



# THE FEDERAL ELECTION COMMISSION

# RECORD

1325 K Street N.W., Washington, D.C. 20463

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## REPORTS

### REPORTS DUE IN APRIL

The following paragraphs explain the reporting schedule for the various categories of filers that have reports due in April.

#### Quarterly Filers

Authorized candidate committees active in 1982 elections, as well as authorized Presidential committees and unauthorized committees that have chosen to file on a quarterly (rather than a monthly) basis, are required to file a quarterly report, due by April 15. The report should cover all activity from January 1 (or from the closing date of the last report filed in 1982 or from the date of registration, whichever is later) through March 31.

**Note:** Authorized candidate committees not active in 1982 elections (i.e., committees authorized by candidates who ran for federal office prior to 1982 or candidates who are involved in future elections) are not required to file quarterly reports in 1982. Instead, they must file a semiannual report, due by July 31.

#### Monthly Filers

Unauthorized committees and authorized Presidential committees that have chosen to file on a monthly basis must file their March monthly report by April 20. The report should cover all activity from March 1 (or from the closing date of the last report filed in 1982 or from the date of registration, whichever is later) through March 31.

Unauthorized committees that wish to change their reporting schedule (from monthly to quarterly or from quarterly to monthly) must notify the Commission of their intention. The committee may notify the Commission by a letter submitted with the next report due under its old schedule. A committee may not change its filing frequency more than once a year. 11 CFR 104.5(c). The FEC

also requests that Presidential committees inform the Commission in writing if they decide to change their reporting schedule.

Reporting forms and additional information have been sent to all registered committees, alerting them to their reporting requirements. Questions and requests for additional forms should be addressed to the Office of Public Communications, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463; or call 202/523-4068 or toll free 800/424-9530.

## OPINIONS

### ADVISORY OPINION REQUESTS

The following chart lists recent AORs. The full text of each AOR is available to the public in the Commission's Office of Public Records.

AOR	Subject
1982-9	Portion of honorarium given to charity exempted from individual honorarium limit. (Date made public: February 19, 1982; 1 page)
1982-10	Contributions by wholly owned U.S. subsidiary of foreign corporation in connection with state and local elections. (Date made public: February 23, 1982; 8 pages, plus supplement)
1982-11	Solicitation by professional association PAC through voluntary check-off on dues statements to members. (Date made public: February 23, 1982; 2 pages)

*continued*

<b>AOR</b>	<b>Subject</b>
1982-12	National trade association's solicitation of organizational members' individual members. (Date made public: February 24, 1982; 3 pages, plus supplement)
1982-13	Partnership contributions. (Date made public: February 25, 1982; 6 pages)
1982-14	Activity by state party committee to influence Congressional reapportionment. (Date made public: March 5, 1982; 3 pages)
1982-15	Legal service ads sponsored by firm whose partner may be a candidate. (Date made public: March 5, 1982; 2 pages)
1982-16	Party/fundraiser for unsuccessful candidate financed by his publisher. (Date made public: March 8, 1982; Length: 1 page)
1982-17	State party committee's deposit of state public funds in federal account. (Date made public: March 8, 1982; Length: 2 pages)
1982-18	Corporate PAC's solicitation of solicitable class of affiliated corporations. (Date made public: March 9, 1982; Length: 4 pages)
1982-19	Testing the waters for potential Presidential candidacy; volunteer activity related to testing-the-waters activity. (Date made public: March 9, 1982; 10 pages)
1982-20	Marketing firm's purchase of media time for both candidates and independent organization advocating candidates' election or opponents' defeat. (Date made public: March 12, 1982; 2 pages, plus supplement)

## **ADVISORY OPINIONS: SUMMARIES**

An Advisory Opinion (AO) issued by the Commission provides guidance with regard to the specific situation described in the AOR. Any qualified person who has requested an AO and acts in accordance with the opinion will not be subject to any sanctions under the Act. Other persons may rely on the opinion if they are involved in a specific activity which is indistinguishable in all material aspects from the activity discussed in the AO. Those seeking guidance for their own activity, however, should consult the full text of an AO and not rely only on the summary given here.

### **AO 1981-53: Campaign's Sale of Mailing List to Corporation**

The purchase of a mailing list by Professional Data Processing Corporation from the Bill Frazier for Congress Committee (the Committee) would not result in a prohibited contribution to the Committee provided:

1. The sale price (\$4,000) represented the "fair market value" (i.e., "the usual and normal charge") for the list in Indiana (11 CFR 100.7(a)(1)(iii)); and
2. The Committee developed the list for its own use rather than as a fundraising item to be sold to others. (Date issued: February 19, 1982; Length: 2 pages)

### **AO 1981-54: PAC Established by Joint Venture Partnership; Solicitations by Member Corporations**

The American Satellite Company (ASC), a joint venture partnership sponsored by the wholly owned subsidiaries of Fairchild Industries, Inc. (Fairchild) and Continental Telephone Corporation (Continental), may not establish a separate segregated fund or any other kind of political committee to solicit its employees. Nor may the separate segregated funds of Fairchild and Continental solicit ASC employees.

The ASC partnership may not sponsor a separate segregated fund because, under the Act, only a corporation, labor organization, incorporated membership organization, cooperative or a corporation without capital stock may pay the costs of establishing a separate segregated fund without making a contribution to the fund. Furthermore, since a partnership's contributions are attributable to each of its partners, and since both of ASC's partners are corporations, any expenditures

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ASC makes in connection with a federal election would be considered corporate contributions prohibited by 2 U.S.C. §441b.

A group of ASC executives or other employees could, however, establish a political committee completely independent of ASC. Although ASC could not contribute to the committee, it could allow ASC employees to provide legal and accounting services to the committee during regular work hours, but solely for the purpose of ensuring the committee's compliance with the Act. 2 U.S.C. §431(8)(B)(ix); 11 CFR 100.7(b)(14) and 114.1(a)(2)(vii).

The separate segregated funds of Fairchild and Continental may not solicit ASC employees because there is no evidence that ASC, Fairchild and Continental have the type of relationship, suggested in earlier advisory opinions, under which a corporation may solicit employees of its subsidiaries or affiliates.

Since ASC may not establish a separate segregated fund and since the Continental and Fairchild separate segregated funds may not solicit ASC employees, the Commission did not address the question of whether contributions made by an ASC employee to their funds would be subject to a single limit. (Date issued: February 26, 1982; Length: 5 pages)

#### **AO 1981-60: Solicitation Letters Forwarded by Citizen to Other Individuals**

Mr. Robert Bearce may forward to other individuals solicitation letters he receives from candidates and from unauthorized committees. Before sending an original solicitation letter, he plans to type a message on it, urging the recipient to contribute to the candidate or unauthorized committee and to forward the letter to another potential supporter. Mr. Bearce will undertake this activity on his own and not at the request of the solicitors. Costs he incurs in forwarding letters from candidates would constitute in-kind contributions subject to the \$1,000 per election, per candidate limit. 2 U.S.C. §441a(a)(7). Costs he incurs in forwarding letters from **unauthorized** committees would not be contributions, provided Mr. Bearce does not coordinate the distribution of the letters with any of the committees or their agents. (Date issued: February 26, 1982; Length: 2 pages)

#### **PUBLIC APPEARANCES**

<b>Date</b>	<b>Sponsoring Organization</b>
4/5	California Bar Association Political Law Committee Berkeley, California Charles N. Steele, General Counsel
4/5	Hastings Law School Election Law Class San Francisco, California Charles N. Steele, General Counsel
4/6	University of California Election Law Class Berkeley, California Charles N. Steele, General Counsel
4/6	University of San Francisco Election Law Class San Francisco, California Charles N. Steele, General Counsel
4/20	Brookings Institution Seminar on Campaign Finance Washington, D.C. Chairman Frank P. Reiche

## **THE LAW IN THE COURTS**

#### **FEC v. COMMITTEE FOR BETTER GOVERNMENT**

On February 10, 1982, the U.S. District Court for the Southern District of Illinois issued a consent order in FEC v. Committee for Better Government (Civil Action No. 80-5356). In signing the order, the defendant committee and its connected organization, Densmore Sales and Service, Inc., acknowledged that they had violated 2 U.S.C. §441b(a) by respectively accepting and making prohibited corporate contributions between July 25, 1978, and March 7, 1979. The district court noted that the Committee for Better Government had refunded the contributions (totaling \$3,000) to Densmore Sales and Service, Inc. after being notified of their illegality by the FEC.

The Committee for Better Government agreed to accept no further corporate contributions and Densmore Sales and Service, Inc. agreed to make no further contributions in connection with federal elections. The court also enjoined the defendants from any further violations of the election law.

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## NEW LITIGATION

### **FEC v. Massachusetts Citizens For Life, Inc.**

The FEC asks the district court to find that the defendant, a nonprofit Massachusetts corporation, violated 2 U.S.C. §441b(a) by making prohibited corporate expenditures in connection with 1978 federal elections. The FEC claims the defendant incurred these expenditures by preparing, printing and distributing pamphlets that advocated the election of antiabortion candidates.

(U.S. District Court for the District of Massachusetts, Docket No. 82-0609, March 1, 1982.)

### **FEC v. Nick Mastorelli Campaign Fund**

The FEC asks the district court to declare that the Mastorelli Campaign and its treasurer violated provisions of the election law by:

1. Failing to file reports required for the 1978 election year and the semiannual reports required for 1980 and thereafter (2 U.S.C. §434a);
2. Accepting contributions in 1978 from four corporations (2 U.S.C. §441b(a));
3. Accepting excessive contributions, in the form of a loan, from three individuals (2 U.S.C. §441a(f)); and
4. Accepting \$21,050 in excessive cash contributions in 1978 (2 U.S.C. §441a(f)).

The FEC also asks the district court to find that certain contributors to the Mastorelli Campaign violated the election law by:

1. Making cash contributions in excess of \$100 to the campaign (2 U.S.C. §441g); and

2. Making contributions in the name of another (2 U.S.C. §441f).

(U.S. District Court for the District of New Jersey, Docket No. 82-0774F, March 10, 1982)

## CHANGE OF ADDRESS

### **Political Committees**

Registered political committees are automatically sent the Record. Any change of address by a registered committee must, by law, be made in writing as an amendment to FEC Form 1 (Statement of Organization) and filed with the Clerk of the House, the Secretary of the Senate or the FEC, as appropriate.

### **Other Subscribers**

Record subscribers (who are not political committees), when calling or mailing in a change of address, are asked to provide the following information:

1. Name of person to whom the Record is sent.
2. Old address.
3. New address.
4. Subscription number. The subscription number is located in the upper left hand corner of the mailing label. It consists of three letters and five numbers. Without this number, there is no guarantee that your subscription can be located on the computer.

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