March 21, 1989

James N. Citta, Esq.
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248 Washington Street
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Advisory Opinion No. 06-1989

Dear Mr. Citta:

The Commission has received your request for an advisory opinion and directed me to issue this response. The Commission is not aware of any restriction contained in the Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 et seq. (hereafter, the Act) that would preclude the Republican Organization of Point Pleasant Borough* from paying counsel fees and costs pertinent to litigation arising out of either the November, 1988 candidacy of Councilman Donald Fream, or any subsequent election ordered for the same seat by the New Jersey Superior Court.

I am enclosing for your reference a copy of Advisory Opinion 12-1980, in which the Commission ruled that the relationship between threatened litigation for libel to an election campaign was sufficient to permit campaign funds to be used for the payment of attorneys fees incurred in respect to the litigation.

In regard to your inquiry whether the Republican Organization of Point Pleasant Borough is required to establish a separate account for this

*The Commission has received reports under the following names: "Pt. Pleasant Republican Club," "Pt. Pleasant Regular Republican Club," "Regular Republican Club of Pt. Pleasant," and "Pt. Pleasant Boro. Republican Club." For the purposes of this opinion, the Commission assumes that these names and the one used in this request refer to the same, single entity.
purpose, kindly be advised that no such requirement exists.** The Commission notes that this organization is currently filing quarterly reports with the Commission. Disbursements for the purpose you describe should be reported on Schedule E, Itemized Expenditures (Disbursements & Obligations) Made and Incurred on Behalf of Candidates and Political Committees of the quarterly report (R-3).

Thank you for your inquiry.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

By: ____________________________

GREGORY E. NAGY

GEN/cn
Enclosure

**If a subsequent election should be ordered, please note that Candidate Fream would be required to file campaign reports pursuant to N.J.S.A. 19:44A-16, and the disbursements made by the Republican Organization of Point Pleasant Beach for litigation arising out of that special election should be reflected as "in-kind" contributions to his campaign. The organization would be required to deliver to Candidate Fream written notice of the amounts it disbursed pursuant to N.J.S.A. 19:44A-8(b)(2).