

ARKANSAS ETHICS COMMISSION
ADVISORY OPINION 96-EC-001

ISSUE PRESENTED

Issued: March 12, 1996

If a Political Action Committee contributed \$750.00 to a candidate's general election campaign and contributed nothing to the candidate's primary election campaign, how much may they legally contribute to retire the candidate's outstanding debt after the 1994 election?

DECISION

There is no existing law in Arkansas on this exact issue. In Arkansas a candidate is allowed to receive contributions not exceeding \$1,000.00 per election from any person. Ark. Code Ann. §7-6-203 (a). A political action committee constitutes a "person" under Ark. Code Ann. § 7-6-201(1), and is therefore under the same limitation restriction.

The Commission looked to federal guidelines for assistance in interpreting the applicable limits. Federal law, governing the handling of federal campaigns, has language similar to Ark. Code Ann §7-6-203, noted above. Under federal law, 11 CFR §110.1, contribution limits are "with respect to an election." In reaching an opinion on this issue, it is necessary to interpret the phrase "per election" , as it may pertain to contribution limits and debt retirement.

11 CFR §110.1(b)(2) notes that for purposes of the federal campaign financing law, "with respect to an election" means:

- (1) In the case of a contribution designated in writing for a particular election, the election so designated.
- (2) In the case of a contribution not designated in writing, the next election after the date of the contribution.

§110.1(b)(3)(1) notes that if a contribution is designated for a particular election but made after that election, it shall be attributed to the designated election only to the extent that it does not exceed net debts from that election.

Accordingly, if a contributor made a contribution after the general election, the campaign limits applicable to contributions for the general election would apply. This is true whether the money is a late contribution or a contribution to retire a debt.

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See 11 CFR §110.1. Therefore, a person contributing \$1,000.00 to a candidate's general election campaign is not able to contribute any money toward retiring the debt of the general election.

In summary, the Commission believes that money received for debt retirement may be applied only to the previous election to the extent that there is a debt. The limits in place for the election (i.e. \$1,000.00) would continue to apply. If a person gave no money for a candidate's general election, s/he would be able to contribute up to the maximum limit of \$1,000.00, toward debt retirement. The amount that can be contributed to a candidate for debt retirement must be reduced by the amount the contributor gave the candidate during the general election.

Therefore, it is the Commission's opinion that a political action committee, which wants to help a candidate retire a debt, may contribute up to \$1,000.00 less the amount it contributed to the candidate in the general election. In the specific example before the Commission, the committee is limited to \$250.00 since it contributed \$750.00 in the general election.