

27 AUG 1976

Re: AOR 1976-14

W. F. McLaughlin, Chairman
Michigan State Republican Committee
223 North Walnut
Lansing, Michigan 48933

Dear Mr. McLaughlin:

This is in reply to your request of April 8, 1976, for an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to county party committees that propose to contribute up to \$5,000 to a Federal candidate.

We regret the delay in answering your inquiry, but, subsequent to the Supreme Court's decision in Buckley v. Valeo, 424 U.S. 1 (1976), the Commission was required to suspend the issuance of advisory opinions until after the date of its reconstitution. Moreover, 2 U.S.C. §437f, as amended by the Federal Election Campaign Act Amendments of 1976, now requires the Commission to formulate its rules of general applicability by proposing formal regulations, rather than by the advisory opinion process. The Commission submitted proposed regulations to the Congress on August 3, 1976.

You state that the Michigan State Republican Committee (State Committee) has chosen to "be responsible for ensuring that the expenditures of the entire Party organization are within the limitations" as suggested in Advisory Opinion 1975-2. You question whether that action constitutes control and thereby makes the State Committee one with all county committees of the same political party for purposes of the contribution limits in 2 U.S.C. §441a.

The Commission's proposed regulations, §110.3(b), set forth a rebuttable presumption that all contributions made by the political committees established, financed, maintained, or controlled by a State party committee and party committees at the congressional district and county levels are considered to have been made by one political committee. The presumption does not apply if:

(A) the political committee party unit in question has not received funds from any other political committee established, financed, maintained, or controlled by any party unit; and

(B) the political committee of the party unit in question does not make its contributions in cooperation, consultation or concert with or

at the request or suggestion of any other party unit or political committees established, financed, maintained or controlled by another party unit.

The proposed regulations discussed above would apply for purposes of determining whether the county committees have a separate contribution limit from the State Committee. The decision of the State Committee to undertake the responsibility for ensuring that the expenditures for the entire Party organization are within the limitations of 2 U.S.C. §441a(d) will not affect the ability of the county committees to contribute up to \$5,000 to a candidate, provided each committee desiring to make such a contribution qualifies as a committee under 2 U.S.C. §441a(a)(4) and satisfies the criteria in the proposed regulation.

This response relates to your opinion request but may be regarded as informational only and not as an advisory opinion since it is based in part on proposed regulations of the Commission which must be submitted to Congress. The proposed regulations may be prescribed in final form by the Commission only if not disapproved either by the House or the Senate within thirty legislative days from the date received by them. See 2 U.S.C. §438(c). As noted above the proposed regulations were submitted to Congress on August 3, 1976. It is the Commission's view that no enforcement or compliance action should be initiated in this matter if the actions of the political committee you represent conform to the conclusions and views stated in this letter.

Sincerely yours,

(signed)
Vernon W. Thomson
Chairman for the
Federal Election Commission

Enclosures