

NEWSLETTER

FEC OKs Jointly-Sponsored Candidate Appearances

November 17, 2007

On behalf of three trade associations—the Associated Builders and Contractors, the National Federation of Independent Business, and the National Restaurant Association—Wiley Rein LLP successfully sought an advisory opinion from the FEC permitting these entities to jointly host a number of presidential candidate teleconferences focusing on small-business issues. Under the proposal, individual members of all three organizations would dial into a joint, password-protected conference call with a particular candidate and would be given the opportunity to hear the candidate speak, as well as to ask questions. The candidate, in turn, would be able to ask individuals participating in the call to volunteer and make contributions to the candidate's campaign.

The significance of the advisory opinion is that it permits a group of trade associations to pool their general treasury funds and jointly host a presidential candidate forum with the combined restricted classes of all three organizations.

Importantly, the FEC conditioned its approval on the ability of the associations to use a reasonable accounting method to ensure that each association only pays for the actual costs incurred in communicating with its own restricted class. By tracking the percentage of individuals from each association who dialed into the call (or by using some other reasonable accounting method), the FEC concluded that one trade association's funds would not be used to subsidize a candidate's appearance before the restricted class of another organization.

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trade associations in this proceeding.

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