



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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May 20, 1981

Ronald A. Breslow
P. O. Box 1981, Route 46
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ADVISORY OPINION - No. 20-81

Dear Mr. Breslow:

I am writing on behalf of the Election Law Enforcement Commission in response to your letter of May 14, 1981 requesting an advisory opinion from the Commission. You have asked if a corporation or labor union may distribute a written communication to stockholders or union members and their families soliciting contributions to and urging the election of a candidate for the office of Governor in a primary election, and whether the cost of such a communication would be subject to the \$800.00 limit on campaign contributions to gubernatorial candidates set forth in N.J.S.A. 19:44A-29 (as amended by L. 1980, c.74, sec. 5). For the reasons herein stated, you are advised that a corporation or labor union may make such a written communication to stockholders or union members and their families, and expenditures by a corporation or labor union for such a purpose are not subject to the contribution limit contained in N.J.S.A. 19:44A-29.

There is nothing in the Campaign Contributions and Expenditures Reporting Act (N.J.S.A. 19:44A-1 et seq.) that prohibits contributions to or expenditures on behalf of candidates for public office by a corporation or labor union. Those portions of the Reporting Act that establish public financing for gubernatorial candidates (N.J.S.A. 19:44A-3 et seq.) generally limit contributions to gubernatorial candidates to a maximum amount of \$800.00. Specifically, N.J.S.A. 19:44A-29(a) provides, in pertinent part, as follows:

"Except in the case of a candidate, as provided in subsection g. of this section, no person or political committee, otherwise eligible to make political contributions, shall make any contribution or contributions to a candidate, his campaign treasurer or deputy campaign treasurer, a State committee, county committee or municipal committee of any political party, or to any other person or committee, in aid of the candidacy of or in behalf of a candidate for nomination for election or for election to the office of Governor in any primary

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or general election in the aggregate in excess of \$800.00. No candidate for nomination for election or for election to the office of Governor in any primary or general election and no campaign treasurer or deputy campaign treasurer of such candidate shall knowingly accept from any person, candidate or political committee any contribution or contributions in aid of the candidacy of or in behalf of such candidate in the aggregate in excess of \$800.00 in any primary or general election..."

(emphasis added)

However, certain communications are expressly removed from the scope of the contribution limit by N.J.S.A. 19:44A-29(f), which provides as follows:

"Communications on any subject by a corporation to its stockholders and their families, or by a labor organization to its members and their families, and nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families, shall not be construed to be in aid of the candidacy of or in behalf of a candidate for election to the office of Governor in any primary or general election..."

(emphasis added)

The Commission understands the terms of N.J.S.A. 19:44A-29(f) to mean that communications, even those advocating the candidacy of a gubernatorial candidate, that are made by a corporation to its stockholders and their families, or by a labor union to its members and their families, are not in aid of the candidacy of that gubernatorial candidate. Therefore, expenditures made for such communications are not contributions in aid of a gubernatorial candidacy, and cannot be subject to the contribution limit contained in N.J.S.A. 19:44A-29(a). The Commission understands N.J.S.A. 19:44A-29(f) to mean that communications by a corporation to its stockholders and their families, or by a labor organization to its members and their families, are not in aid of a gubernatorial candidacy even if the communications solicit contributions or advocate election of such a candidate.

Nothing contained in this advisory opinion should be construed to relieve a corporation or labor union from the application of the \$800.00 contribution limit in any respect other than the express terms

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of N.J.S.A. 19:44A-29(f). Further, the Commission expresses no opinion as to what activities may under N.J.S.A. 19:44A-29(f) constitute communications by a corporation to its stockholders and their families, or by a labor organization to its members, and their families, as the Commission does not have before it any specific information regarding such activities.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

By: Gregory E. Nagy
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