

ARKANSAS ETHICS COMMISSION

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The Arkansas Ethics Commission has met with and fielded inquiries from public officials, candidates, lobbyists, and political action committee officials to determine what practical concerns are of the most urgent need for guidance during this, the first full political campaign cycle. The Commission, on its own initiative, is issuing interpretive opinions to frequently raised questions.

One of the most urgent questions is:

May a candidate repay himself for expenditures or loans of his personal money to his campaign account before the general election?

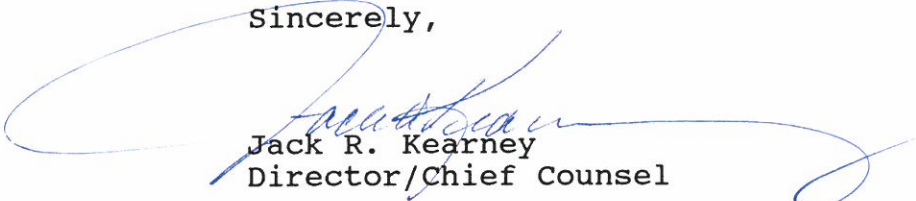
The answer is yes. Pertinent Arkansas law states:

ACA §7-6-207(b)(1) CONTENTS OF REPORTS. The campaign reports required by subsection (a) of this section shall indicate: the total amount of contributions received and the total amount of expenditures made during the filing periods; the name and address of each person, including the candidate, who made a contribution which, in the aggregate, exceeds one hundred dollars (\$100); the contributor's principal place of business, employer, occupation and the amount contributed; a description of non-money items contributed, not including volunteer service by individuals; an itemization of all single expenditures made which exceed one hundred dollars

(\$100), including the amount of the expenditure and the name and address of any person, including the candidate, to whom the expenditure was made; a list of all paid campaign workers and the amount the workers were paid; a list of all expenditures by categories including, but not limited to, television, radio, print, and other advertising, direct mail, office supplies, rent, travel, expenses, entertainment, and telephone; and the current surplus or debt of campaign funds. The reports shall be filed with the Secretary of State and the county clerk in the county where the candidate resides.

While Arkansas law, in our opinion, prohibits a candidate from taking campaign contributions for his personal use, there is no prohibition against repaying to the candidate, or the campaign's paid employees, their actual out-of-pocket expenses. It is anticipated that the candidate will repay to himself; and his campaign employees, their actual expenditures. It is also anticipated that proper record will be kept to reflect these proper expenditures as dictated by ACA §7-6-207(b)(1).

Sincerely,



Jack R. Kearney
Director/Chief Counsel

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