



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

NATIONAL STATE BANK BLDG., SUITE 1215
28 W. STATE STREET, CN-185
TRENTON, NEW JERSEY 08608
(609) 292-8700

SCOTT A. WEINER
EXECUTIVE DIRECTOR

EDWARD J. FARRELL
COUNSEL

MEMBERS:
ANDREW C. AXTELL
CHAIRMAN
M. ROBERT DECOTIIS
VICE CHAIRMAN
HAYDN PROCTOR
ALEXANDER P. WAUGH, JR.

January 3, 1984

Thomas E. Ward, Jr., Treasurer
Campaign Fund of Assemblywoman Maureen Ogden
121 Summit Avenue
Summit, New Jersey 07901

ADVISORY OPINION NO. 01-1984

Dear Mr. Ward:

Your letter to the Election Law Enforcement Commission requesting an Advisory Opinion has been considered by the Commission and I have been directed to issue this response. You have asked several questions pertaining to the use of campaign contributions which remain unexpended at the termination of the candidacy. For the reasons stated herein, the Commission is unable to express an opinion in regard to your inquiry.

Assemblywoman Maureen Ogden was a candidate for re-election to the State Assembly in the 1983 general election, and you served as her campaign treasurer. You have written that a surplus of campaign funds is anticipated after the satisfaction of all debts incurred in furtherance of Assemblywoman Ogden's candidacy. The 15-day post-election campaign report filed with the Commission by Assemblywoman Ogden discloses that the current remaining balance in the campaign account is \$15,489.29. The report also indicates an outstanding obligation in the amount of \$205.

The New Jersey Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 et seq., (hereafter, the Act), does not specifically address itself to the permissible uses of leftover campaign funds. Since the authority of the Commission to issue Advisory Opinions is limited to questions arising under the provisions of the Act, the Commission concludes that it is unable to express an opinion with respect to your inquiries. N.J.S.A. 19:44A-6(f). However, the Commission has taken the position that personal use of leftover campaign funds would not be appropriate, and any information reaching the Commission of such personal use would be forwarded to the State Attorney General pursuant to N.J.S.A. 19:44A-6(b)(10). Certain other dispositions of remaining funds would not be challenged by the Commission. For example, the transfer of funds to a State, county or municipal political party committee of the candidate, or the return of those funds pro rata to the contributors, or the transfer of those funds to a charitable organization recognized by the Internal Revenue Service for deduction for federal income tax purposes would not cause concern over personal use.

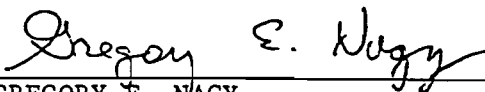
While the Commission lacks jurisdiction to advise generally as to the permitted uses of campaign funds, reporting obligations as to those funds continue until such time as they have been expended. N.J.S.A. 19:44A-16(a). In response to your first question, the campaign bank account used for the 1983 general election may be redesignated for a new election without the necessity of closing that account and opening another one. However, before this option may be exercised, all outstanding obligations must be paid or otherwise terminated. As to your second question, it is not clear from your letter precisely what payments are anticipated. Payments for a future campaign may be undertaken only after the account has been redesignated for that future campaign. N.J.S.A. 19:44A-9. As indicated, the Commission lacks jurisdiction to respond to your third question. In regard to question No. 4, you are required to continue filing 60-day reports until the surplus funds have been expended. As to question No. 5, the Act does not place any limitation on the length of time prior to a future or anticipated campaign that a bank account may be established for that campaign. Finally, as to your last question, the Commission lacks jurisdiction to advise on tax matters and suggests that you submit your inquiry to the New Jersey Division of Taxation, c/o Tax Information Service, 50 Barracks Street - CN 269, Trenton, N.J. 08646.

The Commission wishes to advise you that Senate Bill No. 1195, which has been supported by the Commission, would extend the jurisdiction of the Commission to reach the issue of permissible uses of leftover campaign funds, and therefore would provide the Commission with an opportunity to provide guidance to candidates and their campaign treasurers. That bill has been passed by the State Senate but is currently pending in the State Assembly.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

BY:



GREGORY E. NAGY

Staff Counsel