

**INFORMAL OPINION IO-1999-003
ISSUED APRIL 23, 1999**

You have asked for an informal opinion on the following question:

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. 1998, Ch. 62, App., permit a limited liability company to make contributions to into the campaign fund of candidates running for state office?

ANALYSIS

Oklahoma law regulates both who may give and the amount of the contribution into campaigns for state office. Simply stated, a political party or political action committee may not receive a contribution of more than \$5,000 from any “person” during a calendar year. A state candidate or candidate committee may not receive a contribution from any “person” of more than \$5,000 for the entire campaign. “Person” is a defined term under the Rules.

Definitions

“**Person**” means an individual, corporation, **limited liability company**, association, proprietorship, firm, partnership, limited partnership, joint venture, joint stock company, syndicate, business trust, estate, trust, company, organization, committee, or club, or a group of persons who are voluntarily acting in concert.

257:10-1-2

The definition of those who may make contributions thus expressly includes both a limited liability company and a partnership.¹

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Although it includes corporations, those entities are prohibited from contributing to candidate campaigns.

(c) **Prohibitions and exceptions to corporate contributions.**

(1) No corporation shall contribute to any campaign fund of any party committee of this state or to any other person for the benefit of such party committee or its candidates, nor shall it, through any agent, officer, representative, employee, attorney, or any other person or persons, so contribute. Nor shall any such corporation, directly or through such other person, make any loan of money or anything of value, or give or furnish any privilege, favor or other thing of value to any party committee, or to any representative of a party committee, or to any other person for it, or to any candidate upon the ticket of any political party.

(2) A corporation shall not make a contribution or expenditure to, or for the benefit of, a candidate or committee in connection with an election, except that this provision shall not apply to:

(A) a campaign or committee solely for or against a ballot measure

Since, under state law, corporations alone are prohibited from influencing elections, and since the only federal law which applies to state candidates prohibits contributions from foreign nationals,² there is no prohibition against contributions from limited liability companies which are not foreign nationals as defined by federal law.

CONCLUSION

It is therefore the informal opinion of the Ethics Commission staff that a limited liability company, which is organized under and created by the laws of the United States, and has its principal place of business in the United States, may make contributions to campaign funds, candidates and candidate committees.

Please be advised that, like ethics interpretations, informal opinions are fact specific. They answer only the question or questions put forth in the underlying request. While they may shed light on other situations, this opinion does not necessarily control them.

or local question; or

(B) the establishment, administration, and solicitation of contributions to a political action committee to be utilized for political purposes by a corporation.

(3) No candidate, candidate committee or other committee shall knowingly accept contributions given in violation of the provisions of Paragraphs (1) and (2) of this subsection.

(4) The provisions of this subsection shall not apply to a bank, savings and loan association or credit union loaning money to a candidate in connection with his own campaign which is to be repaid with interest at a rate comparable to that of equivalent loans for other purposes.

²Federal law prohibits contributions from foreign nationals as follows:

§ 441e. Contributions by foreign nationals

(a) It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

(b) As used in this section, the term "foreign national means--

(1) a foreign principal, as such term is defined by section 611(b) of title 22, except that the term "foreign national" shall not include any individual who is a citizen of the United States; or

(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 1101(a)(20) of title 8.

To be binding on the future action of this agency, the Commission must issue a formal ethics interpretation, which must be directed to the individual situation.

The rules permit the Commission staff to issue informal opinions, upon the approval of the Chair or Vice Chair, provided the matter is reasonably susceptible to a single analysis and is not the subject of litigation, investigation or legislation. We hope these informal letters shed light on the issues and provide guidance. They are not, however, official pronouncements.

This letter has been approved by the Commission Chair. Please note that, like ethics interpretations, informal opinions like this one are published in such a way as to protect the identity of those involved.

To the extent that Informal Opinion IO-1999-003 is inconsistent with Ethics Interpretation EI-2002-005, it has been withdrawn.