A.O. 62-1973

October 22, 1973

Ms. Gilda Beltrone Campaign Treasurer Democratic Club of Demarest New Jersey P. O. Box 94 Demarest, New Jersey 07627

Re: The New Jersey Campaign Contributions and Expenditures Reporting Act, P. L. 1973, c. 83 ("the Act") Your Letter Dated September 24, 1973

Dear Ms. Beltrone:

Your letter of September 24, 1973 to the New Jersey Election Law Enforcement Commission ("the Commission"), including a request for advisory opinion, has been forwarded to me for reply.

1. Your letter raises questions regarding reporting by "political clubs". It is not clear from the language of your letter whether the club to which you refer is a municipal committee of a political party or whether it is a political committee. In the case of a club organized to promote the candidacy of one or more candidates, without a purpose or term of existence substantially longer than the campaign of such candidates, then such a club is a political committee and is not required to file reports pursuant to Section 8 of contributions received or expenditures made in behalf of any candidate if none of the candidates supported by such committee is required to file reports pursuant to Section 16 of the Act.

If, however, your club has a permanent or continuing existence unrelated to the candidacy of particular candidates, or if it receives contributions or makes expenditures from time to time which are not related to the promotion of the candidacy of a particular candidate or candidates, or if it is the lawfully constituted municipal committee of a political party, or carries on in fact the continuing functions of a municipal committee of a political party, then such club is regarded as a "political party committee", and is subject to the pre-election and post-election reporting requirements of Section 16, incorporated by reference

into paragraph 1 of Section 8 of the Act. Such committee is not required to include in its report contributions or expenditures in behalf of a candidate if none of the candidates supported by such committee is required to file a report pursuant to Section 16 of the Act.

All political party committees are subject to the March 1 reporting requirement contained in paragraph 2 of Section 8 of the Act.

- The campaign account of the club may be used for both candidates in common. Such an account would be the account of a political committee or political party committee which would be required to designate a treasurer and depository and would be subject to the reporting requirements imposed upon such committees. The establishment of such campaign account would not relieve any of the individual candidates from the obligation to appoint a campaign treasurer and designate a campaign depository for each candidate and to report under the Act. Under the Act the same person could be named as treasurer by both of the candidates and the club and the same bank could be named as depository by both of the candidates and the club. event that a campaign account of the kind described in your letter is used, there must be sufficient identification of contributions and expenditures to permit a later demonstration that a report or affidavit of a candidate is accurate and is based upon accurate records and that the total spending limits as to such candidate have not been exceeded.
- 3. Under the facts as set forth in your letter, if an allocation of half of the expenditures to each of the candidates would be reasonable in the circumstances(e.g., an allocation of \$1,300 equally between two candidates), then each candidate could file the appropriate affidavit.

In that event, your club would have no obligation to file pre-election or post-election reports if it is a political committee under the test described in paragraph 1 of this letter. If your club is a political party committee under that test, then it would be

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required to file the pre-election and post-election reports, but need not include in the report contributions or expenditures on behalf of the candidates, where neither of the candidates is required to file a report.

Yours very truly,

New Jersey Election Law Enforcement Commission

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Edward J. Farrell, Esq.

Legal Counsel

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