




TEXAS ETHICS COMMISSION



****Overruled, Modified, Clarified, or Superseded****  **Opinion History**

ETHICS ADVISORY OPINION NO. 215

June 10, 1994

Whether a joint venture whose managing venturer and part-owner is a corporation may make political contributions. (AOR-240)

The Texas Ethics Commission has been asked whether a joint venture whose managing venturer and part-owner is a corporation may make political contributions to candidates and political committees. The requestor states that the joint venture is organized as a Texas general partnership.

The Texas Election Code generally prohibits corporations from making political contributions or expenditures. Elec. Code § 253.094; *see Ethics Advisory Opinion No. 168* n.4 (1993) (regarding exceptions to ban on political activity by corporations and labor organizations). If a joint venture owned in part by a corporation made political contributions, corporate funds would be used to finance political activity. Moving the funds through a non-corporate account would not alter their corporate nature. In *Ethics Advisory Opinion No. 77* (1992), we advised that

[j]ust as a corporation does not avoid the prohibition on corporate contributions by passing a contribution through an individual or a non-corporate entity, a contribution from a partnership does not become a corporate contribution simply because the partnership uses a corporation to manage and disburse its funds. (Emphasis added.)

See also Letter from John Hannah, Jr., Texas Secretary of State, to Charles E. Burt, Burt & Company, Inc., P.C. (Oct. 18, 1991) ("Texas law allows candidates to accept political contributions from individuals, professional corporations, and professional associations, *as well as general and limited partnerships that do not contain partners that are prohibited from making political contributions to candidates.*") (emphasis added). Therefore, the joint venture described in this request, like any partnership having one or more corporate partners, is subject to the same restrictions on political expenditures that apply to corporations.¹

SUMMARY

A partnership including one or more corporate partners is subject to the same restrictions on political activity that apply to corporations.

¹ We note that the joint venture may make expenditures to finance the establishment and administration of a general-purpose committee and to cover the costs of soliciting contributions to the committee from the joint venture's "solicitable class." It may also make political contributions and political expenditures in connection with a measure if it complies with Election Code sections 253.096 and 253.097, respectively.