



TEXAS ETHICS COMMISSION



****Overruled, Modified, Clarified, or Superseded****

ETHICS ADVISORY OPINION NO. 450

September 11, 2003

Applicable reporting requirements in a situation in which a member of a candidate's campaign staff makes a campaign expenditure and later receives reimbursement from the candidate. (AOR-503)

The Texas Ethics Commission has been asked about the applicable reporting requirements in a situation in which a member of a candidate's campaign staff makes a campaign expenditure on behalf of the candidate and later receives reimbursement from the candidate.

As we understand the situation described in the request letter, the campaign worker would be making an expenditure out of his personal funds with the understanding that the candidate would repay him. A strict reading of the statutory reporting requirements in that situation would result in the reporting of a loan to the candidate from the campaign worker and then an expenditure by the candidate to repay the campaign worker. In our view, however, as long as both transactions occur in the same reporting period, it is permissible to report a single expenditure by listing the name of the individual or entity paid by the campaign worker as the payee, showing the date of the expenditure as the date the campaign worker made the expenditure, and explaining in the "purpose" section that a campaign worker made the expenditure from personal funds and that the candidate subsequently reimbursed the campaign worker.

SUMMARY

If a candidate's campaign worker makes a campaign expenditure out of personal funds and receives reimbursement from the candidate in the same reporting period, it is permissible to report a single expenditure by listing the name of the individual or entity paid by the campaign worker as the payee, showing the date of the expenditure as the date the campaign worker made the expenditure, and explaining in the "purpose" section that a campaign worker made the expenditure from personal funds and that the candidate subsequently reimbursed the campaign worker.