Local Party Activity

Federal Election Commission
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Introduction

A local party organization is an organization that is responsible for a political party's activities below the state level (such as city, county or district level) but is not registered with the Federal Election Commission (FEC) as a district or local party committee. Because these organizations may become involved in elections for federal office, the FEC has prepared this brochure to help them comply with the Federal Election Campaign Act (the Act) and FEC regulations.

As this brochure will explain more fully, the Act and FEC regulations:

- Require local party organizations to register and file disclosure reports with the FEC once their activities related to federal elections exceed certain dollar thresholds;
- Place dollar limits on the contributions and expenditures that local party organizations may make on behalf of candidates for federal office;
- Prohibit certain kinds of contributions in connection with federal elections; and
- Require local party organizations to spend only permissible funds to support federal candidates and to engage in "federal election activity," as defined by the Bipartisan Campaign Reform Act of 2002 (BCRA).

Because of these limits, prohibitions and registration thresholds, local party organizations should carefully monitor the money they raise and spend in connection with federal elections. Organizations that wish to avoid registration and disclosure should make certain that their activities do not exceed the registration thresholds discussed below.

On the other hand, registered party committees and organizations that plan to register and file reports with the FEC should consult the FEC's *Campaign Guide for Political Party Committees* instead of this brochure. A copy of the Guide, as well as registration and disclosure forms and other information about federal campaign finance law, may be obtained from the FEC's web site at www.fec.gov or by contacting the Commission at the following address or phone numbers:

Federal Election Commission 999 E Street, NW Washington, DC 20463 800/424-9530 202/694-1100 (local) 202/219-3336 (TDD)

NOTE: This brochure explains only selected provisions of FEC regulations (Title 11 of the Code of Federal Regulations, or "CFR"). It is not intended to be an exhaustive description of those rules.

Summary of Registration Thresholds

A local party organization must register with the FEC as a party committee only after its activity exceeds one of the thresholds described below. Once a registration requirement is triggered, the organization must file a Statement of Organization within 10 days and must file periodic financial disclosure reports.

1. \$1,000 Threshold for Contributions/Expenditures Made

A party organization must register as a political committee once it makes contributions and expenditures that exceed \$1,000 per calendar year. Note that the \$1,000 threshold is an aggregate one—it applies to all contributions and expenditures made by the organization during the year, including transfers to a party committee (i.e., a federal account).

2. \$5,000 Threshold for Contributions Received

The "contributions received" threshold is \$5,000 for local party organizations. Funds specifically solicited or donated for the purpose of influencing federal elections count against this threshold, as do funds received in response to a solicitation that indicates any portion of the receipts will be used to support or oppose a clearly identified federal candidate. 11 CFR 100.57(a) and 102.5.

Funds (including loans) transferred in from a party committee (i.e., a federal account) also count against the threshold if they are used by the recipient party organization for federal activity.

Special limits and prohibitions apply to the funds raised for federal election campaigns, as discussed in "Federal Funds."

3. \$5,000 Threshold for Exempt Activities

Spending in excess of \$5,000 per year on exempt party activities triggers political committee status. However, if the exempt activity supports both federal and nonfederal candidates, only the portion of the expense allocable to federal candidates counts against the \$5,000 threshold.

The term "exempt activities" refers to three types of party activities that are conducted to support federal candidates but not considered "contributions" or "expenditures." The three types of exempt activities are discussed below.

Affiliation with State and other Local Party Committees

Once a local party organization is required to register with the FEC, it becomes a local political party committee. An important consequence of registration is that the local party committee is presumed to be affiliated with all other federal committees of that party within that state. 11 CFR 110.3(b)(3).

A local political party committee may disprove this presumption, and therefore be deemed unaffiliated with other party committees in the state, if it does not receive funds from other federal committees of that party in the state that are established, financed, maintained or controlled by any party unit within the state and if it does not coordinate its activities and contributions with any other party unit or political committee established, financed, maintained or controlled by another party unit within the state.

11 CFR 110.3(b)(3)(i) and (ii); Advisory Opinions (AOs) 1999-4 and 1978-9.

If affiliated, committees share limits on contributions made and received. This means, for example, that an individual's total contributions to all affiliated state and local party committees cannot exceed \$10,000 per year; and those affiliated committees' total contributions to any one candidate cannot exceed \$5,000 per election.

Federal Funds

When conducting some of the activities described in this brochure (e.g., making contributions to federal candidates, or making expenditures on behalf of federal candidates), a local party organization must use federal funds—that is, funds that comply with the prohibitions, limitations and reporting requirements of the Act. 2 U.S.C. §441i(b). Only federal funds count against the \$1,000 registration thresholds, described above.

These prohibitions and limitations are summarized below.

Prohibited Federal Contributions

Prohibited contributions include:²

- Contributions from National banks and corporations (any type);
- Contributions from labor organizations;
- Contributions from federal government contractors;
- Contributions from foreign nationals; and
- Contributions made by one person in the name of another. 11 CFR 114.2, 115.2(a), 110.20(c) and 110.4(b).

Limits on Contributions Received

In addition to the prohibitions listed above, contributions received by a local party organization for use in federal election campaigns are subject to the following calendar year limits:

- \$10,000 from any individual or unincorporated group;³
- \$100 in cash from any contributor; and
- \$50 from any anonymous contributor. 11 CFR 110.1(c)(5); 110.4(c)(1), (2) and (3).

Accounting Procedures

Local party organizations that are involved in federal elections must establish an accounting procedure to ensure that they spend only "federally permissible funds" (funds subject to the limits and prohibitions of the Act) on activities related to federal elections. The organization must keep records of its receipts and disbursements for three years and must, upon request, make such records available for examination by the FEC. 2 U.S.C. §432(d); 11 CFR 102.5(b).

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² In addition, local party organizations may not accept funds from any of the following individuals or organizations for use in state or local (that is, nonfederal) election activity: National banks, federally chartered corporations and foreign nationals. 11 CFR 114.2(a). Note that contributions can be accepted from separate segregated funds (also called political action committees or PACs) established by corporations or labor organizations.

³ Bear in mind, however, that a party organization triggers a registration and reporting requirement when it raises more than \$5,000 during a calendar year for the purpose of influencing federal elections.

For Contributions and Expenditures

While a local party organization may deposit into a single bank account both federally permissible funds and funds that comply solely with state law, the organization must ensure through a reasonable accounting method that its account contains enough federally permissible funds to cover the cost of a federal contribution or expenditure, or sufficient "Levin" funds to pay for certain types of "federal election activity" (described below) at the time expenses for that activity are paid. 11 CFR 102.5(b)(2).

For example, if the organization wanted to make a \$100 contribution to a federal candidate, it would review its books to make sure that the most recent receipts totaling its account balance included at least \$100 in federally permissible funds.

Alternatively, an organization may choose to finance its federal and nonfederal activity from separate bank accounts. Funds in the federal account would be subject to all of the limits and prohibitions of federal law, and funds in the nonfederal account would be subject only to state laws.

A local party organization that chooses to engage in certain types of "federal election activity" (described below) may raise and spend a third category of funds called "Levin" funds. These funds may be deposited into the organization's single bank account, into its nonfederal account if that account functions as both a nonfederal account and a "Levin" account or into a separate "Levin" account, so long as the appropriate records are kept. 11 CFR 102.5(b)(2); 300.30(c).

Federal Election Activity

The BCRA created new categories of "federal election activity" (FEA) that must be paid for in a certain way because of their bearing on federal elections. These rules apply regardless of whether or not a local party organization is registered with the FEC as a party committee.

There are four types of FEA:

- 1. *Voter Registration Activity* during the 120 days before a regularly scheduled federal election and ending on the day of that election;
- 2. GOTV and Generic Campaign Activities including voter identification, generic campaign activities and get-out-the-vote (GOTV) activities that are conducted in connection with an election in which one or more candidates for federal office appear on the ballot (regardless of whether state or local candidates also appear on the ballot):
- 3. *Public Communications* referring to a clearly identified federal candidate, which promotes, supports, attacks or opposes any federal candidate; and

⁴ A candidate who accepts contributions from organizations which are not political committees under the Act (such as local party organizations) must assume responsibility for determining that the contributions originally came from permissible sources. Thus, the Act does not permit either unregistered party organizations or federal candidates to disregard the contents of the unregistered organization's treasuries at the time a contribution is made. AO 1982-38.

4. Services for Activities In Connection With a Federal Election when provided by an employee of a state, district or local party committee who spends more than 25 percent of his or her compensated time during that month on activities in connection with a federal election.11 CFR 100.24(b).

Many of the terms used to describe types of FEA are further defined in FEC regulations at 11 CFR 100.24 through 100.28. Readers should review those provisions for complete descriptions.

Payments for FEA

The BCRA also sets out how the various types of FEA must be paid for. "Levin" funds may be used to help pay for part of the first two types of FEA--voter registration and GOTV/generic campaign activities. 11 CFR 300.32(b).

For information on allocating FEA between federal and "Levin" funds, please consult the *Campaign Guide for Political Party Committees*. Please note that if any of the above activities refer to a clearly identified federal candidate, they must be paid for with 100 percent federal funds. 11 CFR 300.32(c)(1).

Federal funds also must be used to pay for all of the following FEA:

- A public communication that promotes, supports, attacks or opposes a clearly-identified federal candidate; and
- The services of employees who devote more than 25 percent of their compensated time in a month to activities in connection with a federal election. 11 CFR 300.33(c) and (d)(2).

Please note that a payment of federal or "Levin" funds for FEA will not count toward a local party organization's \$1,000 registration threshold, unless the payment would otherwise meet the definition of an expenditure. 2 U.S.C. §431(9)(A);

11 CFR 300.36(a)(2). However, a payment of funds for an exempt party activity as discussed below that refers to a clearly identified federal candidate does count towards a local party organization's \$5,000 registration threshold as discussed above.

"Levin" Funds

As noted above, "Levin" funds are a category of funds created by the BCRA that state, district and local party committees or organizations can use to help pay for some kinds of FEA. Even local party organizations not registered with the FEC must pay for FEA with either federal funds or a combination of federal and "Levin" funds, so it is important to be aware of the guidelines for raising and spending "Levin" funds:

- "Levin" fund donations are subject to the limitations and prohibitions of state law, but in no case may a single donor give more than \$10,000 in a calendar year;
- Each state, district or local party committee or organization must raise and spend its own "Levin" funds, and such funds cannot be transferred;

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⁵ Please note that the ban on foreign national donations extends to "Levin" funds. 11 CFR 300.31(c).

- Each state, district and local party committee or organization has a separate "Levin" fund donation limit, and committees are not considered to be affiliated for the purposes of determining "Levin" fund donation limits. 11 CFR 300.31 and 300.34(b); and
- "Levin" funds must be raised using only federal funds or "Levin" funds. 11 CFR 300.31 and 300.32(a)(4).

Shared Federal/Nonfederal or Federal/"Levin" Expenses

As explained above, a local party organization must use federally permissible funds to pay for activities related to federal elections. Consequently, when an organization conducts a "shared" activity, that is, an activity related to both federal and nonfederal elections, it must pay for the federal portion of that activity with federal funds. The organization may allocate the expenses of a shared activity that is not FEA between its federal and nonfederal funds, and may allocate some types of FEA between its federal and "Levin" funds. Alternatively, a party committee or organization may pay for a shared expense with 100 percent federal funds. A payment of federal funds for some activities may cause the organization to cross a registration threshold. See "Summary of Registration Thresholds."

The method used to allocate the expenses of shared activities will vary according to the type of activity conducted (such as fundraising for the local party organization, fundraising for candidates, exempt party activities, generic voter drives, etc.), and whether or not it is FEA. For more information on allocation, please consult the *Campaign Guide for Political Party Committees*.

Federal/Nonfederal

Shared federal/nonfederal expenses that may be allocated between federal funds and nonfederal funds are:

- Administrative costs, including rent, utilities, and office equipment, office supplies, etc.;
- Salaries, wages and fringe benefits for employees who devote less than 25 percent of their compensated time in a month on activities in connection with a federal election;
- Exempt party activities (see below) that are conducted in conjunction with non-federal activity and that are not FEA;
- Voter drive activity that is neither FEA nor exempt party activity; and
- Direct costs of certain fundraising programs and events where federal and nonfederal funds are collected by one committee.
 11 CFR 106.7(c).

Note that party committees must keep a monthly log of the percentage of time each employee spends in connection with a federal election. 11 CFR 106.7(d)(1). State, district and local party committees may pay salaries and wages from funds that comply with state law for employees who spend none of their compensated time in any given month on FEA or activity in connection with a federal election. 11 CFR 106.7(d)(1)(iii). Salaries and wages paid for employees who spend more than 25 percent of their compensated time in a given month on FEA or on activities in connection with a federal election must be paid only from a federal account. 11 CFR 106.7(d)(ii) and (e)(2).

Federal/"Levin"

The following expenses of a local party organization may be allocated between federal funds and "Levin" funds:

- Costs of voter registration activity during the period that begins 120 days before the date of a regularly scheduled federal election and ends on the day of that election. 11 CFR 300.33(a)(1); and
- Costs of voter identification activity, get-out-the-vote activity and generic campaign activity conducted in connection with an election in which a candidate for federal office appears on the ballot.
 11 CFR 300.33(a)(2).

Contributions to Candidates

The Act defines the term "contribution" broadly; it includes money and other things of value given by an individual or group to influence the outcome of an election for federal office.

The usual forms contributions take are described below. Regardless of how they are made, contributions made by a local party organization may not exceed \$2,600 per candidate, per election. 11 CFR 110.1(b). A separate limit applies to each of the following elections: a primary election, a general election, a runoff election, a special election and a party caucus or convention that has the authority to nominate a candidate. 11 CFR 100.2.

Contributions to candidates also count toward the \$1,000 registration threshold described above. Remember, a local party organization whose contributions to federal candidates exceed \$1,000 must register and also must begin to aggregate its contributions with those made by all other registered party committees in that state.⁶

Gifts of Money

Local party organizations may give money to candidates for federal office, subject to the \$2,600 limit discussed above. Contributions in cash are limited to \$100; cash gifts in excess of \$100 require a check or money order. 11 CFR 110.4(c).

In-Kind Contributions

In-kind contributions include gifts of goods and services. For example, an organization may make an in-kind contribution by hosting a fundraising event for a candidate.

A local party organization may make an in-kind contribution by donating the goods and services directly to the candidate or by paying a third party to provide them. The value of an in-kind contribution is subject to the same limit as a gift of money.

⁶ Many state party committees qualify as multicandidate committees. Thus, since many local party organizations are affiliated with the state party committee, such affiliated local party organizations will also qualify as multicandidate committees and share a \$5,000 per election contribution limit to federal candidates. 11 CFR 110.2(a)(1) and (b)(1).

The organization should advise the candidate's committee of the value of an in-kind contribution at the time it is made so that the candidate's committee can disclose it properly.

Allocation of In-Kind Contributions

When a local party organization makes an in-kind contribution on behalf of more than one federal candidate, the expenses associated with that activity must be allocated among the candidates to determine the amount of the contribution made to each.

11 CFR 106.1(a).

Additional rules apply when an in-kind contribution is made on behalf of both federal and nonfederal candidates. In such cases, the in-kind contribution must be allocated between the federal and nonfederal candidates, and the amount allocated to the federal candidates must be paid with permissible funds. 11 CFR 106.1(a)(2).

The allocation method will vary, depending on the type of in-kind contribution. Two examples are explained below:

- Fundraising Activity for Candidates: The expenses paid for an activity that raises money for candidates are in-kind contributions to the candidates who receive the proceeds. The share of these costs that counts as a contribution to a particular federal candidate is determined by a "funds received" ratio: the amount of funds raised for a particular federal candidate over the total raised for all candidates benefiting from the same fundraising program. The portion of the cost that is attributable to federal candidates must be paid with federally permissible funds. 11 CFR 106.1(a)(1); and
- **Print or Broadcast Communications:** The share of the cost of a communication that counts as a contribution to a particular federal candidate is determined by a "time or space" ratio: the amount of time or space devoted to a particular federal candidate over the total devoted to all candidates. 11 CFR 106.1(a)(1). The portion of the cost that is attributable to federal candidates must be paid with federally permissible funds. Please note that if the communication is an FEA public communication, the entire cost must be paid for with federal funds, but only the portion attributable to federal candidates will count as contributions to them. 11 CFR 106.1(a)(2).

Loans

A local party organization may loan money to a candidate, but the amount of the loan is considered a contribution to the extent that it remains outstanding. Thus, a loan is subject to the same contribution limits as a gift of money, though repayments on the loan reduce the outstanding amount of the contribution. Once repaid in full, a loan no longer counts against the lender's limit. (A loan that exceeds the limit is unlawful even if it is repaid in full.) 11 CFR 100.52(b).

Contributions to Party's Presidential Nominees

A local party organization should be aware that Presidential and Vice Presidential nominees who accept public funds for their general election campaigns may not accept contributions from local party organizations or from other private sources to pay for their general election campaign expenses. However, a local party organization may make

contributions of up to \$2,600 to the nominees' "compliance fund," which the nominees use to pay the legal and accounting expenses they incur in complying with federal campaign finance laws. 11 CFR 9003.3(a).

Coordinated Expenditures

"Coordinated expenditures" are similar to in-kind contributions in that the party committee (rather than the candidate) pays vendors for goods or services rendered on the candidate's behalf. Both the national party committee and the state party committee have a coordinated party expenditure limit. The limits, which are determined by a statutory formula, are adjusted from year to year to reflect changes in inflation and population. Under certain circumstances, part of that spending limit may be transferred to local party committees.

Coordinated expenditures, however, are only made on behalf of the party's general election nominees by party committees registered with the FEC. Thus, if a local party organization wished to receive a transfer of coordinated party expenditure authority from the national or state party committee, it would first have to register as a local party committee.

For more on coordinated party expenditures, please see the *Campaign Guide for Political Party Committees*.

Independent Expenditures

An independent expenditure is an expenditure for communications "expressly advocating the election or defeat of a clearly identified candidate that is not made in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents, or a political party or its agents." 11 CFR 100.16(a). See also 11 CFR 100.22 (defining "expressly advocating").

There is no limitation on the amounts a local party organization may spend on independent expenditures, as long as only federally permissible funds are used to pay for them. Please note that the money spent on independent expenditures counts towards the \$1,000 "Contributions or Expenditures" threshold.

For more information on independent expenditures, including information on reporting, please see the brochure, "Independent Expenditures."

Electioneering Communications

An electioneering communication is a broadcast, radio, cable or satellite communication which fulfills **each** of the following conditions:

- 1. The communication refers to a clearly identified federal candidate;
- 2. The communication is publicly distributed;
- 3. The communication is distributed during a certain time period before an election; and
- 4. The communication is targeted to the relevant electorate. 11 CFR 100.29.

A local party organization may not use funds donated by corporations or labor organizations to finance electioneering communications. Additionally, the amount of funds spent on an electioneering communication does not count towards any registration threshold, unless it otherwise qualifies as a "contribution" or "expenditure." 2 U.S.C. §434(f)(3)(B)(ii); 11 CFR 100.29(c)(3).

For more on Electioneering Communications, including reporting requirements, please see the brochure "Electioneering Communications."

Exempt Party Activities

"Exempt party activities" are activities which benefit federal candidates but are explicitly excluded from the Act's definitions of "contribution" and "expenditure." A local party organization may spend unlimited amounts on the activities described below. As explained above, however, once the organization spends more than \$5,000 in a year on exempt activities, it must register and file reports with the FEC. 11 CFR 100.5(c) and 102.1(d).

Sample Ballots and Slate Cards

A local party organization may prepare and distribute a slate card, sample ballot or other printed listing of candidates. To qualify as an exempt activity, the list must include candidates for at least three offices in the state where the local party organization is based. Federal and nonfederal offices may be counted to make the minimum of three. The list may identify the candidates by party affiliation, office sought and office currently held.

While the lists may be distributed by volunteers or through commercial direct mail, they may not be advertised in newspapers or magazines or on television, radio or outdoor advertising facilities such as billboards. (Otherwise, the payments will be "contributions" or "expenditures," which would count toward the \$1,000 registration threshold.) 11 CFR 100.80 and 100.140. See also AO 1978-89.

Campaign Materials

A local party organization may pay for grassroots campaign materials (such as pins, bumper stickers, yard signs, brochures and posters) supporting the party's nominees for federal office in the general election. Payments for campaign materials are exempt as long as certain conditions are met:

- The materials must be distributed by volunteers and not through direct mail⁷ or other forms of public political advertising;
- The materials may not be paid for with contributions designated for the benefit of a particular candidate; and
- The materials may not be purchased with funds transferred from a national party committee. Nor may a national party committee give the materials to a local party organization for distribution. 11 CFR 100.87 and 100.147.

⁷ For purposes of this activity, the term "direct mail" means any mailing(s) by a commercial vendor or any mailing(s) made from commercial lists. 11 CFR 100.87(a).

Voter Drives for Presidential Nominees

A local party organization may conduct a voter registration or GOTV drive on behalf of the party's Presidential and Vice Presidential nominees in the general election. To qualify as an exempt activity, a Presidential voter drive must satisfy a number of criteria, including:

- Voter drive communications must not be distributed through direct mail or other forms of public political advertising, such as TV, radio, newspapers and billboards;
- Phone banks must be staffed by volunteers, though paid professionals may design the system and train workers;
- The voter drive may not be paid for with contributions designated for the benefit of a particular candidate;
- Payments to vendors may not be made with funds transferred from a national party committee; and
- References to U.S. House and Senate candidates must be incidental to the overall activity. (Voter drives conducted on behalf of House and Senate candidates are "contributions" or "expenditures.")
 11 CFR 100.89, 100.149 and 106.1(c)(3).

Exempt Activities that are also FEA

Remember, when an exempt activity is also FEA, the rules for FEA determine how such an activity is to be funded. For example, both a GOTV phone bank on behalf of a Presidential candidate and a mass-mailed slate card mentioning a federal candidate would most likely be public communications promoting a federal candidate, and thus a form of FEA. While these exempt activities would have to be paid for with all federally permissible funds, only the amount of funds that are directly attributable to the federal candidates would count towards the \$5,000 exempt activity registration threshold. See 11 CFR 106.7(d)(3) and (e)(3).

Disclaimer Notice Rules

Regulations enacted pursuant to BCRA lay out disclaimer requirements for certain communications made in connection with federal elections. These requirements apply to public communications, to political committees' web sites, a registered political committee's e-mail of more than 500 substantially similar communications and any "electioneering communication." 11 CFR 100.29 and 110.11(a). All disclaimers must be "clear and conspicuous" regardless of the medium in which the communication is transmitted. A disclaimer is not clear and conspicuous if it is difficult to read or hear, or if its placement is easily overlooked. 11 CFR 110.11(c)(1).

The following types of communications must include disclaimers:

- All public communications for which a political committee makes a disbursement;
- All public communications by any person or entity, regardless of whether or not it is a federal committee, that expressly advocate the election or defeat of a clearly identified candidate;
- All public communications by any person or entity, regardless of whether or not it is a federal committee, that solicit any contribution; and
- All electioneering communications by any person. 11 CFR 110.11(a)(1)-(4)

The disclaimer must identify who paid for a communication and must state whether it was authorized by a candidate or candidate's campaign committee. For example, if a communication supporting a Congressional candidate is authorized by a candidate's campaign, the notice will say "Paid for by the Jefferson County Democratic Committee and authorized by the John Doe for Congress Committee." 11 CFR 110.11(b)(2).

If the communication is not authorized, the notice will say "Paid for by the Lincoln County Republican Committee and not authorized by any candidate or candidate's committee." 11 CFR 110.11(b)(3).

For more information on disclaimers, see the brochure "Special Notices on Political Ads and Solicitations."

Volunteer Activities

The activities described below do not count as contributions to the local party organization and do not count against any of the registration thresholds. Note, however, that the exemption for payments by individuals for invitations, food and drinks for a home event is subject to a limit, as explained below.

Personal Services

An individual may volunteer his or her own personal services to a local party organization. 11 CFR 100.74. A few examples of "personal services" that could be volunteered are word processing, entertaining or making phone calls or deliveries.

To qualify as a volunteer activity, however, personal services may not be compensated by the local party organization or by anyone else. If a third party pays an individual for services rendered to a local party organization, that person is making an inkind contribution to the organization. 11 CFR 100.54.

Activities in Home, Church or Community Room

Individuals may use their homes or the recreation room of their apartment complex to conduct volunteer activities. Individuals may also use a church or community room for volunteer activities, as long as the room is used on a regular basis by members of the community without regard to political affiliation. Nominal fees paid to use these rooms are not contributions or expenditures. 11 CFR 100.75, 100.76 and 100.135 and 100.136.

Food, Drinks and Invitations for Home Event

Individuals may volunteer to host a fundraising event, reception or other type of activity in their own homes (or in one of the other rooms described in the previous paragraph) to support all committees of a political party. A single host may spend up to \$2,000 per calendar year on food, beverages and invitations for such events. If two persons live together and host an event, they may spend up to \$4,000 per year. Amounts spent in excess of these limits result in contributions. 11 CFR 100.77 and 100.137.

Note that if an individual co-hosts an event held in someone else's home, any expenses paid by the nonresident co-host are considered in-kind contributions to the local party organization.