

FEDERAL ELECTION
COMMISSION
MAIL ROOM

MEMORANDUM
March 17, 1994

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TO: Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

FROM: Frances Morgan

SUBJECT: Advisory Opinion Request - Matching Contributions
May the PAC designate a single charity?

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Facts:

- Political Action Coors Employees (PACE), an ssf of its connected organization, Coors Brewing Company, would like to encourage contributions to PACE by offering to donate matching funds to charity.
- For administrative simplicity, PACE would like to donate matching funds to a single charity, the United Way, a 501(c)3.
- We do not plan or anticipate that the contributor would receive any tangible benefit in return for their PACE contribution or the matching donation to United Way. The contributor will be instructed that the matching contribution is not deductible to them.
- A matching percentage along the lines of \$50 will go to the United Way for every \$100 of contribution to PACE is anticipated. The matching funds will come from the corporation (connected organization) - not PACE's treasury.

Question:

- Can PACE designate that a *single* charity will be recipient of the matching funds?
- If not, can PACE designate that a single charity will receive the funds unless the contributor designates an alternate charity? (Provided, of course that all charities selected do not provide a tangible benefit or premium in return for the contribution.)

Please direct your response to me:
Frances Morgan
Coors PACE
Coors Brewing Co.
NH510
Golden, CO 80401



phone 303-277-2325, fax 303-277-5550



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 24, 1994

Frances Morgan
Coors PACE
Coors Brewing Co.
NH510
Golden, CO 80401

Dear Ms. Morgan:

This refers to your letter dated March 17, 1994, on behalf of Political Action Coors Employees ("PACE"), the separate segregated fund of Coors Brewing Company ("Coors"), concerning the application of the Federal Election Campaign Act of 1971 ("the Act") to a proposed matching charitable contribution plan for PACE.

You state that the program proposed by PACE, unlike those approved by the Commission in the past, for administrative simplicity would donate matching funds to a single charity, the United Way, which functions under section 501(c)(3) of the Internal Revenue Code. You ask whether the designation of a single charity as a recipient of matching funds would place your proposal in violation of the Act. If this proposal would violate the Act, you ask, in the alternative, whether PACE can designate that a single charity will receive the funds, unless the contributor designates an alternate charity.

Your letter raises issues relating to the application of matching charitable contribution plans. In the past, the Commission has approved such programs when implemented for a corporation's restricted class of solicitable personnel. See Advisory Opinions 1990-6, 1989-9 and 1989-7.

You should be aware that in Advisory Opinion Request 1994-3, this office and the Commission will address the application of these programs to employees outside the restricted classes. This office will soon prepare a draft opinion for the Commission's consideration. The draft will be available for public comment before the Commission takes it up in a future public meeting. For your general information and guidance, copies of the prior advisory opinions, as well as the request materials in Advisory Opinion Request 1994-3 are enclosed.

Frances Morgan
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The Act authorizes the Commission to issue an advisory opinion in response to a "complete written request" from any person with respect to a specific transaction or activity by the requesting person. 2 U.S.C. §437f(a). Commission regulations explain that such a request "shall include a complete description of all facts relevant to the specific transaction or activity with respect to which the request is made." 11 CFR 112.1(c).

Your letter lacks a complete description of the facts necessary for an advisory opinion request. Therefore, if after reviewing the enclosed materials you still wish to request an opinion, please explain further the matching charitable contribution plan, including details of which class of employees would be solicited under your proposal.

After receiving the above information, this office and the Commission will give further consideration to your inquiry as an advisory opinion request. If you have any questions concerning the advisory opinion process, the enclosed materials, or this letter, please contact the undersigned.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 

N. Bradley Litchfield
Associate General Counsel

Enclosures:

Advisory Opinions 1990-6, 1989-9 and 1989-7
Advisory Opinion Request 1994-3

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MEMORANDUM
March 25, 1994

TO: Office of the General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

FROM: Frances Morgan
PACE Treasurer

AOR 1994-06

SUBJECT: Additional information. Advisory Opinion Request - Matching Contributions
May the PAC designate a single charity?

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In reply to your letter of March 24, with additional questions about the proposed matching contributions proposal to be offered to contributors to Political Action Coors Employees (PACE), an SSF of Coors Brewing Company, I submit the following:

1. Amount of matching.
We expect to match contributions along the order of 25 cents to the designated charity (e.g., the United Way) for every \$1 contributed to PACE.
2. Who will be solicited?
We anticipate soliciting both the Restricted class and the Expanded Class with this proposal.

It is worthy of note, that the only way we could handle this idea for the Expanded class administratively, would be to denote 1 to 4 charities for the contributor to select from. Otherwise, we would not be able to research the various "write-ins" to ensure they would qualify as a 501(c)(3). We believe that the charity match will encourage participation in the political process.

If further information is required, please contact me. I will look forward to receiving your opinion.

Frances Morgan
Coors PACE
Coors Brewing Co.
NH510
Golden, CO 80401



phone 303-277-2325, fax 303-277-5550