

STATE OF NEW JERSEY
ELECTION LAW ENFORCEMENT
COMMISSION
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June 3, 1975

Frederick Waring
177 Twin Brook Court
Ramsey, New Jersey 07446

Re: The New Jersey Campaign Contributions
and Expenditures Reporting Act, Chapter 83,
Laws of 1973, As Amended and Supplemented ("the Act")
Your Letter Dated February 24, 1975
Opinion # (O-03-75)

Dear Mr. Waring:

Your letter dated February 24, 1975 to the New Jersey
Election Law Enforcement Commission ("the Commission"),
including a request for advisory opinion, has been forwarded
to me for reply.

The Commission does not have authority to advise generally
with respect to the legality of any program, since its authority
is limited to the area of its responsibility, which is the
New Jersey Contributions and Expenditures Disclosure Act
(N.J.S.A. 19:44A-1 and following). This Act forms only
part of the election law of New Jersey, which is contained
in Title 19 of the New Jersey statutes. The remainder of
the election law is under the jurisdiction of the Attorney
General of New Jersey.

There is nothing in the Act which prevents the use
of a corporation to solicit contributions, and the Act is
clear that corporations, like other persons and organizations,
are subject to the reporting requirements of the Act to
the same extent as other persons and organizations.

A corporation of the kind you describe formed to solicit
or otherwise raise funds on behalf of a specific candidate
would be a committee for such candidate and would be subject
to the reporting requirements for political committees.
Such a corporation formed to solicit or otherwise raise
funds and to distribute such funds to candidates in elections,
where such activity represented a principal purpose or a
substantial part of the business of such corporation would

be a political committee with respect to the candidates to whom such funds were distributed, whether the activity of the corporation was limited to any particular election or was a continuing activity. As a political committee the corporation would be required to file pre-election and post-election reports in the same manner as any other person or organization.

Under the Act as it presently stands, a committee would be exempted from the requirement of filing pre-election and post-election reports if all of the candidates supported by that committee file affidavits rather than reports, but you should be aware that proposed amendments would require reporting in any election by such a committee whose total expenditures in an election exceed \$2,500 or whose expenditures in an election exceed \$1,000 for any one candidate.

While we do not have authority to express an opinion with respect to the corporate aspects of the problem, you should be aware that Title 19 does not generally prohibit contributions by corporations (other than prohibiting contributions from the general categories of banking institutions, insurance companies and regulated industries such as public utilities). There are, however, federal laws relating to election contributions which presumably govern contributions related to federal elections. We, of course express no opinion with respect to the applicability of such federal laws, or with respect to the applicability of the general corporation laws or of federal or state corporate taxation laws relating to such activities.

Your letter indicates that the corporation's officers will likely include some public employees and that solicitation for funds will go to a wide audience which will probably include some public employees. While this aspect of your letter is again outside the authority of the Commission, your attention is invited to Chapter 70 of the laws of 1975, a recent amendment to N.J.S.A. 19:34-42, which appears to prohibit certain solicitations of funds from persons in public office.

With respect to these and the other questions relating to the election laws of New Jersey which are outside the jurisdiction of the Commission, we would suggest that you contact Ms. Joyce Usiskin or Mr. Gergory Nagy, Deputy Attorneys General of New Jersey.

Yours very truly,

Edward J. Farrell
Legal Counsel