



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

**CONCURRING OPINION IN ADVISORY OPINION 1995-8**

of

**COMMISSIONER TREVOR POTTER**

**This Opinion demonstrates the inadvisability of candidates entering into rental arrangements with their campaign committees for their own personal property. The standard established by this Opinion requires the candidate to receive exactly market value for the rental premises: no more, and no less. A rental payment over market rate would result in an illegal conversion of campaign funds to personal use, while a rental payment below market rate would result in a reportable (and limited by law) in-kind contribution to the campaign from the candidate and his spouse.**

**This standard is, I believe, a correct interpretation of the law and the regulations. However, the result places the candidate and his spouse in legal jeopardy if their fair market value estimate is inaccurate. Accordingly, this Request aptly demonstrates the old adage that something is not necessarily a good idea merely because it is legal. The candidate is not required to rent his own property to his campaign, and undergo the public scrutiny and accounting effort such a rental produces. Instead, candidates may forgo the rental of such personal property to their campaign, and instead enter into arms-length arrangements with commercial vendors of office space. I recognize, however, that the FEC has been asked to opine only on what the personal use regulation allows, and not on, what constitutes a preferable course of conduct. Accordingly, I voted to approve this advisory opinion as an accurate statement of the law.**

**April 20, 1995**