Campaign Disclosure Manual 3

Information for Committees Primarily Formed to Support or Oppose a Ballot Measure

California Fair Political Practices Commission

Toll-free advice line: 1 (866) ASK-FPPC
Web site: *www.fppc.ca.gov*

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Introduction

Ballot Measure Committees

This manual provides important information on campaign disclosure rules for primarily formed committees supporting or opposing a ballot measure.

Terminology

Review the definitions contained in Appendix 1 first to become familiar with the different terms used throughout the manual.

How to Use this Manual

California's Political Reform Act (the "Act") requires receipts and expenditures in election campaigns to be disclosed fully and truthfully. Since 1974, there have been over 200 amendments to the Act's campaign disclosure provisions. This manual has been prepared to assist ballot measure committees to comply with the Act's numerous and often detailed rules. This manual is written in a 'user friendly' format so that committees, especially those with small budgets, have a resource guide. It is organized by subject matter and addresses the most common issues of campaign disclosure for ballot measure elections.

In addition, federal and state tax laws and other rules are applicable to California campaign committees. Telephone numbers and website addresses for the Federal Election Commission, Internal Revenue Service, California Franchise Tax Board, and the Federal Communications Commission are listed in Appendix-2.

Controlling Law

This manual summarizes key campaign disclosure laws and regulations and draws from years of FPPC staff advice on complying with the provisions of the Act's campaign disclosure laws. Each campaign is different, however, and may raise issues not discussed in this manual. If there are any discrepancies between the manual and the Act or its corresponding regulations, the Act and its regulations will control.

Need Help?

If you need assistance, the Fair Political Practices Commission has a toll-free advice line:

1-866-ASK FPPC
(1-866-275-3772)

FPPC employees are available Monday through Friday to help you. In addition, the FPPC web site (*www.fppc.ca.gov*) contains forms, manuals, and a wealth of other helpful information.

See Appendix 2 for more details.

Chapter 1
Qualification As a Committee and Naming the Committee

Who should use this manual?

This manual is for primarily formed ballot measure committees: A ballot measure committee is any person or group receiving contributions of $1,000 or more in a calendar year for the qualification, passage, or defeat of a ballot measure.

A primarily formed ballot measure committee exists to support or oppose a single measure or two or more measures being voted upon in the same city, county, multi-county jurisdiction, or state election. To decide if a committee is a primarily formed ballot measure committee, it is important to determine if it exists to support or oppose a "measure," as defined by the Political Reform Act.

What is a measure?

"Measure" includes any proposition that is submitted or is intended to be submitted to a popular vote at an election by initiative, referendum, or recall procedure whether or not it qualifies for the ballot. An initiative, referendum, or recall becomes a measure when the proponents begin to circulate signature petitions to qualify the proposal for the ballot.

"Measure" also includes any constitutional amendment or other proposition, including an advisory ballot question, which is submitted to a popular vote at an election by action of a legislative body (e.g., city council or county board of supervisors). It becomes a measure when the legislative body takes the action necessary to submit the proposition to the voters.

Proposal	Measure?
School bond placed on the ballot for voter approval.	Yes
Local citizens circulate petition to incorporate a new city. The petition must be submitted to Local Agency Formation Commission ("LAFCO").	No
After LAFCO approves the incorporation petition, the county board of supervisors places the incorporation question on the ballot for the next election.	Yes
Initiative campaign begins gathering signatures but does not receive the necessary number of signatures to qualify for the ballot.	Yes
City council places one-half cent sales tax increase on the ballot.	Yes
Special district informs property owners of new benefit assessment. A group of owners campaigns to defeat the assessment in the mail ballot election to follow.	No
A group of residents circulate a petition to recall a local elected official.	Yes

"Measure" also includes elections held for general and special taxes placed on the ballot by local governments for voter approval as required by Proposition 218. However, "measure" **does not include** the mail ballot and protest procedures for property-related assessments required by Proposition 218.

Recall Elections

Recall elections have the characteristics of both ballot measure elections and candidate elections. Usually, a recall has two parts:

(1) Shall the officeholder be recalled?

(2) Who shall replace the recalled officeholder?

The first part is considered a ballot measure election. The second part is a candidate election.

Committees supporting or opposing the recall—the first part—should use this manual. Candidates to replace the officeholder should use the candidate campaign manuals. An officeholder who is the subject of a recall should use this manual if the officeholder establishes a new committee for the purpose of defeating the recall. If an officeholder uses his or her election committee to oppose the recall, the officeholder should use the candidate campaign manual. Local jurisdictions may have additional disclosure requirements for recall committees. Contact the local agency for guidance.

Primarily Formed vs. General Purpose

Committees formed to support or oppose ballot measures in more than one election, or in more than one jurisdiction, are general purpose ballot measure committees. These committees should use the campaign manual for general purpose committees. This manual is for primarily formed ballot measure committees.

Examples

The city council in Surf City in the County of Ocean placed a question on the November ballot to outlaw cigarette smoking anywhere within the city limits. A group of local singing instructors raises $1,000 or more to buy newspaper ads to encourage their neighbors to vote for the new law. The instructors' group is a primarily formed ballot measure committee.

The city council in Surf City also approves an ordinance requiring singing instructors to obtain a special license, pass an exam, and pay a fee. The instructors' group attempts to qualify a referendum on the ordinance for the same November ballot in which the smoking initiative will be listed. They are still a primarily formed ballot measure committee, because they are supporting or opposing measures in the same city at the same election.

The county board of supervisors in the County of Desert Basin placed a question on the ballot for November of the same year to outlaw cigarette smoking in forested areas. A group of cigarette smokers raises $1,000 and organizes a campaign to defeat both the Desert Basin County measure and the Surf City measure. The smokers' group is not a primarily formed ballot measure committee, because it is opposing measures in more than one jurisdiction. The group is a general purpose ballot measure committee.

A community college district places a bond measure on the March ballot to build a new parking structure on the site of a local skateboard park. The district boundaries include parts of three counties. Skaters unite and raise $1,000 to oppose the bond measure. They are a primarily formed ballot measure committee, because the measure is being voted on at a single election in a single multi-county jurisdiction.

Types of Primarily Formed Ballot Measure Committees

A primarily formed ballot measure committee may also be controlled by a candidate, or be a sponsored committee.

Controlled committees

If a candidate (or his or her representative) has significant influence on the actions or decisions of a primarily formed committee, it is a controlled committee. (See Chapter 3 for information about limits on contributions to committees controlled by state candidates.)

Sponsored committees

If an entity or organization does any of the following:

- contributes 80% or more of the committee's money;
- collects money for the committee using payroll deductions or dues;
- provides all or nearly all the administrative services for the committee; or
- sets the policies for soliciting and using committee funds,

the committee is considered sponsored by the entity or organization. A committee may have more than one sponsor.

QuickTIP If you are uncertain whether your committee is controlled or sponsored (it cannot be both), contact the FPPC for advice.

Naming the Committee

There are several identification requirements primarily formed ballot measure committees must follow when choosing a name for the committee. There are **additional** identification requirements for advertisements, which are discussed at the end of Chapter 4. You are encouraged to contact the Commission for guidance with these requirements.

If the committee is sponsored (see above), the name of the sponsor must be included in the name of the committee.

The name of a primarily formed ballot measure committee must also include:

- The measure's ballot number or letter and the committee's position on the measure. The following language should be included in the name of the committee: "a committee for Proposition ___," or, "a committee against Proposition ___." In addition, "Yes [or No] on Proposition ___," "Yes [or No] on ___," or "Yes [or No] on Measure ___" are all acceptable.
- If the committee is primarily formed to support or oppose the recall of an officeholder, the name of the officeholder who is the subject of the recall and whether the committee supports or opposes the recall must be in the name of the committee. A committee formed by an officeholder who is the subject of a recall must include the word, "recall," in the name of the committee.
- A name or phrase that clearly identifies the economic or other special interest of major donors who contributed cumulatively $50,000 or more. This means that the committee name must identify any economic interest that exists that is likely to be affected by the ballot measure. If no such economic interest exists, the name or phrase must identify any goal or purpose that is likely to be affected by the measure. If there is more than one contributor of $50,000 or more and all such contributors do not share an economic interest or goal or purpose, the name or phrase must identify the various economic interests or goals or purposes that are likely to be affected by the ballot measure;

- The common employer of the major donors of $50,000, if one exists; and
- The names of candidates or their controlled committees if, as a group or individually, they are major contributors of $50,000 or more, as described above.

The following are examples of ballot measure names to help clarify the various committee name requirements. These are examples only, and are not the only ways to choose a committee name. In fact, committees often add additional information that is not required by the Act or its regulations.

Examples *A local tax measure would increase the city's sales tax with all funds earmarked to firefighting services. A local firefighter's union forms a ballot measure committee and raises a total of $5,000 from its members to support the measure.*

The committee must include the name of the union in the name of the committee because it qualifies as a sponsor, and it must identify that it supports the measure: "The Pasadena Firefighters, Local 1210 Committee for Measure A" or "A Committee in Support of Measure A, Sponsored by the Pasadena Firefighters, Local 1210."

Jerry Fair is the subject of a recall. He forms a separate committee and raises $10,000 to oppose the recall.

The committee name must include the name of the officeholder and include the word "recall." "A Committee Against the Recall of Jerry Fair" or "The Committee to Oppose the Recall of Jerry Fair."

A group of individuals representing their businesses establishes a bank account to raise contributions to support a transportation bond measure. ABC Company provides all of the administrative support for the committee. No other business qualifies as a sponsor. The committee raises $15,000.

The committee name must include the name of the sponsoring business and must identify that it is in support of the measure. "The Committee in Support of Measure X, Sponsored by ABC Company" or "Yes on Measure X, Sponsored by the ABC Company."

A group of individuals raises $3,000; all contributions were under $100 and from individuals. The committee is formed to support a library tax measure.

The committee name must identify that it is in support of the measure. "Committee to Support Measure B" or "Yes on Measure B Committee."

Proposition 110 is a state ballot measure that will provide bond funding specifically for improving the state park system. The committee to support the measure received two contributions of $50,000 or more; $75,000 from the Parkland Foundation (mission is to expand and improve parks) and a personal contribution of $55,000 from Linda Nelson, a hiker, who has no business affiliation related to parks. The administrative support for the measure is provided by a union representing park rangers, Park Rangers, Local 1010. All additional contributions are less than $50,000. No candidate controls the committee and no other entity qualifies as a sponsor.

The committee name must identify: 1) the sponsor, 2) the economic, special interest, goal or purpose of the contributors of $50,000 or more, and 3) the committee's position on the measure.

"Citizens for Proposition 110, a Committee in Support of Expanding California Parks, Sponsored by the Park Rangers, Local 1010" or "Support Proposition 110, Sponsored by the Park Rangers, Local 1010, with Help from Citizens and Business for Parkland Improvements."

Senator O'Leary supports Proposition 114, a measure that would fund state museums, and contributes $100,000 from his reelection committee to the committee primarily formed to support the measure. The committee has also received a contribution of $75,000 from the California Museum Curators Association. No contributor qualifies as a sponsor and no other contribution was received of $50,000 or more.

The committee name must include the senator's name, the economic interest, goal or purpose of the California Museum Curators, and whether the committee supports or opposes the measure. Examples of acceptable names would include: "Increase Funding for State Museums, Yes on Proposition 114, Supported by Senator O'Leary and Curators for Improving Museums" or "Yes on Proposition 114, a Measure to Fund State Museums, Supported by Senator O'Leary and Advocates for Museum Funding."

QuickTIP It may be necessary to change the name of the committee during the course of the campaign. For example, as new contributions are received, the sponsor(s) of the committee may change, or the economic or other special interest of the committee's major donors may change. See Chapter 5 for more information about amending the committee name.

Reporting

A person or group must file a statement of organization (Form 410) within 10 calendar days of becoming a committee by receiving contributions of $1,000 or more in a calendar year. In addition, a committee supporting or opposing a statewide measure is subject to electronic filing requirements upon receiving contributions or making expenditures of $50,000 or more. Generally the first electronic disclosure reports for such committees are due within 10 business days and must identify contributors of $5,000 or more.

The obligation to begin counting contributions arises when a proposal becomes a measure. If the proposal is an initiative, referendum, or recall, it becomes a measure when proponents begin circulating petitions to qualify the proposal for the ballot. If the proposal is not an initiative, referendum, or recall, it becomes a measure when the legislative body takes the action necessary to submit the proposal to a popular vote.

Once a proposal becomes a measure, contributions received and expenditures made count toward the $1,000 threshold for becoming a committee and are reportable, even if the contributions or expenditures took place before the proposal became a measure. If the person or group raises $1,000 or more before a proposal becomes a measure, the 10-day period for filing Form 410, as well as electronic reports, begins the first day proponents begin to circulate petitions or when the legislative body acts to place the proposal on the ballot. If a group begins to raise contributions after the proposal becomes a measure, the 10-day period begins on the day the group raises $1,000 or more.

QuickTIP Committees formed to oppose the qualification of a measure must file disclosure reports once the proponents begin to circulate petitions. Because the actual date that petition circulation begins can vary, opposing committees often begin filing as soon as $1,000 or more is received or as soon as they know the date of "proof of publication" for local measures or the date of "issuance of title and summary" for state measures.

If the committee received contributions before the proposal became a measure, the committee must report the names of

contributors who had a reason to know their contributions were for use in supporting or opposing the qualification of the measure, or in supporting or opposing the measure's passage. The contributors would have reason to know if, for example, the committee sent out a solicitation or placed an advertisement asking for contributions for petition circulation or to support or oppose the measure. This manual cannot address all of the situations when a contributor may have "reason to know" his or her contributions will be used for a measure. Committees may contact the FPPC for specific guidance.

Example *A statewide initiative is being drafted. In anticipation of the initiative qualifying for the ballot, a group sends solicitation requests to oppose the proposal and raises $75,000. The group is not required to file disclosure reports listing the sources of the $75,000 until the proponents sponsoring the initiative begin to circulate petitions. On the first day the petition circulation begins, the group opposing the measure qualifies as a committee and is subject to reporting obligations. The committee must file a Statement of Organization, Form 410, within 10 calendar days, and because the committee raised more than $50,000, it must file a $5,000 electronic report within 10 business days listing any single contributor of $5,000 or more. The committee is required to file quarterly, semi-annual, and pre-election statements as well as special reports as discussed in this manual.*

A primarily formed ballot measure committee must report expenditures made to support or oppose qualification or passage of a measure, including expenditures that occurred before the proposal became a measure.

Reportable expenditures may include:

- cost of a poll or survey, if used in a communication to influence voters regarding the qualification or passage of a measure;
- payments to defray the costs of conducting an election;
- filing fees;
- legal costs relating to gaining or retaining a place on the ballot, or keeping a measure off the ballot.

Common expenditures that are not reportable include:

- expenditures in connection with a petition to be submitted to LAFCO;
- cost of a poll or survey to determine the feasibility of drafting a measure, if not used in a communication to influence voters; and
- certain legal costs incurred prior to the circulation of petitions, including legal costs related to drafting the proposed measure.

QuickTIP If a measure is passed and a person raises money to challenge the constitutionality or legality of the newly-enacted law, such donations and payments do not count toward the group qualifying as a ballot measure committee.

Detailed instructions on filing the Form 410 are provided in Chapter 5. Detailed instructions for reporting contributions and expenditures are provided in Chapter 7.

Litigation Issues

When a group receives money for the purpose of challenging a ballot measure's placement on a ballot, whether the group qualifies as a recipient committee will depend upon the facts of each case. Some common issues related to litigation are noted below but advice relating to litigation is specific to facts, so it is best to contact the Commission.

- A person raises money to challenge the wording of a measure's description in the

ballot pamphlet. Such payments are made for the purpose of influencing the voters, so they may cause the person to become a recipient committee.

- A person raises money to challenge the validity of petition signatures. Such payments may cause the person to become a recipient committee.
- When a ballot measure is passed and a group receives money for the **sole purpose** of challenging the constitutionality or legality of the newly-enacted law, such payments are not made to influence voters and the group would not become a recipient committee.

QuickTIP Litigation expenses in connection with a ballot measure are reportable if made by an existing recipient committee.

Answering Your Questions

Q. *Our political action committee has been registered for several years as a general purpose recipient committee and has supported and opposed candidates and measures in various elections. This year, the committee plans to raise and spend the majority of its funds to support a county ballot measure. Must we amend our registration to become a primarily formed ballot measure committee?*

A. No. The committee is still a general purpose recipient committee even though the majority of the committee's funds for the year will be raised and spent to support the ballot measure.

Q. *May a candidate control a ballot measure committee? Must the candidate file a Form 501 (Candidate Intention) for the committee?*

A. A candidate may control a ballot measure committee as long as the committee's funds are not used to support the candidate's election or to support or oppose other candidates. No Form 501 is required.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter.

Government Code Sections

82016 *Controlled Committee*.
82027.5 *General Purpose Committee.*
82047.5 *Primarily Formed Committee.*
82047.6 *Proponent of a State Ballot Measure.*
82048.7 *Sponsored Committee.*
82043 *Measure.*
82051 *State Measure.*
84101 *Statement of Organization. Filing.*
84215 *Campaign Reports and Statements; Where to File.*
85309 *Online Disclosure of Contributions.*

Title 2 Regulations

18531.5 *Recall Elections.*
18539 *Online Disclosure of Contributions.*

Chapter 2
Finances/Recordkeeping

Financial Accounts

Campaign Bank Account

Primarily formed ballot measure committees are not required to maintain a separate bank account, but doing so is a good idea. Pre-numbered and pre-printed checks with the committee's name are useful in complying with the recordkeeping requirements discussed in the next section. Even though a separate bank account is not required, ballot measure committees may not commingle campaign funds with any individual's personal funds. The committee may not accept contributions or make expenditures in cash of $100 or more.

Recordkeeping

In any campaign, an accurate and organized record must be kept of all campaign receipts and expenditures. All individuals who handle receipts and make expenditures must be aware of and practice the recordkeeping procedures required by the Political Reform Act and FPPC regulations that are outlined in this manual. While others may be involved, the treasurer, as listed on the committee's Statement of Organization (Form 410), remains legally responsible for the accuracy of the records.

Record Retention

Committees must keep all records, including original source documentation, for a period of four years from the date the campaign statement relating to the records was filed.

Example *San Franciscans for Parks, a Committee for Measure F, a city ballot measure committee, filed its first campaign statement on January 31, 2004. The records associated with completing that statement, such as receipts and information on contributors, must be retained until January 31, 2008.*

Exception:
The electronic filing declaration required to be filed with Form E-530 must be kept for five years following the date the report is filed. (See Chapter 8.)

Records of Receipts

Two types of records are required for receipts: a **daily record**, showing how much money was received on any given day; and a **contributor record**, with detailed information on each contributor of $25 or more. The daily record requirement may be met simply with bank statements, copies of checks received, or other documentation that provides the required information listed below.

Receipts Under $25

A daily lump sum total must be kept for contributions received under $25 and miscellaneous receipts under $25.

Contributor Record

Contributions: $25 to $99.99
For each monetary or nonmonetary contribution, loan or receipt of $25 or more, the date received, amount of the contribution, and full name and address, including zip code, of the contributor must be documented. In addition, the total amount received from the contributor over the course of the current calendar year (the "cumulative amount") must be recorded.

A monetary contribution is received on the date that the committee, or an agent of the committee, obtains possession or control of the cash, check, or other form of contribution, not the date it is deposited in the bank

account. Contributions received by electronic methods such as wire transfer, credit card or debit account transactions are also received on the date the committee obtains possession or control of the funds. The following list provides examples:

- A contributor makes a contribution over the telephone. The contribution is "received" by the committee on the date the contributor gives his or her debit/credit account information to the committee.
- A contributor makes a contribution via the Internet and the committee reviews the on-line transaction before the contribution is processed. The contribution is "received" by the committee on the date the committee receives the payment information.
- A contributor makes a contribution via the Internet and the contribution is made by direct deposit without review and before transaction reports are produced. The contribution is "received" when the committee has possession of the funds.

Contributions: $100 or More (Occupation and Employer Information)
If contributions totaling $100 or more are received from an individual, in addition to the above information, the contributor's occupation and employer are recorded.

If the contributor is self-employed, that fact also must be noted along with the name of his or her business. If a check is received from a business entity, the contributor is the business entity, not the person who signs the check.

A contribution of $100 or more must be returned if the contributor's name, address, and, if the contributor is an individual, his or her occupation, and employer are not in the committee's records within 60 days from receipt of the contribution. If the contribution cannot be returned to the contributor, it must be paid to the Secretary of State for deposit in the state's general fund, or, if the committee is a local ballot measure committee, it must be paid into the corresponding local jurisdiction's general fund, e.g., a city's general fund. Contributions that are returned by check, which are not cashed by the original contributor within 90 calendar days of being returned, shall be paid within an additional 30 calendar days to the Secretary of State or if the committee is a local committee, the general fund of the local jurisdiction.

The committee also must record the date the contributor information is received, if that date is different than the date the contribution is received. Contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement required to be filed (including late contribution and the $5,000 and $1,000 Election Cycle reports). The Form 460 must be amended within 70 days from its closing date to disclose the missing contributor information unless the contribution is returned to the donor. Late contribution and $5,000 and $1,000 Election Cycle reports need not be amended.

Example *The Streets are for Bikes, Yes on Measure A, a city ballot measure committee, received a contribution of $100 from Martha Andersen on June 1. The only information the committee's treasurer had was her name and address as listed on her check. On the committee's semi-annual statement, covering the reporting period through June 30, the treasurer reported receiving $100 from Martha, listed her name and address, and indicated that the committee would amend its statement when it received her occupation and employer information. By July 31 of that same year, even after writing to Martha, the treasurer still did not have Martha's*

occupation and employer. The committee must return $100 to Martha.

Intermediaries

For contributions of $25 or more made through an intermediary (see Chapter 3), records for the above information for **both** the intermediary and the contributor are required.

Nonmonetary Contributions

If the contribution is nonmonetary and worth $25 or more, a description and the fair market value of the contribution must be recorded. (See "Valuing" in Chapter 3.)

Loans

If the contribution is a loan of $25 or more, in addition to the above information for monetary contributions, the following information must be recorded:

- Interest rate of the loan, if any;
- Due date of the loan; and
- Name and address of any guarantor and the amount guaranteed. The occupation and employer of any individual who guarantees a loan of $100 or more must also be recorded.

Documentation

The committee must keep copies of all documents reflecting deposits made and all records reflecting campaign bank account balances such as bank statements, check registers and passbooks.

The following documents produced or received by the committee also must be kept for receipts of $25 or more: copies of contributor checks; contributor cards; letters of transmittals; notices or writings received from contributors; memoranda or other records that describe the method used to determine the fair market value of donated goods or services (nonmonetary contributions); and loan agreements or other documents that reflect indebtedness. In addition, documentation for electronic transactions must include information collected when debiting the contributor's account such as itemized transaction reports (including the credit card confirmation number), debit/credit account transaction records, credit card receipts or vouchers. Documentation of contributions received over the Internet must include a record of the transaction created and transmitted by the cardholder including the cardholder's name and address and card number.

For contributions or other receipts of $100 or more, copies of any letters or other communications sent by the committee to obtain the documents listed above must be kept.

Expenditures

Daily Record

Expenditures Under $25
A daily lump sum total of all expenditures of less than $25 must be kept.

Expenditures: $25 or More
For expenditures of $25 or more to a single payee, or a series of payments for a single product or service that total $25 or more, the following must be recorded:

- Full name and street address, including zip code, of payee;
- Expenditure amount;
- Date each expenditure was made or, in the case of accrued expenses, the date the goods or services were received; and
- Description of the goods or services received.

Contributions to Candidates or Other Committees and Independent Expenditures

For expenditures that are contributions to an officeholder, candidate, or committee, or

independent expenditures (see Chapter 4) to support or oppose a candidate or other ballot measure, the amount of the expenditure and also the cumulative amount paid in that calendar year in connection with the officeholder, candidate, committee, or ballot measure must be recorded.

For all such expenditures of $25 or more, the following information is required:

- Date the contribution or independent expenditure was made;
- Whether the expenditure is an independent expenditure;
- Name of the officeholder or candidate, and the office and district he or she holds or for which he or she seeks nomination or election or number or letter of the measure and the jurisdiction in which the measure is to be voted on; and
- Cumulative amount spent on behalf of the candidate, measure, or committee.

QuickTIP If a primarily formed ballot measure committee makes contributions to other committees or independent expenditures to support or oppose candidates or other ballot measures, it may change the nature of the committee; the committee may have different reporting obligations or restrictions. Contact the FPPC for assistance.

Loans Made to Others

The following additional information must be kept for loans made by the committee: interest rate, if any; due date, if any; and full name and street address of anyone guaranteeing the loan or who is liable directly, indirectly, or contingently for the loan. (For restrictions on loans to others, see Chapter 10.)

Documentation

All bank and credit card records for expenditures must be kept.

For expenditures of $25 or more, bills, invoices, or statements; receipts; credit card slips; vouchers; contracts; loan agreements; and, other documents produced or received by the committee reflecting additional obligations also must be kept.

If no receipt, voucher, or invoice is available, a voucher should be written as soon as possible with the date and amount of the payment, the name of the payee, and a description of the goods or services received. A voucher is not required for payments under $25.

Notices to Major Donors and Mass Mailings

A copy or a record of all $5,000 “major donor” notices (see Chapter 3) and a copy of any mass mailings (see Chapter 4) sent by the committee must be kept.

Audits

The Act authorizes audits of committees. State primarily formed ballot measure committees will be audited if they raise or spend $10,000 or more in a calendar year. However, future filings may be subject to random audits. Audits are conducted by the State Franchise Tax Board.

Treasurer Duties

Every committee must have a treasurer. There are no restrictions on who may be treasurer. **The committee may not accept contributions or make expenditures before a treasurer is appointed or while the treasurer’s post is vacant, even if there is an assistant treasurer (see below).** If the committee treasurer is unavailable to carry out his or her duties for an extended time, a new treasurer should be designated and the committee’s Statement of Organization (Form 410) amended.

Treasurers or assistant treasurers must sign and verify all reports and statements filed.

The verification indicates under penalty of perjury that:

- The signer has used all reasonable diligence in preparing the statement; and
- To the best of his or her knowledge, the statement is both true and complete.

The signer is legally responsible for the accuracy and completeness of the document even if it is prepared by a third party, including a professional accountant. An unsigned statement is considered "not filed" and subject to late fines.

Treasurer

A treasurer is required to:

Establish a system of recordkeeping sufficient to ensure that receipts and expenditures are recorded promptly and accurately in compliance with the Act's recordkeeping and disclosure requirements. Following the recordkeeping guidelines in this manual ordinarily constitutes compliance with this requirement. In addition, the treasurer is required to:

- Maintain campaign records personally or monitor records kept by others.
- Take steps to ensure all of the Act's requirements are met regarding receipt, expenditure, and reporting of campaign funds.
- Prepare campaign statements personally or carefully review campaign and underlying records prepared by others.
- Correct any inaccuracies or omissions, and inquire about any information that would cause a reasonable person to question the accuracy of the campaign statements.
- Sign campaign statements under penalty of perjury. The treasurer is legally responsible for the accuracy and completeness of campaign statements even if they are prepared by a third party, such as a professional accountant. The treasurer must establish that campaign statements are properly filed. No person should assume the position of treasurer as a figurehead.
- Check and, if necessary, correct any information contained on a campaign statement that a reasonable, prudent person would question. Among the circumstances that might give rise to an inquiry regarding a contribution are: the size of the contribution; the reported source; the likelihood of that source making a contribution of that size; the circumstances surrounding receipt; and the manner in which the contribution is recorded in campaign records.

Assistant Treasurer

An assistant treasurer may be designated on the Statement of Organization (Form 410) in the event that the treasurer is unavailable to sign a report when it is due. The assistant treasurer is required, like the treasurer, to use reasonable diligence in preparing and reviewing any campaign statements that he or she signs, and must certify to that effect under penalty of perjury. For statements signed by the assistant treasurer, both the treasurer and the assistant treasurer are liable for any violations pertaining to that report.

There are no restrictions on who may be an assistant treasurer, although he or she should know the reporting obligations, restrictions, and prohibitions provided under the law.

Candidate Duties for Controlled Committees

A candidate is required to:

- Make sure that the treasurer is exercising all reasonable diligence in the

performance of his or her duties. The candidate must establish that campaign statements are properly filed.

- Take whatever steps are necessary to replace the treasurer or raise the treasurer's performance to required standards if the candidate knows or has reason to know that the treasurer is not exercising all reasonable diligence in the performance of his or her duties.
- Review with care the campaign statements prepared for filing by the committee.
- Correct any inaccuracies and omissions in campaign statements of which the candidate is aware and check and correct any information on campaign statements which a person of reasonable prudence would question based on all of the surrounding circumstances.
- Perform with due care any other tasks assumed in connection with the raising, spending, or recording of campaign funds insofar as such tasks relate to the accuracy of information entered on campaign statements.

Answering Your Questions

Q. *Are there any specific accounting qualifications for someone to be able to serve as treasurer, or any conditions which would disqualify someone from being permitted to serve as treasurer?*

A. No.

Q. *Are committee records and source documentation required to be kept on paper, or may the committee use an electronic recordkeeping system?*

A. Electronic records are permitted, provided that all of the required information is collected and recorded in a timely and uniform manner that ensures the accuracy and reliability of the information. Committees are responsible for ensuring that electronic records can be read and/or printed for auditing purposes during the applicable retention period.

Q. *Are form letters thanking contributors required to be retained for recordkeeping purposes?*

A. Form letters containing no information necessary to complete or verify the committee's campaign statements are not required to be retained.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter.

Government Code Sections

84100 *Treasurer.*
84104 *Recordkeeping.*
84105 *Notification of Contributors.*
84300 *Cash and In-Kind Contributions; Cash Expenditures.*
84302 *Contributions by Intermediary or Agent.*
84307 *Commingling with Personal Funds.*
85700 *Donor Information Requirements; Return of Contributions.*
90001 *Mandatory Audits and Investigations.*
90002 *Audits and Investigations; Time.*
90003 *Discretionary Audits.*
90007 *Auditing Guidelines and Standards.*

Title 2 Regulations

18401 *Required Recordkeeping for Chapter 4.*
18421.1 *Disclosure of the Making and Receipt of Contributions.*
18421.2 *Street Address.*
18426.1 *Assistant Treasurer.*
18427 *Duties of Treasurers and Candidates with Respect to Campaign Statements.*

18427.1 *Notification to Contributors of $5,000 or More.*
18432.5 *Intermediary.*
18570 *Return of Contributions with Insufficient Donor Information.*
18994 *Auditing and Investigations.*
18995 *Standards and Guidelines for Auditing Statements and Reports.*

Chapter 3
Contributions

This chapter begins with a definition of "contribution" and provides guidelines necessary to proper reporting, including a discussion on valuing nonmonetary contributions. At the conclusion of the chapter is a review of restrictions placed on a primarily formed ballot measure committees controlled by a state candidate.

What is a Contribution?

A "contribution" is a monetary or nonmonetary payment received by a committee for which the committee has not provided full and adequate consideration in return. (See the definition of "contribution" in Appendix 1.) A contribution may take any of the following forms:

- Money (cash, check, credit card, wire transfers);
- Nonmonetary items (donated goods or services);
- Payments made by a third party for advertising or other communications (see Chapter 4);
- Loans (including loan guarantees, co-signing, and lines of credit); and
- Enforceable promises (for example, a contributor promises, in writing, to pay for specific goods or services and, based on that written promise, the committee expends funds or enters into a legally-enforceable contract to purchase the goods or services).

Each type of contribution is reported differently. In fact, **when** a contribution is received is determined in part by what type of contribution it is.

A **monetary** contribution is received on the date that the committee or an agent of the committee obtains possession or control of the cash, check, or other item that constitutes the contribution. (See Chapter 2.)

Example *John Burns, the campaign consultant for Citizens for Cleaner Air, Yes on Proposition 300, received a hand-delivered check at a May 14, Friday evening fundraiser for Citizens. John did not give the check to the committee's treasurer for deposit until the following Monday, May 17. The contribution was received on May 14, the day the committee's agent obtained possession of the check.*

The committee also contracts with a website service to receive contributions over the Internet. The website service sends the committee's treasurer an email each time a contributor logs on to the website service and enters his or her donor information and credit card number. Logging onto the website service, the treasurer can accept the contribution and receive the funds. The committee reports receipt of the contribution on the date it receives the email because it controls the contribution on that date.

A **nonmonetary** contribution is received on the **earlier** of the following:

- The date funds were expended by the contributor for the goods or services;
- The date the committee or an agent of the committee obtained possession or control of the goods or services;
- The date the committee received the benefit of the expenditure.

An **enforceable promise** is received on the date the committee or an agent of the committee receives documents verifying that a contributor has made a legally-enforceable promise to pay for goods or services. A

pledge card is not considered an enforceable promise to make a contribution.

When an agent of the committee, such as a campaign consultant, receives a contribution for the committee, the treasurer must be notified by the agent no later than the closing date of the next campaign statement due.

Exceptions

There are many exceptions to the definition of "contribution," which are described in Appendix 1 under the definition of "contribution." Exceptions for certain types of political communications are also discussed in detail in Chapter 4. Some of the most common exceptions include:

Volunteer personal services. If an individual donates his or her personal or professional services to a campaign, no contribution has been made or received. However, if an employer donates employee services to a campaign, and any employee spends more than 10% of his or her compensated time in a calendar month providing the services, the employer has made a nonmonetary contribution to the committee.

Home/Office Fundraisers. If someone holds a fundraiser or other campaign event in his or her home or office, the costs incurred by the occupant of the home or office need not be reported as long as the total cost of the event is $500 or less. However, if someone else donates food, beverages, or anything else of value to the event, the fair market value of those donated goods is a nonmonetary contribution. In addition, the donated goods must be counted to determine whether the total cost of the event is $500 or less.

Examples *Jaleel Baker holds a fundraiser in his home for your committee. He spends $250 on decorations, food, and drinks for the event. His neighbor, Sheila Mkemo, brings some door prizes with a fair market value of $50. Since the total cost of the event is under $500, Jaleel's $250 is not reportable. However, since Sheila is not the occupant of the home, her nonmonetary contribution of $50 is reportable, although not itemized.*

Shannon Priestly sponsors an event for your committee after work in her business' downtown office. Shannon spends $450 to have the event catered. Jason Cameron, who works in the building next door, supplies a flower centerpiece worth $75. Since the total cost of the event exceeds $500, both Shannon's contribution of $450 and Jason's $75 flower arrangement are reportable by your committee.

Member Communications. Payments made by an organization (including a political party) for certain communications that are sent only to the organization's members, employees, or shareholders, or their families, are not contributions to a ballot measure committee whose measure is endorsed in the communication. (See Chapter 4.)

Restrictions on Contributions

There are restrictions concerning receipt of contributions. For example, contributions of $100 or more must be made by written instrument and may not be made or received in cash. (For more details on restrictions, see Chapter 10.) In addition, contributions of $100 or more must be returned if the contributor's name, address, occupation, and employer are not obtained within 60 days of receipt of the contribution. (See Chapter 2.)

Receiving Contributions

Aggregating Contributions

Contributions received from certain combinations of individuals and entities must be added together to determine the total amount that will be treated as received from a single contributor.

The following are aggregated:

- Contributions from the personal funds of an individual and contributions made by an entity when the same individual directs and controls the entity's contributions.
- Contributions from two or more entities if a majority of the same persons directs and controls the contributions of each entity.
- Contributions made by entities that are majority owned by any person with the contributions of the majority owner and all other entities majority owned by that person, unless those entities act independently in their decisions to make contributions.

QuickTIP The term "person" includes an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, and association.

The following are basic examples to provide general guidance regarding aggregation of contributions. Every case is unique. If these examples are not helpful, contact the FPPC for advice.

Examples *Sally Perez Jones contributed $98 from her personal funds and another $98 from the funds of her business, Flowers by Sally, to the Committee for Measure F. Because contributions from an individual and his or her business, or from any other account he or she directs and controls, are considered from a single contributor, the committee must itemize both contributions and report a cumulative amount received of $196 on its campaign statement.*

EXtream Snowboards, Inc., made a contribution of $99 to the Committee for Measure F. EXtream Snowboards, Inc. is a wholly owned subsidiary of LeesureTech Industries, which made a contribution of $99 to the committee. Because there was coordination between EXtream Snowboards and LeesureTech Industries, their contributions are considered to be from a single contributor. The committee must itemize both contributions and report a cumulative amount received of $198 on its campaign statement.

William Smith is a developer with four separate corporations. William makes political contributions from his personal funds and directs and controls the contributions of each of his corporations. William made a contribution of $1,000 from his personal funds and contributions of $2,000 from the funds of each of his four corporations to the Committee for Measure F. Because William directed and controlled all of these contributions, they are considered to have been made by a single contributor. The committee must itemize each contribution and show a cumulative amount received of $9,000.

Southwest TeleCom has a greater than 50% ownership interest in American TeleCom. Each entity, entirely on its own, and with separate decisionmaking bodies, makes a contribution of $1,000 to the Committee for Measure F. The committee does not aggregate these contributions because Southwest TeleCom and American TeleCom acted completely independently in their decisions to make the contributions.

Electronic, Credit/Debit Card Contributions

Contributions may be received by wire transfer, credit card transaction, debit account transaction, or similar electronic payment option (including one made via the Internet), and are subject to recordkeeping requirements. (See Chapter 2.) When contributions received by credit card are reported, bank fees are not subtracted from the amount reported as coming from the contributor.

Fundraisers

The full amount (face value) of a fundraiser ticket is a reportable contribution.

Example *Your committee holds a fundraiser and charges $100 per person. After the event, you determine that your committee spent $25 per person to pay for the caterer, hall rental, entertainment, invitations, etc. Report on Schedule A of the Form 460 each contributor's name, address, occupation, and employer and the full $100 per ticket contribution. Do not subtract $25 from each ticket sold.*

Auctions and Garage Sales: When items are donated for auction or sale at a fundraiser, the donated item is a nonmonetary contribution. (See below for determining the value.) When someone buys an item, the payment is usually considered a "Miscellaneous Increase to Cash" and is reported as such. (See Chapter 7.) If any one person pays $100 or more, the payment is itemized.

However, when someone pays more for an item than it is worth, the amount that is equal to the fair market value is reported as a miscellaneous increase to cash and the amount over the fair market value as a monetary contribution. Each is itemized at $100.

Example *Andy Foster owns an electronics store and donates a TV worth $500 to your committee. At your committee's auction, Gloria Fernandes bids $600 for the TV. Itemize $500 as a nonmonetary contribution from Andy's store. Then, itemize $500, that part of Gloria's payment that is the fair market value of the TV, as a miscellaneous increase to cash. Also itemize $100, the amount over the fair market value, as a monetary contribution from Gloria.*

Bar Receipts: Funds received by selling drinks at a fundraiser at fair market value are reported as miscellaneous increases to cash, not contributions.

Raffle Tickets: Receipts from the sale of raffle tickets at a fundraiser are reported as contributions. Items donated for raffle prizes are reported as nonmonetary contributions. (Note that Penal Code section 319 imposes some restrictions on raffles. Contact your county's district attorney for further information.)

Intermediary

An intermediary is a person or entity that makes a contribution on behalf of another person and has been or will be reimbursed for the contribution. For each contribution of $100 or more from an intermediary, the name, address, and, if applicable, the occupation and employer information must be disclosed for both the true source of the contribution <u>and</u> the intermediary.

Example *Berry Barr and Vienna Waltz each made a $100 contribution from their personal funds to support the Committee for Measure F, with the understanding that they would be reimbursed by their employer, the Music Company. Berry and Vienna must tell the committee that they are acting as intermediaries on behalf of their employer, the Music Company. The committee must itemize the $200 contribution from the Music Company, and also itemize Berry Barr and Vienna Waltz as intermediaries of $100 each on its campaign statement.*

Failure to disclose the true source of a contribution is considered one of the most serious violations of the Political Reform Act.

Examples *A corporation has asked its employees to make personal contributions to Friends of the Forest, a committee for Proposition 305, a ballot*

measure committee, with the intent of reimbursing its employees for the contributions they make. Neither the employees nor the corporation inform the committee that the employees will be reimbursed. The corporation and the employees have violated the Act.

The Playa del Sol Stockbrokers Emporium requested its employees to attend a fundraiser for Friends of the Forest, a committee for Proposition 305 with the intent of reimbursing the employees for their contributions. The employees informed Friends that their contribution would be reimbursed by the Emporium. When the committee's treasurer completed the committee's Form 460, he reported the total of the contributions coming from Playa del Sol Stockbrokers Emporium and itemized those employees who contributed $100 or more as intermediaries for the Emporium. No violation took place.

Committees are required to check, and, if necessary, inquire and correct any information regarding the true source of a contribution that a person of reasonable prudence would question based on all of the surrounding circumstances. If there is reason to question the source of a contribution, i.e., if there is reason to believe the information contained on the contribution check does not contain the name of the person who is actually making the contribution, the donor should be asked if he or she is acting as an intermediary for the true source of the contribution.

Joint Checking Accounts and Business Accounts

Individuals (including spouses) may make separate contributions from a joint checking account. For reporting purposes, the full amount of the contribution is reported as coming from the individual who signs the check. If two or more individuals sign the check, the contribution is divided equally between or among the signers, unless there is an accompanying document signed by each individual whose name is printed on the check that clearly indicates a different apportionment.

Example *Linda and Jerry Nelson have a joint checking account. From this account, Linda signed a $100 check payable to Citizens Against Street Crime, Yes on Measure D. The committee identifies Linda Nelson as the contributor of the full $100.*

A check drawn on a joint checking account that is signed by an individual not listed on the check (e.g., an accountant) must be accompanied by a document signed by at least one of the individuals listed on the check stating to whom the check is to be attributed.

Generally, if a check is drawn on the account of a business entity, the contributor is the business entity, not the person who signs the check.

Minor Children

A contribution made by a child under the age of 18 is presumed to be a contribution from his or her parent or guardian, unless the facts show otherwise, e.g., that the child actually chose to make the contribution.

Telephone Contributions

Some campaigns solicit contributions by providing a telephone number for people to call in order to have a contribution billed to their credit card or phone bill. This is allowed, as long as all the reporting and recordkeeping requirements are met. (See Chapter 2.) Some tips are:

- For contributions of $25 or more, the committee treasurer should make sure that a copy of the credit card voucher or

other documentation is sent to the committee as soon as practicable after the contributions are made.

- The entire amount charged on the credit card or phone bill is reported as a contribution.
- Fees associated with this type of fundraising, or deducted by the vendor before the contributions are sent to the committee, are reported as expenditures; the fees are not deducted from the amount of each contribution reported.

$5,000 Notification to Potential "Major Donors"

Committees that receive one or more contributions totaling $5,000 or more in a calendar year from an individual or entity that made the contribution(s) from personal, business, or corporate funds must send the contributor written notice that they may have a filing obligation. The notice may be tailored as long as it contains language substantially similar to the language below:

> If your contribution(s) to this committee and to other California state or local committees total(s) $10,000 or more in a calendar year, California law requires you to file a Major Donor Committee Campaign Statement (Form 461). The deadline and location for filing this statement will depend upon the timing and type of contribution(s) you have made. In addition, once you become a major donor, you are required to file a late contribution report within 24 hours if you make contributions totaling $1,000 or more to a single candidate, his or her controlled committee, or to a committee primarily formed to support or oppose a candidate or ballot measure during the 16 days before an election in which the candidate or measure is being voted upon or make contributions totaling $1,000 or more to a state or county political party committee during the 16 days prior to a state election.
>
> Failure to file campaign statements may result in late filing penalties ($10/day) and fines (up to $5,000/violation). For more information, contact the Fair Political Practices Commission toll-free at (866) 275-3772, or refer to their website: www.fppc.ca.gov.
>
> Additionally, if you make contributions of $50,000 or more in a calendar year in California and some or all of those contributions are to state candidates, committees, or ballot measures, you are required to file your Form 461 electronically with the Secretary of State. For more information on the electronic filing requirements, contact the Secretary of State's office at (916) 653-6224.

The notice is not required if the source of the contribution is a candidate, officeholder, or an existing committee, because they already are required to file campaign statements.

The notice must be mailed, faxed, or emailed to the contributor within two weeks of receipt of the $5,000 contribution(s). The notice need not be sent again for subsequent contributions received from the same contributor within the same calendar year.

A copy of each notice or record of all notices sent showing the date sent, and the name and address of the person receiving the notice must be retained.

Valuing Nonmonetary Contributions

This section provides assistance in determining how to value nonmonetary contributions so that they may be reported accurately. The varieties of nonmonetary contributions are vast, so not all possibilities are presented. Contact the FPPC for assistance.

Fair Market Value

When a nonmonetary contribution is received, the fair market value of the goods or service must be reported.

Example *The owner of an audio-visual store donates a television set worth $500 to your committee for sale at an auction. Although the set costs the store owner less than $500, the* ***fair market value of the television (the amount it would cost any member of the public to purchase the set from the store)*** *is $500. Therefore, the nonmonetary contribution from the store owner is $500.*

If a business donates the use of an employee to work on a campaign, the amount the individual is paid for working on the campaign is reportable only if the employee spends 10% or more of his or her compensated time in a calendar month working on the campaign.

Example *An accounting firm provides your committee with the services of an accountant during the last month of the campaign. The accountant spends 25% of her time working for the campaign, for which her gross compensation from the accounting firm is $2,500. The amount of the contribution from the accounting firm, therefore, is $2,500.*

If a committee receives discounts on goods or services it purchases and the discounts are not offered to the public in the regular course of business, the discount is a nonmonetary contribution that must be reported.

Example *Your committee treasurer knows the owner of Janns' Printing Shop and gets the owner to give your committee a 50% discount on the printing of a brochure that normally would cost $1,200. Your committee has received a nonmonetary contribution of $600 from Janns' Printing Shop.*

Volunteer personal services are not considered to be a nonmonetary contribution.

Example *The owner of Janns' Printing Shop volunteers her time to print fundraiser invitations for your committee. Your committee must report the fair market value of the materials, but need not include any of the shop owner's time in determining the amount of the nonmonetary contribution.*

If the committee does not know the fair market value of a nonmonetary contribution, such as an original piece of artwork, the committee may send a letter requesting that the contributor provide the value of the contribution in writing. The contributor is legally obligated to provide an amount if the value of the contribution is $100 or more.

Mailings

Generally, the fair market value of a mailing is reported as a contribution when the mailing expressly advocates support of or opposition to a ballot measure **and** was made at the behest of the affected ballot measure committee.

Example *The Treetop Paper Company produces and sends a mailing to support your committee. Although the company receives paper at a discounted rate, report the receipt of a nonmonetary contribution in the amount it would have cost you had you paid fair market value for the mailing.*

Multiple Candidates/Measures. If a mailer expresses support or opposition to more than one ballot measure or candidate, the fair market value attributable to each may be calculated by prorating the costs among the featured candidates and ballot measures. The prorated value is based on the amount of space allotted to each candidate or measure supported or opposed in the mailer.

Example *The Weston Chamber of Commerce produces and mails a one-page flyer urging voters to vote for Proposition 310, and to vote against Propositions 322 and 323. Half of the flyer is devoted to supporting Proposition 310 and the other half equally opposes the other measures. The Chamber coordinates the mailing with the committee primarily formed to support Proposition 310, but does not coordinate with any committee set up to oppose the two other measures. The total cost of producing and mailing the flyer is $14,000. The committee supporting Proposition 310 has received a nonmonetary contribution valued at $7,000, and the Chamber has made independent expenditures of $3,500 apiece opposing the two other ballot measures.*

The value of a mailer that supports or opposes candidates and measures being voted on in different jurisdictions may be prorated based on the number of mailers sent to each candidate or ballot measure's jurisdiction.

Political and Non-political Material. The cost of a mailing containing both express advocacy in support or opposition to a ballot measure as well as nonpolitical material may be prorated. Costs directly associated with the political message are reportable by the ballot measure committee, including, for example, compensation paid to employees who spend 10% or more of their compensated time in a calendar month producing or mailing the political materials, and the pro rata cost of paper, envelopes, and postage. The allocation may be based on the additional weight of the political material or the comparative number of pages between the political and non-political material.

Member Communications. Payments made by an organization or its sponsored committee for a communication that supports or opposes a ballot measure are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or the families of its members, employees, or shareholders. The communication may not be for general public advertising, such as billboards, newspaper ads, or radio or television ads. (See Chapter 4.)

Bulk Rate Permits. Use of another organization's bulk rate permit is a nonmonetary contribution from the organization. If the committee pays the actual postage costs incurred, the fair market value of the contribution is either:

- The price the organization paid for the bulk mailing permit; or
- The difference in postage costs between the bulk mailing rate and that of regular mail.

If the organization pays for the costs of the mailing using its bulk rate permit, and the committee does not have such a permit, the value of the contribution is (1) the amount it would have cost to pay for the mailing using regular mail; or (2) the cost of the bulk rate mailing plus the cost of a permit.

Phone Banks

Businesses and other entities will sometimes allow a ballot measure committee to use their phones to call prospective voters during non-business hours. The fair market value of the use of the phones is calculated to determine the amount reported as a nonmonetary contribution, even if only local calls are made. One method to determine the fair market value is to contact organizations that provide phone banks as a business.

Polls & Surveys

A person or entity that provides data from a public opinion poll or survey to a committee is making a nonmonetary contribution if the

committee requests the data or the data are used for political purposes. FPPC staff has advised that a formula utilized by the Federal Election Commission may be used for valuing polling or survey data, as long as the formula is used in a reasonable manner to provide a fair estimate. The formula calculates the value based on the age of the data. The chart below illustrates the fair market value of data based on the number of days that pass from the date the entity originally received the data to the date the data were provided to the committee.

Age of Data	Value
0 -15 days	Full Value
16 - 60 days	50%
61 - 180 days	5%
More than 180 days	No Value

When only a portion of a survey is provided to or for the benefit of a committee, the nonmonetary contribution is the prorated portion of the total value of the survey.

Example *A local business association commissioned a public opinion poll to determine voters' attitudes about three city issues: development of an arena, an expanded no-smoking ban, and a local recreational park bond. The association provided the poll results to the ballot measure committee formed to pass the recreational park bond. Since only a portion of the data pertained to the bond issue, the ballot measure committee reported a prorated amount when disclosing the nonmonetary contribution received.*

Answering Your Questions

Q. We are holding a $100-a-plate fundraiser for our committee. The actual cost of the event to our committee will be $25 per person. When someone gives us $100 to attend the dinner, do we report $100 as a contribution, or do we subtract the $25 and report receiving a $75 contribution?

A. The cost of the ticket for the fundraiser is the amount of the contribution. Report $100 as the contribution.

Q. When we send out a fundraising letter, are we required to put our committee identification number on the invitation?

A. There is no requirement to put the identification number anywhere on the mailer. However, many campaigns do so because if other committees, or others with their own reporting obligations, contribute to your committee, they will need your identification number to complete their campaign reports.

Q. We would like to hold a raffle at our next fundraiser. Are there any restrictions on raffles?

A. The Political Reform Act does not restrict raffles. However, Penal Code section 319 does prohibit some raffles. This code is interpreted and enforced by each county's district attorney. Contact the local district attorney where the raffle will be held for further information. Of course, be sure all of the reporting and recordkeeping requirements are met.

Q. If Jan, my next door neighbor, spends $1,000 on an event to help raise funds for two different ballot measure committees and the event is held in her home, has she made a contribution to each committee?

A. Yes. The total cost of a home fundraiser must be $500 or less, or the event will qualify as a nonmonetary contribution. This is true no matter how many committees benefit from the event.

Q. May a non-profit organization hold a joint fundraiser with a political committee?

A. Yes. However, any costs incurred by the non-profit organization that are not reimbursed by the political committee would be considered to be a nonmonetary contribution from the non-profit to the political committee. The non-profit organization should contact the IRS for any possible restrictions based upon the organization's tax status.

Q. Three ballot measure committees wish to conduct individual polls. A polling firm has offered a reduced rate because all three polls can be combined using one very large sample. Are the committees receiving contributions from the polling firm because of the discounted fee, and are the committees making contributions to each other?

A. To the extent each committee pays only its share of the cost of the poll, the committees are not making contributions to each other. Additionally, if the polling firm provides the discount as part of its standard business policy of providing discounts in similar situations and does not provide the discount for political purposes, the committees will not receive a contribution from the polling firm.

Returning Contributions

There are several provisions in the Act and FPPC regulations that regulate the return of contributions.

- **Reporting:** A contribution is not required to be reported if it is not deposited, cashed, or negotiated and it is returned to the contributor before the closing date of the campaign statement on which it would otherwise be reported.

  A "late contribution" (a contribution of $1,000 or more received during the last 16 days before an election) is not required to be reported if it is not deposited, cashed, or negotiated and it is returned within 24 hours of receipt. Once a contribution is deposited, cashed, or negotiated, it must be disclosed on the next campaign statement, even if it is subsequently returned. (See Chapter 7 for detailed information on reporting returned contributions.)

- **Missing Contributor Information:** A contribution of $100 or more must be returned within 60 days of receipt if the committee has not obtained the contributor's name, address, and, in the case of a contributor who is an individual, his or her occupation and employer. (See Chapter 2.)

- **General Rule:** A contribution may be returned in whole or in part to the contributor if the return is reasonably related to a political purpose. (See Chapter 2.)

State Contribution Limits

The Fair Political Practices Commission adopted regulation 18530.9 that places contribution limits and other fundraising limitations on a ballot measure committee controlled by a state candidate. The regulation is currently the subject of litigation. As a result of that litigation, regulation 18530.9 does not currently operate to limit contributions to ballot measure committees controlled by candidates for elective state office. As the matter is being litigated, however, you are advised that as the litigation proceeds the current status of the regulation could change.

Exception: Contributions to a state candidate controlled ballot measure committee from another state candidate controlled committee are subject to limits. In addition, contribution limits may apply if a committee, at the behest of a state candidate, makes a payment of $50,000 or more for a communication featuring the state candidate 45 days before his or her election. Contact the FPPC for guidance.

Communications Identifying State Candidates

A committee is subject to a contribution limit of $26,600 from a single source if all of the following conditions are met:

1. The committee makes a payment or a promise of a payment totaling $50,000 or more;
2. The payment is for a communication that clearly identifies a candidate for elective state office;
3. The communication does not expressly advocate the election or defeat of the candidate;
4. The communication is disseminated within 45 days of an election in which the identified candidate will appear on the ballot; and,
5. The communication is made at the behest of the identified candidate.

Once a committee receives a contribution of more than $26,600, the committee may not make a payment for a communication described above.

A candidate is "clearly identified" if the communication:

- states his or her name;
- makes unambiguous reference to his or her office or status as a candidate;
- unambiguously describes him or her in any manner; or
- contains the voice or a visual depiction of the candidate.

Exception: A candidate is not considered "clearly identified" if the candidate's name is required by the provisions of state or federal law to appear in the communication and the candidate is not singled out in the manner of display.

A communication "expressly advocates" the nomination, election, or defeat of a candidate if it contains express words of advocacy, such as "vote for," "elect," "support," "cast your ballot," "vote against," "defeat," "reject," or otherwise refers to a clearly-identified candidate so that the communication, taken as a whole, unambiguously urges a particular result in an election.

See Chapter 4 for information in determining whether a payment is "made at the behest of" an officeholder or candidate.

See Chapter 8 for reporting requirements. Ballot measure committees must use E-Form 530 to report certain payments received by the committee when the committee has met all of the provisions noted above regarding featuring a state official in communications.

Examples *Two weeks before an election in which Assembly member Caterina Ramos will be listed on the ballot, the Alternative Energy Committee, Yes on Proposition 580, pays $70,000 for billboard space for an ad campaign. While the ad does not advocate her election, it does include her name and image and was approved by her. The Yes on Proposition 580 Committee is subject to a contribution limit of $26,600 in a calendar year from a single source.*

The Santa Monica Neighbors for Reform, Yes on Measure H, buys newspaper ads in the local newspaper that read, "State Senator Juanita Frances supports Measure H." The committee has coordinated this advertising campaign with the senator, who is running for reelection and will appear on the ballot within 45 days of placement of the ads. Even though this is a local ballot measure committee, because the ad identifies a state candidate, the committee is subject to a calendar year contribution limit of $26,600 from a single source.

Save Our Renewable Resources, No on Proposition 444, sponsored by timber industry interests, contracts for a phone

message to be distributed to registered voters statewide within 45 days before the state primary election. The phone message includes a statement that reads, "The State Controller says Proposition 444 will hurt the state budget." The State Controller is not listed on the ballot. Therefore, the ad campaign does not trigger a $26,600 calendar year contribution limit.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Codes Sections

82015 *Contribution.*
82018 *Cumulative Amount.*
82025.5 *Fair Market Value.*
82036 *Late Contribution.*
82047 *Person.*
84105 *Notification of Contributors.*
84211 *Contents of Campaign Statements.*
84300 *Cash and In-Kind Contributions; Cash Expenditures.*
84302 *Contributions by Intermediary or Agent.*
84306 *Contributions Received by Agents of Candidates and Committees.*
85305 *Restrictions on Contributions by Candidates.*
85308 *Family Contributions.*
85310 *Communications Identifying State Candidates.*
85311 *Affiliated Entities: Aggregation of Contributions to State Candidates.*
85312 *Communications to Members of an Organization.*
85319 *Returning Contributions.*
85700 *Donor Information Requirements; Return of Contributions.*

Title 2 Regulations

18215 *Contribution.*
18216 *Enforceable Promise to Make a Payment.*
18421.1 *Disclosure of the Making and Receipt of Contributions.*
18423 *Payments for Personal Services as Contributions and Expenditures.*
18427.1 *Notification to Contributors of $5,000 or More.*
18428 *Reporting by Affiliated Entities.*
18432.5 *Intermediary.*
18530.9 *Contributions to Candidate Controlled Ballot Measure Committees.*
18531.7 *Payments for Communications – Section 85312.*
18531.10 *Communications Identifying State Candidates.*
18533 *Contributions from Joint Checking Accounts.*
18535 *Restrictions on Contributions Between State Candidates.*
18539.2 *Reporting Payments Pursuant to Government Code Section 85310.*

Chapter 4
Communications

One of the most important aspects of any campaign is communicating with the voters. The Political Reform Act does not regulate the **truth or accuracy** of political communications, but does require reporting of most payments in connection with flyers, mailers, billboards, and radio and television advertising. Identification rules also may apply. This chapter reviews common communications undertaken in a campaign and how payments for the communications are required to be reported. Identification requirements on mailings and other advertisements are also summarized. When reviewing this chapter, it is important to remember that certain communications and advertisements trigger mandatory disclosures.

Contributions and Independent Expenditures

Generally speaking, when someone other than the primarily formed ballot measure committee pays for a communication supporting the committee's position on the measure, the committee has received a nonmonetary contribution unless the payment was not "made at the behest of" the committee. Payments for communications that support or oppose a ballot measure by the use of express advocacy, which are not made at the behest of the ballot measure committee primarily formed to support or oppose the ballot measure, are called "independent expenditures." In these cases, the primarily formed ballot measure committee whose position is being supported is not required to report the payments, although the person making them may have reporting obligations. In addition, payments for certain other types of communications may not be reportable at all, or may be subject to special reporting requirements. (See Chapter 8, and the definition of "contribution" in Appendix 1.)

Whether a communication is a contribution, an independent expenditure, or some other type of reportable payment depends on several factors, including whether the communication "expressly advocates" the passage or defeat of a clearly-identified ballot measure. The information and examples provided below may be of assistance in making that determination. However, it is impossible to address all of the types of communications in a campaign. If presented with a specific example, FPPC staff can provide assistance.

Express Advocacy

A communication *expressly advocates* support or opposition when it uses words such as "vote for," "elect," "support," "cast your ballot," "vote against," "defeat," "reject," "sign petitions for," or the communication, taken as a whole, unambiguously urges a particular result in an election.

Clearly Identifies

A communication *clearly identifies* a ballot measure when the measure's name, popular title, or official title is used.

Example *An individual paid $4,000 for a newspaper ad stating "Vote for Measure A." The communication expressly advocates support for a clearly-identified ballot measure and must be reported either as a contribution or independent expenditure, depending upon whether it was made at the behest of a primarily formed ballot measure committee.*

Later, the same individual paid $2,000 for post card-sized flyers that simply stated, "Vote on Election Day." This communication

is not reported as a contribution or independent expenditure because it did not expressly advocate support of or opposition to a measure.

A communication that expressly advocates support of or opposition to a clearly-identified ballot measure is a contribution, if made at the behest of the committee, or an independent expenditure, if *not made* at the behest of the committee. In addition, when an officeholder or candidate controls a primarily formed ballot measure committee, payments made at the behest of the officeholder or candidate are contributions to the committee.

Made at the Behest

A payment is *"made at the behest"* of a primarily formed ballot measure committee if the payment is made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, at the request or suggestion of, or with the express prior consent of the committee or an agent of the committee, and the arrangement occurs prior to the making of the communication.

Expenditures made at the behest of a committee include expenditures made by a person, other than the committee, to pay for a communication relating to one or more ballot measures if it is created, produced, or disseminated:

- After the committee has made or participated in making any decision regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placement of the communication; or
- After discussion and agreement between the committee and the creator, producer or distributor of a communication, or the person paying for that communication, regarding the content, timing, location, mode, intended audience, volume of distribution, or frequency of placement of the communication.

An expenditure is presumed to be made at the behest of a committee if it is:

- Based on information about the committee's campaign needs or plans provided to the expending person by the committee; or
- Made by or through any agent of the committee in the course of the agent's involvement in the current campaign; or
- For a communication relating to a clearly-identified ballot measure when:
  - The person making the expenditure retains the services of a person who provides the committee supporting or opposing the ballot measure with professional services related to campaign or fundraising strategy for the same election, or
  - The communication replicates, reproduces, republishes, or disseminates, in whole or in substantial part, a communication designed, produced, paid for, or distributed by the committee.

An expenditure is **not made at the behest** of a committee just because:

- A person interviews the committee or committee's agent on issues affecting the person making the expenditure; or
- The person making the expenditure obtains a photograph, biography, position paper, or press release, or similar material is provided by the committee or committee's agent; or
- The person making the expenditure has made a contribution to the committee; or
- A person makes an expenditure in response to a general, nonspecific request for support by a committee, provided that there is no discussion with the committee

prior to the expenditure relating to details of the expenditure; or

- The person making the expenditure has invited the committee to make a public appearance before the person's members, employees, shareholders, or their families provided that there is no discussion with the committee prior to the expenditure relating to details of the expenditure; or
- A person informs a committee that the person has made an expenditure, provided that there is no exchange of information, not otherwise available to the public, relating to details of the expenditure; or
- The expenditure is made at the request or suggestion of the committee for the benefit of another committee; or
- The committee has exchanged information with other committees that are primarily formed to support or oppose the same measure or measures.

Example *A business entity printed campaign literature stating, "Vote for Measure B." The communication included reasons why voters should vote for the measure. The business entity did not prepare the literature with assistance from the committee primarily formed to support Measure B. The business entity made an independent expenditure, not a contribution to the Measure B committee.*

On the other hand, if the business entity contacted the Measure B committee and arranged for the committee's staff to help draft and design the literature, the business entity would have made a nonmonetary contribution to the committee primarily formed to support Measure B.

Determination Based on Facts

As the previous examples illustrate, whether a communication is deemed to be express advocacy, and whether the communication is made at the behest of the committee, are factual determinations based on the text of the communication and the circumstances associated with it. Although determinations must be made on the facts of each particular situation, the following examples address common situations that may arise in a campaign.

Reporting

There are distinctly different reporting requirements for contributions and independent expenditures.

When a person or group of persons makes expenditures for a communication at the behest of a committee, the committee **must report** the receipt of a nonmonetary contribution. The person making the expenditure may also have to file reports.

Committees that are the beneficiaries of independent expenditures do not report them. However, the person making the expenditures may have filing obligations.

Endorsements

An endorsement of a measure may become a contribution or an independent expenditure when a payment is made in connection with the endorsement.

Example *The president of a police officers' association announces at its annual meeting that the association endorses county Measure Y. Merely making an oral endorsement is not a contribution or independent expenditure to the committee supporting Measure Y.*

Closer to the election, in coordination with the committee formed to support Measure Y, the association mails a special flyer to the voters announcing its endorsement. The association has now made a nonmonetary contribution to the committee.

If a candidate pays for a communication supporting his or her own candidacy and also supporting or opposing a ballot measure, the payment is not a contribution to the ballot measure committee nor is it an independent expenditure.

Communications Identifying State Candidates

If a ballot measure committee makes a payment or a promise of a payment totaling $50,000 or more for a communication that clearly identifies a candidate for elective state office, but does not expressly advocate the election or defeat of the candidate, and the communication is disseminated within 45 days of an election in which the identified candidate will appear on the ballot, and the communication is made at the behest of the candidate, the ballot measure committee is subject to contribution limits. Once a committee receives a contribution in excess of the applicable contribution limit, the committee may not make a payment for such a communication. (See Chapter 3 for further information.)

In addition the committee is required to file Form E-530 (See Chapter 8).

Example *Two weeks before a 2006 election in which Assembly member Caterina Ramos will be listed on the ballot, the committee primarily formed to support Proposition 155 pays over $50,000 for a billboard ad. If the ad does not advocate her election, but does include her name and image and was approved by her, the measure committee is subject to a contribution limit of $26,600 in a calendar year from a single source.*

Non-Contributions

Debates

A payment for a debate or other forum to which the proponent of a ballot measure and at least one opponent, or their respective representatives, were invited to participate in equal numbers is not a contribution to the ballot measure committees.

Example *The League of Women Voters invited the proponent and an opponent of Proposition 310 to speak at a forum. Only the proponent attended. Because both sides of the ballot measure were invited, the cost of the meeting is not a contribution to the committee established to support the measure.*

Meetings

A payment made by a bona fide service, social, business, trade, union, or professional organization for reasonable overhead expenses associated with a regularly-scheduled meeting at which an individual representing either side of a ballot measure speaks is not a contribution, if the organization pays no additional costs in connection with the speaker's attendance.

Example *At a union's regularly-scheduled monthly meeting, a representative for the proponent of Proposition 310 was invited to solicit votes. The union did not incur any additional costs in connection with the speaker's presentation and, thus, no contribution was made.*

Member Communications

Payments made by an organization or its sponsored committee for a communication that supports or opposes a ballot measure are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or the families of its members, employees, or shareholders. The payments may not be for general public advertising, such as billboards, newspaper ads, or radio or television ads. If made by the organization's sponsored committee, the

committee would report the payments as being made for general member communications.

Example *Your campaign consultant asks a labor organization to send a mailing to only labor union members supporting your committee's position on a ballot measure. The mailing is not a contribution to your committee. Later, the campaign consultant asks the organization to send the mailing to all registered voters in the district where the measure will appear on the ballot. The mailing to the voters is a contribution to your committee.*

Payments made by a political party for a communication that supports or opposes a ballot measure are not contributions as long as the communication is distributed only to the party's members, employees, and families of its members and employees. However, the party must report the payments as if they were contributions or independent expenditures.

News Stories

A payment for the cost of publishing or broadcasting a news story, commentary, or editorial is not a contribution when the payment is made by a federally-regulated broadcast outlet or a regularly-published newspaper, magazine, or other periodical of general circulation that routinely carries news, articles, and commentary of general interest.

Identification Requirements for Mailings

Mass Mailings

A "mass mailing" is more than 200 similar pieces of mail sent in a single calendar month. The Political Reform Act contains sender identification requirements for mass mailings that are "mailed" (e.g., USPS, FedEx) to a person's home, business, or post office box.

Solicitation letters, notices of fundraising events, newsletters sent by the committee, and other types of campaign literature are common types of mass mailings.

The Political Reform Act does not regulate the **truth or accuracy** of mail or other campaign-related advertisements or materials.

Sender Identification Requirements

Sent by One Committee

The name of the committee and its street address, city, state, and zip code must be placed on the outside of each piece of mail in no less than 6-point type and in a color or print that contrasts with the background so that it is easily read. A post office box may be used as the address only if the committee's street address is on its Statement of Organization (Form 410) on file with the Secretary of State.

Sent by Two or More Committees

The name and address of the committee that is paying the greatest share of the mass mailing, including costs for designing, postage, and printing, must be placed on the outside of each piece of mail as described above. If two or more committees pay equally for the mailer, the name and address of at least one of the committees must be shown on the outside as described above, and the

Sender Identification

Yes on Measure A Committee
10 Parkway Plaza
Playa del Sol, CA 95888

Sharon Eshenaur
620 McFadden Street
Playa del Sol, CA 95888

names and addresses of all committees must appear on at least one insert.

Required Recordkeeping

For each mass mailing, the following must be retained for a period of four years:

- A sample of the mailing;
- A record of the date sent;
- The number of pieces sent; and
- The method of postage used.

Answering Your Questions

Q. Must the committee's identification number appear on a mailing?

A. No.

Q. If an organization includes a copy of a committee's flyer in its regularly published newsletter, is the committee required to be identified on the outside of the mailer?

A. No. The committee's name and address must be identified on the flyer only.

Q. A committee has more than one address. Which address must be used on mass mailings?

A. Any address that appears on the committee's Statement of Organization (Form 410) on file with the Secretary of State may be used.

Q. A committee pays for a ballot measure committee's mailing as a nonmonetary contribution. Which committee must be identified on the outside, the committee paying for the mailing or the ballot measure committee?

A. Only the committee that pays for the mailing is required to be identified on the outside of the mailing.

Q. Where on the outside of the mailing does the committee identification need to be placed?

A. There is no specific requirement for location of the identification, as long as it appears somewhere on the outside of the mailing.

Q. If a committee sends over 200 emails supporting a ballot measure, are there any identification requirements?

A. No. The mass mailing identification requirements apply only to items sent through the mail (e.g. USPS, FedEx).

Slate Mailer Disclaimer and Identification Requirements

A slate mailer is a mass mailing that supports or opposes four or more candidates or ballot measures. A ballot measure committee may be subject to slate mailer disclaimer and identification requirements if it:

- Is involved in the production of one or more slate mailers and exercises control over the selection of candidates and measures to be supported or opposed in the slate mailers; and
- Receives or is promised payments that total $500 or more in a calendar year for the production of one or more slate mailers.

For more information on slate mailer disclaimer and identification requirements, contact the FPPC.

Ballot Measure Advertisement Identification

This section reviews those types of "advertisements" for which the Political Reform Act requires additional disclosure. State and local primarily formed ballot measure committees must include a disclosure statement on advertisements supporting or opposing a ballot measure if the committee has received $50,000 or more in cumulative contributions from a single

source. In addition, there are specific disclosure and reporting requirements if any primarily formed ballot measure committee makes a payment of $5,000 or more for a person to appear in an advertisement.

Note: See Chapter 1 for committee name requirements prior to review of this section.

In addition, a primarily formed ballot measure committee is prohibited from creating or using a noncandidate controlled committee or a nonsponsored committee to avoid the disclosure of any individual, industry, business entity or controlled committee or sponsored committee as a major funding source.

Definition of "Advertisement"

The term "advertisement" means any general or public advertisement for the purpose of supporting or opposing a ballot measure(s). An advertisement includes, but is not limited to, the following:

- Television or radio programming;
- Newspaper, magazine, or periodical communication;
- Telephone or fax messages to 200 or more households not solicited by the recipients;
- Direct mailing to 200 or more households not solicited by the recipients;
- Posters, door hangers, and yard signs of which 200 or more are produced;
- A billboard; and
- Campaign buttons that are 10 inches in diameter or larger, and bumper stickers that are 60 square inches or larger, of which 200 or more are produced.

An advertisement does not include a:

- communication from an organization other than a political party to its members; campaign button smaller than 10 inches in diameter;
- bumper sticker smaller than 60 square inches;
- small promotional item (e.g., pen, pin, etc.) upon which the disclosure requirements cannot be conveniently printed or displayed;
- piece of wearing apparel;
- skywriting display; or
- web-based or Internet-based communication (including email).

Advertisement Disclosure

A primarily formed ballot measure committee must print or broadcast its name on an advertisement or other paid public statement. (See Chapter 1 for committee name requirements.) The committee must also include a disclosure statement if the committee has received $50,000 or more in cumulative contributions from a single source. The disclosure statement must identify the names of the two highest contributors. In the case of an advertisement that is an electronic broadcast of 15 seconds or less or a print media advertisement which is 20 square inches or less, only the committee's name and the name of the highest contributor that has made a contribution of $50,000 or more are required.

Determining Which Contributions to Identify

If there are more than two persons who have each contributed a cumulative amount of $50,000 or more to the ballot measure committee, only the highest and second highest contributors must be identified.

In the event that more than two contributors meet this disclosure threshold and have contributed equally, the most recent of those contributors must be identified.

If the contributor is a recipient committee, the word "committee" must be included. For

example, if the contributor was the political action committee of the California Water Rafters Association, the advertisement would identify the "California Water Rafters Association Committee."

Statement

The disclosure on the advertisement must include wording such as, "major funding by" or "paid for by," and must be presented in a clear and conspicuous manner to give the reader or listener adequate notice of the identity of the contributors. Broadcast information also must be appropriately conveyed to the hearing impaired.

Examples *A ballot measure committee has never received a contribution of $50,000 or more from a single source. The committee pays for billboard space to ask voters to support the measure. The committee's name is required to be identified on the billboard.*

A ballot measure committee received two contributions of $50,000 or more. The committee will buy air time on local television stations. The television ads will be more than 15 seconds in duration, so must identify the committee name and the names of the two contributors that donated $50,000 or more.

If the committee purchases radio airtime for ads each 15 seconds or less in duration, the ads must identify the name of the committee and the highest contributor of $50,000 or more.

Use of Languages Other than English in Advertisement Disclosures

The advertisement disclosure should be in the same language as the advertisement. Exceptions include: the name of the committee and the names of the major donors. For a committee whose name is *"Californians for Clean Energy, A Committee for Proposition 320, with support from environmental interests and fuel cell companies," whose major contributors are the California Environment Political Action Committee and Clean Energy, Inc., the following example would be acceptable for advertisement disclosure:*

> *"Pagado por el comité de Californians For Clean Energy, A Committee for Proposition 320, with support from environmental interests and fuel cell companies, la financiación mayor proporcionada por el comité de California Environment Political Action Committee y Clean Energy, Inc."*

Specific Content Requirements

The required disclosure information must be:

Video: both displayed in writing and spoken either at the beginning or at the end of the communication. The written statement must be readily legible to an average viewer and be displayed for not less than four seconds. However, if the disclosure statement is displayed for at least five seconds of a broadcast of 30 seconds or less or 10 seconds of a 60 second broadcast, a spoken disclosure statement is not required.

Audio: spoken in a clearly audible manner at the beginning or end of the communication and must last at least three seconds.

Print Media: printed clearly and legibly in type no less than 10 points in size and in a contrasting color to the background on which it appears. If a single print media advertisement consists of multiple pages, folds, or faces, the disclosure requirement applies only to one page, fold, or face.

Over Size Print Media: occupying at least five percent of the height of the advertisement and printed in a contrasting color. This includes printed materials larger than those designed to be individually distributed (e.g., billboards).

Each communication that would require a disclosure if distributed separately, and that is included in a package of materials, must contain the required disclosure. For example, if a mailing includes a video tape, both the mailing and the video tape must contain the required disclosures.

Amending Advertising Disclosure

When a new contributor must be disclosed or the committee's name has changed, the advertisement disclosure must be amended as follows:

Broadcast Advertisements: the advertisement must be amended within five calendar days after a new person qualifies as a disclosable contributor or a committee's name changes. A committee is considered in compliance if the amended advertisement is mailed to broadcast stations by overnight mail no later than the fifth day, and the committee requests that the advertisement be immediately replaced.

Print Media and Tangible Items: the advertisement must be amended to reflect accurate disclosure information each time an order to reproduce the item is made.

Spokesperson Disclosure

When a ballot measure committee makes an expenditure of $5,000 or more to an individual for his or her appearance in an advertisement to support or oppose a ballot measure, the advertisement must include a statement that reads:

"(Spokesperson's name) is being paid by this campaign or it donors"

in highly visible Roman font shown continuously if the advertisement consists of printed or televised material, or spoken in a clearly audible format if the advertisement is a radio broadcast or telephone message. In addition, the committee must file the Paid Spokesperson Report, Form 511. (See Chapter 8.)

Answering Your Questions

Q. *An elected officeholder made a $10,000 contribution to a noncontrolled ballot measure committee. Must the officeholder's name be identified in the committee's advertisements?*

A. No. The officeholder's name would be required in the name of the committee and the committee's advertisements if the officeholder were a major contributor of $50,000 or more.

Q. *A noncontrolled ballot measure committee's four highest contributors are a corporation ($150,000), an individual ($100,000), a state officeholder from personal funds ($85,000) the same state officeholder's controlled committee ($50,000). Which two donors must be identified in the committee's advertisements?*

A. The contributions from the state officeholder's personal funds and controlled committee funds would be cumulated, for a total of $135,000. The two highest contributors are the corporation and the state officeholder. The officeholder's name must be in the name of the committee as well as in the committee's advertisements.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Codes Sections

82015 *Contribution.*
82025 *Expenditure.*
82031 *Independent Expenditure.*
82041.5 *Mass Mailing.*
82044 *Payment.*
82047 *Person.*
84211 *Contents of Campaign Statement.*
84305 *Requirements for Mass Mailing.*

84501 *Advertisement.*
84503 *Disclosure; Advertisement For or Against Ballot Measures.*
84504 *Identification of Committee.*
84505 *Avoidance of Disclosure.*
84507 *Printed Statement or Broadcast Communication.*
84508 *Disclosure of One Funding Source on Any Advertisement.*
84509 *Amended Statements.*
84511 *Ballot Measure Ads; Paid Spokesperson Disclosure.*
85310 *Communications Identifying State Candidates.*
85312 *Communications to Members of an Organization.*
85500 *Independent Expenditures; 24-Hour Disclosure; Coordination.*

Title 2 Regulations

18215 *Contribution.*
18225 *Expenditure.*
18225.7 *Made At the Behest of.*
18401 *Required Recordkeeping for Chapter 4.*
18435 *Definition of Mass Mailing and Sender.*
18450.1 *Definitions. Advertisement Disclosure.*
18450.3 *Committee Name Identification. Advertisement Disclosure.*
18450.4 *Contents of Disclosure Statements. Advertisement Disclosure.*
18450.5 *Amended Advertising Disclosure.*
18450.11 *Spokesperson Disclosure.*
18531.7 *Payments for Communications -- Section 85312.*

Chapter 5
Getting Started

Before money is raised or spent in connection with an election, committee treasurers should become familiar with the various campaign disclosure forms applicable to the type of campaign or committee involved.

Statement of Organization

The Form 410 identifies the name of the committee and provides the public information regarding the committee's purpose and its officers. See Chapter 1 for information on when a person or group qualifies as a primarily formed ballot measure committee and committee name requirements.

When & Where to File

The original and one copy of the Form 410 are filed with the Secretary of State within 10 days of raising $1,000 or more in contributions in connection with a measure.

Examples *A statewide initiative is being drafted. In anticipation of the initiative qualifying for the ballot, a group sends solicitation requests to support the proposal and raises $75,000. The group is not required to file disclosure reports listing the sources of the $75,000 until petition circulation begins. On the first day of petition circulation, the group qualifies as a committee and is subject to reporting obligations. The committee must file a Statement of Organization, Form 410, within 10 calendar days and, because the committee raised $50,000 or more, it must file a $5,000 electronic report within 10 business days listing any single contributor of $5,000 or more. The committee is subject to quarterly, semi-annual, and pre-election statements as well as special reports as discussed in this manual.*

A city council votes to place a bond measure on the ballot. Following the vote, a group of citizens opens a bank account and begins collecting money to oppose the measure. The group must file a Statement of Organization, Form 410, within 10 calendar days of raising $1,000. The committee is subject to quarterly, semi-annual, and pre-election statements as well as special reports as discussed in this manual.

File the Form 410 with the:

Secretary of State
Political Reform Division
1500 11th Street, Room 495
Sacramento, CA 95814

In addition, if the committee is primarily formed to support a county or city measure, a copy of the Form 410 must be filed with the county registrar or city clerk, respectively, within the same time frame. The Form 410 may be filed prior to raising $1,000, but then must be amended within 10 days to disclose the date qualified as a committee.

Upon receipt of the Form 410, the Secretary of State's office will assign the committee an identification number. This number is used on all reporting forms. After filing the Form 410, you may check the Secretary of State's website to obtain your committee's identification number. Go to www.ss.ca.gov, click on the Campaign and Lobbying Information link, then type the name of your committee in the Cal Access space. Contact the Secretary of State's office at (916) 653-6224 with any other questions about committee identification numbers.

24-Hour Deadline

A primarily formed ballot measure committee that qualifies during the last 16 days before the election must file Form

410, or the information required on the Form 410, **within 24 hours** of qualifying. The information must be provided to the filing officer with whom the committee will be filing its original campaign disclosure statements by fax, guaranteed overnight delivery, online transmission or personal delivery. In addition, an original Form 410 must be filed with the Secretary of State within 10 days of qualifying as a committee (regular mail may be used).

Example *Fourteen days before the county election, the group opposing Measure A received a contribution of $900 bringing their cumulative contributions received to date to $1,250. Because they qualified as a committee within 16 days before the election on which the ballot measure would be voted, they must file the information contained on the Form 410 with the **county registrar** within **24 hours** of qualifying as a committee. They must also file an original Form 410 **within 10 days with the Secretary of State.***

Amendments

When any information on the Form 410 changes, an amendment must be filed within 10 days of the change. However, an exception exists for committees amending their statement of organization to include the numerical or letter designation of the ballot measure. Within 30 days of the number or letter designation for the ballot measure, a committee primarily formed to support or oppose the measure must include the statement, "a committee for Proposition ___," or, "a committee against Proposition ___," whichever is applicable, in any reference to the committee required by law, including the name of the committee. To amend:

- The "Amendment" box is checked at the top of the Form 410 and the committee's identification number entered;
- The name of the committee is provided;
- The information that has changed is included; and
- The verification is signed. In the case of a controlled committee, both the treasurer and the candidate(s) or state ballot measure proponent must sign.

Example *The Committee to Protect Our Coast qualified as a committee in May. On July 15, the Secretary of State issued the designated number of the measure for the ballot. By August 14, the committee must file another Form 410 amending its name to include the ballot number and the committee's position. For example, Committee to Protect Our Coast, A Committee for Proposition 310, would meet the requirements.*

24-Hour Deadline for Amendments

If, during the last 16 days before the election, the primarily formed ballot measure committee changes:

- The name of the committee;
- The treasurer or other principal officers;
- Any candidate or state ballot measure proponent who controls the committee; or
- Any committee with which the committee acts jointly,

the amended information must be filed within 24 hours with the filing officer with whom the committee files its original campaign statements, and within 10 days with the Secretary of State. The amendment provided to the filing officer with whom the committee files its original campaign statements must be delivered by personal delivery, guaranteed overnight delivery, fax, or online transmission.

Form 410 Statement of Organization

Statement of Organization
Recipient Committee

Type or print in ink

STATEMENT OF ORGANIZATION
CALIFORNIA FORM 410
For Official Use Only

Date Stamp

Statement Type
☐ Initial
Not yet qualified ☐ or
___/___/___
Date qualified as committee

☒ Amendment
List I.D. number:
1254388
___/___/___
Date qualified as committee (if applicable)

☐ Termination – See Part 5
List I.D. number:
_____
___/___/___
Date of Termination

1. Committee Information

NAME OF COMMITTEE
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

STREET ADDRESS (NO P.O. BOX)
900 West First Street, Suite 2700

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Los Angeles	CA	90012	213/555-0848

MAILING ADDRESS (IF DIFFERENT)
PO Box 16500 Los Angeles, CA 90012-6500

OPTIONAL: FAX / E-MAIL ADDRESS

COUNTY OF DOMICILE	COUNTY WHERE COMMITTEE IS ACTIVE IF DIFFERENT THAN COUNTY OF DOMICILE
Los Angeles	

Attach additional information on appropriately labeled continuation sheets.

2. Treasurer and Other Principal Officers

NAME OF TREASURER
Pat Brecht

STREET ADDRESS
900 West First Street, Suite 2700

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Los Angeles	CA	90012	213/555-0848

NAME OF ASSISTANT TREASURER, IF ANY
Tracy Okamato

STREET ADDRESS
900 West First Street, Suite 2700

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Los Angeles	CA	90012	213/555-0848

NAME AND POSITION OF OTHER PRINCIPAL OFFICER(S), IF APPLICABLE
Elizabeth Parra

MAILING ADDRESS
1 Market Street, Suite 3400

CITY	STATE	ZIP CODE	AREA CODE/PHONE
San Francisco	CA	94105	415/555-6423

3. Verification
I have used all reasonable diligence in preparing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 6/30/XX (DATE) By _____ (SIGNATURE OF TREASURER OR ASSISTANT TREASURER)

Executed on 6/30/XX (DATE) By _____ (SIGNATURE OF CONTROLLING OFFICEHOLDER, CANDIDATE, OR STATE MEASURE PROPONENT)

How to Complete Form 410

Statement Type

Check the "Initial" box if this is the first filing and indicate the date on which the committee met the $1,000 threshold or check the "Not Yet Qualified" box.

Check the "Amendment" box to amend information on an existing Form 410, e.g., to report the measure's number or letter assigned for the ballot.

Check the "Termination" box to close the campaign committee. The committee's campaign filing obligations will continue until it meets the requirements to terminate and files a Form 410, checking the "Termination" box. (See Chapter 9.)

Committee Name Identification

Provide the full name of the committee. (See Chapter 1 for important information about committee name requirements.)

Committee Address

Use a street address as the address of the committee. A post office box may be used as a mailing address. The committee may have more than one mailing address.

County of Domicile

Indicate the county in which the committee is located. This may be different than the county in which the committee is active.

Example *Protect Our Parks, A Committee for Measure K, is a committee primarily formed to support a ballot measure to be voted upon in Los Angeles County. However, the committee's address is in Orange County. The Form 410 reports Orange County as the "County of Domicile" and Los Angeles County under "County Where Committee is Active if Different than County of Domicile." Statements are filed in* ***both*** *locations.*

Treasurer, Assistant Treasurer, and Other Principal Officers

The committee must have a treasurer and may have an assistant treasurer. Report the names of the treasurer and assistant treasurer along with their mailing addresses and phone numbers. If the committee has principal officers, other than the treasurers, list each officer's full name, position held, and street address.

If a candidate or state ballot measure proponent controls the committee and chooses to be the treasurer, list the name, mailing address, and telephone number of the candidate/state ballot measure proponent. In that case, remember that for statements requiring signatures of the candidate/state ballot measure proponent and treasurer, the candidate/state ballot measure proponent must sign on both lines.

Verification

The Form 410 is not considered filed if it is not signed. The treasurer, or assistant treasurer, must sign the verification. In the case of a controlled committee, both the treasurer or assistant treasurer **and** the candidate/state ballot measure proponent must sign.

When two or three candidates control a committee, each candidate must sign the verification. If more than three candidates control the committee, one of the candidates may sign on behalf of all controlling candidates.

Form 410 Statement of Organization Page 2

Statement of Organization
Recipient Committee

STATEMENT OF ORGANIZATION
CALIFORNIA FORM 410
Page 2

INSTRUCTIONS ON REVERSE

COMMITTEE NAME	I.D. NUMBER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists	1254388

4. Type of Committee Complete the applicable sections.

Controlled Committee

- List the name of each controlling officeholder, candidate, or state measure proponent. If candidate or officeholder controlled, also list the elective office sought or held, and district number, if any, and the year of the election.
- List the political party with which each officeholder or candidate is affiliated or check "non-partisan."
- If this committee acts jointly with another controlled committee, list the name and identification number of the other controlled committee.

NAME OF CANDIDATE/OFFICEHOLDER/STATE MEASURE PROPONENT	ELECTIVE OFFICE SOUGHT OR HELD (INCLUDE DISTRICT NUMBER IF APPLICABLE)	YEAR OF ELECTION	PARTY
Elizabeth Parra	n/a	n/a	☐ Non-Partisan n/a
			☐ Non-Partisan

- List the financial institution where the campaign bank account is located (controlled "candidate election" committees only)

NAME OF FINANCIAL INSTITUTION	AREA CODE/PHONE	BANK ACCOUNT NUMBER

ADDRESS	CITY	STATE	ZIP CODE

Primarily Formed Committee Primarily formed to support or oppose specific candidates or measures in a single election. List below:

CANDIDATE(S) NAME OR MEASURE(S) FULL TITLE (INCLUDE BALLOT NO. OR LETTER)	CANDIDATE(S) OFFICE SOUGHT OR HELD OR MEASURE(S) JURISDICTION (INCLUDE DISTRICT NO., CITY OR COUNTY, AS APPLICABLE)	CHECK ONE: SUPPORT	CHECK ONE: OPPOSE
Groundwater Conservation Act, Proposition 215	State of CA	X	
		SUPPORT	OPPOSE

Type of Committee

Controlled Committee

A candidate, officeholder, or state ballot measure proponent must provide his or her name and the elective office sought or held. A candidate or officeholder must also identify the year of election, and party affiliation, if any.

Name of Financial Institution

Primarily formed ballot measure committees do not complete this section.

Primarily Formed Committee

All primarily formed ballot measure committees must complete this section. If the committee is sponsored, complete the sponsored committee section of the Form 410.

QuickTIP Committees formed to support or oppose the recall of an officeholder are considered primarily formed ballot measure committees. (Officeholders may choose to use their existing campaign committees from their last election. These committees are not considered ballot measure committees. State officeholders, see Manual 1 for instructions; local officeholders, see Manual 2 for instructions.)

Form 410 Statement of Organization Page 3

Statement of Organization
Recipient Committee

STATEMENT OF ORGANIZATION
CALIFORNIA FORM 410
Page 3

INSTRUCTIONS ON REVERSE

COMMITTEE NAME: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

4. Type of Committee (Continued)

General Purpose Committee Not formed to support or oppose specific candidates or measures in a single election. Check only one box:
☐ CITY Committee ☐ COUNTY Committee ☐ STATE Committee

PROVIDE BRIEF DESCRIPTION OF ACTIVITY

Sponsored Committee List additional sponsors on an attachment.

NAME OF SPONSOR: Farmers of California

INDUSTRY GROUP OR AFFILIATION OF SPONSOR: Farming

STREET ADDRESS NO. AND STREET	CITY	STATE	ZIP CODE
300 Capitol Avenue, Suite 2100	Sacramento	CA	95814

Small Contributor Committee ☐ _____/_____/_____ (Date qualified) Check box and provide the date this committee qualified as a small contributor committee. If the committee qualified as a small contributor committee on January 1, 2001, enter 1/1/01.

Sponsored Committee

A committee sponsored by an entity must provide the name and address of the sponsor. In addition, indicate the industry group or affiliation of the sponsor. Individuals do not sponsor committees.

An entity sponsors a committee if any one of the following criteria apply:

- The committee receives 80% or more of its contributions from the entity or its members, officers, employees, or shareholders.
- The entity collects contributions for the committee through payroll deductions or dues from its members, officers, or employees.
- The entity, alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee.
- The entity, alone or in combination with other organizations, sets the policies for contribution solicitation or payment of expenditures from committee funds.

Answering Your Questions

Q. Must we wait until $1,000 is received to file a Form 410?

A. No. You may file a Form 410 prior to committee qualification. Check the box "Not Yet Qualified." File an amendment reporting the date the committee qualified.

Q. May our committee use a mail receiving and forwarding service, such as Mail Boxes Etc., as the committee's street address on the Form 410?

A. No. A post office box or lock box number is not acceptable as a street address. You may use a post office box address on a mass mailing as long as you indicate this address as your mailing address on the Form 410.

Q. As the state ballot measure proponent, may I be designated treasurer on the Form 410?

A. Yes, you may be the treasurer or assistant treasurer.

Q. An elected officeholder made a $10,000 contribution to a noncontrolled ballot

measure committee. Must the officeholder's name be included in the name of the ballot measure committee?

A. No. The officeholder's name would be required only if the officeholder (and/or his or her controlled committee) was a major contributor of $50,000 or more.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Codes Sections

81004 *Reports and Statements; Perjury; Verification.*
81004.5 *Reports and Statements; Amendments.*
81007 *Mailing of Report or Statement.*
82007 *Candidate.*
82013 *Committee.*
82016 *Controlled Committee.*
82047.5 *Primarily Formed Committee.*
82048.7 *Sponsored Committee.*
84101 *Statement of Organization; Filing.*
84102 *Statement of Organization; Contents.*
84103 *Statement of Organization; Amendment.*
84106 *Sponsored Committee; Identification.*
84107 *Ballot Measure Committee; Identification.*
84214 *Termination.*
84215 *Campaign Reports and Statements; Where to File.*
84504 *Identification of Committee.*
84505 *Avoidance of Disclosure.*

Title 2 Regulations

18402 *Committee Name.*
18404 *Termination of Candidate's and Committees' Filing Requirements.*
18419 *Sponsored Committees.*
18450.3 *Committee Name Identification. Advertisement Disclosure.*

Chapter 6
When and Where to File Reports

This chapter reviews when and where committees file reports disclosing receipts and expenditures. Most committees will use the Recipient Committee Campaign Statement (Form 460). Certain ballot measure committees may be eligible to use the Recipient Committee Campaign Statement – Short Form (Form 450) or the Semi-Annual Statement of No Activity (Form 425). Electronic filing requirements are also discussed in this chapter. (Also see Chapter 8 for additional special reports that may be required.) All reports and statements filed under the Political Reform Act are public records open for public inspection.

The FPPC posts on its website filing schedules for specific election dates. (Go to www.fppc.ca.gov, click onto "Candidates and Committees," then click onto "Filing Deadlines.") In addition, county registrars of voters and city clerks often post filing schedules. Local committees should contact their local filing officer for filing deadline information, as local governments may have additional dates. It is important to note that the committee treasurer is responsible for meeting all applicable filing deadlines. No agency is required to send a reminder notice prior to a filing deadline.

Deadlines that fall on a Saturday, Sunday, or official state holiday are extended to the next business day. **This rule does not apply to reports required to be filed within 24 hours, such as the election cycle reports discussed below, and the late contribution reports discussed in Chapter 8; there are no other provisions for extensions**. Filing after a deadline may lead to late filing penalties of $10 for each day the statement is late, and committees that fail to file are subject to administrative penalties of up to $5,000 per violation. Except where noted, statements filed on paper must be hand delivered or postmarked, first-class mail, by the due date.

Electronic Reports

Electronic filings, in addition to paper reports, are required of state primarily formed ballot measure committees once they receive contributions totaling $50,000 or more, or make expenditures totaling $50,000 or more. The period for cumulating contributions and expenditures began January 1, 2000. The cumulation period is open and not based on a calendar year.

Until a committee has triggered the electronic filing requirements, only paper reports are required. However, once electronic filing requirements have been triggered, **all** future reports must be filed electronically and most must also be filed on paper, including the committee's statement of organization.

Exception: The $5,000 and Election Cycle reports discussed below, including Election Cycle reports filed during the late contribution period, are not required to be filed on paper or with local filing officers.

For detailed information on how to prepare online transmissions, contact the Secretary of State's office at (916) 653-6224 or https://cafile.ss.ca.gov/CalOnline.

When to File

$5,000 Reports and Election Cycle Reports (State Committees)

Once a committee primarily formed to support or oppose a state ballot measure has reached the $50,000 threshold at which campaign reports must be filed electronically, the committee must begin filing the $5,000 Reports and Election Cycle Reports discussed below. For purposes of these special electronic reports, "election cycle" means the period of time beginning 90 days

prior to an election and ending on the date of the election.

$5,000 Reports

If at any time other than during an election cycle a state primarily formed ballot measure committee receives a contribution of $5,000 or more from a **single** contributor, an electronic report must be filed with the Secretary of State within 10 business days.

Election Cycle Reports

During the 90-day election cycle preceding the election day on which the ballot measure(s) is being voted on, if a state primarily formed ballot measure committee receives a contribution of $1,000 or more from a **single** contributor, an electronic report must be filed with the Secretary of State within 24 hours.

Example *On November 29, a state committee primarily formed to support a ballot measure on the June ballot the following year received a contribution of $6,000. Because the committee has received $50,000 or more and, therefore, is required to file electronically, the committee must electronically report the contribution to the Secretary of State within 10 business days. On May 20, the committee received a contribution of $10,000 and must electronically report the contribution within 24 hours. These contributions must also be disclosed on the campaign disclosure statements (Form 460).*

The Late Contribution Report (Form 497) is used to file both the $5,000 and Election Cycle reports. (See Chapter 8.)

These electronic reporting requirements apply to a **single** contribution of $5,000 or $1,000, respectively. Two $500 contributions from a single contributor will not trigger the Election Cycle Report **until the late contribution reporting period**. During the late contribution reporting period, contributions **totaling** $1,000 or more from a single source must be reported within 24 hours. (See Chapter 8.)

Semi-Annual, Preelection, and Quarterly Campaign Statements (All Committees)

The law sets specific deadlines for when Forms 460, 450, and 425 must be filed. Until a committee terminates, it must file two semi-annual statements each year. The committee may be required to file quarterly statements and in the two-month period before an election, pre-election statements.

Semi-Annual Statements

Committees file a semi-annual statement for each half of the year. For the period January 1-June 30, a semi-annual statement is due July 31. For the period July 1-December 31, a semi-annual statement is due January 31 of the following year. A semi-annual statement may be filed anytime prior to the deadline.

Preelection Statements

In addition to semi-annual statements, committees file preelection statements. The deadlines for preelection statements depend upon the election date and as discussed earlier, committee treasurers can visit the FPPC website at www.fppc.ca.gov or call the FPPC for assistance.

Quarterly Statements

Before the measure is voted upon, committees must file quarterly statements, in addition to semi-annual and preelection statements. The statements are due on or before April 30, covering the period January 1-March 31, and on or before October 31, covering July 1-September 30. If a committee fails to qualify a measure for the ballot, or the measure does not otherwise appear on a ballot, the committee must file quarterly until terminated. After an election, a quarterly statement is due only if the

committee makes contributions or expenditures to support another measure.

Example *In March, a committee qualified a local measure that would appear on the November ballot. The committee must file a quarterly statement due April 30 and a semi-annual statement due July 31. Pre-election statements are required before the November election. In December, the committee closes its bank account and files a termination statement. No further campaign reports are due.*

Amendments

Amendments should be filed as soon as practical in the same locations as the original statement. If a semi-annual statement is filed early and additional activity occurs during the reporting period, an amendment must be filed before the semi-annual deadline. In addition, there are specific deadlines for filing amendments to report contributor information (see Chapter 2).

Faxing Statements

Campaign statements that contain 30 pages or less may be faxed provided that the faxed copy of the campaign statement is the exact copy of the original version. The original document with an original signature must still be sent by first-class mail, guaranteed overnight delivery, or personal delivery within 24 hours of the filing deadline. Because Form 497 does not require a signature, an original statement is not required to be sent in addition to faxing.

Original Statements

An "original" campaign statement means a copy containing an original signature of the treasurer or assistant treasurer, and state measure proponent, controlling officeholder, or candidate, if applicable. (Forms filed electronically with the Secretary of State are also considered "originals" for certain purposes.)

Where to File

All Committees

Form 410

Secretary of State
- Original & 1 copy

Local committees that file original campaign statements (Form 460, 450, or 425) with a city or county filing officer must also file a copy of Form 410 with the city or county.

Forms 460, 450, 425

State committees must file with the following filing officers:

Secretary of State (Original and 1 copy)
Political Reform Division
1500 11th Street, Room 495
Sacramento, CA 95814
(916) 653-5045

Registrar-Recorder of Los Angeles County (2 copies)
Campaign Finance Disclosure Section
12400 Imperial Highway
Norwalk, CA 90650-3134
(562) 651-2548

Registrar of Voters, City and County of San Francisco (2 copies)
Department of Elections
Room 48, City Hall
One Doctor Carlton B. Goodlett Place
San Francisco, CA 94102-4635
(415) 554-7344

County of Domicile (2 copies)
In addition, state committees must file two copies of their reports with their county of domicile. Addresses and fax numbers for county filing officers are found at www.ss.ca.gov/elections/elections_d.htm.

Examples *A committee formed to support a state measure is located in Marin County. This committee must file campaign statements with the Secretary of State, Los*

Angeles County, San Francisco City and County, and Marin County.

A committee was formed to support measures that will appear on the ballot on the same day in four different counties. Since the committee was formed to support measures in more than one county, the committee must file as a state committee.

Multi-County Committees (Elections affecting more than one county)

Affected county with the largest number of registered voters
- Original & 1 Copy

County of domicile if different than the county receiving the original statement
- 2 Copies

Example *A measure will appear on the ballot in four southern California counties to provide bond funding for one multi-county transportation agency that operates in the four counties. The committee primarily formed to support the measure is located in Riverside County. Since the county with the largest number of registered voters is Los Angeles County, the committee must file the original and one copy of its reports with the Los Angeles County Registrar of Voters, and two copies with the Riverside County Registrar of Voters.*

County Committees

County Clerk
- Original & 1 Copy

County of domicile if different than county receiving the original statement
- 2 Copies

City Committees

City Clerk
- Original & 1 Copy

Controlled Ballot Measure Committees

State Primarily Formed Ballot Measure Committees

State primarily formed ballot measure committees controlled by an officeholder or candidate are only required to file statements when and where the ballot measure committee is required to file; committees controlled by the officeholder or candidate to support his or her election to office are not required to be filed in connection with the state primarily formed ballot measure committee's filing schedule.

Local Primarily Formed Ballot Measure Committees

Local primarily formed ballot measure committees should file according to the filing schedule provided by their local filing officer. In addition, these committees file at the same times and places the controlling officeholder or candidate is required to file preelection campaign statements in connection with the office he or she is seeking. A candidate's controlled campaign committee for election to office is not required to file on the candidate's controlled ballot measure committee schedule if he or she is not also being voted on in the election.

Example *Nels Nelson controls a committee for his election to the Monterey County School Board to be held June 4. In addition, Nels formed a committee specifically to support a ballot measure appearing on the city of Monterey's ballot on the same date. As a candidate for school board member and a candidate controlling a city ballot measure committee, he files campaign statements for both committees with the following filing officers in connection with the June election and at the same times both jurisdictions require statements to be filed:*

- *School Board committee files an original and one copy of the Form 460 with:*
  - *County Clerk, Monterey County*
  - *City Clerk, Monterey*
- *Measure committee files an original and one copy of the Form 460 with:*
  - *City Clerk, Monterey*
  - *County Clerk, Monterey County*

Answering Your Questions

Q. *We are a primarily formed city ballot measure committee. In June, the election was held. After the election, we paid off remaining bills and terminated our committee in August by filing a terminating Form 460 and Form 410. Are we required to file another Form 460 by January 31 of the following year as a semi-annual statement?*

A. The date you terminate your committee, showing the committee's financial activities through the date of termination, the committee's reporting obligations end.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

81004 *Reports and Statements; Perjury; Verification.*
81004.5 *Reports and Statements; Amendments.*
81007 *Mailing of Report or Statement.*
81007.5 *Faxing of Report or Statement.*
81008 *Public Records; Inspection; Reproduction; Time; Charges.*
82027 *Filing Officer.*
84200 *Semi-Annual Statements.*
84200.5 *Preelection Statements.*
84200.6 *Special Campaign Statements and Reports.*
84200.7 *Time for Filing Preelection Statements for Elections Held in June or November of an Even-Numbered Year.*
84200.8 *Time for Filing Preelection Statements for Elections Not Held in June or November of an Even-Numbered Year.*
84203 *Late Contribution; Reports.*
84215 *Campaign Reports and Statements; Where to File.*
84605 *Who Shall File Online.*
85309 *Online Disclosure of Contributions.*
91013 *Late Filing of Statement or Report; Fees.*

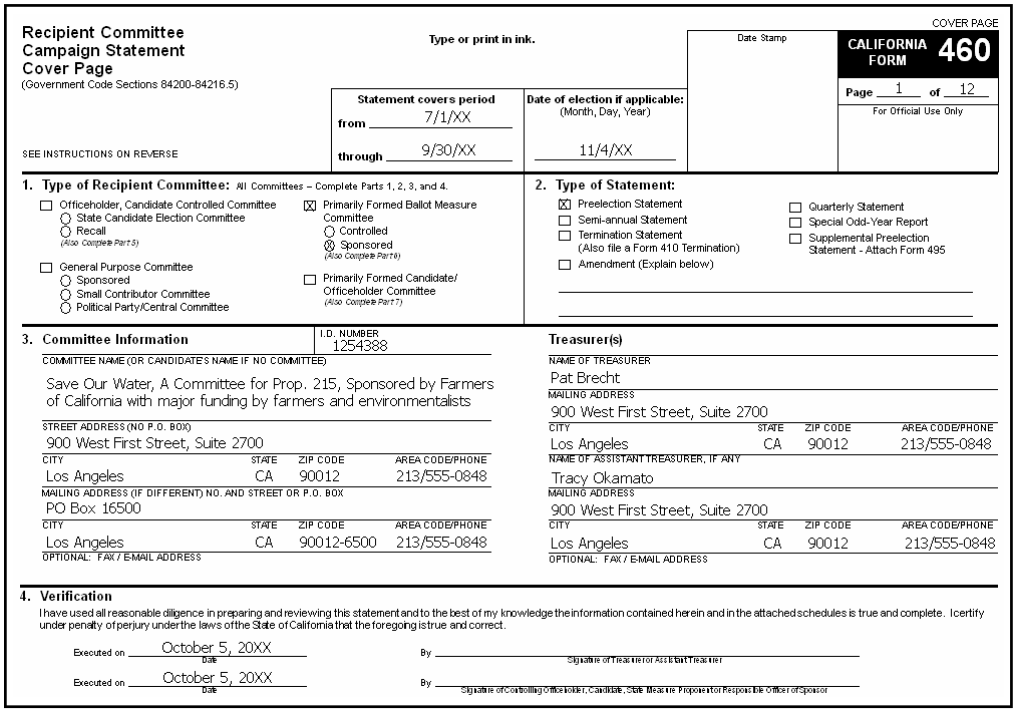
Title 2 Regulations

18116 *Reports and Statements; Filing Date.*
18425 *Late Contributions; Reports.*
18426 *Semi-Annual Statement Early Filing.*
18539 *Online Disclosure of Contributions.*

Chapter 7
Committee Report

Primarily formed ballot measure committees use the Recipient Committee Campaign Statement (Form 460) to report campaign activity for all semi-annual, quarterly, and preelection statements. In some reporting periods, a committee with little activity may qualify to use the Form 450 (Committee Campaign Statement-Short Form), a simpler and shorter form reviewed at the end of this chapter. In addition, if a ballot measure committee has had no activity (no receipts and no expenditures, except for interest received and bank fees paid) during the reporting period, it may file a Semi-Annual Statement of No Activity (Form 425). Certain state committees may be required to file electronically in addition to reports on paper. (See chapter 6.)

Form 460 Cover Page



COVER PAGE

Recipient Committee Campaign Statement Cover Page
(Government Code Sections 84200-84216.5)

SEE INSTRUCTIONS ON REVERSE

Type or print in ink.

Date Stamp

CALIFORNIA FORM 460

Page 1 of 12

For Official Use Only

Statement covers period
from 7/1/XX
through 9/30/XX

Date of election if applicable: (Month, Day, Year)
11/4/XX

1. Type of Recipient Committee: All Committees – Complete Parts 1, 2, 3, and 4.

- ☐ Officeholder, Candidate Controlled Committee
  - ○ State Candidate Election Committee
  - ○ Recall (Also Complete Part 5)
- ☐ General Purpose Committee
  - ○ Sponsored
  - ○ Small Contributor Committee
  - ○ Political Party/Central Committee
- ☒ Primarily Formed Ballot Measure Committee
  - ○ Controlled
  - ⊗ Sponsored (Also Complete Part 6)
- ☐ Primarily Formed Candidate/ Officeholder Committee (Also Complete Part 7)

2. Type of Statement:

- ☒ Preelection Statement
- ☐ Semi-annual Statement
- ☐ Termination Statement (Also file a Form 410 Termination)
- ☐ Amendment (Explain below)
- ☐ Quarterly Statement
- ☐ Special Odd-Year Report
- ☐ Supplemental Preelection Statement - Attach Form 495

3. Committee Information

I.D. NUMBER: 1254388

COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE): Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

STREET ADDRESS (NO P.O. BOX): 900 West First Street, Suite 2700
CITY: Los Angeles STATE: CA ZIP CODE: 90012 AREA CODE/PHONE: 213/555-0848

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX: PO Box 16500
CITY: Los Angeles STATE: CA ZIP CODE: 90012-6500 AREA CODE/PHONE: 213/555-0848

OPTIONAL: FAX / E-MAIL ADDRESS

Treasurer(s)

NAME OF TREASURER: Pat Brecht
MAILING ADDRESS: 900 West First Street, Suite 2700
CITY: Los Angeles STATE: CA ZIP CODE: 90012 AREA CODE/PHONE: 213/555-0848

NAME OF ASSISTANT TREASURER, IF ANY: Tracy Okamato
MAILING ADDRESS: 900 West First Street, Suite 2700
CITY: Los Angeles STATE: CA ZIP CODE: 90012 AREA CODE/PHONE: 213/555-0848

OPTIONAL: FAX / E-MAIL ADDRESS

4. Verification

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on October 5, 20XX (Date) By _____ (Signature of Treasurer or Assistant Treasurer)

Executed on October 5, 20XX (Date) By _____ (Signature of Controlling Officeholder, Candidate, State Measure Proponent or Responsible Officer of Sponsor)

Form 460

How to Complete the Cover Page

Statement Covers

If this is the first report of the calendar year, the "from" date should be January 1. Otherwise, this date should be the day after the closing date of the most recently-filed campaign statement.

Date of Election

When filing a preelection statement in connection with an election, provide the date of the election.

Part 1: Type of Recipient Committee

Check the box titled Primarily Formed Ballot Measure Committee and if applicable whether it is controlled or sponsored.

Part 2: Type of Statement

Check the appropriate box to indicate the type of statement being filed, e.g., semi-annual, preelection. (See Chapters 6 and 8.)

Amending Form 460

To change or provide information missing from a previously-filed Form 460, complete a new Form 460 Cover Page, checking the "Amendment" box under "Type of Statement." Also check the box showing the type of statement being amended (e.g., preelection, semi-annual) and enter the period covered by the statement being amended. Provide a brief explanation and list the schedules or parts being amended. Include an amended summary page, if applicable.

Attach the amended schedule(s) and file the amendment with all of the filing officers that received the original filing. (See Chapter 6.)

To amend a report filed electronically with the Secretary of State, a complete replacement filing is required. Contact the Secretary of State at (916) 653-6224 for assistance.

Form 460
Cover Page 2

Recipient Committee
Campaign Statement
Cover Page — Part 2

Type or print in ink.

COVER PAGE - PART 2
CALIFORNIA FORM 460
Page 2 of 12

5. Officeholder or Candidate Controlled Committee

NAME OF OFFICEHOLDER OR CANDIDATE

OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE)

RESIDENTIAL/BUSINESS ADDRESS (NO. AND STREET) CITY STATE ZIP

Related Committees Not Included in this Statement: *List any committees not included in this statement that are controlled by you or are primarily formed to receive contributions or make expenditures on behalf of your candidacy.*

COMMITTEE NAME | I.D. NUMBER
NAME OF TREASURER | CONTROLLED COMMITTEE? ☐ YES ☐ NO
COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)
CITY STATE ZIP CODE AREA CODE/PHONE

COMMITTEE NAME | I.D. NUMBER
NAME OF TREASURER | CONTROLLED COMMITTEE? ☐ YES ☐ NO
COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)
CITY STATE ZIP CODE AREA CODE/PHONE

6. Primarily Formed Ballot Measure Committee

NAME OF BALLOT MEASURE: Groundwater Conservation Act
BALLOT NO. OR LETTER: 215 | JURISDICTION: State of CA | ☒ SUPPORT ☐ OPPOSE

Identify the controlling officeholder, candidate, or state measure proponent, if any.

NAME OF OFFICEHOLDER, CANDIDATE, OR PROPONENT: Elizabeth Parra
OFFICE SOUGHT OR HELD: n/a | DISTRICT NO. IF ANY: n/a

7. Primarily Formed Candidate/Officeholder Committee *List names of officeholder(s) or candidate(s) for which this committee is primarily formed.*

NAME OF OFFICEHOLDER OR CANDIDATE | OFFICE SOUGHT OR HELD | ☐ SUPPORT ☐ OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE | OFFICE SOUGHT OR HELD | ☐ SUPPORT ☐ OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE | OFFICE SOUGHT OR HELD | ☐ SUPPORT ☐ OPPOSE
NAME OF OFFICEHOLDER OR CANDIDATE | OFFICE SOUGHT OR HELD | ☐ SUPPORT ☐ OPPOSE

Attach continuation sheets if necessary

Part 3: Committee Information

When completing this section, make sure the information is the same as that on the committee's Statement of Organization, Form 410. If the committee has not received an identification number from the Secretary of State, enter "pending" in the "I.D. Number" box.

Part 4: Verification

The Form 460 is not considered filed if it is not signed. Have the committee treasurer or the assistant treasurer named on the committee's Statement of Organization, Form 410, review and sign.

In addition, if an officeholder/candidate or state ballot measure proponent controls the committee, have him or her also sign the statement. If two or three officeholders/ candidates control the committee, have each one sign. If there are more than three officeholders/candidates controlling the committee, one may sign on behalf of the others.

Part 5: Officeholder or Candidate Controlled Committee

Primarily formed ballot measure committees do not complete this section.

Part 6: Primarily Formed Ballot Measure Committee

Indicate the name of the ballot measure, its number or letter designation, the jurisdiction in which the measure will be voted upon, and whether the committee is supporting or opposing the measure.

If the committee is controlled by an officeholder, candidate, or ballot measure proponent, report that person's name, office held or sought, if applicable, and the district number of the office held or sought, if any.

Form 460 Summary Page

Campaign Disclosure Statement
Summary Page

Type or print in ink.
Amounts may be rounded to whole dollars.

SUMMARY PAGE

Statement covers period from 7/1/XX through 9/30/XX

CALIFORNIA FORM **460**

Page 3 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

Contributions Received

		Column A (TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES))	Column B (CALENDAR YEAR TOTAL TO DATE)
1. Monetary Contributions	*Schedule A, Line 3*	$ 429,950	$ 1,405,232
2. Loans Received	*Schedule B, Line 3*	24,800	159,800
3. SUBTOTAL CASH CONTRIBUTIONS	*Add Lines 1 + 2*	$ 454,750	$ 1,565,032
4. Nonmonetary Contributions	*Schedule C, Line 3*	20,650	98,423
5. TOTAL CONTRIBUTIONS RECEIVED	*Add Lines 3 + 4*	$ 475,400	$ 1,663,455

Expenditures Made

6. Payments Made	*Schedule E, Line 4*	$ 391,085	$ 1,105,334
7. Loans Made	*Schedule H, Line 3*	-0-	-0-
8. SUBTOTAL CASH PAYMENTS	*Add Lines 6 + 7*	$ 391,085	$ 1,105,334
9. Accrued Expenses (Unpaid Bills)	*Schedule F, Line 3*	5,600	10,200
10. Nonmonetary Adjustment	*Schedule C, Line 3*	20,650	98,423
11. TOTAL EXPENDITURES MADE	*Add Lines 8 + 9 + 10*	$ 417,335	$ 1,213,957

Current Cash Statement

12. Beginning Cash Balance	*Previous Summary Page, Line 16*	$ 1,244,689
13. Cash Receipts	*Column A, Line 3 above*	454,750
14. Miscellaneous Increases to Cash	*Schedule I, Line 4*	515
15. Cash Payments	*Column A, Line 8 above*	391,085
16. **ENDING CASH BALANCE**	*Add Lines 12 + 13 + 14, then subtract Line 15*	$ 1,308,869

If this is a termination statement, Line 16 must be zero.

17. LOAN GUARANTEES RECEIVED — *Schedule B, Part 2* — $ -0-

Cash Equivalents and Outstanding Debts

18. Cash Equivalents	*See instructions on reverse*	$ -0-
19. Outstanding Debts	*Add Line 2 + Line 9 in Column B above*	$ 179,000

To calculate Column B, add amounts in Column A to the corresponding amounts from Column B of your last report. Some amounts in Column A may be negative figures that should be subtracted from previous period amounts. If this is the first report being filed for this calendar year, only carry over the amounts from Lines 2, 7, and 9 (if any).

Calendar Year Summary for Candidates Running in Both the State Primary and General Elections

	1/1 through 6/30	7/1 to Date
20. Contributions Received	$	$
21. Expenditures Made	$	$

Expenditure Limit Summary for State Candidates

22. Cumulative Expenditures Made* (If Subject to Voluntary Expenditure Limit)

Date of Election (mm/dd/yy)	Total to Date
__/__/__	$
__/__/__	$

*Amounts in this section may be different from amounts reported in Column B.

How to Complete the Summary Page

The Summary Page lists the totals of all contributions received and expenditures made during the period covered by the statement and the cumulative amounts of contributions and expenditures made during the calendar year.

Column A

This column reflects the totals found on the summaries located at the bottom of each schedule attached to the statement. If there is no activity to report on a particular schedule, place a zero on the appropriate line. Never leave a line in Column A blank. A blank schedule is not required to be attached to the form for filing.

Column B

Amounts shown on Lines 2, 7, and 9 of Column B are carried forward from year to year (and statement to statement) until they are paid. If this is the first statement of the calendar year, this column should reflect the same totals as found in Column A, except for Lines 2, 3, 5, 7, 8, 9, and 11 (if applicable). Otherwise, Column B totals are calculated by adding the figures in Column B from the last statement filed with the figures found in Column A of the current statement. (Note: The amounts reported on Lines 2, 7, and 9 of Column B should be the same as the total outstanding amounts disclosed in column (d) of Schedules B, F, and H, respectively, of the current report.)

The figures in Column B reflect the cumulative amounts received since January 1 of the current calendar year unless the committee began raising funds in connection with the qualification of a measure that extends into two calendar years. In that case, the period over which contributions and expenditures are cumulated begins January 1 of the year the committee began raising funds.

Lines 1-5

Collectively, these lines represent contributions received: monetary, nonmonetary, and loans.

Lines 6-11

These lines together represent expenditures made: payments, loans made, accrued expenses (bills that are still outstanding), and nonmonetary adjustments.

Lines 12-16

The Current Cash Statement section should reflect the committee's actual cash condition at the end of the reporting period. If deposits or expenditures have been made that have not cleared the account, the committee's bank balance may not match the ending cash balance.

Do not deduct investments made with committee funds from Line 12 or Line 16; e.g., the purchase of certificates of deposit, shares in interest bearing accounts, or money market funds. Reflect the investment amounts in the total amount of cash available.

Line 12

Make sure that this figure is the same as the figure shown on Line 16 (Ending Cash Balance) of the most recently-filed statement. If this is the first statement of the calendar year and no previous statement has been filed for this committee, but money was raised or spent in the previous reporting period that did not equal $1,000 or more, enter the amount of cash on hand on December 31. Otherwise, enter zero.

Line 13

This figure represents the total of all monetary contributions and loans received during the reporting period. Nonmonetary contributions should not be included.

Line 14

This amount represents all items, such as interest on a bank account, which increase the cash position but are not considered contributions. The amount is carried forward from Schedule I, Miscellaneous Increases to Cash.

Together, Lines 13 and 14 reflect all the money that has been received during the current reporting period.

Line 15

This figure represents the total amount the committee has spent during the reporting period, including loans made and any accrued expenses paid.

Line 16

This amount represents the total of Lines 12, 13, and 14 minus Line 15. The amount reported on Line 16 must equal the total amount of cash the committee has in its campaign bank account **and** the amount of all funds held in interest bearing accounts, certificates of deposit, money market accounts, shares in government bonds, or any other investments that can be readily converted to cash.

If this is a termination statement, Line 16 must be zero.

Line 17

This figure is carried forward from Schedule B, Part 2. The amount represents the total of all loan guarantees, endorsements, or security received during the period.

Line 18

This figure includes investments that cannot be readily converted to cash, as well as the balance due on all outstanding loans the committee has made to others.

Do not include any amount that is invested in interest bearing accounts, certificates of

deposit, money market accounts, or any other investments that can be readily converted to cash. This amount should be part of the ending cash figure reported on Line 16.

Line 19

Report the total of all money owed by the committee. Using Column B, add Line 2 (loans received) and Line 9 (accrued expenses).

Lines 20, 21 & 22

These lines are for certain state candidates only.

Answering Your Questions

Q. Is there any circumstance when Line 16, Ending Cash Balance, would show a negative amount?

A. If you report a negative amount on Line 16, this means that either you have made a mathematical error in your calculations or you are overdrawn at the bank. Rounding off also may cause a small negative in the cash on hand balance.

Q. Is there any circumstance when an amount in Column A would be negative?

A. Yes. When you are reporting loans and accrued expenses, as these are paid down the amount reflected in Column A may be a negative amount.

Q. What should I do if I am unable to balance my accounting records by the filing deadline?

A. Since the Political Reform Act does not provide for extensions of the deadline, complete the statement as accurately as you can and file an amendment with the corrections as soon as possible.

General Rules for Reporting Contributions Received

(See Chapter 3 for definitions and additional information about receiving contributions.)

$5,000 Contributor – Major Donor Notice

If $5,000 or more is received from a single source in a calendar year, a “major donor” notice must be sent to the contributor. (See Chapter 3 for specific language for the notice.) Do not send the notice if the contribution is from another recipient committee.

Example *Terry Greene made a $20,000 contribution to your committee. Within two weeks of receiving the contribution, notify Mr. Greene in writing that he must file as a major donor.*

Joint Checking Account

If a check is received that is imprinted with two individuals' names, report the contribution coming from the person who signed the check. However, if both signed the check, or one has signed the check but both have signed an accompanying letter indicating that the contribution is from both, then report 50% of the contribution coming from the one individual and 50% coming from the other unless the letter attributes specific amounts to each contributor. (See Chapter 3.)

Intermediary

If a contribution of $100 or more is received from someone who is acting as an intermediary, disclose both the true source of the contribution and the intermediary. (See Chapter 3.)

Example *Sarah Honey made a $500 contribution to your committee and notified you that she would later be reimbursed by her employer, Hilltop Dairy. Your committee will report Hilltop Dairy, and*

its address, as the source of the contribution and also disclose Sarah as the intermediary, providing her address, occupation, and employer.

Aggregating Contributions

There are a variety of situations in which two or more contributions need to be aggregated for reporting. For instance, when an individual, who is the sole proprietor of a company, makes a contribution from company funds and another contribution from personal funds, these contributions are added together for reporting purposes. (See Chapter 3.)

Contributor Information

A contribution of $100 or more must be returned to the contributor within 60 days of receipt if the contributor's name, address, and, if the contributor is an individual, his or her occupation and employer are not in the committee's records. (See Chapter 2.)

Reporting Cumulative Amounts

Contributions from the same source are cumulated from January 1 through December 31 unless the committee began raising funds in connection with the qualification of a measure that extends into two calendar years. In that case, the period over which contributions are cumulated begins January 1 of the year the committee began raising funds.

Returned Contributions

Not Deposited: A contribution need not be reported if it is returned to the contributor prior to depositing it and prior to the closing date of the campaign statement on which it would be reported. A late contribution is not required to be reported if it is not deposited, negotiated, or cashed and is returned to the contributor within 24 hours of receipt.

Deposited, Negotiated, or Returned After Closing Date: Contributions that have been deposited or negotiated, or which were not returned prior to the closing date of the campaign statement, are reported on Schedule A. If the contribution is returned within 30 days of receipt, and within the reporting period, the return may be shown as a negative figure on Schedule A. Otherwise, report the return of the contribution on Schedule E.

Returned for Insufficient Funds: If a check is returned from the bank for insufficient funds and the committee returns the check to the contributor during the same reporting period, both the receipt and the return of the contribution may be reported on Schedule A with the return shown as a negative amount. Otherwise, the return is reported on Schedule E.

Enforceable Promises

If a contribution is received in the form of an "enforceable promise" that has not been paid during the period, report the contribution as a memo entry on Schedule A. An "enforceable promise" has been received when a contributor promises, in writing, to pay for specific goods or services and, based on that promise, the committee expends funds or enters into a legally-enforceable contract with a vendor to purchase the goods or services.

Disclose the date of the promise, all of the required information about the contributor, and the amount promised, but do not include the amount in the summary totals. When the contributor makes the actual payment, fully disclose the contribution on Schedule A, if the payment is made to the committee, or on Schedule C, if the contributor pays the vendor directly, and include the amount in the appropriate summary section.

Form 460
Schedule A

Schedule A
Monetary Contributions Received

Type or print in ink.
Amounts may be rounded to whole dollars.

SCHEDULE A

Statement covers period
from 7/1/XX
through 9/30/XX

CALIFORNIA FORM 460

Page 4 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER
1254388

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
7/14/XX	Friends of Rivers ID#980034 1720 P Street, NW Washington, DC 20009	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$400,000	$700,000	
8/14/XX	Kelly Nielsen 1414 18th Street San Francisco, CA 94107	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Requested	$250	$250	
8/20/XX	Northern California Farm Cooperative 500 West Fifth Street Mariposa, CA 95340	☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Intermediary for contributions under $100	$1,200		
8/25/XX	Farmers of California PAC ID#995489 300 Capitol Avenue, Suite 2100 Sacramento, CA 95814	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$25,000	$500,000	
			SUBTOTAL $	426,450		

Schedule A Summary

1. Amount received this period – itemized monetary contributions. (Include all Schedule A subtotals.) ..... $ 426,450
2. Amount received this period – unitemized monetary contributions of less than $100 ..... $ 3,500
3. Total monetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) ..... **TOTAL** $ 429,950

*Contributor Codes
IND – Individual
COM – Recipient Committee (other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

How to Complete Schedule A
Monetary Contributions Received

Report monetary contributions the committee has received on Schedule A, except for loans (reported on Schedule B). Receipt of repayments for loans made is reported on Schedule H, and miscellaneous receipts are reported on Schedule I.

Date Received

List the date the committee obtained possession or control of the contribution. For instance, in the case of a check, report the date the check was received, which may differ from the date the check was written or the date the check was deposited. For contributions received by electronic transaction (such as credit card, debit account, or wire transfer, including those received over the Internet), report the date the committee received or had control of the credit/debit account information or other payment information, or the date the committee received or had control of the funds, whichever is earlier.

Contributor Information

Itemize persons and organizations who have contributed to the committee a cumulative amount of $100 or more during the calendar year. Provide each contributor's name, street address, city, state, and zip code. Remember to maintain the names and addresses of contributors of $25 or more in your records. (See Chapter 2.)

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, or "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidate elections.)

Occupation and Employer, I.D. Number, and Intermediary Information

If the contributor is an individual, provide the individual's occupation and employer. If the contributor is self-employed, provide the name of the business. Do not leave this blank. If this information has not been

obtained, put "requested" or similar language in this column and amend Schedule A when the information has been received.

If the contributor is a recipient committee, report that committee's identification number. If an identification number has not yet been assigned or is unknown, report the full name, street address, city, state, and zip code of that committee's treasurer.

If a contribution is received through an intermediary, provide the name, street address, city, state, zip code, and, if applicable, occupation and employer of both the intermediary and the true source of the contribution.

Amount

Report the amount of the contribution.

Cumulative to Date

Generally, the amount listed in the "Cumulative to Date-Calendar Year" column will be cumulated from January 1 through December 31 unless the committee began raising funds in connection with the qualification of a measure that extends into two calendar years. In that case, the period over which contributions are cumulated begins January 1 of the year the committee began raising funds.

Per Election to Date

This column does not apply to ballot measure committees, unless otherwise instructed by a local ordinance.

Schedule A Summary

Complete the summary section of each schedule after completion of the corresponding schedule. Each summary provides detailed instructions for every line.

Answering Your Questions

Q. We received a contribution of $75 this period from someone who contributed $50 earlier this year. The $75 contribution was itemized on Schedule A. Should the $75 be included on Line 1 or 2 of the Schedule A summary?

A. All itemized contributions (including contributions under $100 that are itemized because the contributor's cumulative total is $100 or more) are totaled on Line 1 of the schedule summary. Only unitemized contributions are included on Line 2 of the schedule summary.

Q. Last year, a group raised over $1,000 to pay for expenses related to a proposal to incorporate a city. This year, the Board of Supervisors voted to place the proposal on the ballot. On the first Form 460, how does the committee report money that was not specifically earmarked for the passage of the measure but will be used by the committee?

A. The committee should report on Schedule A those funds raised to pay for costs associated with the proposal before it became a measure. The funds that were not earmarked for the "measure" would be reported as a lump sum and the name of the group would be identified as the contributor. However, any contributions of $100 or more raised specifically to support the passage, or defeat, of the measure must be itemized on Schedule A.

Q. How does a primarily formed ballot measure committee controlled by a state candidate disclose a contribution received from the candidate's controlled election committee?

A. The payment is treated as any other contribution to the committee. Disclose the contribution on Schedule A of the Form 460 and file any other applicable reports (such as the Form 497).

Form 460
Schedule B
Part 1

SCHEDULE B - PART 1

Schedule B – Part 1
Loans Received

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period
from 7/1/XX
through 9/30/XX

CALIFORNIA FORM **460**

Page 5 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT RECEIVED THIS PERIOD	(c) AMOUNT PAID OR FORGIVEN THIS PERIOD*	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST PAID THIS PERIOD	(f) ORIGINAL AMOUNT OF LOAN	(g) CUMULATIVE CONTRIBUTIONS TO DATE
Farmers of California PAC ID#995489 300 Capitol Avenue, Suite 2100 Sacramento, CA 95814 †☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$ -0-	$ 50,000	☐ PAID $ -0- ☐ FORGIVEN $ -0-	$ 50,000 DATE DUE: n/a	-0- % RATE $ -0-	$ 50,000 DATE INCURRED: 8/31/XX	CALENDAR YEAR $ 500,000 PER ELECTION** $
Farmers of California PAC ID#995489 300 Capitol Avenue, Suite 2100 Sacramento, CA 95814 †☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$ 100,000	$ -0-	☐ PAID $ -0- ☒ FORGIVEN $ 25,000	$ 75,000 DATE DUE: n/a	-0- % RATE $ -0-	$ 100,000 DATE INCURRED: 5/2/XX	CALENDAR YEAR $ 500,000 PER ELECTION** $
Bank of the West 601 J Street Sacramento, CA 95814 †☐ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC		$ 35,000	$ -0-	☒ PAID $ 200 ☐ FORGIVEN $	$ 34,800 DATE DUE: 1/26/XX	9.8 % RATE $ 571	$ 35,000 DATE INCURRED: 1/26/XX	CALENDAR YEAR $ n/a PER ELECTION** $
		SUBTOTALS $	50,000 $	25,200 $	159,800 $	571 (Enter (e) on Schedule E, Line 3)		

Schedule B Summary

1. Loans received this period ..... $ 50,000
   (Total Column (b) plus unitemized loans of less than $100.)
2. Loans paid or forgiven this period ..... $ 25,200
   (Total Column (c) plus loans under $100 paid or forgiven.)
   (Include loans paid by a third party that are also itemized on Schedule A.)
3. Net change this period. (**Subtract** Line 2 from Line 1.) ..... **NET** $ 24,800 (Maybe a negative number)
   Enter the net here and on the Summary Page, Column A, Line 2.

†Contributor Codes
IND – Individual
COM – Recipient Committee (other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

*Amounts forgiven or paid by another party also must be reported on Schedule A.
** If required.

How to Complete Schedule B – Part 1 Loans Received

Schedule B is for reporting activity on loans received by the committee.

Outstanding loans are reported on each campaign statement until they are paid. Schedule B has two parts:

- Part 1 lists loans received or outstanding, and the repayment, forgiveness, or payment by a third party of a loan previously received.
- Part 2 lists information on loan guarantors.

Lender Information

Provide the name, street address, city, state, and zip code of a lender of $100 or more.

Financial Institution

If a financial institution, such as a bank, has loaned the committee money or the committee has drawn upon a line of credit, report the institution as the lender by listing its name and address, including zip code.

Individual

If the lender is an individual, also provide the individual's occupation and employer, or, if the contributor is self-employed, provide the name of the business. Do not leave this column blank. If this information has not been obtained, put "requested" or similar language in this column and amend Schedule B, Part 1 later. (See Chapter 2 for restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Contributor Codes

For each itemized lender, check the box indicating whether the lender is an individual, committee, or "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidate elections.)

QuickTIP Report each loan separately, even if the committee has received more than one loan from a single source.

(a) Outstanding Balance Beginning This Period
Enter the outstanding loan balance at the beginning of this reporting period (Column (d) of the last report filed). If the loan was received this period, enter zero or leave Column (a) blank.

(b) Amount Received This Period
Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, enter zero or leave Column (b) blank.

(c) Amount Paid or Forgiven This Period
Enter the amount of any reduction of the loan during this reporting period. Check whether the reduction was a payment or forgiveness. When the lender forgives all or part of a loan, or a third party makes a payment on a loan, also report the lender or third party on Schedule A. Enter zero or leave this column blank if no payments were made this reporting period.

(d) Outstanding Balance at Close of This Period
Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

(e) Interest Paid This Period
Enter the interest rate and the amount of interest paid on the loan(s) during this reporting period. If the lender is not charging interest, indicate "none" on the "interest rate" line. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

(f) Original Amount of Loan
Enter the original amount of the loan and the date it was received. If this is the first time the loan is being reported, this is the same amount as reported in Column (b).

(g) Cumulative Contributions to Date
Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the lender during the calendar year covered by this statement unless the committee began raising funds in connection with the qualification of a measure that extends into two calendar years. In that case, the period over which contributions are cumulated begins January 1 of the year the committee began raising funds.

A loan is a contribution unless it is received from a commercial lending institution in the ordinary course of business. It is not necessary to disclose cumulative amounts for loans that are not contributions.

Summary

As loans are paid, Line 3 of the summary section of Schedule B will eventually be a negative amount. When transferring a negative figure from Line 3 to the Summary Page, Column A, Line 2, be sure to **subtract** the amount from the previous report, Column B, Line 2, to determine the figure for this report's Column B, Line 2.

Answering Your Question

Q. May a state candidate who controls a primarily formed ballot measure committee make a loan of more than $100,000 to the committee?

A. Under Government Code section 85307 and FPPC regulation 18530.8, the $100,000 limit on loans from a state candidate to his or her campaign is applicable only to committees formed for the purpose of supporting the candidate's candidacy for elective state office. The limit does not apply to a controlled committee whose only purpose is to support or oppose ballot measures.

Form 460 Schedule B Part 2

SCHEDULE B - PART 2

Schedule B – Part 2
Loan Guarantors

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period from 7/1/XX through 9/30/XX

CALIFORNIA FORM 460

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SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	LOAN	AMOUNT GUARANTEED THIS PERIOD	CUMULATIVE TO DATE	BALANCE OUTSTANDING TO DATE
Han Family Farms 2100 No. Stockton Blvd. Stockton, CA 95204	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		LENDER: Bank of the West DATE: 1/26/XX	-0-	CALENDAR YEAR: $ 35,000 PER ELECTION (IF REQUIRED): $	34,800
			SUBTOTAL $	-0-	Enter on Summary Page, Line 17 only.	

How to Complete Schedule B – Part 2 Loan Guarantors

Guarantor Information

If someone guarantees, co-signs, endorses, or provides security for a loan of $100 or more, enter the name and address of the guarantor and, if the guarantor is an individual, his or her occupation and employer, or, if self-employed, the name of the business.

Contributor Codes

For each itemized guarantor, check the box indicating whether the guarantor is an individual, committee, or "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidate elections.)

Loan

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

Amount Guaranteed This Period

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts **drawn** on a line of credit on Schedule B – Part 1.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the guarantor during the calendar year covered by the statement unless the committee's fundraising in connection with the qualification of the measure extends into two calendar years. In that case, the period over which contributions are cumulated begins January 1 of the year the committee began raising funds.

Balance Outstanding to Date

Report the outstanding balance for which the guarantor is liable at the close of this reporting period.

QuickTIP Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the Summary Page.

Form 460
Schedule C

Schedule C
Nonmonetary Contributions Received

Type or print in ink.
Amounts may be rounded to whole dollars.

SCHEDULE C
CALIFORNIA FORM 460

Statement covers period
from 7/1/XX
through 9/30/XX

Page 7 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER
1254388

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	AMOUNT/ FAIR MARKET VALUE	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	PER ELECTION TO DATE (IF REQUIRED)
7/1/XX	Farmers of California 300 Capitol Avenue, Suite 2100 Sacramento, CA 95814	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		Administrative Services $12,000	-0-	$500,000	
8/15/XX	Californians for Water Purity #890034 1928 J Street, Upstairs Sacramento, CA 95816	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		Office Supplies	$450	$450	
8/25/XX	Terry Greene 5402 Elmbank Road Rolling Hills, CA 90274	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Environmental Consultant Greene & Associates	Shares of Stock	$20,000	$20,000	

Attach additional information on appropriately labeled continuation sheets. SUBTOTAL $ 20,450

Schedule C Summary

1. Amount received this period – itemized nonmonetary contributions. (Include all Schedule C subtotals.) ..... $ 20,450
2. Amount received this period – unitemized nonmonetary contributions of less than $100 ..... $ 200
3. Total nonmonetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.) ..... TOTAL $ 20,650

*Contributor Codes
IND – Individual
COM – Recipient Committee (other than PTY or SCC)
OTH – Other (e.g., business entity)
PTY – Political Party
SCC – Small Contributor Committee

How to Complete Schedule C Nonmonetary Contributions Received

Use Schedule C to report nonmonetary contributions received by the committee. Nonmonetary contributions are goods or services provided to the committee for which it does not pay the fair market value.

The fair market value is the amount the committee would pay for the goods or services on the open market; whatever it would cost any member of the general public to obtain the same good or service. (See Chapter 3 for assistance in determining the fair market value of a nonmonetary contribution.)

Examples of Nonmonetary Contributions

- Items donated for a garage sale, raffle, or auction.
- Signs, postage, and printing.
- Food and entertainment provided for a fundraiser.
- Discounts or rebates that are not extended to the general public.
- Mailing lists, mailings, and other advertising.
- Compensation paid by an employer to an employee who spends more than 10% of his or her compensated time in a calendar month working on behalf of a committee. Compensation includes gross wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase. Compensation does not include routine fringe benefits, such as the employer's payments to a health plan or payroll taxes.
- Forgiveness of an accrued expense by the creditor.
- Use of an office, automobile, or airplane.

(See Chapters 3 and 4 for exceptions, such as volunteer personal services, home/office fundraisers, and member communications.)

Administrative Services Provided by Committee Sponsors

If the committee is sponsored and the sponsor pays for the establishment and administrative costs of the committee, the committee is required to report the payments on Schedule C, but they are not considered "contributions" to the committee. Report the payments in the "Description of Goods or

Services" column, but do not include the value of the services in the "Amount/Fair Market value" column.

"Establishment and administration" of a sponsored committee means the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, and other expenses incurred in setting up and running a sponsored committee. Other costs paid by a sponsoring organization are contributions to the committee, such as the cost of raising funds for the committee, and are subject to regular reporting.

Example *The California Tree Doctors Association has formed a committee to oppose Proposition 222. The Association collects contributions from its members, transmits them to the committee, and provides the committee with office space, staff, and accounting services. The committee reports the administrative services from the Association in the "Description of Goods or Services" column on Schedule C of its campaign reports. During 2006, the Association sends a special mailing to its members to raise additional funds to support the measure. The Association also hosts a golf tournament to raise funds to support the Association's activities generally, but the invitation to the golf tournament will include a reply card allowing participants to make additional contributions to the committee. The committee must disclose the payments made by the Association for the solicitation mailing and the portion of the costs for the golf tournament invitations that are attributable to the solicitation for the committee on Schedule C as nonmonetary contributions from the Association (rather than administrative services).*

Date Received

A nonmonetary contribution is received on the earlier of the following:

- The date that funds are spent by the contributor; or
- The date that the committee obtains possession or control of the goods or services, or receives the benefit of the expenditure.

Example *A PAC, in coordination with your committee, printed a brochure advocating passage of your measure. The PAC delivered the brochures to your headquarters on February 22 and paid the bill for the printing on March 15. Your committee received the nonmonetary contribution on February 22.*

Contributor Information Occupation/ Employer and Amount Columns

Itemize contributors of $100 or more. If the contributor is an individual, in addition to his or her street address, city, state, and zip code, provide occupation and employer information, in addition to the amount received this period, and the cumulative amount to date. (See Chapter 2 for restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, committee, or "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidate elections.)

Description of Goods or Services

Provide a brief description of the goods or services received.

Amount/Fair Market Value

Report the value of the nonmonetary contribution received. (See Chapter 3 for assistance in determining the fair market value of a nonmonetary contribution.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the contributor during the calendar year covered by the statement unless the committee began raising funds in connection with the qualification of a measure that extends into two calendar years. In that case, the period over which contributions are cumulated begins January 1 of the year the committee began raising funds.

Schedule C Summary

The total of nonmonetary contributions reported on Line 3, Schedule C summary section, is reported on the Form 460 Summary Page as both a contribution (Line 4, Column A) and as an expenditure (Line 10, Column A).

Answering Your Questions

Q. *What is the value of the time provided by a graphic artist who volunteers to design a logo for your committee?*

A. In designing a logo, the artist's time has no reportable value. However, if the artist is an employee of a business and spends more than 10% of his or her compensated time in a calendar month working on the design, the paid compensation becomes a nonmonetary contribution to your committee.

Q. *The sponsoring organization of a ballot measure committee produced and sent a communication to its members advocating the committee's position on the ballot measure. Are costs associated with this communication reportable by the committee?*

A. No. Payments made by an organization for communications that are sent only to the organization's members, employees, or shareholders, or their families, are not contributions to the ballot measure committee endorsed in the communications. If the ballot measure committee sent the communication to its sponsor's members, the payment would be reported as an expenditure on Schedule E or F.

Schedule D – Expenditures Supporting/ Opposing Other Candidates, Measures, and Committees

Expenditures made by the committee to support or oppose the ballot measure for which it is primarily formed are not independent expenditures or contributions. Unless a committee made a contribution to another primarily formed committee for the same measure, a committee generally would not have activity to report on this schedule.

If a primarily formed ballot measure committee makes contributions (including loans) or independent expenditures to support or oppose candidates, officeholders, other committees, or other ballot measures, it may qualify as a general purpose committee, which has different disclosure obligations.

Form 460
Schedule D

Schedule D
Summary of Expenditures Supporting/Opposing Other Candidates, Measures and Committees

SEE INSTRUCTIONS ON REVERSE

Type or print in ink. Amounts may be rounded to whole dollars.

Statement covers period from 7/1/XX through 9/30/XX

SCHEDULE D
CALIFORNIA FORM 460
Page 8 of 12

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)
8/14/XX	Prop. 215 statewide ☒ Support ☐ Oppose	☒ Monetary Contribution ☐ Nonmonetary Contribution ☐ Independent Expenditure		$1,000	$1,000	
			SUBTOTAL $	1,000		

Schedule D Summary

1. Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.) ..... $ 1,000
2. Unitemized contributions and independent expenditures made this period of under $100 ..... $ -0-
3. Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.) ..... TOTAL $ 1,000

How to Complete Schedule D Summary of Expenditures Supporting/ Opposing Other Candidates, Measures and Committees

Date

Report the date the contribution was made. A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the ballot measure committee. A nonmonetary contribution is made on the earlier of the following:

- The date an expenditure is made for the goods or services; or
- The date the committee or an agent obtains possession or control of the goods or services.

Candidate and Office, Measure and Jurisdiction, or Committee

If a total of $100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held, the number or letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure.

Type of Payment

Check one of the boxes indicating the type of payment. If the payment is a nonmonetary contribution, provide a description of the payment. If goods on hand are contributed to another committee (e.g., paper, copier), describe the goods or services in the "Description" column, and disclose the fair market value of the contribution.

Amount This Period

Provide the amount(s) of contributions made this period relative to each measure.

Example *Your primarily formed ballot measure committee made a $1,000 contribution to another primarily formed committee for the same ballot measure. In addition to reporting it on Schedule D, the expenditure is also reported on Schedule E.*

Cumulative to Date Calendar Year

Report the cumulative amount contributed since January 1 of the current calendar year.

Per Election to Date

This section is not applicable if a payment is made to another primarily formed ballot measure committee. This section is for reporting payments to state candidates.

QuickTIP If two or more primarily formed ballot measure committees exchange information between or among themselves, subsequent expenditures by each committee are not, merely by that exchange, considered at the behest of the other committee and, therefore, a contribution. As noted elsewhere in this manual, if a primarily formed ballot measure committee makes contributions (including loans) or independent expenditures to support or oppose candidates, officeholders, other committees, or other ballot measures, it may qualify as a general purpose committee, which has different disclosure obligations.

Schedule E – Payments Made and Schedule F – Accrued Expenses (Unpaid Bills)

An expenditure is "made" on the date the payment is made or the date the goods or services are received, whichever is earlier. Expenditures of campaign funds must have a political, legislative, or governmental purpose. (See Chapter 10.)

Use Schedule E to report money spent by the committee during the reporting period. Do not use Schedule E to report the repayment of loans received; use Schedule B, Part 1 instead. Also, do not use Schedule E when reporting loans made to other candidates, officeholders, and committees; use Schedule H instead.

Use Schedule F to report amounts owed by the committee for goods or services received but not paid for by the end of the reporting period.

Example *During October and November, you:*

(a) Paid a deposit on a room for a fundraiser to be held January 10;

(b) Ordered and received the fundraiser invitations for which you were billed but had not made a payment by December 31; and

(c) Ordered, but did not receive flowers for the fundraiser for which you will be billed at the end of January.

On your semi-annual statement covering the period ending December 31, report the payment for the room deposit on Schedule E. Because you received the invitations but had not paid for them by December 31, disclose the outstanding amount on Schedule F. The cost of the flowers will not be reported until the next reporting period because you did not pay for nor receive the flowers during the period covered by the statement.

Unpaid administrative overhead expenses of the committee, such as rent, utilities, phones, or employee salaries, need not be reported on Schedule F if the committee has not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement. Regular administrative overhead expenses do not include contracts for services such as accounting, legal, campaign consulting, and public relations.

Example *On June 15, your committee received two bills for June services. One bill was from an outside accounting firm and the other was for office rent. The due date for both invoices is July 15. If, on June 30, the committee has not paid the two bills, the bill from the outside accounting firm is reported on Schedule F as*

an accrued expense on your semi-annual statement; the rent bill, however, is not.

General Rules

Information Required

Itemize each payment or accrued expense of $100 or more to a single payee, and any payments totaling $100 or more for a single product or service made during the period.

If the committee has entered into an agreement to make payments over time for a product or service, other than general administrative expenses such as rent and utilities, the unpaid balance may be reportable on Schedule F as an accrued expense.

Savings Accounts/Certificates of Deposit/ Money Market Accounts

Do not report the transfer of campaign funds into a savings account, certificate of deposit, money market account, or the purchase of any other asset that can be readily converted to cash on Schedule E. Report these amounts as part of cash on hand on the Summary Page, Line 16.

Subvendor Payments

Whenever an agent or independent contractor (such as a consulting firm or advertising agency) makes an expenditure, or incurs a debt, of $500 or more on behalf of the committee, report the expenditure on Schedule G in the same detail as if it had been made directly by the committee. These are commonly known as "subvendor payments." Following are some examples of the types of subvendor payments that must be itemized.

- Development of campaign strategy;
- Design or management of campaign literature or advertising;
- Advertising time or space; and
- Surveys, polls, signature gathering, and door-to-door solicitation of voters.

Agents and independent contractors must provide the committee with the required payment information **no later than** three working days prior to when the campaign statement must be filed (or within 24 hours for a late contribution). Expenditures made by the agent or independent contractor for its own overhead and operating expenses need not be itemized. The committee also must obtain and keep receipts, invoices, and other documentation of subvendor payments. (See Chapter 2.)

In many cases, funds paid to an agent or independent contractor in one reporting period will not be used by the agent or contractor until a subsequent reporting period. Report payments to the agent/ contractor on Schedule E of the campaign statement covering the period in which the payment was made. When the agent/ contractor spends the money, report subvendor payments on the campaign statement covering the period in which the agent/contractor made the expenditures; itemize payments made by the agent/ contractor of $500 or more.

Subvendor payments are most commonly reported on Schedule G, but may be reported on Schedule E or F along with the payment made or owed to the agent/ contractor. When itemizing subvendor payments on Schedule E or F, do not include the payments in the "Amount Paid" column, as this will inflate expenditure totals.

QuickTIP The names of individuals paid to collect signatures (petition circulators) are not required to be disclosed on the campaign statement. However, a business entity, including a sole proprietorship, that contracts with a committee to obtain signatures must be identified. For example, if Hector Gonzales is an independent

contractor that contracts with a ballot measure committee to obtain signatures in Sacramento County and he does not personally ask voters to sign petitions, but contracts the work to college students, the names of the college students are not required to be disclosed. Hector Gonzales must be identified as a vendor to the committee.

Credit Card Payments

When reporting payments to a credit card company, report the company's name, street address, city, state, zip code, and the amount of payment. In addition, provide the name, street address, city, state, and zip code of any vendor that received $100 or more, the amount paid to each vendor itemized, and a code or description of the payment. If a payment on the credit card has not been made by the end of the reporting period, or only partial payment has been made, report the amount outstanding to the credit card company on Schedule F. Payments to the credit card company should be reflected on Schedule E, when payments are made, and Schedule F, when there is a balance still owing at the end of the reporting period. Vendors are not required to be listed more than one time, on either Schedule E or Schedule F.

Example *A committee used the campaign credit card on December 28 at two different vendors to purchase office supplies and to have invitations to a fundraiser printed. The printing job cost $560, while the office supplies were under $100. Since the committee did not make a payment on the credit card by December 31, the end of the reporting period, the amount owed is reported on Schedule F. In addition to the total amount owed to the financial institution that issued the credit card, the committee also itemizes the printer, since the amount owed is $100 or more. The committee will report payments it makes to the financial institution, but does not reitemize any vendors.*

Contingency Payments

If the committee has entered into an agreement to pay a contingency fee, such as a bonus to a consultant if the campaign is successful, report the fee amount on Schedule F **only** if it is outstanding at the end of the campaign. The fee is not required to be reported as an accrued expense until it is due.

Payments to Businesses Owned by Someone Affiliated with the Committee

If the committee makes a payment of $100 or more to a business and:

- An individual controlling the committee, an officer or employee of the committee, or a spouse or registered domestic partner of any of these individuals owns 50% or more of the business; or
- An individual controlling the committee, an officer or employee of the committee, or spouse or registered domestic partner of any one of these individuals is an officer, partner, consultant, or employee of the business, then

report the name of the individual, his or her relationship to the committee, and a description of that individual's position with the business, in addition to the name and address of the business.

Form 460
Schedule E

Schedule E
Payments Made

Type or print in ink.
Amounts may be rounded
to whole dollars.

Statement covers period
from 7/1/XX
through 9/30/XX

SCHEDULE E
CALIFORNIA FORM 460

Page 9 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER: 1254388

CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP	campaign paraphernalia/misc.	MBR	member communications	RAD	radio airtime and production costs
CNS	campaign consultants	MTG	meetings and appearances	RFD	returned contributions
CTB	contribution (explain nonmonetary)*	OFC	office expenses	SAL	campaign workers' salaries
CVC	civic donations	PET	petition circulating	TEL	t.v. or cable airtime and production costs
FIL	candidate filing/ballot fees	PHO	phone banks	TRC	candidate travel, lodging, and meals
FND	fundraising events	POL	polling and survey research	TRS	staff/spouse travel, lodging, and meals
IND	independent expenditure supporting/opposing others (explain)*	POS	postage, delivery and messenger services	TSF	transfer between committees of the same candidate/sponsor
LEG	legal defense	PRO	professional services (legal, accounting)	VOT	voter registration
LIT	campaign literature and mailings	PRT	print ads	WEB	information technology costs (internet, e-mail)

NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
Rinaldo and Nguyen Media Consulting 2400 Western Avenue, Suite 800 Los Angeles, CA 90029	TEL	Subvendor: Harpen Productions $285,000 18624 Ventura Blvd. Studio City, CA 91604	$320,000
Campaign to Win 900 West First Street, Suite 2700 Los Angeles, CA 90012	CNS	See Schedule G for subvendors	$65,000
Committee for Adequate Water Supplies, A Committee for Prop. 215 1423 West Street San Francisco, CA 94102 ID No. 1234511	CTB		$1,000

* Payments that are contributions or independent expenditures must also be summarized on Schedule D. SUBTOTAL $ 386,000

Schedule E Summary

1. Itemized payments made this period. (Include all Schedule E subtotals.) $ 386,000
2. Unitemized payments made this period of under $100 $ 4,514
3. Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).) $ 571
4. Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.) TOTAL $ 391,085

How to Complete Schedule E Payments Made

Name and Address of Payee

Itemize each payment of $100 or more to a single payee during the reporting period, and any payments totaling $100 or more made during the period for a single product or service. Include the name, street address, city, state, and zip code of the recipient. Do not use post office box numbers when reporting the address of a payee or creditor.

Code or Description of Payment

When itemizing payments, provide either a code or a description of the payment. (Expenditure codes are explained in detail in the Form 460, Schedule E instructions.) If none of the codes fully explains the expenditure, leave the code column blank and provide a brief description of the goods or services purchased.

If several expenditures are made to one vendor during the same reporting period, all of the payments to the vendor may be reported in a single record. When coding the expenditures, use the code that represents the largest share of the expenditures, and the description field for the other codes or a description. Alternatively, an expenditure may be reported separately by category.

Payment of Accrued Expenses

When paying accrued expenses previously reported on Schedule F, report all payments on Schedule E, itemizing at $100. Subvendor information is only required to be reported once, and does not need to be reitemized on Schedule E if it was disclosed on Schedule F of a previous report.

Schedule E Summary

The total amount of expenditures is reported on Line 4 of the summary section of Schedule E and on the Form 460 Summary Page, Column A, Line 6. If the committee is paying interest on an outstanding loan, in addition to reporting the amount on Schedule B, Part 1, Column (e), also report the amount on Line 3 of the summary section of Schedule E.

Form 460
Schedule F

SCHEDULE F

Schedule F
Accrued Expenses (Unpaid Bills)

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period
from 7/1/XX
through 9/30/XX

CALIFORNIA FORM **460**

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SEE INSTRUCTIONS ON REVERSE

NAME OF FILER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER
1254388

CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP	campaign paraphernalia/misc.	MBR	member communications	RAD	radio airtime and production costs
CNS	campaign consultants	MTG	meetings and appearances	RFD	returned contributions
CTB	contribution (explain nonmonetary)*	OFC	office expenses	SAL	campaign workers' salaries
CVC	civic donations	PET	petition circulating	TEL	t.v. or cable airtime and production costs
FIL	candidate filing/ballot fees	PHO	phone banks	TRC	candidate travel, lodging, and meals
FND	fundraising events	POL	polling and survey research	TRS	staff/spouse travel, lodging, and meals
IND	independent expenditure supporting/opposing others (explain)*	POS	postage, delivery and messenger services	TSF	transfer between committees of the same candidate/sponsor
LEG	legal defense	PRO	professional services (legal, accounting)	VOT	voter registration
LIT	campaign literature and mailings	PRT	print ads	WEB	information technology costs (internet, e-mail)

NAME AND ADDRESS OF CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE OR DESCRIPTION OF PAYMENT	(a) OUTSTANDING BALANCE BEGINNING OF THIS PERIOD	(b) AMOUNT INCURRED THIS PERIOD	(c) AMOUNT PAID THIS PERIOD (ALSO REPORT ON E)	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
Bank of the West (VISA) 601 J Street Sacramento, CA 95814 Subvendor: Mailings, Inc. $4,100 330 First Street LA, CA 90012	LIT	$5,600	$6,300	$5,000	$6,900
Maria Hernandez, CPA 110 Market Street, Suite 3500 San Francisco, CA 94111	PRO	-0-	$2,000	-0-	$2,000
The Environmental Caucus 1800 Shoreline Drive Santa Barbara, CA 93111	Slate Mailer	-0-	$2,300	-0-	$2,300
* Payments that are contributions or independent expenditures must also be summarized on Schedule D.	**SUBTOTALS** $	5,600	$ 10,600	$ 5,000	$ 11,200

Schedule F Summary

1. Total accrued expenses incurred this period. (Include all Schedule F, Column (b) subtotals for accrued expenses of $100 or more, plus total unitemized accrued expenses under $100.) ..... **INCURRED TOTALS $** 10,600
2. Total accrued expenses paid this period. (Include all Schedule F, Column (c) subtotals for payments on accrued expenses of $100 or more, plus total unitemized payments on accrued expenses under $100.) ..... **PAID TOTALS $** 5,000
3. Net change this period. (**Subtract** Line 2 from Line 1. Enter the difference here and on the Summary Page, Column A, Line 9.) ..... **NET $** 5,600 (May be a negative number)

How to Complete Schedule F

Accrued Expenses (Unpaid Bills)

Name and Address of Creditor

Itemize each accrued expense of $100 or more owed to a single creditor. Provide the name, street address, city, state, and zip code of the creditor. Do not use post office box numbers. Continue to list an unpaid bill until it is paid.

Code or Description of Payment

When itemizing accrued expenses, provide either a code or a description of the outstanding payment. (Expenditure codes are explained in detail in the Form 460, Schedule E instructions.) If none of the codes listed on Schedule F fully explains the outstanding payment, leave the code column blank and provide a brief description of the goods or services.

If several accrued expenses are owed to one vendor during the same reporting period, all of the accrued expenses to the vendor may be reported in a single record. When coding accrued expenses, use the code that represents the largest share of the accrued expenses, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

Amount Columns

For each itemized accrued expense, report any outstanding balance remaining for the accrued expense from the previous period in column (a), the amount of new accrued expenses incurred this period in column (b), the amount paid this period in column (c), and any outstanding balance at the close of the period in column (d).

When payments on accrued expenses are made, in addition to itemizing payments of $100 or more on Schedule F, itemize the payments on **Schedule E**. Include unitemized payments on accrued expenses on Line 2 of the summary section of Schedule E.

Estimating Accrued Expenses

If the exact amount of a debt or obligation is unknown, an estimate may be reported. When the exact amount is known, the committee must 1) amend the statement on which the estimated amount was reported; or 2) make an adjustment on the next campaign statement by showing the difference between the estimated amount and the actual amount in column (b), Amount Incurred This Period. If the actual amount is less than the estimate, the amount listed in column (b) should be a negative number and subtracted from the totals. When reporting estimated amounts or corrections to estimated amounts, note that fact on the campaign statement.

Example *On its second preelection statement, the committee reported an estimated accrued expense of $5,000 owed to Fast Printing. An invoice was received during the next reporting period showing the actual amount owed as $4,500. On Schedule F, column (a) of its next statement, the committee will report an outstanding accrued expense of $5,000. In column (b), the amount incurred this period will be a negative $500. The committee paid the entire bill and therefore will report $4,500 as paid this period in column (c), with a zero balance in column (d).*

Forgiven Accrued Expenses or Third Party Payments

If a creditor reduces or forgives a debt previously reported on Schedule F, or if another person pays a debt for the committee:

- Indicate that the debt was forgiven, reduced, or paid by a third party and write "See Schedule C" in the "Description of Payment" column. Also report the creditor/payor and the amount as a nonmonetary contribution on Schedule C.
- Report the amount forgiven, reduced, or paid by a third party in the "Amount Paid This Period" column and indicate that it was a forgiveness or third party payment **or** report the amount as a negative number in the "Amount Incurred This Period" column. Do not report the amount on Schedule E.

If the decision to forgive or reduce the debt is based on a bona fide business judgment that all or part of the debt is uncollectible, the creditor may not be making a contribution. Because this is a factual determination, call the FPPC toll-free at (866) 275-3772 for advice.

Outstanding Accrued Expenses

Line 9, Column C of the Summary Page should reflect the total of all outstanding accrued expenses. Accrued expenses are carried forward on future statements until paid.

Schedule F Summary

Line 3 of the summary section of Schedule F will be a negative amount when payments on accrued expenses are more than the amount of new accrued expenses. Transfer the amount to the Summary Page, Column A, Line 9 as a negative amount and subtract it from the figure in Column B of the previous campaign statement to determine the figure for Column B, Line 9 of this statement.

Answering Your Questions

Q. *When are unpaid bills reportable as accrued expenses?*

A. The basic rule is that you must report an accrued expense any time you have received goods or services but have not paid for them by the end of the reporting period.

Q. *What if I have not received an invoice from the vendor yet?*

A. If you have received the goods or services, you must report the accrued

expense even if you have not received an invoice. If you do not know the exact amount, you may estimate the amount of the expense. When reporting an estimate, note that fact on Schedule F.

Q. We have a contract to pay our campaign consultant $1,000 per month. If the closing date of the campaign statement falls during the middle of the month, say March 17, must we report an accrued expense for the period March 1 through March 17?

A. No. When you have agreed in writing to pay a contractor a set amount at regular intervals, it is not necessary to prorate the amount owed to the contractor if the reporting period closes before the end of the contract period.

Q. When an accrued expense is owed and there are subvendor payments, when are the subvendors reported? For example, if we report an accrued expense owed on a credit card and list the subvendors, must we re-itemize the subvendors again on Schedules E and F when the accrued expense is paid?

A. No. It is not necessary to re-itemize subvendors when payments are made on accrued expenses, or if an accrued expense is reported on more than one statement. In this example, the subvendors must be reported on the first statement disclosing the accrued expense owed to the credit card company. On subsequent statements, only the credit card company must be itemized.

Form 460
Schedule G

Schedule G
Payments Made by an Agent or Independent Contractor (on Behalf of This Committee)

Type or print in ink.
Amounts may be rounded to whole dollars.

SCHEDULE G
CALIFORNIA FORM 460

Statement covers period
from 7/1/XX
through 9/30/XX

Page 11 of 12

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER
1254388

NAME OF AGENT OR INDEPENDENT CONTRACTOR
Campaign to Win

CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.

CMP	campaign paraphernalia/misc.	MBR	member communications	RAD	radio airtime and production costs
CNS	campaign consultants	MTG	meetings and appearances	RFD	returned contributions
CTB	contribution (explain nonmonetary)*	OFC	office expenses	SAL	campaign workers' salaries
CVC	civic donations	PET	petition circulating	TEL	t.v. or cable airtime and production costs
FIL	candidate filing/ballot fees	PHO	phone banks	TRC	candidate travel, lodging, and meals
FND	fundraising events	POL	polling and survey research	TRS	staff/spouse travel, lodging, and meals
IND	independent expenditure supporting/opposing others (explain)*	POS	postage, delivery and messenger services	TSF	transfer between committees of the same candidate/sponsor
LEG	legal defense	PRO	professional services (legal, accounting)	VOT	voter registration
LIT	campaign literature and mailings	PRT	print ads	WEB	information technology costs (internet, e-mail)

* Payments that are contributions or independent expenditures must also be summarized on Schedule D.

NAME AND ADDRESS OF PAYEE OR CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE	OR DESCRIPTION OF PAYMENT	AMOUNT PAID
Radio Advertisers, Inc. 6000 Wilshire Blvd., Suite 3500 Beverly Hills, CA 90210	RAD	KBAK $6,000 1300 California Street Bakersfield, CA 93301 KSAC $6,000 1626 C Street Sacramento, CA 95814	$24,000
		KFRS $6,000 2400 N. West Street Fresno, CA 93728 KSLO $6,000 430 Beach Blvd. San Luis Obispo, CA 93401	
Media Buys 1600 Western Avenue, Suite 1400 Los Angeles, CA 90027	PRT	Los Angeles Times $11,000 202 W. First Street Los Angeles, CA 90012 Sacramento Bee $10,000 2100 Q Street Sacramento, CA 95816	$31,000
		San Francisco Chronicle $10,000 901 Mission Street San Francisco, CA 94103	

Attach additional information on appropriately labeled continuation sheets. **TOTAL*** $ 55,000

**Do not transfer to any other schedule or to the Summary Page. This total may not equal the amount paid to the agent or independent contractor as reported on Schedule E.*

Schedule G – Payments Made by an Agent or Independent Contractor

Use Schedule G to report payments made on behalf of the committee by agents (such as campaign workers) and independent contractors (such as a consulting firm or an advertising agency). This schedule may be used in lieu of itemizing these amounts on Schedules E and F.

General Rules

Who Completes Schedule G

Schedule G may be completed by the agent or independent contractor and given to the committee, or it may be completed by the committee from information provided by the agent or independent contractor. Agents and independent contractors must provide the committee with the required payment information no later than three working days prior to the filing deadline of the campaign statement.

How to Complete Schedule G

Name and Address of Payee or Creditor

Itemize payments of $500 or more made by the agent or independent contractor. Provide the name, street address, city, state, and zip code of the payee. Do not use post office box numbers.

See the general rules for Schedules E & F instructions for additional information.

Do not transfer Schedule G totals to any other schedule or to the Summary Page.

Schedule H – Loans Made to Others

Schedule H is for reporting loans made by the committee. Generally, primarily formed ballot measure committees do not make loans to other committees or candidates. If a committee were to make such loans, it would likely become a general purpose recipient committee subject to different reporting obligations. Call the FPPC toll-free at (866) 275-3772 for assistance.

Schedule I – Miscellaneous Increases to Cash

Report on Schedule I increases to the committee's cash position that are not monetary contributions, loans, or repayments of loans made to others.

Examples

- Proceeds, up to the fair market value, of items sold at a garage sale or auction.
- Refunds received on deposits, such as a telephone or room rental deposit or from over-payment of bills.
- Interest received or credited to a checking or savings account or other time deposit.
- Interest payments received on loans made to others.
- Receipts from the sale of committee assets.

Uncashed Checks

If the committee writes a check that is never deposited or negotiated, report the amount of the uncashed check on Schedule I.

Decreases to Cash

All decreases to cash must be reported as expenditures on Schedule E or H.

Form 460
Schedule I

Schedule I
Miscellaneous Increases to Cash

Type or print in ink. Amounts may be rounded to whole dollars.

Statement covers period
from 7/1/XX
through 9/30/XX

SCHEDULE I
CALIFORNIA FORM 460
Page 12 of 12

SEE INSTRUCTIONS ON REVERSE
NAME OF FILER
Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

I.D. NUMBER
1254388

DATE RECEIVED	FULL NAME AND ADDRESS OF SOURCE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	DESCRIPTION OF RECEIPT	AMOUNT OF INCREASE TO CASH
7/31/XX	Bank of the West 601 J Street Sacramento, CA 95814	Interest	$101
7/15/XX	Holiday Inn 300 K Street Sacramento, CA 95814	Room rental refund	$250
8/30/XX	Bank of the West 601 J Street Sacramento, CA 95814	Interest	$110

Attach additional information on appropriately labeled continuation sheets. SUBTOTAL $ 461

Schedule I Summary

1. Itemized increases to cash this period. $ 461
2. Unitemized increases to cash of under $100 this period. $ 54
3. Total of all interest received this period on loans made to others. (Schedule H, Column (e).) $ -0-
4. Total miscellaneous increases to cash this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Line 14.) TOTAL $ 515

How to Complete Schedule I Miscellaneous Increases to Cash

Date

Report the date the committee received the miscellaneous receipt.

Source Information

Itemize sources of $100 or more. Provide the full name, street address, city, state, and zip code of the source. Post office box numbers are not acceptable.

Description

Provide a description of the receipt, e.g., refund on room deposit for fundraiser, interest earned on loans made to others.

Amount

Enter the amount of the receipt.

Schedule I Summary

The total amount of miscellaneous increases to cash is reported on Line 4 of the summary section of Schedule I and on the Summary Page, Column A, Line 14.

Form 450 Cover Page

SHORT FORM

Recipient Committee Campaign Statement – Short Form

SEE INSTRUCTIONS ON REVERSE

For use by recipient committees that have not received a contribution or other receipt that must be itemized, have not received or made loans, and have no outstanding accrued expenses.

Type or print in ink.

Statement covers period from 10/22/XX through 12/31/XX

Date of election if applicable: (Month, Day, Year)

Date Stamp

CALIFORNIA FORM 450

Page 1 of 3

For Official Use Only

1. Type of Recipient Committee:

- [X] Ballot Measure Committee
  - (X) Primarily Formed
  - (X) Controlled
  - ( ) Sponsored
- [ ] Primarily Formed Candidate/ Officeholder Committee
- [ ] General Purpose Committee
  - ( ) Sponsored
  - ( ) Small Contributor Committee

2. Type of Statement:

- [ ] Pre-election Statement
- [X] Semi-annual Statement
- [X] Termination Statement
- [ ] Quarterly Statement
- [ ] Special Odd-year Report
- [ ] Supplemental Pre-election Statement - Attach Form 495
- [ ] Amendment (Explain) _____ (Also check type of statement you are amending)

3. Committee Information

I.D. NUMBER: 1298453

COMMITTEE NAME: Citizens Against the Recall of Larry Myers

STREET ADDRESS (NO P.O. BOX): 120 North Azusa Avenue

CITY: Azusa | STATE: CA | ZIP CODE: 91702 | AREA CODE/PHONE: 626/555-1313

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX

CITY | STATE | ZIP CODE | AREA CODE/PHONE

OPTIONAL: FAX/ E-MAIL ADDRESS

Treasurer(s)

NAME OF TREASURER: Carter Ford

MAILING ADDRESS: 120 North Azusa Avenue

CITY: Azusa | STATE: CA | ZIP CODE: 91702 | AREA CODE/PHONE: 626/555-1313

NAME OF ASSISTANT TREASURER, IF ANY: Linda Miera

MAILING ADDRESS: 455 West Gladstone Street

CITY: Azusa | STATE: CA | ZIP CODE: 91702 | AREA CODE/PHONE: 626/555-6564

OPTIONAL: FAX/ E-MAIL ADDRESS

4. Verification

I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 12/31/XX (DATE) By _____ (SIGNATURE OF TREASURER OR ASSISTANT TREASURER)

Executed on 12/31/XX (DATE) By _____ (SIGNATURE OF CONTROLLING OFFICEHOLDER, CANDIDATE, STATE MEASURE PROPONENT, OR RESPONSIBLE OFFICER OF SPONSOR)

Form 450

The Form 450 may be filed if, during the reporting period, the committee has:

- No receipt (contributions, loans, refunds, interest, etc.) from a single source of $100 or more;
- No outstanding loans received or made; and
- No accrued expenses (unpaid bills).

QuickTIP If the committee began raising funds in connection with the qualification of a measure that extends into two calendar years, the period over which contributions are cumulated (for purposes of determining whether the committee has received $100 from a single source) begins January 1 of the year the committee began raising funds and ends December 31 of the second calendar year.

How to Complete

Statement Covers

If this is the first report of the calendar year, the "from" date should be January 1. Otherwise, this date should be the day after the closing date of the most recently filed campaign statement.

Date of Election

When filing a preelection statement in connection with an election, provide the date of the election.

Part 1: Type of Recipient Committee

Check the box indicating that the committee is primarily formed, and also indicate whether it is controlled or sponsored. (See Appendix 1 for definitions.)

Part 2: Type of Statement

Check the appropriate box to indicate the type of statement being filed, e.g., semi-annual, preelection. (See Chapters 6 and 8.)

Form 450 Summary Page

Recipient Committee
Campaign Statement
Summary Page

Type or print in ink.
Amounts may be rounded to whole dollars.

Statement covers period
from 10/22/XX
through 12/31/XX

SHORT FORM
CALIFORNIA FORM 450

Page 2 of 3

NAME OF COMMITTEE: Citizens Against the Recall of Larry Myers

I.D. NUMBER: 1298453

Expenditures Made

1. Expenditures of $100 or more made this period		$ 650
2. Expenditures under $100 made this period (Not itemized.)		210
3. SUBTOTAL EXPENDITURES MADE THIS PERIOD	*Add Lines 1 + 2*	$ 860
4. Nonmonetary Adjustment	*From Line 8 Below*	400
5. Total expenditures made from previous statement *(If this is the first statement for the calendar year, enter zero.)*	*Previous Summary Page, Line 6*	$ 3,550
6. TOTAL EXPENDITURES MADE TO DATE	*Add Lines 3 + 4 + 5*	$ 4,810

Contributions Received

7. Monetary contributions received this period		$ 300
8. Non-monetary contributions received this period		400
9. Total contributions received from previous statement *(If this is the first statement for the calendar year, enter zero.)*	*Previous Summary Page, Line 10*	$ 4,110
10. TOTAL CONTRIBUTIONS RECEIVED TO DATE	*Add Lines 7 + 8 + 9*	$ 4,810

Current Cash Statement

11. Beginning cash balance	*Previous Summary Page, Line 15*	$ 550
12. Cash receipts this period	*Line 7 above*	300
13. Miscellaneous increases to cash		$ 10
14. Cash expenditures this period	*Line 3 above*	860
15. **ENDING CASH BALANCE THIS PERIOD**	*Add Lines 11 + 12 + 13, then subtract Line 14*	$ -0-

Part 3: Committee Information

When completing this section, make sure the information is the same as that on the committee's Statement of Organization, Form 410. If the committee has not received an identification number from the Secretary of State, enter "pending" in the "I.D. Number" box.

Part 4: Verification

The Form 450 is not considered filed if it is not signed. Have the committee treasurer or the assistant treasurer review and sign. In addition, if an officeholder/ candidate or state ballot measure proponent controls the committee, have him or her also sign the statement. If two or three officeholders/candidates control the committee, have each one sign. If there are more than three officeholders/candidates controlling the committee, one may sign on behalf of the others.

How to Complete the Summary Page

The Summary Page lists the totals of all contributions received and expenditures made during the period covered by the statement and the cumulative amounts of contributions and expenditures made during the calendar year. If the committee began raising funds in connection with the qualification of a ballot measure that extends into two calendar years, the period over which contributions and expenditures are cumulated begins January 1 of the year the committee began raising funds.

The summary page also discloses the ending cash balance.

Form 450 Campaign Statement

SHORT FORM

Recipient Committee
Campaign Statement – Short Form

Type or print in ink. Amounts may be rounded to whole dollars.

Statement covers period from 10/22/XX through 12/31/XX

CALIFORNIA FORM 450

Page 3 of 3

SEE INSTRUCTIONS ON REVERSE

NAME OF COMMITTEE: Citizens Against the Recall of Larry Myers

I.D. NUMBER: 1298453

5. Payments Made *(If more space is needed, use additional copies of this page for continuation sheets.)*

DATE*	NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	DESCRIPTION OF PAYMENT	NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	AMOUNT THIS PERIOD	CUMULATIVE AMOUNTS TO DATE*
	Carter Ford 120 North Azusa Avenue Azusa, CA 91702	Treasurer duties	☐ Support ☐ Oppose ☐ Contribution ☐ Ind. Exp.	$350	Calendar Year $ _____ Other $ _____
	United Way 200 North Azusa Avenue Azusa, CA 91702	Charitable donation	☐ Support ☐ Oppose ☐ Contribution ☐ Ind. Exp.	$300	Calendar Year $ _____ Other $ _____
			SUBTOTAL $	650	

* Required only for payments which are contributions or independent expenditures.

How to Complete Part 5. Payments Made

Please refer to the "General Rules" section in the instructions for completing Form 460.

For each payment of $100 or more, provide:

- **Date**
  The date an expenditure is made is generally not required because expenditures are made in connection with the primarily formed ballot measure committee's activity. The date is required if the expenditure is a contribution or an independent expenditure to support or oppose a candidate, other ballot measure, or committee.

- **Name and Address of Payee**
  For each payee or creditor of $100 or more, enter the full name, street address, city, state, and zip code. If the payee is different than the vendor providing the goods and services (subvendor), also enter the subvendor's full name, street address, city, state, and zip code if the payment to the subvendor was $500 or more.

- **Description of Payment**
  Enter a brief description of the goods or services.

Amending Form 460 or Form 450

To change or provide information missing from a previously-filed Form 460 or Form 450, complete a new Cover Page, check the "Amendment" box under "Type of Statement." Also check the box showing the type of statement being amended (e.g., preelection, semi-annual) and enter the period covered by the statement being amended. Provide a brief explanation and list the schedules or parts being amended. Include an amended summary page, if applicable.

Attach the amended schedule(s) and file the amendment with all of the filing officers that received the original filing. (See Chapter 7.)

To amend a report filed electronically with the Secretary of State, a complete replacement filing is required.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

81004.5 *Reports and Statements; Amendments.*
82013 *Committee.*
82015 *Contribution.*
82018 *Cumulative Amount.*
82025 *Expenditure.*
82025.5 *Fair Market Value.*
82044 *Payment.*
84105 *Notification of Contributors.*
84211 *Contents of Campaign Statement.*
84212 *Forms; Loans.*
84214 *Termination.*
84216 *Loans.*
84216.5 *Loans Made by a Candidate or Committee.*
84302 *Contributions by Intermediary or Agent.*
84306 *Contributions Received by Agents of Candidates and Committees.*
85307 *Loans.*
85700 *Donor Information Requirements; Return of Contributions.*

Title 2 Regulations

18116 *Reports and Statements; Filing Dates.*
18215 *Contribution.*
18216 *Enforceable Promise to Make a Payment.*
18401 *Required Recordkeeping for Chapter 4.*
18421 *Cash Equivalents.*
18421.1 *Disclosure of the Making and Receipt of Contributions.*
18421.2 *Street Address.*
18421.4 *Reporting Cumulative Amounts for State Elections and State Recipient Committees.*
18421.6 *Reporting Accrued Expenses.*
18423 *Payments for Personal Services as Contributions and Expenditures.*
18427.1 *Notification to Contributors of $5,000 or More.*
18428 *Reporting by Affiliated Entities.*
18431 *Reporting of Expenditures by an Agent or Independent Contractor.*
18432.5 *Intermediary.*
18530.8 *Personal Loans.*
18570 *Return of Contributions with Insufficient Donor Information.*

Chapter 8
Additional Reports

In addition to the reports discussed in Chapter 7, special reports may be required depending on a committee's activity, including:

- Late Contribution Reports (Form 497)
- $5,000 Reports (Form 497 filed electronically)
- Election Cycle Reports (Form 497 filed electronically)
- Paid Spokesperson Reports (Form 511)
- Reports of Communications Identifying State Candidates (Form E-530)

Each of these reports is discussed in detail in the following pages. Information disclosed on a Form 497, Form 511, and Form E-530 is also disclosed on the committee's campaign statement (Form 450/460).

Late Contribution Report (Form 497)

The reporting requirements for state committees that must file electronically differ from those of a local committee or a state committee that does not file electronically. The reports discussed below must be filed in addition to any required preelection or semi-annual campaign statements and all contributions disclosed on Form 497 must also be disclosed on the committee's next regular campaign statement (Form 460).

Generally, primarily formed ballot measure committees do not "make" late contributions to other committees or candidates, as it may no longer qualify as a primarily formed committee. If your committee makes a contribution of $1,000 or more, 16 days before an election, it may be required to file a late contribution report. Contact the FPPC for guidance.

Committees Required to File Electronically With Secretary of State

A state primarily formed ballot measure committee must file reports electronically with the Secretary of State once contributions totaling $50,000 or more are received or expenditures totaling $50,000 or more are made. (See Chapter 6.)

If the committee receives a contribution of $1,000 or more from a single contributor during the 90-day election cycle prior to the measure's election, Form 497 must be electronically filed with the Secretary of State within 24 hours of receiving the contribution (there is no exception if the deadline falls on a Saturday, Sunday or official state holiday). During the period 16 days before the election in which the measure is being voted on, contributions from a single contributor must be aggregated to determine if $1,000 was received.

In addition, if the committee receives a contribution of $5,000 or more from a single contributor at any time other than during an election cycle, an electronic report must be filed with the Secretary of State within 10 business days.

Electronic reports must be filed only with the Secretary of State. Paper copies are not required and copies are not required to be filed with any other filing officer.

Local Committees and State Committees Not Required to File Electronically

A local committee or a state committee that is not required to file electronically must file a Late Contribution Report (Form 497) if, during the last 16 days before the election in which the measure supported or opposed by the committee is being voted upon, the committee receives a contribution of $1,000 or more, or multiple contributions aggregating $1,000 or more, from a single source. This includes monetary and nonmonetary contributions, loans, or a combination of contributions and loans.

Only contributions received during the last 16 days before the election are aggregated to reach the $1,000 threshold. A contribution received *before* the 16-day late contribution period is not aggregated with a contribution received from the same source during the late period.

Examples *Fourteen days before the November election, Citizens for the Trolley, Yes on B, a city primarily formed ballot measure committee, received a $500 contribution. Ten days before the election on which the measure was to appear on the ballot, the committee received another $500 contribution from the same source. These two contributions in the aggregate amount to $1,000. The committee must file a late contribution report within 24 hours of receiving the second contribution.*

*Seventeen days before the November election, Citizens for the Trolley, Yes on B, received a $600 contribution from an individual contributor. Another $600 was received from the same contributor four days before the election. Since an aggregate of $1,000 was **not** received **during** the last 16 days before the election from this individual, the committee is not required to file a late contribution report.*

When to File: A late contribution is received on the date the committee, or an agent of the committee, obtains possession or control of the monetary contribution or nonmonetary item that constitutes the contribution. The late contribution report must be filed **within 24 hours** of receiving a late monetary contribution. File a late contribution report **within 48 hours** of receiving a late nonmonetary contribution. The "next business day" rule for filing periodic reports does not apply to late contribution reports.

The committee may use the Late Contribution Report (Form 497) or create its own form, as long as all of the required information is provided, to disclose late contributions received.

Where to File: The Late Contribution Report (Form 497) must be filed by fax, guaranteed overnight delivery service, or personal delivery at the same locations where the committee files its regular campaign statements (e.g., Form 460). Regular mail may not be used.

Late Non-Monetary Contributions: A committee that anticipates receiving more than one nonmonetary contribution from a single contributor during the 16 days before the election, may, on or before the deadline, file a single Form 497 covering the entire late contribution period. The report should disclose the total value of nonmonetary contributions that will be received, or, if the actual value of nonmonetary contributions is not known at the time of filing, a good faith estimate of the value that will be received during the period. If the value of the late nonmonetary contributions received differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours from the time the committee knows that the estimated value is incorrect.

Form 497

Late Contribution Report

Type or print in ink.
Amounts may be rounded to whole dollars.

LATE CONTRIBUTION REPORT

CALIFORNIA FORM **497**

For Official Use Only

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

AREA CODE/PHONE NUMBER: 213/555-0848

I.D. NUMBER (if applicable): 1254388

STREET ADDRESS: 900 West First Street, Suite 2700

CITY: Los Angeles

STATE: CA

ZIP CODE: 90012

Date of This Filing: 11/2/XX

Report No.: 12

☐ Amendment to Report No. _____ (explain below)

No. of Pages: 1

Date Stamp

Late Contribution(s) Received

DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ADD ENTER ID. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED
11/1/XX	Friends of Rivers ID#980034 1720 P Street, NW Washington, DC 20009	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$200,000 ☐ Check if Loan

Reason for Amendment: _____

How to Complete Form 497

Enter the committee's name, street address, city, state, zip code, and identification number.

- Indicate the date of filing this report.
- Assign a unique number to each late contribution report, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.
- If this is an amendment to a report previously filed, assign a new unique identifying number as the Report Number, check the "Amendment" box, and indicate the number of the report being amended.
- For late contributions **received**, provide:
  - The date received;
  - The contributor's full name and mailing address, the appropriate contributor code, and, if the contributor is an individual, his or her occupation and employer, or, if self-employed, enter the name of his or her business;
  - The amount of the contribution and check the box if it was a loan.

Amendments

To amend a previously-filed late contribution report, file a new Form 497 with the corrected information and the "Amendment" box checked. Or, disclose the required information on a piece of paper identified as an amendment. The "Report Number" of the report being amended should be included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

QuickTIP A loan of $1,000 or more that is forgiven during the late contribution reporting period triggers a late contribution report.

Paid Spokesperson Report (Form 511)

A Paid Spokesperson Report (Form 511) is filed by a committee that makes expenditures totaling $5,000 or more for an individual's appearance in a printed, televised, or radio advertisement, or in a telephone message, to support or oppose the qualification, passage, or defeat of a state or local ballot measure. (The advertisement itself also must disclose that the individual is being paid to appear.)

Example *In support of a measure, your committee hires a public relations firm to produce a television advertisement. A celebrity is paid $5,000 or more to appear in the ad. Your committee is required to file the Form 511. In addition, the ad must state that the individual was paid to appear.*

Form 511 must be filed in addition to any preelection or semi-annual campaign statements the committee is required to file. Payments made to spokespersons also must be reported on the committee's next campaign statement (Form 450/460).

When to File

File Form 511 within 10 days of making or promising payments totaling $5,000 or more to the individual that will appear in the advertisement(s).

Where to File

File Form 511 in the same locations the committee files its campaign statements. (Committees required to file electronically with the Secretary of State (see Chapter 6) must file Form 511 electronically, as well as on paper. To file Form 511 electronically, go to www.ss.ca.gov.)

Form 511

Paid Spokesperson Report

Type or print in ink. Amounts may be rounded to whole dollars.

Date Stamp

CALIFORNIA FORM **511**

For Official Use Only

NAME OF FILER: Save Our Water, A Committee for Prop. 215, Sponsored by Farmers of California with major funding by farmers and environmentalists

ID # (if required): 1254388

AREA CODE/PHONE NUMBER: 213/555-0848

E-MAIL (Optional):

☐ Amendment (explain)

STREET ADDRESS: 900 West First Street, Suite 2700

CITY: Los Angeles

STATE: CA

ZIP CODE: 90012

Payments Made *Attach additional information on appropriately labeled continuation sheets.*

DATE	NAME AND ADDRESS OF SPOKESPERSON	BALLOT MEASURE SUPPORTED OR OPPOSED (INCLUDE BALLOT NUMBER OR LETTER AND JURISDICTION)	AMOUNT
2/16/XX	James Rotterdam 1400 Western Avenue Los Angeles, CA 90028	Proposition 215, State of California ☒ Support ☐ Oppose	$9,000

Verification

I have used all reasonable diligence in preparing this report. I have reviewed the report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on 2/16/XX (DATE) By _____ (SIGNATURE OF TREASURER/ASSISTANT TREASURER/FILER)

How to Complete Form 511

Filer Information

Provide the committee's full name, street address, city, state, zip code, and telephone number.

Also, list the committee's identification number, as provided by the Secretary of State.

Payments Made

In the first column, provide the date the payments were made or the services were received, whichever is earlier. In the second column, indicate the name and address of the individual who was paid $5,000 or more to appear in the advertisement. In the third column, provide the name, number or letter, and jurisdiction of the ballot measure supported or opposed by the advertisement. Finally, in the last column, indicate the total amount of the expenditure.

Verification

The Form 511 is not considered filed if it is not signed.

Amendments

To amend a previously-filed Form 511, file another Form 511. Check the "Amendment" box and give a brief description of the amendment. Enter the committee's name and address, and disclose the amended information. Like the original, the amendment must be signed and dated. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. The amendment is filed in the same location(s) the original was filed.

Communications Identifying State Candidates (Form E-530)

A committee that spends $50,000 or more for a communication disseminated during the 45 days before an election that clearly identifies a state candidate appearing on the ballot, but does not expressly advocate the election or defeat of that candidate, must file electronically with the Secretary of Sate the Form E-530 within 48 hours of making a payment, or promising to make a payment of $50,000 or more.

QuickTIP A candidate is not considered "clearly identified" if the candidate's name is required by the provisions of state or federal law to appear in the communication and the candidate is not singled out in the manner of display.

The committee must report this activity on the Form E-530 within 48 hours of making the payment, or promising to make a payment, of $50,000 or more. (Contact the Secretary of State's office at (916) 653-6224 or go to www.ss.ca.gov.)

Contribution limits may apply if a committee, at the behest of a state candidate, makes a payment of $50,000 or more for a communication featuring the state candidate 45 days before his or her election. Contact the FPPC for assistance.

The Form E-530 must disclose the amount and date of the payment(s), and the name of and office sought by the candidate(s) identified in the communication. In addition, if $5,000 or more was received or promised from a single source to pay for the communication, the name, address, occupation, and employer (if applicable) of the contributor, as well as the date and amount received or promised, must be reported.

Example *The Rails for California, A Committee for Proposition 410, decided to buy billboard space up and down Interstate 5 stating, "Thank You, Governor Grant, for Supporting Proposition 410." The billboard space was rented for the 30 days prior to the next state election in which Governor Grant is running for reelection. The total cost for design, printing, placement, and space rental was $65,000 and was paid on October 6. By October 8, the committee must file the Form E-530 electronically with the Secretary of State.*

The report must be verified by a written "electronic filing declaration" signed, dated, and verified on the same date the report is transmitted to the Secretary of State. This declaration must be retained in the committee's records for five years following the date that the campaign report to which it relates is filed. The statement must include the following language:

> "I have used all reasonable diligence in preparing this report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct."

Other Special Reports

There are other reports that may be required. The reports listed below are not reviewed in this manual because, if a primarily formed ballot measure committee engages in the type of activity that would require the filing of the following reports, it would likely cease being a primarily formed committee and become a general purpose committee. Contact the FPPC toll-free at (866) 275-3772 for advice.

These reports include:

- Supplemental Independent Expenditure Reports (Form 465)
- Late Independent Expenditure Reports (Form 496)
- Late Contribution Reports – Contributions Made (Forms 497)
- Special Odd-Year Reports (Form 460)
- Supplemental Preelection Reports (Forms 460 and 495)

Your Committee	File
Makes independent expenditures of $1,000 or more to support or oppose a candidate or *another* ballot measure	Form 465
Makes independent expenditures of $1,000 or more to support or oppose a candidate or *another* ballot measure during the 16 days before the candidate or measure's election	Form 496
Makes contributions totaling $1,000 or more to a candidate or *another* ballot measure committee during the 16 days before the candidate's or measure's election	Form 497
Makes contribution(s) totaling $10,000 to *state* officeholders during the first or third quarter of an odd-numbered year	Form 460
Makes contributions of $10,000 or more in connection with *another* election	Form 460 and Form 495

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

81004.5 *Reports and Statements; Amendments.*
82015 *Contribution.*
82025 *Expenditure.*
82036 *Late Contribution.*
82036.5 *Late Independent Expenditure.*
82044 *Payment.*
84101 *Statement of Organization; Filing.*
84200 *Semi-Annual Statements.*
84200.6 *Special Campaign Statements and Reports.*
84202.5 *Supplemental Preelection Statement.*
84202.7 *Time for Filing by Committees of Odd-Numbered Year Reports.*
84203 *Late Contribution; Reports.*
84203.3 *Late In-Kind Contributions.*
84203.5 *Supplemental Independent Expenditure Report.*
84204 *Late Independent Expenditures; Reports.*
84511 *Ballot Measure Ads; Paid Spokesperson Disclosure.*
85309 *Online Disclosure of Contributions.*
85310 *Communications Identifying State Candidates.*

Title 2 Regulations

18116 *Reports and Statements; Filing Dates.*
18215 *Contribution.*
18402.5 *Supplemental Pre-Election Statements.*
18421.1 *Disclosure of the Making and Receipt of Contributions.*
18425 *Late Contributions; Reports.*
18426 *Semi-Annual Statement Early Filing.*
18450.11 *Spokesperson Disclosure.*
18539 *Online Disclosure of Contributions.*
18539.2 *Reporting Payments Pursuant to Government Code Section 85310.*

Chapter 9
After the Election

Generally, a committee established primarily to support or oppose a ballot measure will terminate soon after the election, unless the committee has debts and remains open to raise funds to pay the debts.

If a committee chooses, it may remain open to support or oppose candidates or other measures. If this is the case, the committee will need to amend its Statement of Organization, Form 410, to reflect the change of committee type.

Note: After the election in which a measure appears on the ballot, a committee files semi-annually. (See "When to File" in Chapter 6.) However, if a ballot measure fails to qualify for the ballot, or is otherwise not on the ballot, the committee must file quarterly until it terminates.

Termination

The law has specific requirements before a committee may terminate. It is important to remember that the committee may not terminate if it still has funds. Also, a committee may terminate with debt, as long as at the time of termination the committee neither has the ability nor foresees the ability to pay the debt. There is no deadline by which a committee must terminate.

A committee may terminate only if it:

- Has ceased receiving contributions or making expenditures;
- Has no remaining funds;
- Has filed all required campaign statements disclosing all reportable transactions, including the disposition of leftover funds; and
- Has eliminated all debts and loans, or has no intention or ability to discharge debts and loans.

How to Terminate

Use the Form 410 to terminate the committee. Check the "Termination" box and report the committee's identification number and the date of termination; the date of termination is generally the date all funds have been expended. In addition, identify the name of the committee and have the treasurer or assistant treasurer sign the verification. If this is a controlled committee, the controlling officeholder(s)/candidate(s) or state ballot measure proponent(s) also signs the verification. Form 450 or 460 also must be filed showing that all funds have been expended and the committee has no cash on hand. Check the "Termination" box on the cover page.

Where to File

File the original and a copy of the Form 410 with the Secretary of State. In addition, a county or city committee should file a copy with the local filing officer receiving the committee's original campaign statements. File Form 450 or 460 in the committee's regular filing locations. (See Chapter 6.)

Answering Your Questions

Q. *May our primarily formed ballot measure committee use campaign funds to host a victory party, or to thank campaign workers?*

A. Yes. Additional information is provided on use of campaign funds in Chapter 10.

Q. *May we terminate our committee even if we have outstanding debt owing to creditors?*

A. Yes. When you file your termination statements, you are declaring that you do not have the ability to discharge debts, loans, or other obligations.

Q. Our committee wants to terminate. What may we do with the computer and furniture that were purchased?

A. The committee may sell the assets or donate the assets to a bona fide charity, educational, civic, religious, or similar tax exempt nonprofit organization where the donation bears a reasonable relationship to a political, legislative, or governmental purpose. Committees cannot give the assets to the committee treasurer, officers or volunteers, to any individual who has the authority to make committee expenditures, or to any organization over which such individuals have authority to approve expenditures.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

82015 *Contribution.*
84103 *Statement of Organization; Amendment.*
84200 *Semi-Annual Statements.*
84214 *Termination.*

Title 2 Regulations

18215 *Contribution.*
18404 *Termination of Candidate's and Committees' Filing Requirements.*

Chapter 10
Restrictions

Although the Political Reform Act is primarily a disclosure law, there are several important restrictions and prohibitions on receiving contributions and spending campaign funds. This chapter reviews these restrictions and prohibitions, as well as some that are contained in laws other than the Political Reform Act. Committees should consult Elections Code section 18680 for information relating to permissible expenditures, section 18650 for use of petition signatures, and section 18320 for use of websites and other restrictions. (See Appendix 1.)

Restrictions on Contributions

Laundered Funds

If a contribution of $100 or more is received from a single source in a calendar year, the source must be identified on the committee's Form 460. If a contribution is received through an intermediary, both the intermediary and the true source of the contribution must be identified. If the information for both the true source and the intermediary is not provided, this is considered laundering, a serious violation of the Political Reform Act. Any laundered contributions must be paid to the Secretary of State for deposit in the state General Fund.

Example *Barry owns a music store and supports the Committee for Measure W. Since Barry was going to be out of town when the committee's fundraiser was held, he asked an employee of his to attend on behalf of the store. The employee attended the fundraiser using a personal check to pay $100. Upon his return, Barry reimbursed the employee the $100 with a company check. At the time the employee made the contribution to the committee, he informed them that Barry's music store was the true source of the funds. The committee's campaign report must itemize both Barry's store and the employee. The name of Barry's store and its address, along with the employee's name, address, occupation, and employer are reported.*

Barry's employee attended another fundraiser for the Committee for Measure W, but this time Barry wrote a company check to the committee, which the employee used to attend the fundraiser. In this case, the committee's campaign report must only report Barry's store as the source of the contribution; the employee is not an intermediary.

Cash

The committee may not accept a cash contribution of $100 or more. Such a contribution may be returned to the contributor prior to the end of the reporting period, provided the cash was not previously deposited or spent. A cash contribution that is inadvertently deposited into the campaign bank account must be refunded within 72 hours of receipt, except a cash contribution of $1,000 or more from a single source made during the late contribution reporting period (the last 16 days before the election) must be returned to the contributor within 48 hours of receipt.

Anonymous

Anonymous contributions of $100 or more are prohibited. If the committee receives a cash contribution of $100 or more from an unknown source, it must be sent to the Secretary of State for deposit in the state's General Fund.

Commingling

Campaign funds may not be commingled with an individual's personal funds and may not be used for personal expenses. Campaign funds must be kept in an account separate from any account that contains personal funds.

Money Orders/Cashier's Checks/ Traveler's Cheques

All monetary contributions of $100 or more must be made by written instrument (such as a check) containing the name of the donor and drawn from the account of the donor or the intermediary. Contributions of $100 or more made by money order, cashier's check, or traveler's cheque are prohibited and must be returned to the contributor, or, if made anonymously, sent to the Secretary of State for deposit in the state's General Fund.

Contributions may be received by credit card (including over the Internet), wire transfer, or other electronic means. (See Chapter 2.)

Legal Name

Contributions must be made in the name by which the contributor is identified for legal purposes.

Delivered in State Office Buildings

A contribution may not be received, or delivered to another person, personally or through an agent in the State Capitol or any other state office building for which the State of California pays the majority of the rent.

This prohibition does not apply to contributions received or delivered in a legislative district office or through the mail.

Contribution Limits

A state appeals court issued a ruling in May 2005 stating that the Fair Political Practices Commission regulation which placed contribution limits on state candidate-controlled ballot measure committees is currently subject to a Superior Court injunction. As a result, the FPPC is prohibited from administering and enforcing the limits while its appeal of the injunction is pending.

Exception: Contributions to a state candidate controlled ballot measure committee from another state candidate controlled committee are subject to limits. In addition, contribution limits may apply if a committee, at the behest of a state candidate, makes a payment of $50,000 or more for a communication featuring the state candidate 45 days before his or her election. Contact the FPPC for assistance.

Contributions From Foreign Governments or Principals

Committees are prohibited from soliciting or accepting contributions from a foreign government or foreign principal in connection with the qualification or support of, or opposition to, any state or local ballot measure.

For purposes of this prohibition, a "foreign principal" includes:

- A foreign political party;
- A person outside the United States, unless either of the following is established:
  - The person is an individual and a citizen of the United States; or
  - The person is not an individual and is organized under or created by the laws of the United States or of any state or other place subject to the jurisdiction of the United States and has its principal place of business within the United States;
- A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or

- A domestic subsidiary of a foreign corporation if the decision to contribute or expend funds is made by an officer, director, or management employee of the foreign corporation who is neither a citizen of the United States nor a lawfully-admitted permanent resident of the United States.

Contributions, expenditures, or independent expenditures made by a lawfully-admitted permanent resident of the United States are permitted.

Misuse of Public Resources

The Political Reform Act prohibits public financing of campaigns, except for elections in charter cities and counties.

In addition, laws outside the Act prohibit the use of public resources, such as office equipment, staff time, etc., for campaign or personal purposes. (Education Code section 7054; Gov. Code section 8314; Penal Code section 426.)

Government Code section 54964 restricts an officer, employee, or consultant of a local agency from expending or authorizing the expenditure of any local agency funds to support or oppose a ballot measure or a candidate.

Answering Your Question

Q. *May school districts contribute money or staff time to support school bond measures?*

A. The Political Reform Act does not prohibit the use of public resources to support a school bond measure. However, California Government Code section 8314 and Education Code section 7054 may restrict the use of public funds and resources. To determine if such payments are permitted, contact the Attorney General's office. A school district that does contribute money or staff time may become a "committee" and have reporting obligations.

For further information on laws outside the Act, contact the Attorney General's office at (800) 952-5225 or your district attorney.

Use of Campaign Funds

To ensure that campaign funds are not used for personal benefit, the expenditure of campaign funds must be *reasonably* related to a *political, legislative, or governmental* purpose. An expenditure must be *directly* related to a political, legislative, or governmental purpose if it confers a substantial personal benefit on any individual authorized to approve campaign expenditures, the controlling candidate, or the state ballot measure proponent, if applicable. As noted earlier, committees should also consult the Elections Code for additional restrictions on use of campaign funds. (See Appendix 1.)

Examples *The Thousand Oaks Residents for Libraries, A Committee for Proposition K, buys pizzas for its volunteers every Thursday when a group gathers to stuff envelopes for the campaign. This is allowed, since there is a* ***reasonably****-related political purpose for this expenditure.*

The treasurer of the committee has decided to enter an accounting certificate program at her local community college. While the program may enhance her qualifications as a treasurer, she may not use campaign funds for this purpose; a certificate would confer a personal benefit to her that is not considered directly related to a political, legislative, or governmental purpose.

Election Night Celebrations

Costs associated with election night celebrations or similar campaign events may be paid by the committee.

Attorneys' Fees

Generally, attorneys' fees and other costs related to administrative, civil, or criminal litigation may not be paid with campaign funds. However, there are exceptions. Some expenses that may be paid with campaign funds include:

- Action to halt defamation;
- Defense of an action to halt defamation;
- Defense of an action for violation of state or local campaign, disclosure, or election laws;
- Litigation to secure a place on the ballot or challenge the wording of the ballot pamphlet;
- Contest an election;
- Election recount; and
- Compliance expenses (for example, completing campaign disclosure reports).

Reimbursements

A volunteer, campaign worker, or any other individual may make expenses from personal funds and be reimbursed, as long as the expenses are incurred for political, legislative, or governmental purposes and repayment is made within 45 days.

Example *A campaign volunteer buys a roll of stamps for the campaign at the post office using a personal check. In addition, he frequently buys bagels for the morning shift of volunteer workers. After providing the treasurer with a receipt for the stamps and bagels, the treasurer may reimburse the volunteer for his expenses.*

Automobile Expenses

Lease or Purchase

When making payments associated with leasing, purchasing, or operating a vehicle, such as insurance, maintenance, and repairs, the campaign committee must be the lessee or hold title to the vehicle. Additional titleholders may not be the controlling candidate, treasurer, or any other person who may approve campaign expenditures, or a member of any such person's immediate family (spouse or registered domestic partner and dependent children). Additional lessees may not be the controlling candidate, treasurer, or a member of any of these persons' immediate family.

Reimbursed Automobile Expenses

A controlling candidate, immediate family member, treasurer, and committee staff may be reimbursed by the committee for use of a personal vehicle if the use is directly related to a political, legislative, or governmental purpose. Documentation should be kept that includes the trip's purpose and mileage in a manner approved by the Internal Revenue Service for deducting mileage expenses. The rate for reimbursement may not exceed that allowed under Internal Revenue Code section 162. For more details, the Internal Revenue Service may be contacted at (800) 829-1040 (www.irs.gov).

Clothing

Clothing is a personal expense. The committee may NOT pay for an individual's business or casual clothing. Specialty clothing, such as formal wear, may be obtained with campaign funds if the use of such clothing is directly related to a political, legislative, or governmental purpose.

Contributions to Candidates and Other Committees

Campaign funds may be used to make contributions to candidates and other committees, subject to applicable contribution limits. However, if primarily formed ballot measure committees make contributions to candidates or other committees, they may qualify as a different kind of committee and be required to amend

their Statements of Organization, Form 410. Call the FPPC for more information.

Donations

Campaign funds may be used to make donations or loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. The donation or loan must be reasonably related to a political, legislative, or governmental purpose. In addition, the donation may not personally benefit the controlling candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member (spouse or registered domestic partner and dependent children).

Equipment and Appliances

Campaign funds may be used to buy, lease, or refurbish equipment or appliances, but only if their use is directly related to a political, legislative, or governmental purpose. As with restrictions on vehicles, the committee must hold title, or be the lessee, on the equipment; no individual may be listed as owner or lessee.

Food

A campaign may pay for a meal when the expenditure is $200 or less, as long as the expense is **reasonably** related to a political, legislative, or governmental purpose. However, if the aggregate cost of the meal is more than $200, the expense must be **directly** related to one of these purposes.

Fines, Penalties, Judgments, and Settlements

Only the following fines, penalties, judgments, and settlements may be paid with campaign funds:

- Parking citations received while performing political, legislative, or governmental activities.
- Fines assessed in relation to situations in which the use of campaign funds to pay for an attorney is allowed (discussed above).
- Fines imposed for late filing of campaign statements.

Example *Your treasurer was two days late in filing the committee's first preelection statement and the Secretary of State has fined the committee $20. The committee may pay the fine with campaign funds.*

Gifts

Unless **directly** related to a political, legislative, or governmental purpose, personal gifts may not be paid for from campaign funds. However, as long as no one individual receives a total of $250 or more in a calendar year, gifts to campaign employees or workers are permitted because they are considered directly related to a political, legislative, or governmental purpose. If the campaign pays for a gift to a member of the immediate family (spouse or registered domestic partner and dependent children) of a campaign employee or worker, it should be considered a gift to the employee or worker when calculating whether the $250 per person limit has been met.

Health-Related Expenses

A committee may pay for health care benefits for its employees or independent contractors. However, no other health-related expenses may be paid with campaign funds; a committee may not, as an example, pay for any volunteer's health club dues, special dietary foods, or medical check-ups.

Loans

Campaign funds may be loaned to other political committees. Loans to state candidate committees are subject to limits.

However, if primarily formed ballot measure committees make contributions to candidates or other committees, they may qualify as a different kind of committee and be required to amend their Statement of Organization, Form 410.

In addition, campaign funds may be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. However, the loan may not personally benefit the controlling candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member (spouse or registered domestic partner and dependent children). The loan must be reasonably related to a political, legislative, or governmental purpose. Campaign funds may not be loaned to an individual or to an entity other than those described above.

Professional Services

When the committee reasonably requires the services of professionals, such as accountants or attorneys, their fees may be paid with campaign funds. (See below for restrictions on salary and compensation paid to a controlling candidate.)

Real Property

The committee may NOT purchase real property. It may, however, lease property for up to one year, as long as its use is directly related to a political, legislative, or governmental purpose. Neither the controlling candidate, committee treasurer, any individual with authority to approve the committee's expenditures, or an immediate family member (spouse or registered domestic partner and dependent children) of any of these persons may be a lessee or sublessor, or hold legal title to the leased property.

Refunding Contributions

The return of contributions to contributors is permitted.

Returning Contributions Lacking Contributor Information

When a contribution of $100 or more in a calendar year is received from a single contributor, the committee must report the contributor's name and address, and, if the contributor is an individual, his or her occupation and employer. If the committee does not have this information in its records within 60 days of receipt, the contribution must be returned. (See Chapter 2.)

Salary & Compensation

The controlling candidate or any individual authorized to approve the committee's expenditures, may not receive a salary or other compensation from the committee for the performance of political, legislative, or governmental activities. The committee may pay for professional services such as an accountant, however, even if the accountant has authority to sign committee checks.

Example *Paula Greene, a member of Senator Howard's staff, also is the treasurer of the Senator's state ballot measure committee. Ms. Greene does all recordkeeping for the committee and completes the committee's campaign reports. She also has authority to approve committee expenditures. Campaign funds may be used to pay Ms. Greene for services she provides as committee treasurer. Funds may not be used to supplement or pay her government salary.*

Tickets for Entertainment and Sporting Events

The committee may purchase entertainment and sporting event tickets for use by the controlling candidate or officer, director, employee, or staff of the committee, as long

as attendance is **directly** related to a political, legislative, or governmental purpose.

Tickets to Political Fundraisers

A committee may purchase tickets to political fundraisers (subject to any applicable contribution limits) for the controlling candidate, or officer, director, employee, or staff of the committee. However, if primarily formed ballot measure committees make contributions to candidates or other committees, they may qualify as a different kind of committee and be required to amend their Statement of Organization, Form 410. Call the FPPC for more information.

Travel

A committee that pays for travel or accommodations for the controlling candidate, any individual with authority to approve the committee's expenditures, or employees or staff of the committee must comply with the standards set by Internal Revenue Code sections 162 and 274 (deduction of travel expenses for tax purposes). The Internal Revenue Service may be contacted at (800) 829-1040 or www.irs.gov for more information.

Airline Mileage Programs

Some airlines have mileage programs that allow individuals to earn free tickets or other awards. These mileage credits and awards belong to the individual traveler, not the committee. The committee is not required to report either the receipt of the mileage credit awards or the redemption of the credits.

Answering Your Questions

Q. I am the committee treasurer and make long distance campaign phone calls on my home phone. How may I pay for them?

A. One method is to calculate the portion of the phone bill that is campaign related. Have the committee write a check for that portion directly to the phone company. Otherwise, you may pay for the bill with personal funds and subsequently request reimbursement from the committee treasurer by providing a copy of the bill.

Q. As a state ballot measure proponent, I often need to get a babysitter for those evenings that I am out campaigning. May I use campaign funds to pay a babysitter?

A. You may use campaign funds to pay a babysitter, but only up to $200 per event.

Q. As a state ballot measure proponent, I will be using my personal car to get around during the campaign. Is mileage considered a reportable contribution if I do not want to be reimbursed?

A. No. Incidental use of your personal car for campaign purposes is not considered a contribution and is not reportable.

Q. May I use campaign funds to have an additional telephone line put in my home?

A. Yes, as long as the additional phone line is used for campaign purposes only. If, after the campaign, you choose to retain the additional phone line for personal purposes, you may pay the campaign what it would cost to install an additional line at that time.

Q. Is it permissible to have an agreement with an independent contractor (e.g., the campaign consultant) to pay additional money if we win the election?

A. Yes, under the Act you may make contingency agreements that the committee will not pay a contractor unless the election is won, or that the committee will pay an additional amount to the contractor if the committee is successful. The arrangement should be made part of the written contract.

Q. *May we give bonuses to our campaign workers?*

A. Yes, but in most cases, the bonuses would be considered gifts and must be limited to less than $250 per calendar year.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

82025 *Expenditure.*
82029 *Immediate Family.*
82044 *Payment*.
84300 *Cash and In-Kind Contributions; Cash Expenditures.*
84301 *Contributions Made Under Legal Name.*
84302 *Contributions by Intermediary or Agent.*
84304 *Anonymous Contributions.*
84307 *Commingling with Personal Funds.*
84309 *Transmittal of Campaign Contributions in State Office Buildings.*
84607 *Prohibition Against Political or Campaign Use.*
85320 *Foreign Entities.*
89513 *Use of Campaign Funds for Specific Activities.*
89514 *Use of Campaign Funds for Attorney's Fees.*
89515 *Use of Campaign Funds for Donations and Loans.*
89516 *Use of Campaign Funds for Vehicle Expenses.*
89517 *Use of Campaign Funds for Real Property, Appliances or Equipment.*
89517.5 *Use of Campaign Funds for Security System.*
89518 *Use of Campaign Funds for Compensation.*

Title 2 Regulations

18229 *Inclusion of Registered Domestic Partners.*
18432.5 *Intermediary*.
18439 *Definition of "Personally Deliver."*
18570 *Return of Contributions with Insufficient Donor Information.*
18960 *Direct Personal Benefit Defined.*
18961 *Incidental Use.*

Appendix 1
Definitions and Elections Code Provisions Affecting Ballot Measure Activities

Note: Except for the text of Elections Code sections 18320, 18650, and 18680 at the end of this appendix, all statutory references are to the California Government Code. The Political Reform Act is found in Government Code sections 81000-91014. Commission regulations may be found in Title 2, sections 18109-18997 of the California Code of Regulations.

Contribution

(Section 82015; Regulations 18215 and 18225.7)

A contribution is a payment, including a loan, a forgiveness of a loan, a third party payment on a loan, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of an officeholder, candidate, or committee is a contribution to the officeholder, candidate, or committee unless full and adequate consideration is received for making the expenditure.

A payment is "made at the behest of" an officeholder, candidate, or committee if it is made under the control or at the direction of the officeholder, candidate, or committee. It is also made at the behest if it is made in cooperation, consultation, coordination, or concert with, or at the request or suggestion of the officeholder, candidate, controlled committee, official committee of a political party, or organization formed or existing primarily for political purposes.

Common Contributions

- Tickets purchased for political events such as dinners, luncheons, rallies, and similar fundraising events.
- The officeholder or candidate's own money or property.
- Discounts or rebates not generally extended to the public.
- Television, radio, or newspaper discounts or rebates not equally extended to both the proponents and opponents of a specific ballot measure.
- Payments made to someone for their services by another on behalf of a candidate or committee. However, if an individual is paid by his or her employer, those payments are not contributions unless employees spend 10% or more of their compensated time during a calendar month working on behalf of an officeholder, candidate, or committee.
- Transfer of anything of value a committee receives from another committee, unless the committee pays the fair market value.

Contributions; Exceptions

- A home or office meeting or fundraising event held in an occupant's home or office, if the total costs for the meeting or event are $500 or less. If more than $500 is spent, the total amount is a contribution.
- Any individual's volunteered personal services or payments for his or her own travel expenses if the payments are made voluntarily and without any understanding

or agreement that the individual will be repaid or reimbursed.

- A payment made by a candidate or committee for another candidate to attend the paying candidate or committee's fundraiser.
- A payment made by a ballot measure committee telling the voters which candidates support or oppose the ballot measure, as long as there is no express advocacy on behalf of the endorsing candidate, or opposition to his or her opponent.
- Payments for a news story, commentary, or editorial by a regularly-published newspaper, magazine, or other periodical of general circulation that routinely carries news articles, and commentary of general interest.
- Payments for a news story, commentary, or editorial by a federally-regulated broadcast outlet (radio or television).
- A payment by an organization for its regularly-published newsletter or periodical, if the circulation is limited to the organization's members, employees, shareholders, or other affiliated individuals who request or purchase the publication. (This regulatory exception has been largely subsumed by a broader statutory provision concerning communications by an organization to its members. See the last bullet, below.)
- A payment for a debate or other forum in which the proponent of a ballot measure and at least one opponent, or their respective representatives, are invited to participate in equal numbers.
- A payment made by a bona fide service, social, business, trade, union, or professional organization or group for reasonable overhead expenses associated with the organization's regularly-scheduled meeting at which a candidate or an individual representing either side of a ballot measure speaks, if the organization pays no additional costs in connection with the speaker's attendance.
- A payment made by a candidate for a communication in support of or opposition to a ballot measure, if the communication features the endorsing candidate or clearly identifies him or her as the sponsor of the communication. This exception does not include a monetary contribution from a candidate or his or her controlled committee to a ballot measure committee.
- A payment by a sponsoring organization for the establishment and administration of a sponsored committee, provided such payments are reported. Any monetary payment made to the sponsored committee shall be made by separate instrument. "Establishment and administration" means the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, and other expenses incurred in setting up and running a sponsored committee.
- When a candidate requests someone else make a contribution to another candidate or committee not controlled by the candidate making the request, a contribution has not been made to the candidate making the request.
- Payments for communications to members, employees, shareholders, or families of members, employees, or shareholders of an organization for the purpose of supporting or opposing a candidate or a ballot measure, provided these payments are not made for general public advertising, such as broadcasting, billboards, and newspaper advertisements. Payments are reportable by the organization if made by the organization's sponsored committee.

Controlled Committee
(Section 82016)

If an officeholder, candidate, or state measure proponent exerts significant influence on the actions or decisions of a recipient committee, he or she controls the committee. In almost all cases, officeholders or candidates control the primary committee that is set up to support their officeholder or candidacy status. Committees can even be controlled indirectly through agents of candidates and officeholders.

Independent Expenditure
(Section 82031)

"Independent expenditure" means an expenditure made by any person in connection with a communication that expressly advocates the election or defeat of a clearly-identified candidate or the qualification, passage, or defeat of a clearly-identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election but which is not made to or at the behest of the affected candidate or committee.

Mass Mailing
(82041.5)

"Mass mailing" means over two hundred substantially similar pieces of mail, but does not include a form letter or other mail that is sent in response to an unsolicited request, letter, or other inquiry.

Measure
(82043)

"Measure" means any constitutional amendment or other proposition that is submitted to a popular vote at an election by action of a legislative body, or which is submitted or intended to be submitted to a popular vote at an election by initiative, referendum, or recall procedure, whether or not it qualifies for the ballot.

Payment
(82044)

"Payment" means a payment, distribution, transfer, loan, advance, deposit, gift, or other rendering of money, property, services, or anything else of value, whether tangible or intangible.

Person
(Section 82047)

An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert.

Primarily Formed Committee
(Section 82047.5)

A recipient committee that is formed or exists primarily to support or oppose:

(a) A single candidate; or

(b) A single measure; or

(c) A group of specific candidates being voted upon in the same city, county, or multicounty election; or

(d) Two or more measures being voted upon in the same city, county, multicounty, or state election.

Also see the definition of "controlled committee," above. A primarily formed committee is one that is not controlled by the candidate or officeholder the committee supports.

Proponent
(Section 82047.6)

"Proponent of a state ballot measure" means "proponent" as defined in Section 9002 of the Elections Code. (See http://www.ss.ca.gov/elections/elections_resources.htm.)

Sponsored Committee

(Section 82048.7)

A recipient committee, other than a candidate controlled committee, which has one or more sponsors. Any person, except a candidate or other individual, may sponsor a committee. A person sponsors a committee if any of the following apply:

(a) The committee receives 80 percent or more of its contributions from the person or its members, officers, employees, or shareholders.

(b) The person collects contributions for the committee by use of payroll deductions or dues from its members, officers, or employees.

(c) The person, alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee.

(d) The person, alone or in combination with other organizations, sets the policies for soliciting contributions or making expenditures of committee funds.

Elections Code Sections

18320

(a) This act shall be known and may be cited as the "California Political Cyberfraud Abatement Act."

(b) It is unlawful for a person, with intent to mislead, deceive, or defraud, to commit an act of political cyberfraud.

(c) As used in this section:

1) "Political cyberfraud" means a knowing and willful act concerning a political Web site that is committed with the intent to deny a person access to a political Web site, deny a person the opportunity to register a domain name for a political Web site, or cause a person reasonably to believe that a political Web site has been posted by a person other than the person who posted the Web site, and would cause a reasonable person, after reading the Web site, to believe the site actually represents the views of the proponent or opponent of a ballot measure. Political cyberfraud includes, but is not limited to, any of the following acts:

A) Intentionally diverting or redirecting access to a political Web site to another person's Web site by the use of a similar domain name, meta-tags, or other electronic measures.

B) Intentionally preventing or denying exit from a political Web site by the use of frames, hyperlinks, mousetrapping, popup screens, or other electronic measures.

C) Registering a domain name that is similar to another domain name for a political Web site.

D) Intentionally preventing the use of a domain name for a political Web site by registering and holding the domain name or by reselling it to another with the intent of preventing its use, or both.

2) "Domain name" means any alphanumeric designation that is registered with or assigned by any domain name registrar, domain name registry, or other domain registration authority as part of an electronic address on the Internet.

3) "Political Web site" means a Web site that urges or appears to urge the support or opposition of a ballot measure.

18650

No one shall knowingly or willfully permit the list of signatures on an initiative, referendum, or recall petition to be used for any purpose other than qualification of the initiative or referendum measure or recall question for the ballot, except as provided in Section 6253.5 of the Government Code. Violation of this section is a misdemeanor.

18680

Every person who is entrusted with money or things of value for the purpose of promoting or defeating any initiative, referendum, or recall petition or any measure that has qualified for the ballot is a trustee of the money or things of value. If a person wrongfully appropriates the money or things of value to any use or purpose not in the due and lawful execution of the trust, the person shall be punishable by a fine not exceeding five thousand dollars ($5,000), or by imprisonment in the state prison for 16 months or two or three years or in a county jail not exceeding one year, or by both the fine and imprisonment. The following expenses are within the due and lawful execution of the trust:

(a) Securing signatures to initiative, referendum, or recall petitions.

(b) Circulating initiative, referendum, or recall petitions.

(c) Holding and conducting public meetings.

(d) Printing and circulating prior to an election:

  (1) Specimen ballots.

  (2) Handbills.

  (3) Cards.

  (4) Other papers.

(e) Advertising.

(f) Postage.

(g) Expressage.

(h) Telegraphing.

(i) Telephoning.

(j) All salaries and expenses of:

  (1) Campaign managers.

  (2) Lecturers.

  (3) Solicitors.

  (4) Agents.

  (5) All persons employed in transacting business at headquarters or branch offices, if the business transacted is related to promoting or defeating an initiative, referendum, or recall petition or any measure which has qualified for the ballot.

(k) Maintaining headquarters and branch offices.

(l) Renting of rooms for the transaction of the business of an association.

(m) Attorney's fees and other costs in connection with litigation where the litigation arises directly out of any of the following:

  (1) Activities related to promoting or defeating an initiative, referendum, or recall petition or any measure that has qualified for the ballot.

  (2) The enactment, by the initiative process, of any ordinance, charter amendment, statute, or constitutional amendment.

  (3) An election contest or recount.

  (4) A violation of state or local campaign, disclosure, or election laws.

The amendment of this section by adding subdivision (m) thereto, made at the 1991-92 Regular Session of the Legislature, does not constitute a change in, but is declaratory of, the existing law.

Expenses for food, clothing, shelter and other personal needs of the trustee are not within the due and lawful execution of the trust. However, expenses for travel and necessary accommodations for the trustee are within the due and lawful execution of the trust, if the travel and accommodations are related to promoting or defeating an initiative, referendum, or recall petition or any measure that has qualified for the ballot.

75 Ops. Cal. Atty. Gen. 29
(Opinion No. 91-504)

The California Attorney General has concluded that with respect to surplus campaign funds held by a statewide ballot measure committee after an election, the committee may (1) return the funds to contributors on a pro rata basis; (2) return the funds only to contributors of a specified minimum amount; (3) donate the funds to a nonprofit organization or a nonprofit, tax-exempt corporation; (4) contribute the funds to another ballot measure committee, to a candidate committee, or to a political party; (5) use the funds for educational or lobbying efforts with respect to the subject of the ballot measure, if the committee is established for purposes in addition to supporting the ballot measure; or (6) retain the funds for use in a future ballot measure campaign on the same or related subjects.

Appendix 2
About the Political Reform Act
How to Get Help

The Political Reform Act of 1974

The Political Reform Act (the "Act") was a voter-approved initiative on the 1974 primary election ballot. One of the major provisions of the Act requires the disclosure of campaign contributions and expenditures during elections.

The Fair Political Practices Commission

The Fair Political Practices Commission is the independent, nonpartisan state agency authorized to implement, interpret, and enforce the provisions of the Political Reform Act. The Commission is comprised of a full-time chair appointed by the Governor, and four part-time commissioners, one each appointed by the Controller, the Attorney General, the Secretary of State, and the Governor. Each serves a four-year term and no more than three members may be from the same political party. Commission staff members are divided into four divisions: Administration, Enforcement, Legal, and Technical Assistance.

Governing Statutes

The Political Reform Act is contained in Government Code sections 81000-91014.

Regulations

Regulations interpreting the Political Reform Act are located at Title 2, Division 6 of the California Code of Regulations, beginning at section 18000.

Opinions and Advice Letters

The Commission periodically issues opinions interpreting provisions of the Political Reform Act. The opinions are adopted at a public meeting, with opportunity for input from interested persons.

In addition, FPPC staff issues written advice letters as to the applicability of the Political Reform Act and regulations to a particular factual situation. See the FPPC publication "How Do I Get Advice From the FPPC?" available on our website.

FPPC staff does not provide advice by e-mail.

Obtaining Information from the FPPC

Write, call, or visit the FPPC to get copies of specific opinions and advice letters or to be put on our mailing lists.

Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814
(916) 322-5660 – Toll-free (866) 275-3772

Website

The Commission's website (www.fppc.ca.gov) contains a wealth of helpful information, including:

- The Political Reform Act and its corresponding regulations
- Notices of Commission meeting dates and agenda, supporting documentation for agenda items, and meeting summaries
- Forms required by the Act (also available at the FPPC's offices, the Secretary of State's offices, and many local clerks' offices)
- Manuals, fact sheets, and useful summaries of the law

- Schedules of upcoming seminars and educational workshops

Additional Campaign Manuals

Additional copies of this manual, and manuals for other types of campaign committees are available from the Commission, the Secretary of State, and many city clerks or county registrars. Manuals are available for:

- State Candidates and officeholders, and committees primarily formed to support/ oppose candidates
- Local Candidates and officeholders, and committees primarily formed to support/ oppose candidates
- General purpose recipient committees (including PACs, sponsored committees, political party committees, and county central committees)
- Ballot measure committees
- Major donor and independent expenditure committees
- Slate mailer organizations

Commission Bulletin

The Commission publishes a free bulletin. Information regarding enforcement cases, legislation and litigation updates, workshop announcements, Commission meeting summaries, campaign statement filing schedules, and advice letter summaries are regularly included. Persons interested in obtaining the Bulletin may contact the Commission to be placed on the e-mail Bulletin mailing list by sending an email request to jmatthews@fppc.ca.gov, or access the Bulletin via the website at www.fppc.ca.gov.

Computer Generated Statements

Interactive campaign forms may be found at the Commission's website at www.fppc.ca.gov.

In lieu of using official FPPC forms, candidates and committees may produce their own computer- generated forms using FPPC's format. If filers choose to produce their own form, they must obtain Commission approval before it may be filed. Approval will be granted on forms that contain all of the required information in a format substantially similar to the Commission's forms. If substantive changes are made to a previously-approved form, the amended form should be submitted for approval. Also, each January, the Commission should be contacted to determine if there have been changes to the disclosure statements that may require changes to computerized forms.

In addition, the Commission maintains a list of commercial software vendors who have received Commission approval for their software packages. Contact the Commission if you are interested in obtaining this list. The list is also available on the Commission's website (www.fppc.ca.gov).

Need Help Fast?

Assistance may be obtained regarding filing requirements, forms, or an upcoming issue by calling the Commission's Technical Assistance Division at (916) 322-5660, or toll-free at (866) 275-3772, ext. 2.

For even more information! The Commission periodically conducts educational workshops on various topics. Contact the Technical Assistance Division or the website to see if a workshop is coming to your area.

Obtaining Information Elsewhere

A subscription for regulations is available from:

Barclay's Law Publishing
P.O. Box 3066
South San Francisco, CA 94083
(800) 888-3600

Opinions and advice letters are available from these subscription services:

Westlaw (800) 328-9352
Database: "CA-ETH"
(Advice letters from 1986 to present)

Lexis-Nexis (800) 227-9597
Database: "CA Fair Political Practices Commission" under California Library
(Advice letters from 1990 to present)

Other Resources

The **Secretary of State**, **city clerks**, and **county clerks** or **registrars of voters** are the filing officers for campaign disclosure statements. Committee statements will be filed with the Secretary of State or a local clerk or registrar depending on whether the filer is a state committee or a local committee.

Secretary of State

The **Secretary of State** is also responsible for issuing campaign committee identification numbers. Contact that office regarding the availability and processing of ID numbers.

(916) 653-6224
(916) 653-5045 fax
www.ss.ca.gov

Federal Election Commission

The **Federal Election Commission** answers questions regarding federal elections and contributions to all candidates from national banks, national corporations, and foreign nationals.

(800) 424-9530 (located in Washington, D.C.)
www.fec.gov

Franchise Tax Board

The Franchise Tax Board is responsible for responding to questions regarding tax status, tax-deductibility of political contributions, 501 (c)(3) groups, audits, or any tax-related questions.

(800) 852-5711 or (800) 338-0505
www.ftb.ca.gov

Internal Revenue Service

The **Internal Revenue Service** provides assistance regarding federal tax laws and obtaining a taxpayer identification number.

(877) 829-5500 (located in Washington, D.C.)
(800) 829-3676 (taxpayer ID number)
www.irs.gov

Federal Communications Commission

The **Federal Communications Commission** can answer questions regarding rates for purchasing broadcast time and equal access to broadcast media.

(888) 225-5322 or (202) 418-1440 (located in Washington, D.C.)
www.fcc.gov
email: campaignlaw@fcc.gov

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code sections 81000-91014 and California Code of Regulations sections 18109-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal, or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice, please contact the FPPC at:

Technical Assistance Division
428 J Street, Suite 620
Sacramento, CA 95814
(916) 322-5660

Campaign statements are filed with the Secretary of State and city and county filing officers, depending upon the type of committee filing. (See Chapter 6.)

Enforcement

The Fair Political Practices Commission, the Attorney General, county district attorneys, and elected city attorneys of charter cities have enforcement authority under the Act.

Failure to provide all or any part of the information required by the Political Reform Act is a violation subject to:

- An administrative enforcement proceeding before the Fair Political Practices Commission;
- A criminal misdemeanor proceeding;
- A civil action; and
- Levying of late penalties by filing officers.

Penalties up to $5,000 per violation may be imposed for not filing campaign statements.

Additional information on the Commission's enforcement procedures is available on the website at www.fppc.ca.gov. In addition, the Commission maintains a toll-free number for reporting suspected violations of the Political Reform Act. The number is (800) 561-1861.

State of California

Fair Political Practices Commission

How To Contact Us:

By mail:
Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814

Internet:
www.fppc.ca.gov

By telephone:
Toll-free advice line:
1-866-ASK-FPPC
(1-866-275-3772)
Regular line: 1-916-322-5660
Enforcement hot-line: 1-800-561-1861