



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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December 18, 1980

Mr. Lawrence D. Kerrigan
Finance Director
Friends of Bill Hamilton
P. O. Box 1293
New Brunswick, New Jersey 08903

Re: The New Jersey Campaign Contributions and
Expenditures Reporting Act, Chapter 83, Laws
of 1973 as Amended and Supplemented ("the Act")
Your letter dated November 13, 1980
Opinion #0-44-80

Dear Mr. Kerrigan:

Your letter dated November 13, 1980, to the New Jersey
Election Law Enforcement Commission ("the Commission"),
including a request for an advisory opinion, has been for-
warded to me for reply.

The Commission recognizes the distinction between campaign
activities on the one hand, and exploratory activities on
the other. Where the claim is that activities were exploratory
and for the purpose of "testing the waters", and the facts
support that claim, then the contributions and expenditures
with respect to that activity are not regarded as campaign
contributions and expenditures. Accordingly, such contributions
and expenditures do not count against the contribution limit
or the expenditure limit of the candidate. The funds may
not be used for the campaign of the candidate, and the contribu-
tions are not eligible for match.

Contributions on behalf of the candidacy are subject
to the \$800 contribution limit, and must be deposited and
spent in accordance with the limitations imposed by the Act,
and such expenditures are subject to the overall expenditure
limit which the Act imposes upon candidatee.

We are not entirely clear on the applicability of these
principles to the facts in your case. The questions were
discussed by you with the staff of the Commission, and you

were advised that you should seek an advisory opinion. Your letter of November 13, 1980 appears to contradict the letter of David M. Foley, Treasurer, dated October 9, 1980, which described discussions with the "Friends of Bill Hamilton", the committee described in the letter as "his principal campaign committee". That letter states that contributions received specifically for primary election purposes were deposited in the "Friends" bank account and that the Commission advised that this would be in compliance with the regulations being drafted and that such contributions (in amounts not in excess of \$800) would be eligible for match with public funds. Those statements in the letter of October 9 appear to be correct.

The suggestion in your letter of November 13, 1980, however, to the effect that funds received by the "Friends of Bill Hamilton Committee" and not treated or accounted for as campaign funds, (and therefore not subject to the contribution or expenditure limitations), could thereafter be regarded as campaign funds eligible for match is not correct.

I am enclosing herewith Opinion of the Commission #0-33-80, together with copy of the September 19, 1980, letter of Mr. Ramer requesting that opinion, and of Opinions #0-36-80 and #0-41-80.

Very truly yours,


Edward J. Farrell
Legal Counsel

EJF:no

Enclosures:

- #0-33-80 (September 30, 1980 Opinion and opinion request of September 19, 1980)
- #0-36-80
- #0-41-80