

DE 88-17 - April 12, 1988

**Corporation Registering as a Political Committee
Section 106.011(1), F.S.**

To: Mr. Lawrence E. Gill, General Attorney, Southern Bell Telephone and Telegraph Company, Museum Tower Building, Suite 1910, 150 West Flagler Street, Miami, Florida 33130.

Prepared by: Division of Elections

This is in reference to your request for an advisory opinion as to whether a foreign corporation must register as a political committee prior to contributing to political issues. You are General Attorney for Southern Bell Telephone and Telegraph Company and the Division of Elections has authority under Section 106.23(2), Florida Statutes, to issue an advisory opinion to you relating to the Florida Election Code, Chapters 97-106, Florida Statutes.

Your specific question is as follows:

Whether a foreign corporation registered and authorized to do business pursuant to Chapter 607, Florida Statutes, may contribute to political issues from corporate funds, without being registered as a political committee.

On January 8, 1988 the Division of Elections issued DE 88-01 which opined that a Florida corporation registered pursuant to Chapters 607 or 617, Florida Statutes, could contribute to political candidates or issues from corporate revenues without being registered as a committee of continuous existence or as a political committee.

There is no pertinent law or regulation which justifies treating a foreign corporation any differently than a domestic corporation for purposes of the Election Code. In addition, Section 607.307, Florida Statutes, expressly provides that foreign corporations, duly authorized to do business in the state, are to be treated the same as Florida corporations:

A foreign corporation for which an application for authority under this chapter has been filed shall, until a certificate of revocation or of withdrawal shall have been issued as provided in this chapter, enjoy the same, but no greater, rights and privileges as a domestic corporation organized for the purposes set forth in the application and, except as otherwise provided in this chapter, shall be subject to the same duties, restrictions, penalties, and liabilities now or hereafter imposed upon a domestic corporation of like character. (Emphasis added.)

The Legislature intended for foreign corporations to give contributions under Chapter 106, Florida Statutes, as evidenced by Section 106.08(4), Florida Statutes, which provides:

Any person who knowingly and willfully makes a contribution in violation of subsection (1) or

subsection (3), or any person who knowingly and willfully fails or refuses to return any contribution as required in subsection (2), is guilty of a misdemeanor of the first degree, punishable as provided in S. 775.082 or S. 775.083. If any corporation, partnership, or other business entity or any political committee or committee of continuous existence is convicted or knowingly and willfully violating this section, it shall be fined not less than \$1,000 and not more than \$10,000. If it is a domestic entity, it may be ordered dissolved by a court of competent jurisdiction; if it is a foreign or nonresident business entity, its right to do business in this state may be forfeited.... (Emphasis added.)

The imposition of a punishment for violating a statute presupposes the statute's application to the persons or entities subject to its terms. Therefore, Section 106.084(4), Florida Statutes, clearly intends for foreign corporations to be able to contribute to political candidates or issues.

Prior to 1976 corporations were regulated by three chapters of the Florida Statutes - Chapter 608 relating to corporations in general; Chapter 613 relating to foreign corporations; and Chapter 617 relating to corporation not for profit. At the same time the definition of a political committee in Chapter 106, Florida Statutes, excluded corporations regulated by Chapters 608, 613 or 617 if their political activities were limited to contributions to candidates or political committees from corporate funds and if no contributions were received by such corporation.

In 1975 the Legislature combined Chapters 608 relating to corporations in general and Chapter 613 relating to foreign corporations into one new corporate chapter - Chapter 607 entitled Florida General Corporations Act, Ch. 75-250, Laws of Fla. In 1977 the Legislature amended the definition of political committee in Chapter 106, Florida Statutes, to provide that "corporations regulated by Chapters 607 or 617 are not political committees if their political activities are limited to contributions to candidates or political committees or expenditures in support or opposition of an issue from corporate funds and if no contributions are received by such corporations." Chapter 77-175, Laws of Fla.

Therefore, it is clear that it is the intent of the Legislature to exempt all corporations from having to register as political committees if their political activities are limited to contributions to candidates or political committees or expenditures in support or opposition of an issue from corporate funds and if no contributions are received by such corporations.

SUMMARY

A corporation need not be registered as a political committee if its political activities are limited to contributions to candidates or political committees or expenditures in support or opposition of an issue from corporate funds and if no contributions are received by such corporations.