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## 11. Contributions from Minors

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An individual who is under 18 years old may make contributions to candidates and political committees, subject to the limit of \$2,500 per election, if:

- The decision to contribute is made knowingly and voluntarily by the minor;
- The funds, goods or services contributed are owned or controlled by the minor, proceeds from a trust for which he or she is a beneficiary or funds withdrawn by the minor from a financial account opened and maintained in his or her name; and
- The contribution is not made using funds given to the minor as a gift for the purpose of making the contribution, and is not in any way controlled by another individual. 110.19.

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## 12. Candidate's Personal Funds

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When candidates use their personal funds for campaign purposes, they are making contributions to their campaigns. Unlike other contributions, these candidate contributions are not subject to any limits. 110.10; AOs 1991-09, 1990-09, 1985-33 and 1984-60. They must, however, be reported (as discussed below).

Contributions from members of the candidate's family are subject to the same limits that apply to any other individual. For example, a candidate's parent or spouse may not contribute more than \$2,500, per election, to the candidate.

### Definition of a Candidate's "Personal Funds"

The personal funds of a candidate include:

- Assets which the candidate has a legal right of access to or control over, and which he or she has legal title to or an equitable interest in, at the time of candidacy;
- Income from employment;

- Dividends and interest from, and proceeds from sale or liquidation of, stocks and other investments;
- Income from trusts, if established before the election cycle;
- Income from trusts established by bequests (even after candidacy);
- Bequests to the candidate;
- Personal gifts that had been customarily received by the candidate prior to the beginning of the election cycle; and
- Proceeds from lotteries and similar games of chance.

100.33(a) and (b).

### Assets Jointly Held with Spouse

A candidate may also use, as personal funds, his or her portion of assets owned jointly with a spouse (for example, a checking account or jointly owned stock). If the candidate's financial interest in an asset is not specified, then the candidate's share is deemed to be half the value. 100.33(c).

Some banks may require a spouse to cosign a loan obtained by the candidate using jointly held assets as collateral. While an endorsement or guarantee of a loan normally constitutes a contribution, in this instance the spouse is not considered a contributor as long as the candidate's share in the collateral equals or exceeds the amount of the loan. 100.52(b)(4); AO 1991-10.

**EXAMPLE:** A candidate obtains a \$5,000 bank loan for his campaign using, as collateral, property valued at \$20,000 held jointly (in equal shares) with his wife. Both co-sign the loan. Because the candidate's interest in the property is \$10,000, which exceeds the amount of the loan, his wife has not made a contribution by co-signing it.

### What Are Not Considered Personal Funds

#### Personal Gifts and Loans

If any person, including a relative or friend of the candidate, gives or loans the candidate money in connection with his or her campaign, the funds are not considered personal funds of the

candidate even if they are given to the candidate directly. Instead, the gift or loan is considered a contribution from the donor to the campaign, subject to the per-election limit and reportable by the campaign. This is true even if the candidate uses the funds for personal living expenses while campaigning. 100.52; See AOs 1985-33 and 1982-64; see also AO 1987-01.

#### **Bank Loans Used in Connection with Campaign**

Bank loans are not considered contributions from the bank if they comply with FEC regulations on bank loans. (See “Bank Loans” in Chapter 6.)

When a candidate obtains a bank loan for use in connection with his or her campaign, the loan is considered to be from the bank and not from the candidate’s personal funds. The candidate is acting as the agent of the campaign. 102.7(d) and AO 1985-33.

hand as of the day after the election, as a contribution by the candidate. 116.11(c).AO 2003-30.

Note that a runoff election has a separate limit for purposes of FEC regulations at 116.11. For example, if a candidate loaned the committee \$345,000 for the primary election, the committee could repay the candidate up to \$250,000 from contributions made after the date of the primary election. Similarly, if the candidate loaned \$300,000 for a primary runoff election, the committee could repay the candidate up to \$250,000 from contributions made after the date of the runoff election.

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### **13. Repayment of Personal Loans from Candidate**

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For personal loans (including advances of personal funds or endorsements of bank loans to the committee) from the candidate to his or her authorized committee made on or after November 6, 2002, that aggregate more than \$250,000, the following rules apply separately to the primary and general elections:

- The committee may use contributions to repay the candidate for the entire amount of the loan or loans only if those contributions were made on or before the day of the election; and
- The committee may use contributions to repay the candidate only up to \$250,000 of the personal loans from contributions made after the date of the election. 116.11(b).

Furthermore, if the committee uses the amount of cash-on-hand as of the date of the election to repay the candidate for loans in excess of \$250,000, it must do so within 20 days of the election. 116.11(c). During that time, the committee must treat the portion of candidate loans that exceed \$250,000, minus the amount of cash-on-