FEDERAL ELECTION COMMISSION
Washington, DC 20463

DISSENTING OPINION IN ADVISORY OPINION 1985-31

of

COMMISSIONER THOMAS E. HARRIS

The opinion approved by the majority of Commissioners concludes that approximately 180 COMPAR insurance agencies will be treated as affiliates of the CIGNA Corporation. This means that under federal election law CIGNA Corporation may solicit political contributions from the executive and administrative personnel of the COMPAR agencies. It also means, however, that all 180 COMPAR insurance agencies must operate under the umbrella of CIGNA Corporation regarding the contribution limits of the statute. Thus, any political committee that any of the COMPAR agencies wishes to set up must share the limits applicable to CIGNA PAC. I have dissented in the past in similar situations largely because I do not feel the contractual arrangement in question rises to the level of control achieved by ownership of controlling shares and the attendant authority to select management. See dissents re Advisory Opinion 1977-70 (McDonald's Corp.), 1 Fed. Election Camp. Fin. Guide (CCH), para. 5303 (Mar. 29, 1978) and Advisory Opinion 1978-61 (Jerrico, Inc.), 1 Fed. Election Camp. Fin. Guide (CCH), para. 5359 (Oct. 10, 1978). However, in addition to that, the present set of facts starkly reveals another problem with the conclusion reached by the majority. Some 180 COMPAR insurance agencies are being ruled affiliated with CIGNA Corporation for federal election law purposes without any input from them and with no effort made by the Commission to explore whether they would characterize themselves as "controlled" by CIGNA Corporation within the meaning of the law. It may well be that all 180 COMPAR agencies would accept having to share one set of contribution limits with CIGNA PAC if they wish to set up political committees of their own. It may be that none of them would object to having their executives solicited by the company whose product they sell. As a practical matter, however, I believe the Commission should seek more information in such situations in order to fully evaluate an affiliation question.