



FEDERAL ELECTION COMMISSION
Washington, DC 20463

April 26, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1982-18

Paul H. Rhoads, Esq.
Rhoads, Sinon & Hendershot
410 North Third Street
P.O. Box 1146
Harrisburg, Pennsylvania 17108-1146

Dear Mr. Rhoads:

This responds to your letter of March 2, 1982, requesting an advisory opinion on behalf of the Gannett Fleming Corddry and Carpenter, Inc. Federal Political Action Committee ("PAC") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act") to certain proposed solicitations by the PAC.

In your request you state that the PAC is the separate segregated fund of Gannett Fleming Corddry and Carpenter, Inc. As a result of a recent reorganization, all of the stock of Gannett Fleming Corddry and Carpenter, Inc. is owned by Gannett Fleming Affiliates, Inc., a corporation owned by individual shareholders. Gannett Fleming Affiliates, Inc. also owns three other corporations, referred to in your request as Corporations 2, 4 and 5. Corporation 2 owns all of the stock in Corporations 6, 7, 8, 9 and 10. Corporation 7 owns all of the stock in Corporations 11 and 12. Corporation 8 owns all of the stock of Corporation 13. Corporation 9 owns all of the stock of Corporation 14. The PAC proposes to solicit the individual stockholders and their families of Gannett Fleming Affiliates, Inc. as well as the executive or administrative personnel and their families of all of these corporations. The specific questions presented by your request are whether the PAC, as the separate segregated fund of a subsidiary corporation, may solicit contributions from 1) the individual stockholders (and their families) of the parent corporation, and 2) the executive or administrative personnel (and their families) of the parent corporation, of the parent's other subsidiaries, and of the subsidiaries of those other subsidiaries.

The Commission concludes that the PAC may solicit contributions from all of the proposed individuals. The Act and Commission regulations permit a separate segregated fund to solicit the

shareholders (and their families) of the corporation that establishes and administers the fund as well as the shareholders (and their families) of its subsidiaries, branches, divisions and affiliates. See 2 U.S.C. 441b(b)(4)(A)(i); 11 CFR 114.5(g)(1); Explanation and Justification of Part 114 of Regulations, 1 Fed. Elec. Camp. Fin. Guide (CCH) ¶923 at 1610; Advisory Opinion 1978-75. Thus, because Gannett Fleming Corddry and Carpenter, Inc. and Gannett Fleming Affiliates, Inc. are affiliated entities, i.e., parent corporation and wholly-owned subsidiary, the PAC may solicit the shareholders and their families of the parent corporation.

Similarly, the foregoing provisions of the Act and regulations permit a separate segregated fund to solicit the executive or administrative personnel (and their families) of the corporation that establishes and administers the fund and of that corporation's subsidiaries, branches, divisions and affiliates. Because Gannett Fleming Corddry and Carpenter, Inc., its fellow subsidiaries (i.e., Corporations 2, 4, and 5), and the subsidiaries of those fellow subsidiaries (i.e., Corporations 6-14) are all owned and controlled by a single parent, Gannett Fleming Affiliates, Inc., all of these corporations are affiliated. The PAC may, therefore, solicit the executive or administrative personnel and their families of all of these corporations. See Advisory Opinions 1980-98, 1979-77, 1979-44 and 1978-27, copies enclosed.

The Commission notes, however, that the PAC and a separate segregated fund established by any of these corporations would be deemed affiliated committees under the Act and Commission regulations. See 2 U.S.C. 441a(a)(5), 11 CFR 100.5(g)(2), 110.3(a)(1)(i). Accordingly, all such committees would be treated as a single political committee, and a single limitation would be applied to all contributions received and made by these committees. See Advisory Opinions 1980-18, 1979-77, 1979-44, 1979-38, 1978-75, 1978-61, and 1977-70.

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,

(signed)

Frank P. Reiche
Chairman for the Federal Election Commission

Enclosures: (AOs 1980-98, 1980-18, 1979-77, 1979-44, 1979-38, 1978-75, 1978-61, 1978-27, and 1977-70)