

**ETHICS INTERPRETATION EI-1997-001 and EI-1997-009  
ISSUED January 22, 1998**

In the executive session portion of its regular meeting held December 11, 1997, the Ethics Commission considered your separate requests for ethics interpretations and, due to the similarity of subject matter, combined them into one response. You have asked:

*Do the Constitutional Ethics Rules [“the Rules”], Section 257:1-1-1 et seq. of the Rules of the Ethics Commission, 74 O.S. Supp. 1997, Ch. 62, App., deem committees, such as the Oklahoma Federation of Republican Women [“OFRW”], to be “affiliated” “connected entities”, such that contributions to or from the committees to be aggregated with those of the Oklahoma State Republican Committee, better known as the Oklahoma Republican Party [“ORP”]?*

**FACTS**

You have advised that the OFRW is a committee which supports the platform and/or candidates on the party ticket of ORP. You ask whether the Rules require contributions to or from such committees to be aggregated with contributions to or from ORP. You have further advised, on behalf of ORP, that:

- The Rules of ORP [“ORP Rules”], in part provide that its “permanent organization” shall be as follows:

Rule 1 - Permanent Organization

The permanent organization of the Republican Party in and out of the State of Oklahoma shall consist of the following committees:

1. Republican Precinct Committees
2. Republican County Committees
3. Republican County Central Committees
4. Republican County Executive Committees
5. Republican Congressional District Committees
6. Republican State Committee
7. Republican State Executive Committee
8. Republican State Central Committee
9. Republican State Finance Committee
10. Republican State Budget Committee
11. Republican State Auditing Committee

- The ORP Rules provide that the State Committee “is the supreme Republican Party authority of the state, subject to these rules and the direction and control of the State Conventions.” [ORP Rule 10(d)]
- The membership of the State Committee is defined in ORP Rule 10(a) as follows:

Two members (one man and one woman) from each county of the State  
The State Chairman  
The State Vice Chairman  
The Chairman of the Oklahoma Federation of Young Republicans  
The Chairman of the Federation of Teen-Age Republicans  
The President of the Oklahoma Federation of Republican Women  
The Chairman of the Oklahoma Black Republican Council  
The National Committeeman and Committeewoman of Oklahoma  
The Republican members of the Oklahoma Legislature  
All Republican members of the U.S. Congress from Oklahoma  
The immediate past State Chairman  
The District Chairman and Vice Chairman of each Congressional District in the State  
The County Chairman and Vice Chairman of each county of the State

- There are committees [as the term is defined in 257:1-1-2] that use the words “Republican” and/or “GOP” in their names or literature which have no official representation on the State Committee or the ORP including, but not limited to, the Republican National Committee and certain political action committees.

On behalf of OFRW, you have advised that:

- OFRW is not part of the organizational structure of the ORP.
- Article I, Section 2 of the OFRW Bylaws indicates that its bylaws and objectives must be consistent with those of the National Federation of Republican Women [“NFRW”]; Article III, Section 2.A.c. requires that unit clubs of OFRW adopt bylaws consistent with those of OFRW and NFRW.
- ORP Rule 7(a), pertaining to the County Executive Committee, gives an appointment to this committee to the President of the local OFRW unit club. The committee consists of at least 31 members. ORP Rule 7(d), pertaining to the duties of the County Executive Committee, indicates that this committee is advisory only.
- ORP Rule 10(a) allocates one seat on the Republican State Committee to the President of OFRW. This committee has upwards of 300 members and is specified in Rule 10(d) as the supreme authority of ORP.
- ORP Rule 11(a) places the President of OFRW on the State Executive Committee which is approximately 30 individuals. ORP Rule 11(c) makes this an advisory committee.

## **ANALYSIS**

The Rules, as amended effective July 1, 1997, contain the following definitions and provisions affecting your question:

**Definitions**

\* \* \*

**"Affiliated" or "Connected entity"** means any entity which directly or indirectly establishes, administers or financially supports a political entity.

\* \* \*

**"Contribution"**

\* \* \*

(2) The term "contribution" shall not include:

\* \* \*

(B) for purposes of the contribution limits set forth in Section 2 of Chapter 10, the transfer of any funds by a political action committee to *an affiliated or connected* political action committee or by a *party committee to an affiliated or connected party committee*, provided the committees have been established as provided by law and the transferring committee and the receiving committee have been established, directly or indirectly, and are administered or financially supported, directly or indirectly, by a common entity; or

\* \* \*

**"Party committee"** means a political party or any affiliated or connected entity.

\* \* \*

**"Political party"** means any political party so recognized for the purpose of having candidates appear on the ballot.

257:1-1-2

**Contributions**

\* \* \*

(f) **Aggregation of contributions.** For purposes of the contribution limitations, the following apply:

(1) Two (2) or more political action committees *or party committees* are treated as a single entity if the committees:

- (A) share the majority of members on their boards of directors;
- (B) are owned or controlled by the same majority shareholder or shareholders;
- (C) are in a parent-subsidiary relationship; or
- (D) have by-laws so stating; or

(E) are affiliated or connected entities.

(2) A candidate committee and a committee other than a candidate committee are treated as a single committee if the committees both have the candidate or a member of the candidate's immediate family as an officer.

257:10-1-2(f)

[emphasis added]

## ANALYSIS

The first three criteria for committees which must aggregate their contributions can be dispensed with by recounting the facts. Committees with only one member serving on the board of ORP or one board member of ORP serving on their boards do not fit the criteria of “sharing a majority of board members”. ORP, its subcommittees and like committees, such as OFRW, are not shareholder organizations; therefore, they do not own or control and are not owned or controlled by shareholders. Neither the ORP Rules nor the OFRW Rules state that either committee is a part of the organizational structure of the other.

ORP Rules do acknowledge that the following committees compose the permanent organization of ORP; thus, they are “affiliated” or “connected entities” of ORP in that they are established and administered by ORP.

1. Republican Precinct Committees
2. Republican County Committees
3. Republican County Central Committees
4. Republican County Executive Committees
5. Republican Congressional District Committees
6. Republican State Committee
7. Republican State Executive Committee
8. Republican State Central Committee
9. Republican State Finance Committee
10. Republican State Budget Committee
11. Republican State Auditing Committee

The Commission notes that a political party is a party committee. A committee, other than a political party, becomes a party committee if it is affiliated or connected with a political party. The question turns on whether other committees, which are not established or administered by ORP, but which publicly identify their support for the goals of ORP and/or state candidates running on the Republican Party ballot, either through use of the words “Republican”, “GOP” or other recognizable terms, or through solicitation literature are affiliated or connected entities of ORP.

The answer hinges on whether such committee activity constitutes financial support of a political party. The question then becomes whether this financial support must consist of the transferring of money to the political party, or may it be in the form of monetary support for the party’s political platform and candidates?

The Commission finds that if a committee does not make contributions into the coffers of a political party, it cannot be said to “financially support a political entity” even if it supports the ideology and candidates. Only those committees which make up the permanent organization of the ORP are “affiliated” or “connected entities” of the ORP. Such a committee therefore is not within the strictures of Section 257:10-1-2(f) and contributions to or from such committees need not be aggregated with contributions to or from other committees or with the ORP.

## **CONCLUSION**

**It is therefore the ethics interpretation of the Ethics Commission, as decided at its regular meeting held December 11, 1997, that a committee which is not established or administered by a political party, does not form a part of the permanent organization of the party and does not make contributions to the political party, but which publicly identifies its support for the goals of the party and/or state candidates running on the party ballot, either through use of the party names [i.e. “Republican” or “GOP”] or other recognizable terms, or through solicitation literature, is not an affiliated or connected entity of the political party. Such a committee therefore is not within the strictures of Section 257:10-1-2(f) and contributions to or from such a committee are not required to be aggregated with contributions to or from other committees or with the ORP as that subsection provides.**

Please be advised that ethics interpretations are typically published with sufficient deletions to prevent identification of the person or persons involved in the situations presented in the ethics interpretation. Mention of the actual names of entities herein involved was done pursuant to waiver.