MEMORANDUM

To: The Commission
From: Commissioner Ellen L. Weintraub
Date: February 7, 2007
RE: AO 2006-38

Attached please find proposed revisions to Page 5 of Agenda Document No. 07-06 regarding Advisory Opinion 2006-38.
Senator Casey is a Federal officeholder and candidate, and the State Committee is an entity directly established, financed, maintained, or controlled by him. Therefore, any funds transferred, spent, or disbursed must be federally permissible—funds must not be from prohibited sources. See 2 U.S.C. 441(e)(1)(B) and 11 CFR 300.62; see also Advisory Opinion 2003-5 (La1Kool). The Act and Commission regulations permit the State Committee to use the accounting method described in the Act to determine which funds already raised by the State Committee are federally permissible. Once that is determined, the Committee may donate any amount of such funds to State and local candidates or to the non-Federal accounts of State and local Democratic party organizations without further restriction under 2 U.S.C. 441(e)(1)(B) and 11 CFR 300.62, provided that such donations are consistent with Pennsylvania law. Thus, because the Commonwealth of Pennsylvania allows unlimited donations from one State candidate committee to another, the State Committee may donate any amount of federally permissible funds remaining in its State accounts to State candidates.

Question 3: May the State Committee use its federally permissible funds to pay for travel by Senator Casey or one of his agents that is undertaken solely in connection with campaign events for State or local candidates or for other events that are solely in connection with State or local elections, as permitted by State law?