



FEDERAL ELECTION COMMISSION
Washington, DC 20463

May 25, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1984-18

Charles W. Petty, Jr.
Hamel & Park
888 Sixteenth Street, N.W.
Washington, D.C. 20006

Dear Mr. Petty:

This responds to your letter dated April 9, 1984, requesting an advisory opinion on behalf of the law firm of Hamel & Park ("the Partnership"), concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to your proposed political contribution plan.

In your letter, you state that the Partnership, organized under the laws of the District of Columbia, wishes to encourage its members to make voluntary contributions to candidates for Federal office. To facilitate this a group of Partnership members will serve as a clearinghouse for requests received by the Partnership for contributions to Federal campaigns. This group will receive, review, and catalogue all campaign solicitations and will provide such information to members of the Partnership. Members will be afforded the opportunity to respond to contribution solicitations. The Partnership will maintain a record of those members who have chosen to make voluntary contributions, including the amount designated by each member and the candidates to whom they wish to contribute. A partnership check drawn on the Partnership's general account, will then be sent to the appropriate campaign committee or candidate. The check will be covered by a letter indicating the name and amount of each individual partner's share of the Partnership contribution. When the contribution check is issued, each participating member's partnership account will be charged for the particular amount designated.

You also state that the Partnership will encourage all members to designate an amount they intend to contribute to Federal office candidates during the course of the succeeding twelve month period. No member will be required, however, to designate any amount or to contribute to any particular candidate. You further state that the expenses associated with the services provided by the partnership will be negligible and will in no event exceed \$1,000 in a calendar year.

Based on the foregoing representations, the Commission concludes that implementation of the proposed plan would not require the Partnership or the proposed plan to register and report as a political committee under the Act or Commission regulations. In Advisory Opinion 1981-50, the Commission reviewed a partnership political contribution plan identical in all material aspects to the one described in your request. The Commission's analysis and conclusions in Advisory Opinion 1981-50 are reiterated:

Under the Act, no person (including a partnership) may make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed \$1,000. 2 U.S.C. 441a(a)(1)(A). While a partnership contribution is subject to contribution limitations (because the partnership is a "person" under 431(11)), Commission regulations require that such a contribution be attributed to each partner in a direct proportion to his or her share of the partnership profits, or be attributed to individual partners by agreement of such partners. 11 CFR 110.1(e). * * * *

.... As both the Act and Commission regulations indicate, a partnership as a person may make a contribution, if not unlawful under the Act. Such contributions are treated as both a contribution from the partnership as a person and from the individuals who make up the partnership. 11 CFR 110.1(e)... The fact that the partnership may make separate contributions of up to \$1,000 each to several candidates for Federal office (which total over \$1,000 in a calendar year) is not viewed as a basis for converting the partnership into a political committee for purposes of the Act.

In this opinion the Partnership proposes a plan to obtain the participation of members in Partnership contributions. The issue raised is whether the plan would be viewed as a political committee sponsored by the Partnership. The Commission concludes that the described plan would not become a political committee. The plan does not require members as a condition of participation to designate any amount on an annual basis, or to contribute to any particular candidate or class of candidates. Moreover, because the contribution to a candidate is made by the Partnership (and attributed to individual members pursuant to 110.1(e) of Commission regulations), the described plan does not involve the collection of many separate contributions from individual members of the Partnership for the same candidate. Rather, the plan as described here contemplates distribution of contribution solicitations received by the Partnership from candidates for Federal office. The distribution would then be followed up by inquiries to Partnership members who had designated or pledged their intent to participate in Partnership contributions. These partners would be asked whether they wished to respond to a particular contribution solicitation and if so, thereby consent to a charge to their partnership account for some agreed upon portion of the Partnership's contribution.

This method of attributing a partnership contribution is one of the alternative requirements under Commission regulations. 11 CFR 110.1(e). Since incidental Partnership expenditures to implement the described plan are made as part of the process of obtaining the consent of those partners who wish to share in the Partnership contribution, the Commission would not view the described plan as a "political committee" under the Act. See 2 U.S.C. 431(4).

Since your request does not present the question, this opinion does not reach any issues with respect to application of 2 U.S.C. 441c and Commission regulations at 11 CFR Part 115. See Advisory Opinion 1984-10, copy enclosed.

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,

(signed)

Lee Ann Elliott
Chairman for the
Federal Election Commission

Enclosures (AOs 1984-10 and 1981-50)