October 24, 1990

Christine Farrington, Esq.
294 Union Street
Hackensack, New Jersey 07601

Advisory Opinion No. 10-1990

Dear Ms. Farrington:

The Commission has directed me to issue this response to your request for an advisory opinion received on September 27, 1990, with supplemental information provided in telephone conversations on October 4 and 9, 1990. You have asked whether a discount coupon used as part of a campaign flyer is a contribution to the campaign, and, if the coupon represents a campaign contribution, you have requested advice concerning reporting of that contribution.

You have indicated that a two-sided campaign flyer is to be circulated to all registered voters in Saddle Brook (approximately 4,000 households), including Republicans, Democrats, and Independents. The front of the flyer is to contain the names of the six candidates, one mayoral candidate and five council candidates, who comprise "Your Republican Team 90." The back of the flyer will contain a coupon for a $1.00 discount off the cost of a large pizza at any one of three participating restaurants. The coupon may be redeemed from November 7, 1990 through December 31, 1990.

You have confirmed that the campaign committee of the six candidates will pay for the cost of printing the flyer and for postage. Further, no money is to be paid or returned to the campaign committee by the participating restaurants, and no money has been paid to the participating restaurants by the candidates or their committee. There is no personal or family relationship between any of the candidates and the owner or owners of the pizza restaurants. You have also stated that the pizza discount coupon is "seen as an advertising gimmick" by the restaurants and that they would permit any candidate, regardless of party, who wishes to distribute coupons for their pizzas to do so.
The Commission is satisfied based upon the facts you have presented that the campaign flyer containing the pizza discount coupon appears to be a commercially viable activity intended to promote the business of the three participating restaurants. Further, even if the value of the coupons represents a contribution to "Your Republican Team 90" by the three restaurants redeeming those coupons, such contribution would have a de minimis value and therefore would not be required to be reported by your campaign.

The Commission notes that the flyer which contains the coupon bears a "paid for" identification statement in apparent compliance with N.J.S.A. 19:34-38.1. The Commission suggests that you clarify that the campaign is paying all costs associated with circulation of the flyer, but not subsidizing the coupons.

Thank you for this inquiry.

Election Law Enforcement Commission

By: [Signature]

Nedza G. Massar
Director of Public Financing

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