



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

September 23, 1977

AO 1977-38

Mr. John Drayton Hastie, Jr.  
Attorney At Law  
184 East Bay Street  
Charleston, South Carolina 29401

Dear Mr. Hastie:

This advisory opinion is in response to your letter of July 28, 1977, which asks whether a candidate for Federal office may also maintain a separate organization not subject to the Federal Election Campaign Act of 1971, as amended ("the Act"), and created solely to extinguish a prior campaign debt incurred in seeking a State office.

You state that your client, Charles Ravenel, a candidate for the United States Senate in the 1978 elections, incurred a substantial debt during a State election campaign in 1974. Your letter explains that in order to retire this debt, he created an organization called "Pug and I for South Carolina" ("Pug and I") which is separate from his recently designated principal campaign committee ("the Committee") for Federal office. You say that potential contributors to the Senate campaign may also be asked to make a contribution to Pug and I. Separate contribution receipts and separate solicitation material will be used by Pug and I and the Committee. All funds received to retire the State campaign debt will be deposited in the Pug and I bank account at the Citizens and Southern National Bank and will be used solely to retire the State campaign debt. All contributions to and expenditures of the Committee will be segregated from the Pug and I account and regarded as transactions of the Senate campaign.

It is the opinion of the Commission that the establishment and operation of Pug and I, as explained above, would not be subject to the requirements of the Act, since the relevant definitions in 2 U.S.C. 431 of "candidate," "political committee," "contribution," and "expenditure" relate to activity which influences the nomination or election of persons to Federal office.

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

Sincerely yours,

(signed)

Thomas E. Harris

Chairman for the

Federal Election Commission