



FEDERAL ELECTION COMMISSION
Washington, DC 20463

December 19, 1984

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1984-59

The Honorable Marty Russo
United States House of Representatives
2457 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Russo:

This responds to your letter of November 7, 1984, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the proposed purchase of a van by your campaign committee and reporting requirements arising from its use.

You state that the Russo for Congress Committee ("the Committee") is purchasing a van to transport you and your campaign staff to and from campaign functions and other activities in conjunction with the Committee's work. You indicate that on infrequent occasions the van may be used "for transportation which may be considered of a personal or official business nature." When used for personal or official business purposes, you state that you intend to reimburse the Committee based on the "fair market valuation of expenses incurred." You ask two questions: first, whether the Committee's purchase of the van is permissible, and second, how reimbursements to the Committee should be reported under the Act and regulations.

The Act and regulations permit candidates and their campaign committees to make their own determination as to the types of expenditures that will most effectively influence their nomination or election. See generally Advisory Opinion 1984-8 and opinions cited therein. More specifically, the Commission has held on several occasions that campaign committees may purchase vehicles for use by the candidate and committee. See Advisory Opinions 1977-1 and 1976-64. Elsewhere, the Commission has also held that a Member of Congress may properly lease an electric car at his personal expense for dual purposes--personal and campaign--provided that those expenses allocable to campaign use are reported as a contribution by the candidate to his campaign. Advisory Opinion 1978-48. Your request presents different facts in that the vehicle will primarily be used by the Committee for campaign purposes with only occasional non-campaign use by you. To the extent you personally reimburse the Committee for non-campaign uses, your situation is not materially distinguishable from the use of personal funds to

pay for non-campaign use that was permitted in Advisory Opinion 1978-48. Thus the Commission concludes that the Committee may purchase the van for primarily campaign purposes and that there will be no contribution to your campaign if you reimburse the Committee for occasional non-campaign uses.

Your second question concerns the proper reporting format for any payments you make to the Committee for non-campaign use of the van. The payments should be characterized as "Other Receipts" and should be reported on line 15 of FEC Form 3, at page 2. 11 CFR 104.3(a)(3)(x), 104.3(a)(4)(vi). Payments from your personal funds would not be a contribution within the meaning of the Act and regulations because there is no purpose to influence a Federal election where you are merely paying your Committee for your non-campaign use of a Committee asset. See 2 U.S.C. 431(8)(A)(i); 11 CFR 100.7(a)(1). This situation is accordingly distinguishable from those opinions where a political committee uses an asset to raise funds from persons other than the candidate. See Advisory Opinion 1983-2 and opinions cited therein. The Commission notes that Committee payments for the purchase price and operating expenses are reportable operating expenditures regardless of whether some portion of those expenditures are offset by your payments from personal funds. 11 CFR 104.3(b)(4).

The Commission expresses no opinion as to possible application of House rules to the described transaction, nor as to any tax ramifications, as those issues are outside its jurisdiction.

This response constitutes an advisory opinion concerning application of the Act, and regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. 2 U.S.C. 437f.

Sincerely yours,

(signed)

Lee Ann Elliott
Chairman for the
Federal Election Commission

Enclosures (AOs 1976-64, 1977-1, 1978-48, 1983-2 and 1984-8)