



State of New Jersey

**ELECTION LAW ENFORCEMENT COMMISSION**

NATIONAL STATE BANK BLDG., 12th FLOOR  
28 W. STATE STREET, CN 185  
TRENTON, NEW JERSEY 08625-0185  
(609) 292-8700

OWEN V. McNANY, III  
CHAIRMAN

STANLEY G. BEDFORD  
COMMISSIONER

DAVID LINETT  
COMMISSIONER

S. ELLIOTT MAYO  
COMMISSIONER

FREDERICK M. HERRMANN, PH.D.  
EXECUTIVE DIRECTOR

JEFFREY M. BRINDLE  
DEPUTY DIRECTOR

GREGORY E. NAGY  
LEGAL DIRECTOR

EDWARD J. FARRELL  
COUNSEL

September 27, 1990

Richard E. Messick, Esq.  
Patton, Boggs & Blow  
2550 M Street, N.W.  
Washington, D.C. 20037

Advisory Opinion No. 08-1990

Dear Mr. Messick:

The Commission has directed me to issue this response to your request for an advisory opinion received on July 27, 1990, with supplemental information submitted in your letter dated September 14, 1990. You have asked whether PG&E Generating Company (hereafter, "the Company"), which is a partnership composed of two corporate partners, is required to file a Statement of Organization (Form CPC-1), and whether the partnership can contribute to candidates for Governor in New Jersey.

You write that the Company is a partnership comprised of PG&E Generating Company, a California corporation that is a subsidiary of Pacific Gas & Electric Company, and Bechtel Generating Company, Inc., a subsidiary of Bechtel, the world-wide construction and engineering company. The Company builds and operates cogeneration facilities. Both of the corporate partners maintain separate segregated funds and file reports with the Federal Election Commission pursuant to 2 U.S.C. Sect. 441b. In your correspondence dated September 14, 1990, you have represented that neither of the Company's two partners, and none of the entities in the corporate family of either of the partners, are subject to the prohibition contained in N.J.S.A. 19:34-45 prohibiting certain corporations from making political contributions in New Jersey. The Commission does not have jurisdiction to issue any opinion regarding the possible applicability of N.J.S.A. 19:34-45, and nothing contained in this opinion should be construed as an expression of any view concerning its possible applicability to the Company or any of its corporate family entities.

Your initial question is whether the Company is required pursuant to N.J.A.C. 19:25-12.4(b)(4)(ii) to file with the Commission a Statement of Organization (Form CPC-1) if it makes contributions from the Company's funds to candidates or political committees in New Jersey. Specifically, you note that both of the corporate partners are filing reports as separate segregated funds pursuant to the Federal Election Campaign Act, and that pursuant to the above cited regulation, a peripheral continuing political committee filing federal reports would also be required to file with the Commission.

As the Commission understands the facts you have presented, the Company anticipates using its partnership funds to make occasional contributions to candidates or political committees in New Jersey, but has not itself established a separate segregated fund under federal law, and does not anticipate any other political activity in this State, such as soliciting contributions, or providing services or other assistance to candidates. Therefore, the Commission concludes that the Company does not have any reporting obligation under the regulation you cited. In Advisory Opinion 12-1987, a copy of which is attached to this response, the Commission held that a business entity which limits its activity in this State to making contributions is not required to file reports because disclosure of the identity of the contributor, that is the business entity, will be provided by the candidate or committee receiving the contribution. In the view of the Commission, the Company is a severable business enterprise from its corporate partners, and therefore it need not file the reports in New Jersey if its activities are limited to the making of contributions to New Jersey candidates or political committees.

You have also asked how the contribution limit contained in N.J.S.A. 19:44-29 applies to partnerships composed of corporate partners. Specifically, you have asked whether such partnership may contribute to a New Jersey gubernatorial candidate, or would such a contribution be treated as the contribution from one or more of the partners.

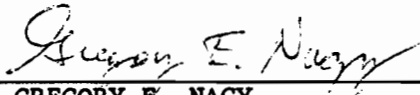
N.J.A.C. 19:25-15.15(c) and 19:25-16.13(c) require that any contribution received from a partnership be deemed to be the contribution of the individual whose signature appears on the contribution check, unless specific identification as to the contribution by other partners or members are contained on the check or other accompanying written instrument, and the check is signed by each partner or member who is a contributor.

Therefore, pursuant to the Commission regulations, the Company could only contribute to a New Jersey gubernatorial candidate to the extent the contribution could be attributed to one or both of its corporate partners. For example, if neither of the corporate partners had made any

contribution, the Company could contribute up to \$3,000.00, attributing one-half of that sum to each of the two corporate partners. Conversely, if both of the corporate partners had each given the New Jersey gubernatorial candidate a maximum of \$1,500, the Company could not make any contribution to that candidate.

Thank you for your inquiry.

ELECTION LAW ENFORCEMENT COMMISSION

BY:   
GREGORY E. NAGY

GEN/lc  
Enclosure