Since you have not presented a specific transaction or activity relating to chapters 95 or 96 of the Internal Revenue Code of 1954, this advisory opinion does not reach any issues as to the eligibility of the Citizens Party's potential Presidential candidate(s) to receive Federal matching funds under 26 U.S.C. 9031-9042 for use in primary elections, nor as to entitlement to general election funding under 26 U.S.C. 9001-

9012. Similarly, this opinion does not reach the issue of the entitlement of the Citizens Party to receive convention financing under 26 U.S.C. 9008.

The Commission expresses no opinion concerning possible tax ramifications in the situation described in this opinion since those issues are not within its jurisdiction.

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Robert O. Tiernan Chairman for the Federal Election Commission