

0-08-77

FRANK P. REICHE
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STATE OF NEW JERSEY
ELECTION LAW ENFORCEMENT
COMMISSION
NATIONAL STATE BANK BLDG.
SUITE 1114
TRENTON, N. J. 08605
(609) 292-8700

LEWIS B. THURSTON, III
EXECUTIVE DIRECTOR
EDWARD J. FARRELL
COUNSEL

July 28, 1977

Robert M. Kaufman, Esq.
Messrs. Proskauer, Rose,
Goetz & Mendelsohn
300 Park Avenue
New York, New York 10022

RECEIVED
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N.J. ELECTION
LAW ENFORCEMENT
COMMISSION

Re: The New Jersey Campaign Contributions and Expenditures
Reporting Act, Chapter 83, Laws of 1973 as
Amended and Supplemented ("the Act")
Your Letter Dated March 9, 1977
Opinion #(0-08-77)

Dear Mr. Kaufman:

Your letter dated March 9, 1977 to the New Jersey
Election Law Enforcement Commission ("the Commission"),
including a request for advisory opinion, has been forwarded
to me for reply.

The Commission is created by Section 5 of the Act and
its authority, including the authority to issue legal opinions,
is limited by the Act. Although the Commission is not
authorized to express any opinion with respect to the legitimacy
of corporate contributions, there is nothing in the Act
which prohibits corporate contributions, and the Commission
is generally of the view that there is nothing in the election
law of New Jersey which prohibits contributions by a New
Jersey corporation to a candidate for election to a state
office in New Jersey, except that contributions by banks,
insurance companies, public utilities and gambling casino
interests are prohibited under New Jersey law. The Commission
expresses no opinion with respect to the legitimacy, under
any federal or state law other than the election law of the
State of New Jersey, of corporate contributions or contributions
by political committees sponsored by a business corporation.

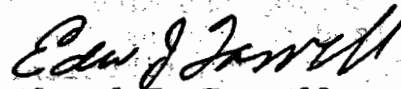
Where the activity of a business corporation with
respect to an election is limited to the making of contributions
of money to the campaign of a candidate, such activities are
not deemed by the Commission to constitute the contributor a
political committee, and such contributor has no reporting
requirement under the Act. The candidate to whom such
contribution is made must, with certain exceptions, report
the total amount of all contributions and must provide the
name, address and amount of contribution of every contributor

whose contributions to the candidate in the aggregate exceed \$100.

The activity of a business corporation in setting up a political action committee of the kind described in your letter does not constitute the business corporation a political committee under the Act. However, the political action committee would be a political committee under the New Jersey Act, subject to the reporting and other requirements of the Act. A copy of the proposed regulation of the Commission which deals with this subject is enclosed.

Based upon the facts set forth in your letter, the answers to your specific question are as follows: paragraph numbered 1, nothing in the Act prohibits such contribution; paragraph numbered 2, such committee may be required to provide the name of the treasurer and the depository with the Commission and to file pre-election and post-election reports in accordance with the Act as provided in the proposed regulations of the Commission; paragraph numbered 3, a treasurer need not be a resident of New Jersey; paragraph numbered 4, the funds of a committee located in the State of New York as described in your letter would not have to be deposited in a state depository bank in New Jersey; paragraph numbered 5, the reporting requirements are as described in the regulations which are enclosed.

Yours very truly,



Edward J. Farrell
Legal Counsel

EJF:jj
Enclosure