

FEC Revisits a Corporation's Restricted Class

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In Advisory Opinion 2010-04, issued on April 30, 2010, the Federal Election Commission (FEC) revisited the issue of a corporation's "restricted class." A corporation's "restricted class" is important because a corporation may only solicit members of its restricted class for contributions to the corporation's federal PAC.

In the Advisory Opinion, the FEC found that five employees at Wawa, Inc., the requestor of the opinion, qualified as "executive or administrative personnel" and thus could be solicited for the PAC as members of the restricted class. The FEC found this even though three of the five employees to some degree supervised hourly employees and two directly supervised only hourly employees. According to FEC regulations, foremen and other lower-level supervisors are excluded from the restricted class unless they are shareholders. Nonetheless, the employees at issue "exercise[d] discretion and independent judgment on matters of significance in performing their duties" that they qualified as members of the restricted class. Other corporate facts also affected the decision. The Advisory Opinion can be found at: <http://saos.nictusa.com/saos/searchao?SUBMIT=ao&AO=3049>.