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June 17, 1992

George R. Gilmore, Finance Chairman Ocean County Republican Chairman's Club P. O. Box 1540 Toms River, New Jersey 08754-1540

Re: Advisory Opinion Request No. 08-1992

Dear Mr. Gilmore:

The Commission has directed me to issue this response to your recent request for an advisory opinion. You have asked whether the Ocean County Republican Chairman's Club may use its funds to pay the cost of travel and lodging incurred by delegates, alternate delegates, district delegates and alternate district delegates to the Republican National Convention (hereafter, "delegates") to be held in August of this year. For the reasons stated herein, kindly be advised that nothing contained in the "New Jersey Campaign Contributions and Expenditure Reporting Act," N.J.S.A. 19:44A-1 et seq. (hereafter, "the Act"), or the regulations promulgated pursuant to the Act, precludes the use of continuing political committee funds for paying the reasonable travel and lodging expenses incurred by delegates to a national political party convention. However, you should consult with the Federal Election Commission (FEC) concerning federal reporting requirements and restrictions on contributions to such delegates.

The Ocean County Republican Chairman's Club (hereafter, "the Club") files quarterly reports with the Commission as a continuing political committee. The most recent report filed on behalf of the Club showed a closing balance as of March 31, 1992 of \$36,321.77. You have asked whether any of the Club's funds may be expended for the purpose of paying travel and lodging expenses of the delegates to the national political party convention in August. You further state that although you are a delegate, you would not request or accept payment of your travel and lodging expenses to the national convention. You are listed as "finance chairman" on the Club's letterhead.

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In Advisory Opinion No. 08-1988 (copy enclosed), the Commission advised a candidate in the 1988 general election that he could use funds contributed to his campaign to pay for travel expenses and the reasonable costs of lodging and meals incurred in connection with his attendance as a delegate to the 1988 Republican Party National Convention in New Orleans, Louisiana. In its opinion, the Commission noted that Commission Regulation N.J.A.C. 19:25-7.4 prohibited the use of surplus campaign funds for the personal benefit of any candidate. However, the Commission concluded, as long as the costs incurred in connection with the attendance of the candidate at the national party convention are not substantially in excess of the costs reasonably necessary to attend and participate, no issue of a personal benefit being received by the candidate is raised.

Funds at the disposal of a continuing political committee are also subject to a prohibition against conversion to any personal use by a candidate or any other person; see N.J.A.C. 19:25-7.2. However, the Commission has in numerous settings permitted continuing political committees, and candidates alike, to use their funds for attendance and participation at political and social functions that are reasonably in furtherance of present or future candidacies for State elective office. For example, in Advisory Opinion No. 03-1989 (copy enclosed), a continuing political committee that was formed to promote the election interests of an elected officeholder and served as a depository for contributions being made in anticipation of a future candidacy, was advised that it could expend its funds to purchase tickets for the attendance of the elected officeholder at social events hosted by private fraternal associations because they could reasonably be described as furthering a prospective candidacy. permitted to purchase tickets to social events, the continuing political committee was not permitted to pay for a membership on behalf of a officeholder in the private association.

A continuing political committee, which exists and operates in non-election years as well as election years, may have purposes that are broader than those that are normally circumscribed by the demands of an immediate election. Therefore, in Advisory Opinion No. 02-1990 (copy enclosed), the Commission permitted continuing political committees established to promote several Republican legislators to use their funds for the purpose of sponsoring a non-partisan environmental event (i.e., Earth Day) which was organized by the Assembly Republican office. The Commission noted that funds deposited into the organizational account of a continuing political committee may be used for any lawful purpose as long as they are not converted to any personal use; see N.J.A.C. 19:25-7.2. In this context, the term "personal use" has been applied, for example, in Advisory Opinion No. 09-1989 (copy enclosed), to prohibit an expenditure of funds for a personal loan for a candidate.

The Commission recognizes that the attendance of delegates at a national political party convention can be an important activity of State or local political party organizations that furthers the interest of all State candidates of that political party. Therefore, use of continuing political

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committee funds to pay reasonable expenses related to the attendance of delegates does not under normal circumstances create an issue of personal use.

The Commission notes that you have stated that you are a delegate to the Republican National Convention, but that you "would not request or accept reimbursement" for your expenses. Presumably, as finance chairman of the Club, you are in a position to exercise some control over its expenditures. While the Commission applauds your sensitivity to your position, kindly be advised that nothing contained in this opinion is intended to convey a restriction on the use of funds of a continuing political committee to pay reasonable expenses of a delegate of a national political party based upon any office held in the continuing political committee by that delegate.

Thank you for inquiry, and for your interest in the work of the Commission.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

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Bv:

GREGORY E. NAGY Legal Director

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