FEDERAL ELECTION COMMISSION
Washington, DC 20463

February 15, 1977

AO 1976-108

Honorable James C. Cleveland
House of Representatives
Washington, D.C. 20515

Dear Mr. Cleveland:

This refers to your letter of December 2, 1976, requesting an advisory opinion as to whether expenditures made by the National Republican Congressional Committee (NRCC) in connection with your general election campaign were lawful in view of the contribution and expenditure limits in the Federal Election Campaign Act of 1971, as amended ("the Act").

You indicate that a telegram you sent to the Commission and a letter of "complaint" from the Democratic National Committee (later withdrawn by the Committee) set forth the relevant facts on which your request for an opinion is based. The letter from the Democratic National Committee explains that the NRCC was designated by the Republican National Committee (RNC) as its agent for the purpose of making expenditures in connection with the general election of selected candidates for the House of Representatives and in amounts of up to $10,910 for each selected candidate. This special spending limit is expressly given to the national committee of a political party under 2 U.S.C. §441a(d) (3).* In accordance with this agency agreement, which is expressly authorized under §110.7(a)(4) of the Commission's proposed regulations, the NRCC has, you say, expended $9,000 in connection with your general election campaign. The issue posed is whether the agency arrangement requires the agent (NRCC) to expend funds which belong to the principal (in this case the RNC), or whether the agent may be authorized by the principal to spend funds owned by the agent.

* The specified limitation of $10,000 in the case of candidates to the Congress from States entitled to more than one representative was increased to $10,910 based on a cost-of-living adjustment under 2 U.S.C. §441a(c).

The 1976 Amendments, their legislative history, and the Commission's proposed regulations indicate that the congressional campaign committees of the respective national political parties are entitled to special treatment for purposes of the amounts of contributions they may receive and make to candidates they support. 2 U.S.C. §441a(a); Conference Report on the Federal Election Campaign Act Amendments of 1976, House Report No. 94-1057, pp. 57-59; and §110.1(b)(2), §110.2(a)(2), §110.3(a)(1)(ii)(D), §110.3(b), §110.3(c), and §110.7(a) and (b). The above citations recognize the party status of the congressional campaign committees which "are creations of the representatives of the two political parties which have been elected to the House." Comments of Mr. Vander Jagt, 122 Cong. Rec. H3784 (May 3, 1976, daily ed.). Accordingly, it is the view of the Commission that the specified campaign committees are committees of their respective national political parties. Thus, a transfer between one of the congressional campaign committees and the national committee of the same political party is a transfer between political committees of the same party and hence unlimited under 2 U.S.C. §441a(a)(4). See also §110.3(c) of the proposed regulations. Since funds may be transferred between the congressional campaign committee and the national committee of the same political party without limitation, it is immaterial as to which committee's funds are being expended under 2 U.S.C. §441a(d)(3).

It is clear, of course, that 2 U.S.C. §441a(d) extends to the national committee of each party only one group of limits and not separate limits for any other committee of the same party also operating on a national level. In addition, if the national committee of a party designated an agent, for purposes of making §441a(d) expenditures, which was not a party committee, the national committee would be required to provide the funding since contributions by such an agent to the national committee of a political party would be limited to $20,000 or $15,000 per year. 2 U.S.C. §441a(a)(1)(B) and (a)(2)(B). See also 2 U.S.C. §441a(a)(3).

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act to the specific factual situation set forth in your request. See 2 U.S.C. §437f.

Sincerely yours,

(signed)
Vernon W. Thomson
Chairman for the
Federal Election Commission

Enclosure [8/25/76 FR Reprint]