

## State of New Versey

## **ELECTION LAW ENFORCEMENT COMMISSION**

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June 16, 1981

Philip J. Cocuzza
Executive Vice President
Builders Political Action Committee
P. O. Box 676
Woodbridge, NJ 07095

ADVISORY OPINION No. 30-1981

Dear Mr. Cocuzza:

I am writing on behalf of the Election Law Enforcement Commission in response to your letter dated June 1, 1981 requesting an advisory opinion. You have asked whether the parent association of a political action committee (PAC) may pay the expenses in conducting a fund raising activity on behalf of the PAC. For the reasons herein stated, you are advised that nothing contained within the provisions of the Campaign Contributions and Expenditures Reporting Act (N.J.S.A. 19:44A-1 et seq.) would preclude a parent organization from making such contribution to its PAC.

You have indicated that an association, which is the parent organization of a PAC wishes to pay the expenses in conducting a fund raising dinner. Specifically, the association will pay the cost of the dinner, the rental of the hall, and other associated expenses. Further, persons attending will make contributions directly to the PAC. The PAC will incur no expenses, but will realize all of the proceeds.

The Reporting Act anticipates that political committees generally will receive contributions. N.J.S.A. 19:44A-12. Payment by the parent corporation for the cost of the dinner, rental of the hall and other associated expenses would constitute a contribution as that term is defined in N.J.S.A. 19:44A-3(d) to the PAC. The PAC itself would be required to disclose the contribution received by the parent organization pursuant to the reporting obligations for PACs as set forth in Commission Regulation N.J.A.C. 19:25-4.8. Furthermore, the PAC would be required to disclose the contributions and identify contributors of over \$100.00 attending the fund raising affair pursuant to the same regulation.

The Commission notes that in the absence of an extention of time advisory opinions must be issued within ten days of receipt by the Commission. If a reply is not made within that time the Commission is precluded from instituting penalty proceedings against any person Philip J. Cocuzza June 16, 1981 Page 2

for a violation of the Reporting Act arising out of the particular facts and circumstances set forth in the request, except as such facts and circumstances may give rise to a violation when taken in conjunction with other facts and circumstances not set forth in the request. N.J.S.A. 19:44A-6(f). Your statement that if an Advisory Opinion is not forthcoming within ten days you may assume an affirmative response is therefore incorrect.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

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Staff Counsel

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