



TEXAS ETHICS COMMISSION



ETHICS ADVISORY OPINION NO. 349

November 22, 1996

Whether the amount a candidate or officeholder reports under "aggregate principal amount of all outstanding loans as of the last day of the reporting period" should include political expenditures from personal funds for which the candidate may reimburse himself from political contributions. (AOR-387)

The Texas Ethics Commission has been asked whether the amount a candidate or officeholder reports under "aggregate principal amount of all outstanding loans as of the last day of the reporting period" should include political expenditures from personal funds for which the candidate may reimburse himself from political contributions. *See* Elec. Code § 254.031(a)(2).

Title 15 of the Election Code requires that a candidate or officeholder report all political expenditures, including political expenditures made from personal funds. *Id.* § 254.031(a)(3). *But see id.* § 254.092 (officeholder is not required to report officeholder expenditures from personal funds unless officeholder intends to seek reimbursement from political contributions). On the reporting form, a candidate or officeholder may report a political expenditure from personal funds either on Schedule G of Form C/OH or on Schedule E, which is the schedule for reporting loans. *See id.* §§ 253.035(h), 253.0351. Although political expenditures from personal funds may be reported on the schedule for loans, the statute does not identify such expenditures as loans. Also, such expenditures are not loans in the sense that the candidate is obligated to repay another person. *See generally Ethics Advisory Opinion No. 258* (1995). We conclude, therefore, that a candidate or officeholder is not required to include political expenditures from personal funds under "aggregate principal amount of all outstanding loans as of the last day of the reporting period."¹

SUMMARY

A candidate or officeholder is not required to include political expenditures from personal funds under "aggregate principal amount of all outstanding loans as of the last day of the reporting period."

¹ A filer who reported political expenditures from personal funds as loans may have understandably included such expenditures under "aggregate principal amount of all outstanding loans as of the last day of the reporting period" in a report filed under title 15. We would not consider such a report to be incorrect or false.