



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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TRENTON, NEW JERSEY 08608  
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COUNSEL

January 17, 1985

Richard A. Zimmer, Esquire  
Counsel  
Friends of Governor Tom Kean  
P. O. Box 1585  
South Hackensack, New Jersey 07601

Re: A.O. 02-85

Dear Mr. Zimmer:

Your letter dated January 3, 1985 has been received by the Commission and I have been asked as Legal Counsel to the Commission to respond in accordance with the provisions of N.J.S.A. 19:44A-6(f).

Your letter and the enclosed materials indicate generally that the proposed solicitation by the Governor's Club will call for a membership fee for individuals of \$500 payable to the Governor's Club, together with a contribution in the form of an instrument payable to the campaign committee for Governor Kean. No portion of the proceeds of the solicitation received by the Governor's Club for membership will be used directly or indirectly for the benefit of the Governor's campaign. A contribution to the candidacy of Governor Kean equal to the maximum permissible gubernatorial campaign contribution will be a condition of membership in the Governor's Club. The contribution to the Governor's Club will not be less than the fair market value of the tangible benefits available to members. The contribution to the Governor's Club as shown on the materials enclosed with your letter of January 3rd indicates that the amount of the contribution by an individual to the Governor's Club will be \$500, an amount less than what you describe as the "customary \$1,000/\$1,500 membership fee".

In the absence of specific facts suggesting a measure for valuation of intangible benefits to a member, the Commission might well conclude that the value of the benefit could not reasonably

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be calculated, and, therefore, that such benefit could not be deemed a "contribution" within the meaning of the Act. On the basis of the facts set forth in your letter, however, we are unable to reach that conclusion, and we are unable to concur that the solicitation proposed by the Governor's Club will not constitute a contribution by the Governor's Club to the campaign committee in excess of \$800, particularly in light of the fact that the dues structure will be reduced to \$500 from the previously customary \$1,000 individual membership fee.

Although it is perhaps moot in light of the discussion above, we will respond to your question about splitting expenses of solicitation. We agree that the expenses of solicitation may properly be split between the soliciting organization and a campaign committee in proportion to the amounts received by each from the solicitation. A question arises whether payment of the entire expense of such solicitation by the soliciting organization, with a subsequent reimbursement of the proportionate share by the campaign committee, might constitute a contribution in the amount of the value of the use of the funds during the period prior to the reimbursement. Your letter does not address this question, and, in the event that the proportionate shares of the expenses were paid simultaneously by the soliciting organization and by the campaign committee, or that the campaign committee advanced the expenses and received appropriate reimbursement from the soliciting organization in return, then this issue would not arise.

At the next regularly scheduled meeting of the Commission on Tuesday, January 29, 1985, at the office of the Commission in Trenton, the Commission will be considering the general question of benefits as contributions, including the question of intangible benefits as contributions in circumstances in which there appears to be a measure by which those benefits can be calculated, as in the case of a reduction of the amount of membership fees from a previously customary membership fee. You may wish to express views on that question to the Commission on or before that time.

Yours very truly,

NEW JERSEY ELECTION LAW ENFORCEMENT  
COMMISSION

By



Edward J. Farrell  
General Counsel