



FEDERAL ELECTION COMMISSION
Washington, DC 20463

April 15, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1980-22

Mr. Barton C. Green
American Iron and Steel Institute
1000 16th Street, N.W.
Washington, D.C. 20036

Dear Mr. Green:

This responds to your letter of March 3, 1980, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act") to the sponsorship by the American Iron and Steel Institute, an incorporated trade association, of a series of "town meetings."

According to your letter, the Institute and its incorporate member companies plan, as one of their normal functions, to sponsor a series of "town meetings" to discuss the future of the steel industry and its problems in certain specified areas. Local public officials, the general public and other interested parties will be invited to attend. You explain that various Senators and Congressman concerned about the future of the steel industry, and who believe that involvement with the issues is a function of their official position, wish to participate in the meetings held in their state or district.

The letter explains that the Institute or companies will pay all costs associated with the meetings, pre-meeting publicity, room rental and refreshments. The legislators' personal expenses will be paid from their own accounts. In addition you state that neither introductory comments by the sponsor nor subsequent remarks by the legislators will relate to campaign activity, but rather, all remarks will be limited to issues facing the steel industry. Given this background the request specifically asks whether the Institute or a member company may finance these "town meetings"?

Generally, it is unlawful for a corporation to make a "contribution" or "expenditure" in connection with any election for Federal offices. 2 U.S.C. 441b. However, in a number of

advisory opinions the Commission expressed the view that under certain specific circumstances the cost of activities involving appearances of candidates for Federal office would not constitute a "contribution" or "expenditure." Each of those opinions considered an activity the major purpose of which was something other than the nomination or election of a candidate. These opinions were, moreover, conditioned on (i) the absence on any communication expressly advocating the nomination or election of the person appearing or the defeat of any other Federal candidate, and (ii) the avoidance of any solicitation, making, or acceptance of campaign contributions for the candidate in connection with the activity. See Advisory Opinions 1978-56, 1978-15, 1977-54 and 1977-42, copies enclosed.

From the situation described in the request it appears to the Commission that the cost to the Institute or member companies of sponsoring the forum would not be a "contribution" or "expenditure" for purposes of the Act and thus either the Institute or the member companies may finance the "town meetings." This conclusion is reached in light of the statement that neither the introductory comments by the sponsor nor subsequent remarks by the legislators will relate to campaign activity, but rather, all remarks will be strictly limited to issues facing the steel industry. The commission understands this statement to include the pre-meeting publicity as well as the meeting itself. Such statement leads the commission to assume that the purpose of the "town meetings" is primarily to serve as a forum for discussion of problems of the steel industry and that the overall context of these meetings will be limited to effecting that primary purpose. Further, the Commission assumes and conditions its conclusion on the' avoidance of any campaign contribution solicitations, or advocacy supporting or opposing any candidate for Federal office, in connection with the "town meetings."

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Robert O. Tiernan
Federal Election Commission

Enclosures