

February 23, 2006
Re: IO-06-17

You inquired whether an organization, acting on behalf of the county, may solicit sponsorships from a list of hundreds of potential donors to provide financial assistance for an annual event being held to promote a county program. The list has been compiled over the last several years and a number of the names on the list belong to controlled donors, that is, entities doing business with Anne Arundel County, as defined in §1-101(i) of the Public Ethics Law, Article 9 of the Anne Arundel County Code. The ethics commission advises that under the circumstances described in this opinion, this solicitation does not violate §5-106(a) prohibiting the solicitation of gifts. The corporation may seek and accept sponsorships from these sources.

The corporation sent out a notice to potential donors and participants in the event, setting out the date and description of the annual event, and stating:

For more information about the [event] or to become [an event sponsor], call [employee of agency] at the agency at xxx-xxx-xxxx or E-mail [the employee] at xxxxx. Sponsorship opportunities are still available.

This notice is an indirect solicitation in that it offers an opportunity for entities to offer to sponsor the event. This type of solicitation differs from a direct solicitation because it does not involve a county employee specifically asking a potential donor for contributions. An indirect solicitation, particularly one that is addressed to several hundreds of potential donors, is not coercive and creates no appearance that a sponsorship will result in preferred treatment to any donor.

In addition to the “save the date notice”, the agency has also advertised the event on its website, providing the same information about sponsorships. In effect, the solicitation of sponsorship opportunities is open to the public.

The ethics commission has issued a number of opinions on the subject of gift (or sponsorship solicitations). The gist of these opinions, as they have evolved, is that gift solicitations, even for legitimate public purposes, must not specifically target controlled donors. *See, e.g.*, AO-99-199, AO-97-122, AO-97-41. The reason for this restriction is to avoid the appearance of a conflict of interest. Where solicitations are directly targeted at controlled entities, those entities may reasonably believe that making a donation – or failing to donate – may affect their business interests. On the other hand, a solicitation that is open and advertised to the public, as well as to a large group of entities, some of which are controlled donors, does not have the same coercive impact.

Thank you for your inquiry. If you have additional questions, please feel free to call.

Sincerely,

Betsy K. Dawson
Executive Director