



FEDERAL ELECTION COMMISSION
Washington, DC 20463

September 13, 1979

CERTIFIED MAIL,
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1979-31

Mr. James E. Ritchie, Treasurer
Western Enterprise Political Action Committee
499 South Capital Street, S.W.
Suite 400
Washington, D.C. 20003

Dear Mr. Ritchie:

This responds to your letter of June 4, 1979, as supplemented by your letter of July 20, 1979, requesting an advisory opinion on the status of the Western Enterprise Political Action Committee ("WEPAC") as an independent, unaffiliated committee under the Federal Election Campaign Act of 1971, as amended ("the Act").

Your letter of June 4th states that WEPAC "is a completely unaffiliated PAC," which has reported receiving contributions from over 100 individuals and two other PACS. After receiving your letter of June 4th the General Counsel's staff examined reports filed with the Secretary of the Senate pursuant to the Federal Regulation of Lobbying Act (2 U.S.C. 261, *et. seq.*) which indicate that you are employed as a registered lobbyist for the Gaming Industry Association of Nevada ("GIA") and the Nevada Resort Association ("NRA"). This fact raised the question of the relationship between those organizations and WEPAC.

By letter dated June 28, 1979, the General Counsel requested additional information concerning the relationship between WEPAC and GIA and NRA, and whether either of these organizations controlled or provided administrative support to WEPAC. In response to the General Counsel's letter your supplemental letter of July 20, 1979, states that WEPAC is not controlled by and has not received any goods, services, or any other administrative support from either GIA or NRA.

Your letter also indicates that WEPAC was "designed and has operated as a non-affiliated entity." WEPAC solicitations have been done verbally by its directors and contributors rather "than by acquired mailing lists." You further state that WEPAC has not held fundraising events in conjunction with meetings of GIA or NRA. In these circumstances you have asked:

(1) whether WEPAC may solicit and receive contributions from employees of Hilton Hotels Corporation up to the prescribed limits in 110.1 of the Commission's regulations;

(2) whether WEPAC may solicit and receive contributions from other individuals "who may contribute to a corporate sponsored or trade association PAC;" and

(3) whether WEPAC is restricted from receiving contributions from any other legally established PAC up to the limit of Part 110 of the regulations.

Under the Act, political committees which are independent of any connected organization (e.g., a corporation, labor organization, or incorporated membership organization) may solicit and receive contributions from individuals and other political committees subject to the applicable limits and prohibitions on such contributions.¹ Assuming WEPAC is, in fact, an independent political committee² as you have stated and has no "connected organization" such as a corporation,³ the Commission concludes that WEPAC may solicit and receive contributions from individuals employed by Hilton Hotels Corporation as well as other individuals and political committees, provided those contributions are within the limits of 2 U.S.C. 441a and otherwise lawful under the Act. Such contributions should be reported to the Commission pursuant to 2 U.S.C. 434. See also Part 104 of Commission regulations.

In reaching this conclusion the Commission notes that WEPAC may not, under any circumstances, receive any contribution of goods, services, or anything of value from Hilton Hotels Corporation or any other corporation. See 2 U.S.C. 441b and the definitions of "contribution" at 11 CFR 100.4 (a)(1) and 114.1(a)(1). In particular, receiving a list of Hilton Corporation employees would be a thing of value and thus prohibited unless paid for by WEPAC at the "usual and normal charge." 11 CFR 114.9(d) and 100.4(a)(1)(iii)(B).

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation, to the specific factual situation set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Robert O. Tiernan
Chairman for the
Federal Election Commission

Enclosure

¹ 2 U.S.C. 441a, 441b, 441c, 441e, 441f.

² It must be noted that this opinion is not to be construed as a determination by the Commission that WEPAC is or is not an independent committee. Rather, the opinion addresses only what WEPAC may do if it is an independent committee.

³ See 11 CFR 100.15 and compare Advisory Opinion 1977-2 copy enclosed