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STATE OF ALABAMA  
OFFICE OF THE ATTORNEY GENERAL

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ATTORNEY GENERAL

January 2, 2001

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Honorable H. Frank Brunner  
Circuit Judge, 32nd Judicial Circuit  
Post Office Box 1642  
Cullman, Alabama 35056-1642

Fair Campaign Practices Act – Loans  
– Elections – Campaign Expenses

Outstanding loans reported by a candidate's principal campaign committee and carried forward from the 1994 election cycle may be repaid from current funds in that candidate's principal campaign committee account.

Dear Judge Brunner:

This opinion of the Attorney General is issued in response to your request.

QUESTION

May surplus funds in a candidate's principal campaign committee account from the 2000 election cycle be used to repay outstanding loans owed from the candidate's 1994 election cycle?

FACTS AND ANALYSIS

Your request states that in 1994 you ran for election to your first full term as Circuit Judge for the 32<sup>nd</sup> Judicial Circuit, Place No. One. During the 1994 election cycle, you made personal loans to your principal campaign committee on four different occasions during the election cycle. The loans were reported in your principal campaign committee's disclosure reports filed for the 1994 election cycle. Subsequent to the 1994

election, your campaign committee account had a surplus. Your committee used these surplus funds to repay a portion of the personal loans made to your campaign. A loan balance of \$14,000 remained at the end of the 1994 election cycle.

In the 2000 election cycle, your campaign committee received numerous contributions prior to the election date, which are reported in your 2000 election cycle disclosure reports. The committee currently has a balance in excess of \$30,000. You wish to use \$14,000 of this balance to repay the outstanding loans from the 1994 election cycle.

A candidate may expend money in aid of his campaign only by contributing to a principal campaign committee designated by the candidate. ALA. CODE § 17-22A-4 (1995). One way many candidates do this is by making a personal loan to their principal campaign committee. A candidate's principal campaign committee continues in existence until terminated or dissolved. ALA. CODE § 17-22A-5(d) (1995). Your principal campaign committee, created in 1994, continues in existence and was active in the 2000 election cycle. A loan made by a candidate to his campaign committee is treated as a debt of the campaign committee. Debts carried forward in a candidate's principal campaign committee may be paid as necessary and ordinary expenses of the campaign committee. *See* ALA. CODE § 17-22A-7(a)(1) (Supp. 2000). The Fair Campaign Practices Act does not prohibit the payment of debts from contributions received at a later date by the same campaign committee. Although the Fair Campaign Practices Act limits the time in which contributions may be accepted, solicited, or received by a principal campaign committee, it does not place limits on the time when expenditures may be made from the committee. *See* ALA. CODE § 17-22A-7 (Supp. 2000). Accordingly, outstanding loans reported in a candidate's principal campaign committee may be paid from contributions later received by that campaign committee.

#### CONCLUSION

Outstanding loans reported by a candidate's principal campaign committee and carried forward from the 1994 election cycle may be repaid from current funds in that candidate's principal campaign committee account.

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I hope this opinion answers your question. If this Office can be of further assistance, please contact Brenda F. Smith of my staff.

Sincerely,

BILL PRYOR  
Attorney General

By:

A handwritten signature in black ink that reads "Carol Jean Smith". The signature is written in a cursive, flowing style.

CAROL JEAN SMITH  
Chief, Opinions Division

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