

§ 910.698 Lemon Regulation 398.

The quantity of lemons grown in California and Arizona which may be handled during the period February 13, 1983, through February 19, 1983, is established at 265,000 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: March 3, 1983.

D. S. Kuryloski,

Acting Director, Fruit and Vegetable Division,
Agricultural Marketing Service.

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FEDERAL ELECTION COMMISSION**11 CFR Part 114**

[Notice 1983-6]

Nonpartisan Communications by Corporations and Labor Organizations

AGENCY: Federal Election Commission

ACTION: Transmittal of regulations to Congress.

SUMMARY: FEC regulations at 11 CFR 114.3 and 114.4 governing contributions and expenditures by corporations and labor organizations for nonpartisan communications have been revised and transmitted to Congress pursuant to 2 U.S.C. 438(d). The revisions were initiated to incorporate into the regulations several advisory opinions which the Commission has issued in this area. The Commission has also considered public comments received in response to its Advance Notice of Proposed Rulemaking (45 FR 58349; August 25, 1980) and Notice of Proposed Rulemaking (46 FR 44964; September 8, 1981).

The revisions clarify the classes of persons to whom nonpartisan communications may be made under each section and indicate the types of communications which are permissible. They also expand the types of publications which may be distributed to the general public by corporations and labor organization to include nonpartisan voting records and voter guides. Further information on the revised regulations is contained in the supplementary information which follows.

EFFECTIVE DATE: Further action, including the announcement of an effective date, will be taken by the Commission after these regulations have been before the Congress 30 legislative days in accordance with 2 U.S.C. 438(d).

FOR FURTHER INFORMATION CONTACT: Ms. Susan E. Propper, Assistant General Counsel, 1325 K Street, NW.,

Washington, D.C. 20463, (202) 523-4143 or (800) 424-9530.

SUPPLEMENTARY INFORMATION: 2 U.S.C. 438(d) requires that any rule or regulation prescribed by the Commission to carry out the provisions of Title 2, United States Code, be transmitted to the Speaker of the House of Representatives and the President of the Senate prior to final promulgation. If neither House of Congress disapproves of the regulations within 30 legislative days of their transmittal, the Commission may finally prescribe the regulations in question. The following regulations were transmitted to Congress on March 1, 1983.

Explanation and Justification of 11 CFR 114.3 and 114.4

Section 114.3 Disbursements for Communications in Connection with a Federal Election to Restricted Class.

Section 114.3(a) General.

Paragraph (a)(1) sets forth the basic rule of 2 U.S.C. 441b(b)(2)(A), which allows corporations and labor organizations to communicate with their restricted class on any subject. A corporation's restricted class includes its stockholders, executive and administrative personnel and their families. The restricted class of labor organizations has been redefined in this subsection to include the organizations' executive and administrative personnel and their families, as well as members and their families. This inclusion is consistent with the legislative intent "that unions, insofar as they are employers, stand in the same shoes as corporations."

See, generally, H.R. Conf. Rep. No. 1057, 94th Cong., 2d Sess. 64 (1976).

This paragraph also distinguishes between the communications that may be made to the restricted class and those that may be made to the general public as permitted under 11 CFR 114.4. Finally, language has been added to paragraph (a)(1) to make it clear that national banks and corporations organized pursuant to a Congressional enactment may not make contributions or expenditures for partisan communications to the general public in connection with any election, including State and local elections.

Paragraph (a)(2) clarifies the application of § 114.3 to incorporated membership organizations, incorporated trade associations, incorporated cooperatives, and corporations without capital stock. The restricted class of these organizations has been redefined to include families of members. This addition is consistent with the provisions defining the restricted classes

of corporations and unions under 2 U.S.C. 441b, both of which include families.

Section 114.3(b) Reporting Partisan Communications.

This paragraph generally follows current § 114.3(b) while clarifying which disbursements for communications to the restricted class must be reported.

Section 114.3(c) Means of Making Partisan Communications.

This paragraph generally follows current § 114.3(c), but explains that the kinds of communications listed in this subsection are examples of those for which disbursements must be reported under paragraph (b).

Section 114.3(c)(1) Partisan Publications.

Paragraph (c)(1) generally follows current § 114.3(c)(1). However, paragraph (c)(1)(ii) has been revised to state that a corporation or labor organization may use brief quotations from speeches or other materials prepared by a candidate in expressing its own views under this section.

Section 114.3(c)(2) Partisan Candidate and Party Appearances.

Paragraph (c)(2) expands current § 114.3(c)(2) by eliminating the requirements that a meeting at which a candidate or party representative appears to address members of the sponsor's restricted class be one that is "regularly scheduled" and "primarily held for other purposes." In addition, this paragraph now permits the presence of employees who are outside the restricted class, a limited number of invited guests and observers, and representatives of the news media at such meetings. At the Commission's public hearing on these regulations the presence of such persons was described as a necessary element of such meeting and, therefore, the Commission was urged to provide an exception for them under this section. The Commission notes, however, that this provision is limited to those employees necessary to administer the meeting. Similarly, the presence of invited guests and observers is limited to speakers, recipients of awards and other persons specially invited to attend such a meeting and is not intended to permit a sponsor to invite large numbers of persons outside the solicitable class, such as rank and file employees of a corporation, whose presence would otherwise trigger the rules governing nonpartisan appearances under § 114.4.

Section 114.3(c)(3) Partisan Phone Banks.

Paragraph (c)(3) generally follows current § 114.3(c)(3).

Section 114.3(c)(4) Partisan Registration and Get-Out-The-Vote Drives.

Paragraph (c)(4) generally follows current § 114.3(c)(4).

*Section 114.4 Expenditures for Communications in Connection With a Federal Election to the Restricted Class and the General Public.**Section 114.4(a) Nonpartisan Communications by a Corporation or Labor Organization to its Restricted Class.**Section 114.4(a)(1) General.*

Paragraph (a)(1)(i) makes clear that corporations and labor organizations may make the nonpartisan communications permitted under this section just to their restricted class if they so choose. It also clarifies the distinction between this section and § 114.3, which describes communications that may only be made to the restricted class. As in § 114.3, this section adds "executive and administrative personnel" to the restricted class of labor organizations.

Paragraph (a)(1)(ii) was added to clarify the application of this section to incorporated membership organizations, incorporated trade associations, incorporated cooperatives and corporations without capital stock. These organizations are treated as corporations for the purpose of making the communications to the general public permitted under § 114.4 (b) and (c). As in § 114.3, the restricted class of these organizations has been expanded to include families of members.

Section 114.4(a)(2) Nonpartisan Candidate and Party Appearances on Corporate Premises or at a Meeting, Convention or Other Function.

This section generally follows current § 114.4(b)(1) but has been revised to include meetings, conventions or other functions sponsored by the corporation, regardless of whether they are held on corporate premises. Also, the category of Presidential and Vice Presidential candidates that may request to appear at such meetings is more specifically defined under paragraph (a)(2)(ii) than in the current regulations to reduce the burden on sponsoring organizations that must provide a forum under this rule.

It should be noted that the operation of this subsection involves appearances in connection with a federal election. Such appearances can be distinguished

from those in which an incumbent, who may also be a "candidate" under the Act, is requested to appear in his or her capacity as an officeholder at a public meeting sponsored by a corporation or labor organization. If the discussion at the meeting is limited to issues of concern to the sponsoring organization or its industry and avoids any reference to campaign activity, the sponsor may finance the meeting without triggering the "equal opportunity to appear" requirements of this paragraph. See e.g., Advisory Opinion 1980-22.

Section 114.4(a)(3) Nonpartisan Candidate and Party Appearances on Labor Organization Premises or at a Meeting, Convention or Other Function.

This section generally follows current § 114.4(b)(2) and, like § 114.4(a)(2), has been expanded to include nonpartisan candidate and party appearances at meetings, conventions or other functions sponsored by the labor organization which are not held on its premises.

*Section 114.4(b) Nonpartisan Communications by Corporations and Labor Organizations to the General Public.**Section 114.4(b)(1) General.*

This paragraph clarifies that the communications described in § 114.4(b) may be made to the general public. It also permits the sponsor of a communication made under this section to identify itself or include its logo on materials prepared and distributed under this section, consistent with the Commission's decision in Advisory Opinion 1980-55.

Section 114.4(b)(2) Nonpartisan Registration and Voting Communications.

This paragraph has been added to incorporate the Commission's decision in Advisory Opinion 1980-20 into the regulations. It broadens the class of persons to whom a nonpartisan registration or voting communication may be made to include members of the general public. Under current § 114.4(c)(1), such communications are limited to employees of the corporation or labor organization.

Paragraph (b)(2)(i) contains three factors that the Commission may consider in determining whether a communication made under this section is nonpartisan. The first two factors generally follow current § 114.4(c)(1)(ii) but permit the list of candidates, if included, to name only those running for a particular seat or office rather than requiring the sponsor to print all the candidates on the official ballot. The

third factor generally follows current § 114.4(c)(1)(i).

Paragraph (b)(2)(ii) expands the list of media through which a communication may be made under this section from that set forth in current § 114.4(c)(1).

Section 114.4(b)(3) Official Registration and Voting Information.

This paragraph generally follows the provisions of current § 114.4(c)(2).

Paragraph (b)(3)(iii) has been included consistent with the Commission's decision in Advisory Opinion 1980-55. That paragraph provides that a corporation or labor organization may donate funds to State or local election administrators to pay for the printing and distribution costs of official registration materials and voter information.

Section 114.4(b)(4) Voting Records.

This paragraph permits corporations and labor organizations to prepare and distribute nonpartisan voting records which contain a factual recital of an incumbent's or candidate's vote on bills and other measures. The preparation and distribution of such voting records under this paragraph may not be for the purpose of influencing a Federal election.

Section 114.4(b)(5) Voter Guides.

Under this paragraph, corporations and labor organizations may prepare and distribute nonpartisan voter guides which describe a candidate's position on campaign issues. Corporations and labor organizations may submit questions to candidates on one or more campaign issues and then print their responses. To ensure the nonpartisanship of such publications, this paragraph lists six factors which the Commission may consider in determining whether a particular voter guide is nonpartisan. These factors are intended to be illustrative, not exhaustive, and are based in part upon factors articulated by the Internal Revenue Service in Revenue Rulings 78-248 and 80-282. The first factor in paragraph (b)(5)(i) is whether the questionnaires are sent to all candidates running for a particular office. With regard to Presidential and Vice Presidential candidates however, only those candidates seeking a major party's nomination or who are on the general election ballot in enough States to win a majority of the electoral votes need be included. While permitting the sponsoring organization to impose restrictions on the length of the candidates' responses, paragraph (b)(5)(ii) requires that the sponsor reprint the candidates' responses

without change or additional comment. If the candidates' responses exceed the stated word limit, the sponsor may choose to print the responses either in their entirety or after deleting that part of each response which exceeds the word limit.

Furthermore, under paragraph (b)(5)(iii), the Commission may consider whether the wording of the questions is slanted to suggest the sponsor's viewpoint on any issue. The next factor, in paragraph (b)(5)(iv), concerns whether the voter guide expresses an editorial opinion or indicates support for or opposition to any candidate or political party. Paragraph (b)(5)(v) would permit the inclusion of biographical information on each candidate in the voter guide, such as schools attended, degrees earned, past employment and any office held. The sponsoring organization would also be allowed to limit the number of words on this information. Finally, paragraph (b)(5)(vi) concerns whether the voter guide is distributed in the geographic area in which the sponsoring organization normally operates.

Section 114.4(c) Nonpartisan Registration and Get-Out-The-Vote Drives.

Section 114.4(c)(1) Requirements for Conducting Nonpartisan Drives.

This paragraph generally follows current § 114.4(d). References to civic and nonprofit organizations in the current provisions of § 114.4(d) have been changed in the revised regulations to "nonprofit organization which is exempt from federal taxation under 26 U.S.C. 501(c)(3) or (4) and which does not support, endorse or oppose candidates or political parties." In addition, this subsection now permits co-sponsorship by a State or local election agency. To meet the requirement that the drive be "conducted" by the tax-exempt organization or election agency, one or more persons from such co-sponsors must participate in the administration of the drive. This requirement does not preclude, however, the presence of corporate or labor organization personnel or members to assist in the activity. Paragraph (c)(1)(ii) allows corporations and labor organizations to set up a table or rack on their own premises for distributing official voting information without co-sponsorship with a tax-exempt organization.

Section 114.4(c)(2) Donation of Funds.

This paragraph incorporates the Commission's decision in Advisory Opinion 1980-55 into the regulations by

providing that corporations and labor organizations may donate funds to State or local election administrators and nonpartisan tax-exempt organizations to defray the costs of registration and voting drives conducted by such officials and organizations.

Section 114.4(c)(3) Use of Personnel and Facilities.

This paragraph generally follows the provisions of current § 114.4(d)(3).

Section 114.4(c)(4) When Co-sponsorship Not Required.

This paragraph has been added to incorporate the Commission's decision in Advisory Opinion 1980-45. Pursuant to this subsection, a nonpartisan tax-exempt organization may conduct registration and voting drives without the need for a co-sponsor.

Section 114.4(c)(5) Identification of Drive Sponsors.

This paragraph requires that any materials produced for use in connection with a registration or get-out-the-vote drive aimed at the general public contain the names of all the sponsors of the drive.

Section 114.4(d) Incorporated Membership Organizations, Incorporated Trade Associations, Incorporated Cooperatives and Corporations Without Capital Stock.

This paragraph permits corporations without capital stock, and incorporated membership organizations, trade associations and cooperatives to invite candidates, their representatives or the representatives of political parties to address the members or employees of the organization subject to the requirements of § 114.4(a)(2).

Conforming Amendments

Several conforming amendments have been made to other sections of Part 114. These amendments reflect the addition of a labor organization's executive and administrative personnel and the families of members of a membership organization to the restricted class of each type of organization.

List of Subjects in 11 CFR Part 114

Business and industry, Elections, Labor.

11 CFR Part 114 is amended as follows:

PART 114—[AMENDED]

1. By revising §§ 114.3 and 114.4 (a)-(d) to read as follows:

§ 114.3 Disbursements for communications in connection with a Federal election to restricted class.

(a) *General.* (1) A corporation may make communications including partisan communications to its stockholders and executive or administrative personnel and their families on any subject. A labor organization may make communications including partisan communications to its members and executive or administrative personnel and their families on any subject. Corporations and labor organizations may also make the nonpartisan communications permitted under 11 CFR 114.4 to their restricted class or any part of that class. No corporation or labor organization may make contributions or expenditures for partisan communications to the general public in connection with a federal election and no national bank or corporation organized by authority of any law of Congress may make contributions or expenditures for partisan communications to the general public in connection with any election to any political office including any State or local office.

(2) An incorporated membership organization, incorporated trade association, incorporated cooperative or corporation without capital stock may communicate with its members and executive or administrative personnel, and their families, as permitted in 11 CFR 114.3(a) (1) and (c), and shall report disbursements for partisan communications as required by 11 CFR 100.8(b)(4) and 104.6.

(b) *Reporting Partisan Communications.* Disbursements for partisan communications made by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and executive or administrative personnel and their families shall be reported in accordance with 11 CFR 100.8(b)(4) and 104.6 if the communications expressly advocate the election or defeat of a clearly identified candidate.

(c) *Means of Making Partisan Communications.* The means of making partisan communications for which disbursements must be reported under 11 CFR 114.3(b) include, but are not limited to, the examples set forth in 11 CFR 114.3(c) (1) through (4).

(1) *Partisan Publications.* Printed material of a partisan nature may be distributed by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and executive or

administrative personnel and their families, provided that:

(i) The material is produced at the expense of the corporation or labor organization; and

(ii) The material constitutes a communication of the views of the corporation or the labor organization, and is not the republication or reproduction in whole or in part, of any broadcast, transcript or tape or any written, graphic, or other form of campaign materials prepared by the candidate, his or her campaign committees, or their authorized agents. A corporation or labor organization may, under this section, use brief quotations from speeches or other materials of a candidate that demonstrate the candidate's position as part of the corporation's or labor organization's expression of its own views.

(2) *Partisan Candidate and Party Appearances.* A corporation may allow a candidate or party representative to address its stockholders and executive or administrative personnel, and their families, at a meeting, convention or other function of the corporation. A labor organization may allow a candidate or party representative to address its members and executive or administrative personnel, and their families, at a meeting, convention or other function of the labor organization. Employees outside the restricted class of the corporation or labor organization who are necessary to administer the meeting, limited invited guests and observers, and representatives of the news media may also be present during a candidate or party representative appearance under this section. The candidate or party representative may ask for contributions to his or her campaign or party, or ask that contributions to the separate segregated fund of the corporation or labor organization be designated for his or her campaign or party. The incidental solicitation of persons outside the corporation's or labor organization's restricted class who may be present at the meeting as permitted by this section will not be a violation of 11 CFR 114.5(g).

(3) *Partisan Phone Banks.* A corporation may establish and operate phone banks to communicate with its stockholders and executive or administrative personnel, and their families, urging them to register and/or vote for a particular candidate or candidates, and a labor organization may establish and operate phone banks to communicate with its members and executive or administrative personnel, and their families, urging them to

register and/or vote for a particular candidate or candidates.

(4) *Partisan Registration and Get-Out-The-Vote Drives.* A corporation may conduct registration and get-out-the-vote drives aimed at its stockholders and executive or administrative personnel, and their families, or a labor organization may conduct registration and get-out-the-vote drives aimed at its members and executive or administrative personnel, and their families. Registration and get-out-the-vote drives include providing transportation to the polls. Such drives may be partisan in that individuals may be urged to register with a particular party or to vote for a particular candidate or candidates, but assistance in registering or voting may not be withheld or refused on a partisan basis, and if transportation or other services are offered in connection with a registration or get-out-the-vote drive, such transportation or services may not be withheld or refused on a partisan basis.

§ 114.4 Expenditures for communications in connection with a Federal election to the restricted class and the general public.

(a) *Nonpartisan Communications by a Corporation or Labor Organization to its Employees or its Restricted Class.* (1) *General.* (i) A corporation may make the nonpartisan communications permitted under 11 CFR 114.4 (b) and (c) to its stockholders, executive or administrative personnel, other employees, and their families. A labor organization may make such communications to its members, executive or administrative personnel, other employees, and their families. Communications which a corporation or labor organization may make only to its solicitable class are found at 11 CFR 114.3.

(ii) An incorporated membership organization, incorporated trade association, incorporated cooperative or corporation without capital stock may make the communications permitted under 11 CFR 114.4 (b) and (c) to its members, executive or administrative personnel, other employees, and their families, as provided by 11 CFR 114.4(d). The organizations covered under this section will be treated as corporations for the purpose of making communications to the general public under 11 CFR 114.4 (b) and (c).

(2) *Nonpartisan Candidate and Party Appearances on Corporate Premises or at a Meeting, Convention or Other Function.* Corporations may permit candidates, candidates' representatives or representatives of political parties on corporate premises or at a meeting,

convention, or other function of the corporation to address or meet stockholders, executive or administrative personnel, and other employees of the corporation, and their families, under the conditions set forth in 11 CFR 114.4(a)(2) (i) through (v).

(i) If a candidate for the House or Senate or a candidate's representative is permitted to address or meet employees, all candidates for that seat who request to appear must be given the same opportunity to appear.

(ii) If a Presidential or Vice Presidential candidate or candidate's representative is permitted to address or meet employees, all candidates for that office who are seeking the nomination of a major party or who are on the general election ballot in enough States to win a majority of the electoral votes and who request to appear must be given the same opportunity to appear.

(iii) If representatives of a political party are permitted to address or meet employees, representatives of all political parties which had a candidate or candidates on the ballot in the last general election or which are actively engaged in placing or will have a candidate or candidates on the ballot in the next general election and who request to appear must be given the same opportunity to appear.

(iv) A corporation, its stockholders, executive or administrative personnel, or other employees of the corporation or its separate segregated fund shall make no effort, either oral or written, to solicit or direct or control contributions by members of the audience to any candidate or party in conjunction with any appearance by any candidate or party representative under this section; and

(v) A corporation, its stockholders, executive or administrative personnel or other employees of the corporation or its separate segregated fund shall not, in conjunction with any candidate or party representative appearance under this section, endorse, support or oppose any candidate, group of candidates or political party.

(3) *Nonpartisan Candidate and Party Appearances on Labor Organization Premises or at a Meeting, Convention or Other Function.* A labor organization may permit candidates, candidates' representatives or representatives of political parties on the labor organization's premises or at a meeting, convention, or other function of the labor organization to address or meet members, executive or administrative personnel, and other employees of the labor organization, and their families, if the conditions set forth in 11 CFR

114.4(a)(2) (i) through (iii) and 11 CFR 114.4(a)(3) (i) and (ii) are met.

(i) An official, member, or employee of a labor organization or its separate segregated fund shall not make any effort, either oral or written, to solicit or direct or control contributions by members of the audience to any candidate or party representative under this section.

(ii) An official, member, or employee of a labor organization or its separate segregated fund shall not, in conjunction with any candidate or party representative appearance under this section, endorse, support or oppose any candidate, group of candidates or political party.

(b) *Nonpartisan Communications by Corporations and Labor Organizations to the General Public.*—(1) *General.* A corporation or labor organization may make the communications described in 11 CFR 114.4(b) (2) through (5) to the general public. The corporation or labor organization may include its logo or otherwise identify itself as the sponsor of the communication.

(2) *Nonpartisan Registration and Voting Communications.* A corporation or labor organization may make nonpartisan registration and get-out-the-vote communications to the general public.

(i) For purposes of 11 CFR 114.4(b)(2), the following are factors that the Commission may consider in determining whether a registration or get-out-the-vote communication is nonpartisan:

(A) It neither names nor depicts any particular candidate(s) or it names or depicts all candidates for a particular Federal office without favoring any candidate(s) over any other(s);

(B) It names no political party(s) except that it may include the political party affiliation of all candidates named or depicted under 11 CFR

114.4(b)(2)(i)(A);

(C) It is limited to urging acts such as voting and registering and to describing the hours and places of registration and voting.

(ii) A corporation or labor organization may make communications permitted under this section through posters, billboards, broadcasting media, newspapers, newsletters, brochures, or similar means of communication with the general public.

(3) *Official Registration and Voting Information.* (i) A corporation or labor organization may distribute to the general public, or reprint in whole and distribute to the general public, any registration or voting information, such as instructional materials, which has

been produced by the official election administrators.

(ii) A corporation or labor organization may distribute official registration-by-mail forms to the general public if registration by mail is permitted by the applicable State law.

(iii) A corporation or labor organization may donate funds to State or local agencies responsible for the administration of elections to help defray the costs of printing or distributing registration or voting information and forms.

(iv) The information and forms referred to in 11 CFR 114.4(b)(3) (i) through (iii) must be distributed in a nonpartisan manner, and the corporation or labor organization may not, in connection with the distribution, endorse, support, or otherwise promote registration with or voting for a particular party or candidate.

(4) *Voting Records.* A corporation or labor organization may prepare and distribute to the general public the nonpartisan voting records of Members of Congress as long as the preparation and distribution is not for the purpose of influencing a Federal election. For the purpose of this section, a nonpartisan voting record that may be distributed is a publication which describes in a nonpartisan manner bills and other legislative measures voted on by Congress and which states the factual record of each officeholder's votes on such bills and measures.

(5) *Voter Guides.* A corporation or labor organization may prepare and distribute to the general public nonpartisan voter guides consisting of questions posed to candidates concerning their positions on campaign issues and the candidates' responses to those questions. The following are factors that the Commission may consider in determining whether a voter guide is nonpartisan:

(i) The questions are directed to all of the candidates for a particular seat or office, giving the candidates equal time to respond, except that in the case of Presidential and Vice Presidential candidates the questions may be directed only to those candidates seeking the nomination of a major party or to those appearing on the general election ballot in enough States to win a majority of the electoral votes;

(ii) The voter guide reprints verbatim the responses of each candidate to whom questions were sent, without any additional comment, editing, or emphasis, although the sponsoring organization may impose limitations on the number of words per response when the questions are initially sent to the candidates for their comments;

(iii) The wording of the questions presented does not suggest or favor any position on the issues covered;

(iv) The voter guide expresses no editorial opinion concerning the issues presented nor does it indicate any support for or opposition to any candidate or political party;

(v) The sponsor may ask each candidate to provide biographical information such as education, employment positions, offices held, and community involvement and may impose a limitation on the number of words per submission; and

(vi) The voter guide is made available to the general public in the geographic area in which the sponsoring organization normally operates.

(c) *Nonpartisan Registration and Get-Out-The-Vote Drives.*—(1) *Requirements for Conducting Nonpartisan Drives.* (i) A corporation or labor organization may conduct nonpartisan voter registration drives which are not limited to its restricted class if the conditions in paragraphs (c)(1)(i) (A) through (C) of this section are met. A corporation or labor organization may conduct nonpartisan get-out-the-vote drives, such as by transporting people to the polls, which drives are not limited to its restricted class if the conditions of paragraphs (c)(1)(i) (A) through (C) of this section are met.

(A) The corporation or labor organization shall jointly sponsor the drives with a nonprofit organization which is exempt from Federal taxation under 26 U.S.C. 501(c) (3) or (4) and which does not support, endorse or oppose candidates or political parties, or with a State or local agency which is responsible for the administration of elections;

(B) The activities shall be conducted by the tax-exempt organization or by persons authorized by the State or local agency; and

(C) These services shall be made available without regard to the voter's political preference.

(ii) For the purposes of 11 CFR 114.4(c)(1)(i)(B), a corporation or labor organization which provides space on the corporation's or labor organization's premises for a table, rack or booth from which official registration or voting information is distributed to the general public, and which provides its employees or members to aid in the distribution of such materials, shall not be considered to be "conducting" a registration or voting drive.

(2) *Donation of Funds.* A corporation or labor organization may donate funds to be used for nonpartisan registration

drives to State or local agencies responsible for the administration of elections and to nonprofit organizations which are exempt from Federal taxation under 26 U.S.C. 501(c) (3) or (4) and which do not support, endorse or oppose candidates or political parties.

(3) *Use of Personnel and Facilities.* A nonpartisan tax-exempt organization, or person authorized by a State or local agency, in conducting nonpartisan registration and get-out-the-vote activities, may utilize the employees and facilities of a corporation or the employees or members and facilities of a labor organization.

(4) *When Co-Sponsorship Not Required.* A nonprofit organization which is exempt from federal taxation under 26 U.S.C. 501(c) (3) or (4) and which does not support, endorse or oppose any candidates or political parties may conduct nonpartisan voter registration and get-out-the-vote activities on its own without a co-sponsor.

(5) *Identification of Drive Sponsors.* All materials prepared for distribution to the general public in connection with the registration or voting drive shall include the full names of all drive sponsors.

(d) *Incorporated Membership Organizations, Incorporated Trade Associations, Incorporated Cooperatives and Corporations Without Capital Stock.* An incorporated membership organization, incorporated trade association, incorporated cooperative or corporation without capital stock may permit candidates, candidates' representatives or representatives of political parties to address or meet members and employees of the organization, and their families, on the organization's premises or at a meeting, convention or other function of the organization, provided that the conditions set forth in 11 CFR 114.4(a)(2) (i) through (v) are met.

(e) *Nonpartisan Candidate Debates.*

Conforming Amendments

2. By revising §§ 114.1 (a)(2)(i), (a)(2)(ii), (c), and (c)(2)(iv) to read as follows:

§ 114.1 Definitions.

- (a) * * *
(2) * * *

(i) Communications by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and executive or administrative personnel, and their

families, on any subject;

(ii) Nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive or administrative personnel and their families or by a labor organization aimed at its members and executive or administrative personnel, and their families;

(b) * * *

(c) "Executive or administrative personnel" means individuals employed by a corporation or labor organization who are paid on a salary rather than hourly basis and who have policymaking, managerial, professional, or supervisory responsibilities.

(1) * * *

(2) * * *

(iv) Individuals who may be paid by the corporation or labor organization, such as consultants, but who are not employees, within the meaning of 26 CFR 31.3401(c)-1, of the corporation or labor organization for the purpose of income withholding tax on employee wages under Internal Revenue Code of 1954, section 3402.

3. By revising § 114.5(g) (2) and (1) as follows:

§ 114.5 Separate segregated funds.

(g) * * *

(2) A labor organization, or a separate segregated fund established by a labor organization is prohibited from soliciting contributions to such a fund from any person other than its members and executive or administrative personnel, and their families.

(1) *Methods permitted by law to labor organizations.* Notwithstanding any other law, any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund established by a corporation, permitted by law to corporations with regard to stockholders and executive or administrative personnel, shall also be permitted to labor organizations with regard to their members and executive or administrative personnel.

4. By revising § 114.7 (a), (e) and (h) as follows:

§ 114.7 Membership organizations, cooperatives or corporations without capital stock.

(a) Membership organizations, cooperatives, or corporations without

capital stock, or separate segregated funds established by such persons may solicit contributions to the fund from members and executive or administrative personnel, and their families, of the organization, cooperative, or corporation without capital stock.

(e) There is no limitation upon the number of times an organization under this section may solicit its members and executive or administrative personnel, and their families.

(h) A membership organization, cooperative, or corporation without capital stock may communicate with its members and executive or administrative personnel, and their families, under the provisions of § 114.3 of this part.

5. By revising § 114.8 (b) and (i) as follows:

§ 114.8 Trade associations.

(b) *Communications other than solicitations.* A trade association may make communications, other than solicitations, to its members and their families under the provisions of § 114.3 of this part. When making communications to a member which is a corporation, the trade association may communicate with the representatives of the corporation with whom the trade association normally conducts the association's activities.

(i) *Trade association employees.* (1) A trade association may communicate with its executive or administrative personnel and their families under the provisions of § 114.3 of this part; a trade association may communicate with its other employees under the provisions of § 114.4 of this part.

(2) A trade association may solicit its executive or administrative personnel and their families under the provisions of § 114.5(g) of this part; a trade association may solicit its other employees under the provisions of § 114.6 of this part.

Dated: March 1, 1982.

Danny Lee McDonald,
Chairman, Federal Election Commission.

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