



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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November 28, 1989

Donald E. Jump, C.P.A.
JUMP, BOWE AND COMPANY
244 Main Street
Toms River, NJ 08753

ADVISORY OPINION 28-1989

Dear Mr. Jump:

The Commission has directed me to issue the following response to your request for an Advisory Opinion which was received on October 27, 1989. You have asked whether the Russo-Lynch Victory Fund, of which you are the treasurer and which is currently filing as a political committee in the 1989 general election, must allocate its disbursements to the continuing political committees on whose behalf it is raising money.

The Russo-Lynch Victory Fund filed on October 27, 1989 an 11-day preelection report (Form R-1) for the 1989 general election showing receipts of \$28,000 and disbursements of \$21,972. An examination of Schedule D of that report discloses that disbursements to date have been made to support the Friends of John F. Russo PAC (\$9,254.58) and the Friends of Senator John A. Lynch PAC (\$9,354.57). Other reported disbursements are as follows: Consulting fees to Political Financing Consultants (\$2,510.00); printing fee to Williams Barrell (\$620.10); and for a finance meeting with Citibank Visa (\$233.43).

None of these disbursements have been allocated to 1989 general election candidates by placement in Column C of Schedule D, nor has the Russo-Lynch Victory Fund filed a Schedule C listing any specific candidate or political committee as the recipient of any allocated disbursement.

In your inquiry, you note that neither Senator Russo nor Senator Lynch are candidates in the 1989 general election. Further, you state that the Committee anticipates donating its remaining proceeds to the continuing political committees of the two senators: that is, Friends of John F. Russo PAC and Friends of Senator John A. Lynch PAC. You state further that the Russo-Lynch Victory Fund is filing as a political committee in the 1989

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general election only because those two continuing political committees may, at some future time, make contributions to 1989 general election candidates.

Initially, the Commission believes that under the facts you have submitted, the Russo-Lynch Victory Fund should be filing as a continuing political committee because its express purpose is to raise funds for the continuing political committees established by Senators Russo and Lynch. In this regard, your inquiry appears similar to that presented to the Commission in Advisory Opinion No. 3-1988 (copy enclosed). In that opinion, two Assemblymen created a joint fund-raising vehicle for the purpose of raising funds for their respective "Friends of" accounts. The Commission advised those Assemblymen that they should treat the separate fund-raising joint committee as a continuing political committee having its own filing obligation. Also, in that opinion the continuing political committee was advised to report its disbursements to the two Assemblymen's continuing political committees and to allocate those disbursements. Understood in the facts of that opinion was that the two continuing political committees would apply those funds towards the future reelection campaigns of the Assemblymen.

As your letter notes, at this point the Russo-Lynch Victory Fund itself is not making any direct contribution to any 1989 general election candidate. Furthermore, as suggested in your letter, the Russo-Lynch Victory Fund apparently does not know at this point in time what, if any, 1989 general election candidates the continuing political committees controlled by Senators Russo or Lynch may support. In the absence of any existing or imminent candidacy by Senators Russo or Lynch, and in the absence of a clear intention by the Russo-Lynch Victory Fund to contribute funds to 1989 general election candidates, the Commission believes that the Russo-Lynch Victory Fund is not required to allocate to the continuing political committees of Senators Lynch and Russo.

Thank you for your inquiry.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

By: 
GREGORY E. NAGY
Legal Director

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Attachment