

FEDERAL ELECTION COMMISSION

1325 K Street, N.W.
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FEC ISSUES OPINION
ON FUNDRAISING COSTS
OF POLITICAL DINNER

CONTACT: DAVID FISKE
SUSAN TIFFT
(202) 382-4733

WASHINGTON - NOVEMBER 6 - The full price of a political fundraising dinner ticket is a contribution by the purchaser, the Federal Election Commission ruled today.

In issuing Advisory Opinion (AO) 1975-62, requested by the Abe Hirschfeld for U.S. Senate Committee, N.Y., the FEC turned down a proposal to allow a political dinner ticket price of \$1250 to be broken down into two parts: (1) a \$1000 contribution, and (2) \$250 to defray the costs of putting on the dinner. "The \$1250 payment would exceed the contribution limits of the donor under (the law)," the FEC Opinion stated. It noted that the individual contribution limit per candidate is \$1,000.

The Commission noted that the Federal Campaign Finance law "allows candidates to expend up to 20 per cent in excess of their expenditure limitations for the purpose of raising funds. To permit contributors to pay these expenses without limitation would, in effect, nullify the contribution and expenditure limits in (the law)."

In other action today, the FEC issued the following Advisory Opinions:

AO #67: Billboard Advertisements: The FEC stated that a congressional candidate is not required to list the names of his campaign chairman and treasurer on billboard advertisements that do not contain fundraising appeals. Such identification is required by the law for fundraising solicitations.

However, the Commission said it would not comment on whether another section of the campaign finance law, administered by the Justice Department and not by the FEC, might apply. This additional section requires the names of political committee officers to appear on political advertising. (Requested by Thomas A. Walsh, candidate for the House of Representatives, St. Louis County, Missouri).

AO #21: Routine Party Costs Paid From Corporate Contributions: Only a portion of a county political party committee account which includes corporate contributions may be used for overhead expenses of the Committee in a State which allows corporate contributions. The Commission stated that since the Committee's day-to-day operations are at least partially related to Federal candidates, an "allocable portion" of the administrative expenses must be paid from non-corporate sources. Similarly, the Committee may solicit and use corporate contributions to fund a partisan voter registration drive "only to the extent that the drive relates to State and local candidates".

The Federal portion of expenses in both cases is determined by the ratio of the total amount the Committee contributes to Federal candidates, to the total amount spent on all candidates at all levels. (Requested by the San Diego Republican Central Committee).

Prior Campaign Debts:

The Commission also issued two Advisory Opinions concerning contributions to retire campaign debts in prior-year elections which were held before contribution and expenditure limitations went into effect on January 1, 1975. The AO's followed Advisory Opinion 1975-6, issued by the FEC July 25, 1975, which set out three conditions under which contributions received or solicited to retire pre-1975 campaign debts would not be subject to limitation. The contributions must: (1) be restricted in writing to such use, (2) not exceed the amount of the debt, and (3) be received by December 31, 1975. If these conditions are met, the FEC stated that:

AO #52: A State political committee may make a contribution during 1975 to retire a Congressman's 1974 debt without being subject to the new contribution limits, and may make a further contribution to the Congressman in his 1976 campaign. (Requested by the Maine State Republican Committee).

AO #64: A Congressman can retire a 1972 campaign debt and a 1973-74 office account deficit with one fundraising event provided "all solicitations for the dual fundraising effort...identify both purposes and indicate that contributions are to be restricted only to those purposes to avoid the possible application of (contribution limits)." (Requested by Rep. Charles Wilson (D. Tex.-2)).