



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 7, 1979

CERTIFIED MAIL,
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1979-23

Mr. J. Kent Jarrell
8124 Larkin Lane
Vienna, Virginia 22180

Dear Mr. Jarrell:

This is in response to your letter of May 8, 1979, requesting an advisory opinion on behalf of the Neil Wallace for Congress Committee concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act") and Commission regulations to the reporting of the satisfaction of a debt on FEC Form 3, Schedule C. Specifically, you ask whether the payment to extinguish a debt must be reported on both Schedule C as well as Schedule B and line 20(b) of Form 3.

As you are aware, payment of a debt is an expenditure as defined in 2 U.S.C. 431(f). 2 U.S.C. 434(b)(9) requires the payment to be reported. The Commission has developed Schedule B on which to report expenditures. Section 434(b)(12) requires the reporting of debts and obligations owed by or to the committee, in such form as the Commission may prescribe, and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished. Also required is a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefore. Schedule C is the form prescribed for reporting debts and obligations.

Since the Commission may prescribe the form for reporting debts and obligations and for stating the circumstances and conditions under which a debt is discharged, the Commission may require that the payment to discharge a debt be reported on Schedule C as well as Schedule B. Furthermore, Commission regulations not only require the reporting of debts and obligations until extinguished, but also, that these should be reported on separate schedules together with a statement explaining the circumstances and conditions under which each debt and obligation was incurred or extinguished. 11 CFR 104.8(a).

The Commission has considered the requirement for separate schedules and the need to report the circumstances of debt satisfaction. It has considered, as well, its delegated responsibility and authority to prescribe forms for such reporting. In light of this, the Commission is of the opinion that for complete, meaningful disclosure, any and all activity regarding a debt or obligation should appear on Schedule C even though the payment which extinguishes the debt also appears on Schedule B.

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)

Robert O. Tiernan
Chairman for the
Federal Election Commission