ADVISORY OPINION 1975-129

Acceptance of Maximum Individual Contributions by a Non-major Political Party

This advisory opinion is rendered under 2 U.S.C. §437f in response to a request submitted on behalf of the National Committee of the Libertarian Party (hereinafter the LNC) which was published in the January 12, 1976, <u>Federal Register</u> (40 FR 1864). Interested parties were given an opportunity to submit written comments relating to the request. No comments were received.

The LNC raises the question of whether its organization, a non-major political party, may accept unearmarked contributions up to the maximum individual contribution limit of \$25,000 per calendar year under 18 U.S.C. §608(b)(3).

In AO 1975-4 (40 FR 29793, July 15, 1975) the Commission determined that contributions to the Democratic National Committee (hereinafter the DNC) are subject to the \$25,000 aggregate individual contribution limitation, 18 U.S.C. §608(b)(3).

In AO 1975-74 (40 FR 51353, November 4, 1975) the Commission noted that, "in the event the political committee comes within the scope of the specialized definition set forth in 18 U.S.C. §608(b)(2) . . . then all contributions to the committee will be construed as unearmarked [not directed to a specific Federal candidate] in the absence of evidence to the contrary." The Commission in the same opinion further stated that, "An organization which meets these criteria may support a wide range of candidates and issues and thus cannot be automatically viewed as a mere conduit to the campaign(s) of a small group of Federal candidates. This does not mean that a small, multicandidate committee, which fully satisfies the criteria of §608(b)(2) can never be construed as earmarking its monies to a particular Federal candidate or candidates. However, because such cases will involve varying factual circumstances and will not be susceptible to a neat characterization, the Commission will deal with them as they arise." (40 FR 51354, November 4, 1975)

The LNC has stated to the commission that it is a registered political committee to which 18 U.S.C. §608(b)(2) applies; that the most substantial portion of the contributions it receives are expected to be allocated to its operating costs; and that it is neither a principal campaign committee, nor a committee authorized in writing to accept contributions on behalf of any candidate, nor a single-candidate committee. The LNC has nominated Presidential and Vice Presidential candidates, and in 1976 will run at least one hundred candidates for the Senate and House of Representatives in over thirty states. The LNC also represents that it engages in activities outside of those which directly influence specific elections. The LNC supports voter registration and "get-out-the-vote" drives; it provides speakers, organizes volunteer workers, and publicizes issues of importance to the party and its adherents. In a subsequent communication to the Commission the LNC stated that it is the organization responsible for the day-to-day operation of the Libertarian Party at the National level, 18 U.S.C. §591(k).

The Commission's opinions in AO 1975-4 and AO 1975-74 are hereby made applicable to this request and, subject to the conditions set forth in those opinions, the LNC may accept contributions from an individual up to a maximum of \$25,000 in 1975 and another \$25,000 in 1976. See also AO 1975-48 (40 FR 55600, Nov. 28, 1975).

In answer to LNC's inquiry as to the placing of unearmarked \$25,000 contributions in an escrow account, it is the Commission's opinion that 18 U.S.C. \$591(e) includes within its scope such an escrow agreement. Consequently, contributions escrowed in 1975 will be regarded as made in 1975 and will not count against the individual contributor's 1976 limit.

This advisory opinion is issued on an interim basis only pending promulgation by the Commission of rules and regulations or policy statements of general applicability.

February 3, 1976

(signed)

Neil Staebler Vice Chairman for the Federal Election Commission