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FEDERAL ELECTION COMMISSION

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FEC BARS CORPORATE FUNDS
FOR CANDIDATE TRAVEL REIMBURSEMENT

WASHINGTON - AUGUST 14 - - - A local chamber of commerce may not pay travel expenses of a Presidential candidate speaking to it if its source of funds includes dues from a corporation barred from making campaign contributions, the Federal Election Commission ruled today.

The Commission issued Advisory Opinion # 1975-13, in response to a question on chamber of commerce travel reimbursement by the Bentsen in '76 Committee. "Reimbursing the travel expenses of a Presidential candidate from corporate funds would be prohibited by [the law] since any public appearance of such a candidate before an audience, comprised of individuals who could be influenced to take affirmative action in support of his candidacy as a result of that appearance is connected with an election," the Commission said.

In other Advisory Opinions agreed today, the Commission ruled as follows:

- - - HONORARIUM LIMITS (AO #1975-8) - (1) Expenses - ruled that members of Congress who have already received the total limit of \$15,000 per year in honorariums "may continue to accept speaking engagements for which they receive only their own personal actual transportation, accomodation and meal expenses." The Commission said this ruling does not apply to an officeholder "making an appearance or speech before a substantial number of people who comprise a part of the electorate with respect to which the officeholder is a Federal candidate." The Commission also ruled that a candidate for federal office is "prohibited from accepting expense money for transportation, accomodations and meals" from organizations prohibited by law from making campaign contributions. (Requested by U.S. Sen. Mike Mansfield (D-Mont) and U.S. Sen. Hugh Scott (R-Pa))

- - - (2) Charitable Contributions - ruled that a request by a Member of Congress that an offered honorarium be given instead to charity constitutes "indirect acceptance" of the honorarium subject to the \$15,000 annual honorarium limit. In addition, a federal officeholder or employee will be presumed by the Commission to have accepted as an honorarium, any charitable donation made by an organization in the name of that federal officeholder or employee, assuming that sometime earlier the officeholder or employee had made an appearance or speech or written an article for the donating person or organization, "the Commission said. (Requested by U.S. Rep. Dan Rostenkowski (D-Ill-8) and U.S. Rep. John J. Rhodes (R-Ariz-1))

- - - COMMITTEE FUND TRANSFERS (AO #1975-10) - (1) ruled that campaign funds may be transferred from the designated campaign depository into a savings account or other interest-bearing account "if full disclosure is made and the committee retains its complete control of the funds so transferred at all times." (Requested by U.S. Rep. John J. McFall (D-Cal-14))