



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 20, 1977

AO 1977-23

Honorable Newton I. Steers, Jr.
House of Representatives
Washington, D. C. 20515

Dear Mr. Steers:

This refers to your letter received May 31, 1977, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to a joint fundraising effort in which you and ten members of the "Freshman Republican Class of the 95th Congress" propose to participate.

Your letter states that the Civic Development Group ("CDG"), a Washington-based Republican fundraising firm, has been retained and authorized by you, as well as the other participating Members, to conduct a direct mail fundraising project. The contributions received and expenditures made in connection with the project will be reported through the campaign committees of each Member participant. Contributions and expenditures resulting from the project will be divided by CDG equally among all eleven Members with CDG acting as agent and depository for each participating campaign committee. Persons responding to the mailing will send their contributions to CDG for initial bank deposit and subsequent distribution among the participating Members. Each campaign committee will be billed separately for its share of expenditures related to conducting the direct mail fundraising. Your letter further indicates that a modified statement of authorization will be used on each, mailing sent by CDG; the statement will identify all campaign committees of participating members as having paid for and authorized the mailing.

You request an opinion as to whether your proposal for reporting the contributions received and expenditures made in connection with this project is acceptable to the commission. The Commission concludes that your proposal for the reporting of contributions and expenditures in connection with the joint fundraising is permissible under the Act and the Commission's regulations. The Commission emphasizes the importance of complying with the following conditions which are made a part of this opinion.

Designation of depository and accounting for contributions

Since you indicate that CDG will function with authorization by you, as well as other participating Members, the account used by CDG to deposit contributions received from the direct mail campaign should be designated, on the Statement of Organization of each participating campaign committee, as an additional depository of the committee. The recordkeeping and reporting obligations of the Act are triggered when CDG receives any contribution on behalf of the participating Members. See 2 U.S.C. 432, 434; also see 102.9, 103.3, and Part 104 of the Commission's regulations.

Notice of distribution formula for contributions

The materials used throughout the mail solicitation project must clearly indicate the pro rata distribution which will be made of each contribution received so that contributors have notice as to the extent to which their contribution limits are being "used up" with respect to each participating campaign.*

Statements of authorization

The proposal to identify each participating campaign committee in the statement of authorization used on each mailing is acceptable under 2 U.S.C. 441d. In addition, the Commission points out that each mailing must include the statement required under 2 U.S.C. 435(b). In this case, since the mailing is on behalf of several committees, the wording should be revised as follows:

A copy of the reports of the above-named committees is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C.

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

Sincerely yours,

(signed)
Thomas E. Harris
Chairman for the
Federal Election Commission

* Distributions by CDG to each participating campaign will be treated as transfers from an agent, and not as contributions subject to limit under 2 U.S.C. 441a. See Advisory Opinions 1977-8 and 1977-14.