



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

SIDNEY GOLDMANN
CHAIRMAN

NATIONAL STATE BANK BLDG., SUITE 1114
25 W. STATE STREET, CN-185
TRENTON, NEW JERSEY 08608
(609) 292-8700

LEWIS B. THURSTON, III
EXECUTIVE DIRECTOR

JOSEPHINE S. MARGETTE
ANDREW C. AXTELL
M. ROBERT DECOTIS

EDWARD J. FARRELL
COUNSEL

June 15, 1981

Philip J. Tulumieri, Jr., Esq.
6 Stony Brook Road
Darien, CT 06820

ADVISORY OPINION NO. 26-80

Dear Mr. Tulumieri:

I am writing on behalf of the Election Law Enforcement Commission in response to your letter dated May 13, 1980, addressed to the Election Section of the Department of State, in which you asked several questions concerning the obligation of political action committees (PACs) to disclose information pursuant to the New Jersey Campaign Contributions and Expenditures Reporting Act (N.J.S.A. 19:44A-1 et seq.). Your inquiry has been referred to the Commission by the Department of State, and the Commission wishes to apologize for its delay in responding. In regard to your questions, you are hereby advised as follows:

1. You have asked whether a federal corporate PAC may contribute to a candidate for State office under the New Jersey Reporting Act. The term "political action committee" is not defined in the Reporting Act but is defined in the Commission Regulations promulgated pursuant to that Act. A copy of Commission Regulation N.J.A.C. 19:25-4.8 (Political Action Committees) is enclosed herein and incorporated by reference in this Advisory Opinion. Nothing contained in the Reporting Act prohibits contributions by federal PACs to New Jersey candidates. However, the Commission notes that certain corporations are prohibited from making contributions to New Jersey candidates by sections of Title 19 not contained in the Reporting Act and therefore not subject to Commission jurisdiction. For informational purposes only, your attention is directed to N.J.S.A. 19:34-32; 19:34-45 and 5:12-138.

2. You have asked whether a corporation may pay the administration and solicitation costs of operating a state PAC. By the term "State PAC" the Commission presumes you mean a "political committee" as that term is defined in N.J.S.A. 19:44A-3(i) supporting state candidates. Nothing contained in the Reporting Act prohibits corporations from making contributions to political committees. Further, nothing contained in the Reporting Act prohibits a political committee from expending contributions it receives for the purpose of administrative and solicitation costs.

Philip J. Tulumieri, Jr., Esq.
June 15, 1981
Page 2

3. You have asked whether there are limits on the size of the contributions the PAC may expend or receive. The only limitations in the Reporting Act are those concerning contributions or expenditures on behalf of candidates for the office of Governor in a general or primary election. Political committees may contribute no more than \$800.00 to candidates for Governor. N.J.S.A. 19:44A-29(a), as amended by L. 1980, c. 74.

4. You have asked what are the State reporting requirements on organization receipts and expenditures. Rather than attempt to restate the reporting requirements existing for PACs, reference is made to N.J.A.C. 19:25-4.8 in particular.

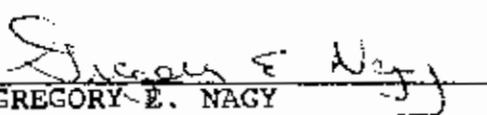
5. You have asked whether a separate State PAC may be established if a federal corporate PAC is not permitted to contribute directly. As stated previously, nothing contained in the Reporting Act prohibits federal corporate PACs from making contributions.

6. You have asked whether there are any State tax advantages for contributors. The Commission has jurisdiction only with respect to the Reporting Act. Therefore, the Commission can only recommend that your inquiry be directed to the Department of Treasury. The address is: State of New Jersey, Division of Taxation, West State Street and Willow Street, Attention, Legal Department, Trenton, New Jersey 08646.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

By:


GREGORY E. NAGY
Staff Counsel

GEN/cn
encl.