



FEDERAL ELECTION COMMISSION
Washington, DC 20463

January 24, 1985

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1984-61

Ms. Elaine Acevedo
Government Affairs Director
Society of American Florists
1601 Duke Street
Alexandria, VA 22314

Dear Ms. Acevedo:

This responds to your letter of December 4, 1984, requesting an advisory opinion on behalf of the Society of American Florists ("the society") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to authorizations for solicitations.

The society is a trade association that has corporations among its membership. Its separate segregated fund, Society of American Florists-PAC ("SAF/PAC"), is registered with the Commission as a multi-candidate political committee. The society wants to obtain authorizations for contribution solicitations that would allow SAF/PAC, or the society, to solicit the stockholder and executive personnel of its corporate members for contributions to SAF/PAC. The society proposes to obtain authorizations covering several years at the same time and in the same document. The following sample authorization form was included as part of your request.

SAF/PAC is authorized to solicit me and my employees, stockholders, and their families during 1987 as defined in Public Law 94-283, Section 321.

1985 Signature_____

1986 Signature_____

1987 Signature_____

(Please print or type)

Personal Name_____

Company Name_____

Company Address_____

Please Return to:
SAF--Political Action Committee
P.O. Box 909
Alexandria, VA 22313

You ask whether the separate authorization for each year's solicitations requires separate documents and, by implication, whether your sample authorization form meets the Act's requirements.

The Act provides that a trade association or its separate segregated fund may solicit contributions to the fund:

from the stockholders and executive or administrative personnel of the member corporations of such trade association and the families of such stockholders or personnel to the extent that such solicitation of such stockholders and personnel, and their families, has been separately and specifically approved by the member corporation involved, and such member corporation does not approve any such solicitation by more than one such trade association in any calendar year.

2 U.S.C. 441b(b)(4)(D).¹ Commission regulations provide that a member corporation make such approvals "knowingly." 11 CFR 114.8(d)(1). Commission regulations further provide, in part, that:

A separate authorization by the corporate member must be designated for each year during which the solicitation is to occur. This authorization may be requested and may also be received prior to the calendar year in which the solicitation is to occur.

11 CFR 114.8(d)(4).²

This regulation reflects recent revisions to permit trade associations to obtain solicitation approvals from their corporate members for several years at a time if they so choose.³ Such approvals, however, must still meet the Act's requirements that the solicitation be separately and specifically approved by the member corporation and that the member corporation approves solicitations by no more than one trade association for any calendar year. This means that for each year that a member corporation gives its approval to solicit, a separate authorization must be prepared even if several authorizations are prepared and transmitted to the trade association at one time. The Commission concludes that the requirement that an approval be both separate and

¹ This provision does not apply to solicitations of noncorporate members of a trade association. See 2 U.S.C. 441b(b)(4)(C); 11 CFR 114.7; see also Advisory Opinion 1901-52.

² A trade association or its separate segregated fund shall maintain a copy of each approved request for three years from the year to which approval applies. See 11 CFR 114.8(d)(2).

³ These revisions, thus, alter the conclusion reached in Advisory Opinion 1982-54.

specific can be met without the necessity of separate documents for each year for which approval is made.

Your sample authorization form contains three separate signature lines for authorization with each line designated for a separate, single year. This format requires a member corporation to make a separate authorization for a specific calendar year. The statement preceding the signature lines, however, refers to authorization with regard to only one specific year (1987), but the signature lines cover three separate years (1985, 1986, and 1987). The statement and signature lines should conform with each other to insure that the approval is knowing as well as separate and specific. See 11 CFR 114.8(c)(1) and (d)(1).

Your sample form also authorizes solicitation of employees as well as stockholders. The Act, however, limits solicitation of corporate employees to "executive or administrative personnel," which are defined as "individuals employed by a corporation who are paid on a salary, rather than hourly, basis and who have policymaking, managerial, professional, or supervisory responsibilities." 2 U.S.C. 441b(b)(7); see also 11 CFR 114.1(c). Thus, a corporate member's authorization extends only to such executive or administrative personnel (and stockholders), not to all employees, as implied by your form. The statement on your form should be revised to limit authorization to executive or administrative personnel of a member corporation. Because the Act and regulations require the member corporation to give the necessary approval, the authorization form should be further revised to provide that the person signing the authorization is doing so in a representative capacity for the member corporation.⁴

For your further guidance the Commission notes its regulations at 11 CFR 114.8(d)(3) which require that any request for approval specifically indicate the requirement of corporate approval. This means that corporate members of the society may not approve solicitation by the society or SAF/PAC if the member corporation has previously approved a solicitation by any other trade association for the same calendar year. See generally Advisory Opinions 1984-33 and 1980-65. In addition, these regulations indicate that the request for solicitation approval may be sent to the representatives of the member corporations with whom the society normally conducts society business. See 11 CFR 114.8(d)(3).

Furthermore, once authorizations are obtained, all solicitations of contributions to SAF/PAC must meet the notice and other requirements of 11 CFR 102.5(a)(2) and 114.5(a). See Advisory Opinion 1984-31. All contributions to SAF/PAC are, of course, subject to the limitations and prohibitions of the Act. See 2 U.S.C. 441a, 441b, 441c, 441e, and 441f.

⁴ Examples of how such representative capacity may be indicated include: "ABC Corp. by John Doe"; or "Jane Doe for ABC Corp."

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 1984-33, 1984-31, 1982-54, 1981-52 and 1980-65)