



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

November 4, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1981-43

Jack P. Jefferies  
Lord, Day & Lord  
25 Broadway  
New York, New York 10004

Dear Mr. Jefferies:

This responds to your letter of September 4, 1981 and your supplemental letter dated September 24, 1981, requesting an advisory opinion on behalf of the American Hotel & Motel Association Political Action Committee ("AHMPAC") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to proposed activity by AHMPAC.

According to your letter of September 4, 1981, AHMPAC is a separate segregated fund established by the American Hotel & Motel Association ("AH&MA") which receives contributions from individuals involved in the hotel industry and, in turn, makes contributions to candidates for Federal office. According to your letter AH&MA is a national trade association that was formed as a membership corporation without capital stock for the purpose of furthering the hotel and motel industry. In addition, according to your letter AH&MA is a federation of 50 State Association members, and 20 regional association members, which are generally non-profit corporations having as their members individual proprietors and owners and operators of corporate hotel properties.

You state that AHMPAC would like to place posters on hotel properties (corporate and individual proprietorship properties) which are members of the AH&MA federation. The posters would state "Support The Candidate Of Your Choice" and contain a picture of John Brooke, the President of AH&MA. The poster would not contain John Brooke's title, nor would it contain the logos of either AHMPAC or AH&MA. In fact, you state, the poster would omit all references to AH&MA or AHMPAC, although AHMPAC would pay for the poster. According to your supplemental letter of September 24, 1981, John Brooke is not now nor does he intend to become a candidate for Federal office in any 1982 election. You also state that the name of John Brooke

will not appear on the poster and that any expenses incurred for the distribution of the poster will also be paid by AHMPAC.

Specifically, you ask whether or not this poster would be permissible under the Act or whether this poster would be considered by the Commission to be a "prohibited solicitation."

The Commission concludes that the proposed poster is not a prohibited solicitation on behalf of AHMPAC and may be paid for by AHMPAC. The separate segregated fund of any corporation (or labor organization) subject to 2 U.S.C. 441b may use voluntary contributions it has received to finance communications directed to the general public, as long as those communications do not solicit contributions to the corporation's separate segregated fund from individuals who are outside the solicitable class of the corporation. See 11 CFR 114.5(i). See also Advisory Opinions 1980-20, 1979-48 and 1978-36, copies enclosed. Expenses paid by AHMPAC for such communications would be reportable as disbursements of a separate segregated fund even though they are not expenditures for the purpose of influencing the election of any person to Federal office. 2 U.S.C. 434(b)(4)(H)(v); see 11 CFR 104.3(b)(3)(ix).

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)

John Warren McGarry  
Chairman for the  
Federal Election Commission

Enclosures (AOs 1980-20, 1979-48 and 1978-36)