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FEDERAL ELECTION COMMISSION

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Washington, D.C. 20463RELEASE: ON RECEIPT
THURSDAY, OCTOBER 16, 1975CONTACT: DAVID FISKE
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(202) 382-4733ATTORNEY AND ACCOUNTANT FEESSUBJECT TO EXPENDITURE LIMITATIONS

WASHINGTON - OCTOBER 16: Legal and accounting fees incurred by a candidate or a committee for the purpose of complying with the 1971 Federal Election Campaign Act, as amended, must be charged against the expenditure limitations of the law, the FEC ruled today.

In Advisory Opinion 1975-27, requested by former Missouri governor Warren E. Hearnes and Representative John Y. McCollister (R., Neb. -2), the Commission stated that "Expenditures for accounting or legal services are at least indirectly made to influence the election of Federal candidates since one's election is jeopardized by conduct which may violate the law."

The Commission noted several instances, however, in which payments for such services would not constitute expenditures made to influence the election of a Federal candidate. "For example, fees for accounting or legal services rendered in connection with preparing for or responding to formal compliance proceedings instituted against the candidate or committee by the Commission, would not be counted against the applicable spending limit."

"Accounting or legal fees paid to assure compliance generally, or to assist in a routine Commission audit would be considered as expenditures subject to both disclosure and limitation," the Commission Opinion said.

The Opinion was adopted with Commissioners Curtis, Harris, Staebler and Thomson voting yes, and Commissioners Aikens and Tiernan voting no.

In other action today, the Commission issued the following Advisory Opinion:

--- Surplus Senatorial Campaign Funds: In 1972, former Delaware Senator J. Caleb Boggs transferred \$11,402.00 in leftover funds from his own campaign to the National Republican Senatorial Committee (NRSC), requesting that NRSC use the funds for the 1976 Republican Senatorial candidate from Delaware. The NRSC acknowledged receipt of the money in January, 1973 and continues to regard it as earmarked for the 1976 Delaware candidate. The Commission stated that on the basis of the narrow factual circumstances in the case, the entire \$11,402.00 may be transferred to the Republican Senatorial candidate from Delaware in 1976, and is not subject to the new 1975 contribution limits. The NRSC may also contribute an additional sum from its general funds for the 1976 candidate from Delaware subject to the limits of the law. (Advisory Opinion 1975-26, requested by Senator Ted Stevens, (R., Alaska), Chairman, NRSC).