

**ARKANSAS ETHICS COMMISSION
OPINION NO. 97-EC-005(B)**

DATE ISSUED: June 20, 1997

ISSUE PRESENTED:

Whether a candidate may seek reimbursement from campaign funds for expenses associated with using his personal automobile during a campaign? If so, what is the appropriate measure for reimbursement?

BRIEF RESPONSE:

Yes. The law prohibits personal use of campaign funds, but does not prohibit reimbursement for use of a personal vehicle provided the vehicle was being used for campaign purposes and the reimbursement is solely for the expenses related to such use. If a candidate seeks to reimburse his campaign for use of a personal vehicle, he should use a reasonable mileage rate of \$0.28 per mile for actual miles driven relating to campaign activity. The candidate must also reflect the expense regularly on the appropriate reporting form during the campaign and maintain odometer records for review on forms approved by the Arkansas Ethics Commission.¹

FACTS PRESENTED:

A candidate has requested assistance from the Ethics Commission as to whether he may reimburse himself from campaign funds for expenses associated with using his personal automobile during a campaign and, if so, what is the appropriate calculation of the expense. The candidate intends to use his car for campaigning. He will also use the car for personal matters during this same time.

DISCUSSION:

Ark. Code Ann. §7-6-203(i)(1) prohibits a candidate from taking campaign funds for personal use. Personal use is generally accepted as any use which primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate or holder of public office. When campaign funds are expended for any use of a personal vehicle, the purpose for the use will control whether the funds have been used for personal use. Whether a candidate may use contributions to reimburse himself for travel-related expenses of any kind will depend on the intent with which the expenditure was made.

¹The Commission is in the process of preparing an odometer reading form for use by candidates.

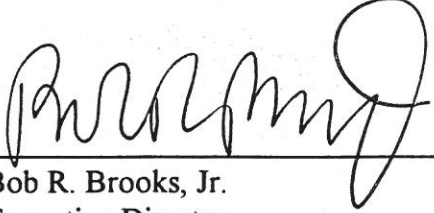
In the present case, the candidate may reimburse himself from campaign funds for his use of his personal vehicle as long as the use is related to the campaign activity, and not for any other purpose. Similarly, if the vehicle is used for both personal and campaign purposes, the candidate should take adequate steps to insure that the reimbursement from campaign reflects payment for expenses actually associated with campaign use and not personal use.

If a candidate intends to reimburse himself or other campaign workers for use of a personal vehicle during a campaign, s/he should provide reimbursement based on a rate of \$0.28 per mile. Records showing the date of travel, destination(s), involved, purpose of travel and odometer readings before and after the travel should be maintained. The odometer readings should be initialized by the candidate or other supervising authority. The candidate will be held responsible to insure that accurate odometer records are maintained. The Commission believes that rate of \$0.28 per mile, chosen herein for candidates for public office in Arkansas, is a reasonable rate and is the rate at which State of Arkansas, pursuant to the General Accounting and Budgetary Procedures Law of 1973, as amended, reimburses its employees for private automobile mileage for official business travel.² Maintenance costs should be paid from personal funds, not campaign funds as the "rate per mile" necessarily includes depreciation and anticipated maintenance costs. As noted in companion opinion, 97-EC-06(A), the Commission is concerned that any candidate could use reimbursement as a method to earn a profit from campaign usage of personal vehicles. Profits are viewed as converting campaign funds into personal use and therefore prohibited under Ark. Code Ann. §7-6-203(i)(1).

This opinion concerns the reporting or expenditures relating to the use of a candidate's personal vehicle. A candidate may prefer to lease a vehicle from a third party for easier reporting purposes.

SUMMARY

A candidate may reimburse himself from campaign funds for expenses associated with his use of his personal automobile during the campaign provided the automobile expenses relate to times when it is used for campaign purposes. The reimbursement rate should be \$0.28 per mile, the standard for the State of Arkansas employees. The candidate should take steps to insure that the reimbursement reflects actual campaign use and results in no profit to the candidate. In order to reimburse himself, the candidate must regularly and accurately report the expenditures as they occur during the campaign.



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Executive Director

² The Commission realizes that this rate may change in the future. When the State changes the rate per mile, candidates should use the new rate.