

January 31, 1977

AO 1976-116

Honorable Mario Biaggi House of Representatives Washington, D.C.20515

Dear Mr. Biaggi:

This is in response to your letter of December 24, 1976, in which you request an advisory opinion regarding the legality of a proposed expenditure under the Federal Election Campaign Act of 1971, as amended ("the Act").

Specifically, you state that your principal campaign committee is planning to expend approximately \$5,000 in 1977 for the writing of a book and screenplay about your life. You further state that your committee firmly "believes that such an expenditure will greatly contribute to my efforts to be reelected to the U.S. Congress." You ask whether the expenditure would violate the Act. The Commission concludes that it would not.

An expenditure is defined in 2 U.S.C. §431(f) to include any payment made for the purpose of influencing the nomination for election, or election of any person to Federal office. While the Act does provide that certain disbursements will not be treated as expenditures (see 2 U.S.C. §431(f)(4)), the Act does not limit the discretion of campaign committees to make their own determination as to the types of expenditures which should be made. Thus, any disbursement which your principal campaign committee regards as made to influence your nomination or election to Federal office should be treated as an expenditure for purposes of the Act. Accordingly, expenditures for the writing of the book and screenplay must be reported pursuant to 2 U.S.C. §434 and Part 104 of the Commission's proposed regulations. It should be noted that even if amounts expended from the funds of a political committee are not spent to influence an election, they are still required to be reported as disbursements pursuant to §104.2(b) of the Commission's proposed regulations which were originally transmitted to the Congress on August 3, 1976, and were resubmitted on January 11, 1977.

AO 1976-116 Page 2

The commission expresses no opinion as to any Federal tax ramifications of the described transaction since those issues are within the jurisdiction of the Internal Revenue Service. See, for example, 26 U.S.C. §527.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act to the specific factual situation set forth in your request. See 2 U.S.C. §437f.

Sincerely yours,

(signed)
Vernon W. Thomson
Chairman for the
Federal Election Commission

Enclosure [8/25/76 FR reprint]