State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

SIDNEY GOLOMANN CHAIRMAN NATIONAL STATE BANK BLDG., SUITE 1114 24 W. STATE STREET, CN-183 TRENTON, NEW JERFEY 08408 (509) 292-8700 LEWIS & THURSTON III

EDWARD J. FARRELL, COUNSEL

JOSEPHINE S. MARGETTS ANDREW C. AXTELL M. ROBERT DECOTIES

June 1, 1981

Mary C. Tanner 354 Cold Soil Road Princeton, NJ 08540

ADVISORY OPINION NO. 27-81

Dear Ms. Tanner:

l am writing in response to your letter of May 18, 1981 requesting an advisory opinion from the Commission. You have asked whether under the terms of Commission Regulation N.J.A.C. 19:25-12.1(b) an organization distributing "street money" in an election campaign would be obligated to maintain records of expenditures under \$25.00. For the reasons stated herein, you are advised that pursuant to the Commission regulations promulgated pursuant to the Campaign Contributions and Expenditures Reporting Act (N.J.S.A. 19:44A-1 et seq.) such organization must retain records of all expenditures for "street money" regardless of the amount involved.

Initially, the Commission observes that Commission Regulation N.J.A.C. 19:25-12.1(b) addresses itself principally to reporting requirements of organizations expanding "street money," and not to the obligations of those organizations to retain records concerning their expenditures. Specifically, the regulation provides in pertinent "In addition to the other reporting requirements part as follows: imposed by the provisions of the act and of theae regulations, the reports to the Commission shall include the name, address and amount of payment for each person who received \$25.00 or more of street money, as either an initial, intermediate or ultimate payee." The regulation proceeds to describe in "Example One" a situation where a County Political Party Committee draws a check in the amount of \$100.00 which is delivered to a Municipal Political Party Committee for disbursement as "street money." The following statement appears in that example: "In addition, County Political Party Committee would have the obligation to require retention of records sufficient to identify initial, intermediary and ultimate payees of such street money and the amounts of each payment, and to include in the reports of County Political Party Committee to the Commission, the name and address of each worker or other payee who received \$25.00 or more, and the amount of such payment." By the express terms of this example, records would have to

Mary C. Tanner June 1, 1981 Page 2

be maintained for "...each payment ... In the absence of such records it would be impossible to ascertain whether a single ultimate payee received from two or more intermediaries payments of "street money" that exceeded the \$25.00 limit.

Generally, the reporting act requires that all expenditures on behalf of candidates, including those for the purposes of "street money," must be reported pursuant to N.J.S.A. 19:44A-8 and 19:44A-16. A treasurer of a candidate or political committee filing campaign reports must necessarily maintain adequate records to corroborate the information disclosed in those campaign reports. Nothing contained in N.J.A.C. 19:25-12.1(b) abrogates that requirement.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

BY: GREGORY E. NAGY

Staff Counsel

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