General Purpose Committees

Campaign Disclosure Manual 4

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Introduction

Purpose of this Manual

The Political Reform Act (Act) was a ballot initiative passed by California voters in 1974. The main purpose of the Act is to ensure that political contributions and expenditures are disclosed in an accurate, timely, and transparent manner. Clear and accurate disclosure is essential for making voters aware of who is paying for political messages so they may evaluate the content and make informed decisions when voting.

This manual addresses campaign disclosure laws for general purpose committees, such as state and local political action committees (PACs) and state and county political party committees. Because expenditures made by general purpose committees are made to influence California elections, the Act requires committees to identify the true sources of contributions received by the committee and identify how the contributions are spent.

Since the Political Reform Act was approved by California voters, there have been more than 200 amendments to the Act's campaign disclosure provisions. This manual has been prepared to assist committees in complying with the Act's numerous and often detailed rules. The manual is written in a "user friendly" format so that committees have a resource guide. Each chapter provides a list of statutes and regulations that provide authority for the information in that chapter. The statutes and regulations may be accessed on the FPPC website.

In addition, federal and state tax laws and other rules may also apply. The Appendix contains telephone numbers and website addresses for the Federal Election Commission, the Internal Revenue Service, the California Franchise Tax Board, and the Federal Communications Commission.

The Act does not apply to elections for federal office, including the Office of the President and Vice President, or to seats in the U.S. House of Representatives or U.S. Senate. Committees that make contributions or independent expenditures in connection with a federal election should contact the Federal Election Commission (FEC) to determine their reporting obligations.

Controlling Law

This manual summarizes key campaign disclosure laws and regulations and draws from years of FPPC staff advice on complying with the Act's campaign disclosure laws. Each committee's activity 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 (FPPC) provides advice by email and through a toll-free telephone advice line. The FPPC does not provide third party advice or advice on past conduct. The FPPC website (www.fppc.ca.gov) contains forms, manuals, and a wealth of other helpful information.

Email Advice	Telephone Advice
advice@fppc.ca.gov	1-866-ASK FPPC (1-866-275-3772)

What is a General Purpose Committee?

A general purpose recipient committee receives contributions to use for political purposes, such as making contributions or independent expenditures to support or oppose candidates and ballot measures, or making contributions to political parties and other state and local campaign committees. This chapter discusses the various types of general purpose recipient committees.

The Political Reform Act ("Act") requires campaign committees, including general purpose recipient committees, to disclose the sources of contributions received and identify how the contributions are spent.

The reporting requirements in the Act apply to all state and local campaign committees. A federal committee must also comply with the Act's reporting requirements when it makes contributions or independent expenditures in connection with California candidates and committees.

The Fair Political Practices Commission ("FPPC") develops the required campaign forms and disclosure manuals and provides reporting advice. All campaign reports are public documents and many are available on the Internet.

All general purpose recipient committees must file a registration form (Form 410, Statement of Organization) with the Secretary of State. The Form 410 is discussed in Chapter 2. Depending on the committee's activity, additional campaign disclosure forms are filed with the Secretary of State and/or with the city clerk or county elections office. A committee that makes independent expenditures must also file a verification report (Form 462) with the FPPC. Committees are subject to late filing penalties by filing officers. In addition, the FPPC's Enforcement Division may fine a committee up to $5,000 per violation.

Quick Tip!

It is the treasurer's responsibility to ensure the committee is filing its reports in the appropriate jurisdiction.

General Purpose Ballot Measure Committees

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. Typically, a general purpose ballot measure committee (also known as an "issues" committee) is one whose purpose is related to a specific issue and the committee will make contributions or independent expenditures in connection with elections that have a measure on the ballot related to that issue. General purpose ballot measure committees should use Campaign Disclosure Manual 3 for guidance.

Multipurpose Organizations

Some organizations that are established for purposes other than making contributions or independent expenditures may, at times, make political expenditures. Depending on the amount of the expenditure(s) and several other factors, the organization may be required to register as a recipient committee (either a general purpose committee or a primarily formed committee) and file campaign reports disclosing donors whose funds were used for political purposes. If the organization qualifies as a general purpose committee, this manual should be used for guidance. If the organization qualifies as a committee primarily formed to support or oppose a ballot measure, Campaign Disclosure Manual 3 should be used for guidance. See Chapter 15 for additional information about multipurpose organizations (including nonprofits and federal and out-of-state PACs) qualifying as recipient committees.

Quick Tip!

A multipurpose organization that qualifies as a recipient committee (as described in Chapter 15) will qualify as a general purpose committee or a primarily formed committee. When making the determination as to which type of committee they qualify as, the organization includes only its payments made for contributions and independent expenditures in California.

A. Qualifying as a General Purpose Recipient Committee

A general purpose recipient committee is formed when an individual or group receives contributions totaling $2,000 or more in a calendar year for the purpose of supporting or opposing one or more state or local candidates or ballot measures or to make contributions to other political committees (e.g., a political party).

Chapter 4 discusses the term "contribution" and addresses common types of reportable contributions, as well as specific exceptions to the definition of contribution.

A general purpose committee often shares a common affiliation among its contributors and makes political expenditures to further the group's goals. A general purpose committee is often referred to as a political action committee (PAC). Some of these committees are sponsored by an entity or organization, such as a labor union or trade association or a business entity. A separate bank account is typically maintained to receive contributions and make political expenditures.

A general purpose committee is usually ongoing in nature and supports (or opposes) a variety of candidates and ballot measures over the course of several years. Political party committees, general purpose ballot measure or "issues" committees, and small contributor committees are also types of general purpose recipient committees.

Quick Tip!

A business entity or individual that makes all political expenditures from business funds or personal funds will not qualify as a general purpose recipient committee, but may qualify as a major donor or independent expenditure committee. (See Campaign Disclosure Manuals 5 and 6.)

A general purpose committee is also formed when two or more individuals or entities make separate expenditures for a single product or service that supports or opposes one or more candidates or ballot measures and the total cost of the product or service is $2,000 or more. For example, two individuals each pay $1,250 for an advertisement in the local newspaper. The advertisement expressly opposes a county ballot measure and two state candidates. Since the total cost is $2,500, the individuals who paid for the advertisement qualify as a general purpose recipient committee.

This manual addresses the reporting requirements for committees that make payments in connection with ballot measures, candidates and other committees. A committee that makes payments only in connection with ballot measures should refer to Campaign Disclosure Manual 3 (Ballot Measure Committees).

Multipurpose Organizations

Like other recipient committees, a multipurpose organization that qualifies as a recipient committee will be considered a general purpose committee or a primarily formed committee. When making the determination as to which type of committee they qualify as, the organization counts only its payments made for contributions and independent expenditures in California. For example, if a multipurpose

organization pays $100,000 to oppose a county ballot measure and does not plan to spend any more of its funds for political purposes, the organization will qualify as a committee primarily formed to oppose a ballot measure. In this case, the organization should use Campaign Disclosure Manual 3 for guidance.

On the other hand, a multipurpose organization that makes an independent expenditure to oppose a state ballot measure and makes contributions to several state and local candidates will qualify as a general purpose committee and should use this manual for guidance. See Chapter 15 for additional information about multipurpose organizations (including nonprofits and federal and out-of-state PACs) qualifying as recipient committees.

Ex 1.1 –The local police officers' union established a bank account into which $5 from each member's monthly membership dues is deposited for political purposes, such as making contributions to candidates and ballot measure committees that support police officer goals. When $2,000 or more is received, a recipient committee is formed and, since it will be supporting (or in some cases opposing) a number of different candidates or measures in several neighboring cities, it is a general purpose recipient committee.

B. Determining if the Committee is Primarily Formed or General Purpose

The Act sets out different requirements for different types of committees. A committee that makes contributions and/or independent expenditures in connection with candidates and ballot measures will qualify as either a general purpose committee or a primarily formed committee.

A committee is **primarily formed** if:

- The committee is formed or exists to support or oppose a single state or local candidate;
- The committee is formed or exists to support or oppose a group of specific local candidates on the same ballot;
- The committee is formed or exists to support or oppose a single ballot measure or two or more measures being voted on in the same election; or
- The committee makes more than 70 percent of its total contributions and expenditures to support or oppose a single candidate or a group of specific local candidates on the same ballot, or to support or oppose a single measure or two or more measures being voted on in the same election.

A **general purpose** committee is formed or exists to support or oppose more than one candidate or ballot measure, unless it meets the definition of primarily formed. As discussed earlier, a general purpose committee is usually ongoing in nature and supports or opposes a variety of candidates and ballot measures.

A primarily formed committee has different reporting rules and advertisement disclaimer requirements than a general purpose committee. For example, a primarily formed committee must file 24-hour reports (Form 497) when the committee receives contributions of $1,000 or more during the 90 days before an election, or on the date of the election. General purpose committees, other than political parties, do not have to file these 24-hour reports when contributions are received.

Reviewing Committee Type Status

Committee treasurers must review the committee's expenditures to ensure that the committee is filing as the correct committee type. A general purpose committee may become a primarily formed committee if its activity is focused on a specific candidate(s) or ballot measure(s).

Existing Committees. A general purpose committee that has reason to know the committee is close to qualifying as a primarily formed committee because its activity is focused on a specific candidate(s) or measure(s) must review its activity to make that determination at the end of March, June, September, and December.

New Committees. A committee that is formed within six months of a statewide regular primary or general election, or within 30 days of a state special election, is presumed to be primarily formed if the committee makes at least $25,000 in independent expenditures to support or a oppose a state candidate or state measure listed on that ballot. The presumption may be rebutted under certain circumstances.

Any other committee that is formed within six months of an election in connection with which the committee makes contributions and expenditures must review its activity to determine if it is primarily formed at the end of each month before the election. The review is not required if the committee has not made contributions and/or expenditures of $1,000 or more to support oppose candidates or measures during that month.

For purposes of determining whether it is primarily formed, a committee must count contributions and expenditures made to support or oppose candidates or measures during whichever of the following time periods most accurately reflects the current and upcoming activities of the committee:

(A) The immediately preceding 24 months; or

(B) The current two-year period, beginning with January 1 of an odd-numbered year and ending with December 31 of the following even-numbered year.

Changing Committee Status from General Purpose to Primarily Formed

If an existing general purpose committee determines that it meets the primarily formed threshold, it must change its committee status to primarily formed if it has also:

- Made contributions and/or expenditures of at least $100,000 to support or oppose a state candidate or measure; or
- Made contributions and/or expenditures of at least $10,000 to support or oppose a local candidate or measure.

A committee may not knowingly file as an incorrect type of committee with the intention of avoiding the appropriate legal disclosure of campaign contributions and expenditures to the public. (See Regulation 18247.5 for additional information.)

Ex 1.2 – Over the course of many years, a trade association collects $50 per year from its members for the purpose of supporting a variety of state and local candidates. Beginning in January of an odd-numbered year, a state ballot measure is proposed that the association supports. The association spends all of its political funds qualifying the measure and raises additional funds to support the measure. If the association spends at least $100,000 on the state ballot measure and those contributions/expenditures represent 70 percent or more of the committee's activities, the general purpose committee will qualify as a primarily formed ballot measure committee. The committee must assess its activities at the end of each calendar quarter.

C. Sponsored Committees

Many general purpose committees are sponsored by one or more entities. Some common types of sponsors include:

- Trade and professional associations
- Labor unions
- Businesses
- Community associations
- Nonprofit organizations

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

- The committee receives 80 percent 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 soliciting contributions or making expenditures from committee funds.

Quick Tip!

An individual (including a candidate) may not sponsor a committee.

Ex 1.3 –Two membership organizations that support environmental projects along the California coast ask their members to contribute to an account that will be used to support or oppose various ballot measures addressing coastline projects. Both membership organizations share in the policy decisions; therefore, the committee is sponsored by both organizations.

Ex 1.4 –Members of a trade association designate 10 percent of their annual dues to an account for the purpose of making political expenditures to various candidates and measures that support the association's programs. The trade association qualified as a general purpose committee once it received $2,000 or more in a calendar year and the association is the committee's sponsor.

Sponsored Committee — Name Requirements

The name of a sponsored committee must include the name of the sponsor. If a sponsored committee has more than one sponsor and the sponsors are members of an industry or other identifiable group, the name of the committee must include a term identifying that industry or group.

Ex 1.5 –The Bay Area Firefighters' Union, Local 649, has a sponsored committee; its contributions come from the union members by payroll deductions. Examples of acceptable names for the committee are: "Bay Area Firefighters' Union, Local 649, Political Action Committee" or "Bay Area Firefighters Local 649 Political Fund."

Ex 1.6 –Several lumber mills in Northern California have decided to form a committee to support or oppose local candidates and ballot measures. While one mill will provide the administrative support for the committee, all the mills will provide the committee with contributions through payroll deductions from their employees. Since the committee has more than one sponsor, the specific names of the lumber mills are not required. Examples of acceptable names for the committee are: "Northern California Lumber Mills Political Action Committee" or "Lumber Industry of Northern California Political Action Committee."

Sponsor as a Committee

If a sponsor makes contributions to candidates or other committees out of general funds, it may become a separate committee. However, if the sponsor meets all of the following criteria, it may report on its sponsored committee's forms but is still required to disclose contributors at $100.

- The sponsor does not directly or indirectly make independent expenditures totaling $1,000 or more or receive contributions totaling $2,000 or more in contributions during a calendar year, other than in support of its sponsored committee.

- The sponsored committee reports all contributions and expenditures made in support of the committee by the sponsor, its intermediate units, and the members of such entities.

Ex 1.7 –The California Professional Skydivers' Association established a general purpose committee. Most members submit one check to the association for their association dues and PAC payment. On a monthly basis, the Association transfers an amount representing the allocated contributions to the PAC. Although the Association received the funds in its membership account before transferring the funds to the PAC, the Association does not qualify as a separate recipient committee as long as the PAC reports all the contributions, identifies the Association as the intermediary for the contributions, and a responsible officer of the association signs the PAC's campaign statements.

- The sponsored committee reports the sponsor as an intermediary if the sponsor provides the committee with $100 or more in contributions from members, regardless of whether any member contributes $100 or more.

- A responsible officer of the sponsor, as well as the treasurer of the sponsored committee, verifies the committee's campaign statements.

If a sponsor is a membership organization that makes all of its contributions and expenditures from funds derived from dues, assessments, fees and similar payments that do not exceed $10,000 per calendar year from a single source, it may report its contributions and expenditures made from general funds on its committee's campaign statement. The sponsor must use the "last in, first out" (LIFO) accounting method to identify contributors and must itemize contributors that have donated **$1,000 or more** to the general fund since July 1, 2014. If these contributors do not account for the full balance of the organization's expenditures, the organization must identify itself as a contributor of the remaining balance.

Quick Tip!

A membership organization that is the sponsor of a committee may be required to register as a separate recipient committee if it receives payments of $10,000 or more in a calendar year from a single source. (See Chapter 15 for additional information.)

Sponsor with Multiple Committees

The Act permits a sponsor to form more than one committee. For example, a sponsor may have a committee dedicated to ballot measure efforts, a small contributor committee, a committee for state candidates, a committee for local candidates, and a committee that only makes independent expenditures.

Receiving Contributions: A donor is not required to aggregate contributions to each of the sponsor's committees because contribution limits are specific to each committee. A donor may contribute the maximum (if applicable) to each of the sponsor's separate committees. For example, a donor may make a contribution of $200 to the small contributor committee, $7,000 to the committee formed for state candidates, and an unlimited amount to the committee formed only to support or oppose ballot measures.

Making Contributions: When a sponsor has more than one committee and the contributions made are directed and controlled by a majority of the same persons, the contributions must be aggregated. For example, if a sponsor's state general purpose recipient committee made a contribution of $4,100 to a state candidate for legislative office, the sponsor's small contributor committee could only contribute $4,700 since the limit from a small contributor committee is $8,800 and the contributions must be aggregated.

Note: Refer to Chapter 5 for information about state contribution limits. The examples above reflect the contribution limits for the period of January 1, 2017 through December 31, 2018. Contribution limits may be adjusted every two years based on changes in the Consumer Price Index.

D. Other Types of General Purpose Committees

Political Party Committees

Political party committees are a type of general purpose committee and include state central committees and county central committees of organizations that meet the requirements for recognition as a political party under Section 5100 of the Elections Code. Local political clubs are not considered political parties under the Act even if they are chartered by a county central committee of a recognized political party. Such clubs often qualify as general purpose committees.

General Purpose Ballot Measure Committees

A general purpose ballot measure committee is a committee formed for ballot measures in more than one jurisdiction or more than one election. These are sometimes referred to as "issues" committees. A general purpose ballot measure committee should use Campaign Disclosure Manual 3 for reporting guidance.

Candidate Controlled Ballot Measure Committees

When a candidate for elective office, including an officeholder, exerts significant influence on the actions or decisions of a committee, it is considered a "controlled committee." Committees can also be controlled indirectly through agents of candidates and officeholders. Although candidates and elected officeholders may not control a general purpose committee that makes contributions or independent expenditures to support or oppose other candidates, they may control a general purpose committee formed solely to support or oppose ballot measures. Controlled committees for ballot measures should use Campaign Disclosure Manual 3 for reporting guidance.

Small Contributor Committees

A small contributor committee may contribute to state candidates at a higher limit than other general purpose committees, other than political party committees. A recipient committee qualifies as a small contributor committee if it meets all of the following criteria:

- The committee has been in existence for at least six months;
- The committee has received contributions from 100 or more persons within the previous 36 months;
- The committee's campaign funds do not include any contributions that exceed $200 per person per calendar year;
- The committee makes contributions of $25 or more each to five or more candidates every 36 months.

If an existing general purpose committee wants to become a small contributor committee, it may transfer funds received in excess of $200 per contributor to a new committee. Assuming that the old committee meets the other requirements listed above, it would then qualify as a small contributor committee.

After the committee amends its Statement of Organization (Form 410) to reflect this status, it would be eligible to make contributions to state candidates as a small contributor committee. (See the contribution limits chart on the FPPC website.) If a contribution of more than $200 is received in a calendar year from a single contributor, it must be deposited into the new general purpose committee. At that point, up to $200 of that contribution may be transferred to the small contributor committee.

E. Jurisdiction: State, County, or City General Purpose Committees

Depending on the activity of a general purpose committee, it will be considered a state, county, or city committee. This is important as the designation determines where the committee will file its reports. General purpose committees making contributions to state candidates are subject to contribution limits as discussed in Chapter 5. County and city general purpose committees should check with the local jurisdiction to determine if contribution limits and other restrictions may apply. The standards to determine the filing jurisdiction for a general purpose committee are summarized below.

Quick Tip!

It is the treasurer's responsibility to ensure that the committee is filing its reports in the appropriate jurisdiction.

- **State.** A state committee makes contributions or expenditures to support or oppose candidates or measures voted on in state elections, or in more than one county; it does not make more than 70 percent of its contributions or expenditures in a single local jurisdiction. State contributions include contributions to other state general purpose committees. All political party committees (including county central committees) are state committees.

- **County.** A county committee makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in a single county, or in more than one jurisdiction within a single county. This includes contributions to other general purpose committees in the same county.

- **City.** A city committee makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in a single city, or in one consolidated city and county. This includes contributions to other city general purpose committees in the same city.

Exception: A city or county committee may make up to four contributions in a calendar year to candidates for elective state office whose districts are within the same jurisdiction without being required to change its status to a state committee.

Reviewing the Committee's Filing Jurisdiction Status

The Commission favors more electronic disclosure at the state level, so many general purpose committees will default to state committees. But, a general purpose committee that makes expenditures in both state and local elections is required to periodically review its contributions and independent expenditures made to support or oppose candidates and measures.

A committee that has made contributions or expenditures of $5,000 or more during a quarter must review its activity at the end of March, June, September and December to determine if the committee is filing reports in the appropriate jurisdiction. During the first six months, a new committee must check its jurisdictional status each month the committee makes contributions or expenditures of $1,000 or more.

To determine where the committee must file its campaign reports, the committee must count contributions and expenditures made during whichever of the following time periods most accurately reflects the committee's current and upcoming activity:

- The immediately preceding 24 months; or

- The current two-year period, beginning with January 1 of an odd-numbered year and ending with December 31 of the following even-numbered year.

Over 150 cities and counties have adopted campaign ordinances. The Act requires committees that primarily spend their funds on a particular local election to be subject to the same rules as a local committee formed for a specific local election.

A committee may not knowingly file in an incorrect jurisdiction with the intention of avoiding the appropriate legal disclosure of campaign contributions and expenditures to the public.

Filing Locations for Committees that Change Jurisdiction

A committee that changes its filing jurisdiction must file campaign reports in both jurisdictions through the end of the calendar year. Committees use the date of the filing to determine where copies must be filed.

For example, a city committee that reviews its activity and qualifies as a county committee in June must file its original semi-annual statement due by July 31 with the county and a copy with the city. This committee would not file a copy of its next semi-annual statement due by January 31 (in the subsequent calendar year) with the city.

In another example, a city committee that filed its January 31 semi-annual statement with the city but later that year qualified as a state committee must file all of its subsequent original statements (and one copy) with the Secretary of State and a copy with the city through December 31 of that calendar year.

Note: A committee that files electronically with the Secretary of State is not required to file reports with other filing officers, unless the committee is controlled by a state candidate and is formed for a local candidate or local ballot measure election. See Government Code Section 82016 for the definition of "controlled committee."

Ex 1.8 –In 2013 and 2014, a state general purpose committee's only payments were contributions to state candidate committees that totaled $5,000 each year. In January 2015, the committee makes a $200,000 contribution to a local ballot measure committee. On or before April 10, 2015, the committee must amend its Form 410 to indicate it is now a local committee; the committee may also need to re-register as a primarily formed committee.

Ex 1.9 –In 2014, a state general purpose committee's only payments were contributions to state candidate committees that totaled $50,000. In 2015, the committee makes a $2,000 contribution to a local ballot measure committee. The committee remains a state committee.

Quick Tip!

When accounting for contributions made, include contributions made to other general purpose committees, not just candidates or ballot measure committees.

F. Committees Qualifying as Slate Mailer Organizations

A general purpose committee may also qualify as a slate mailer organization and, therefore, incur additional filing obligations. A general purpose committee that meets the following criteria is also a slate mailer organization:

- 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

- It receives or is promised payments that total $500 or more in a calendar year for the production of one or more slate mailers.

A slate mailer is a mass mailing (more than 200 substantially similar pieces of mail) that supports or opposes a total of **four or more** candidates or ballot measures.

Payments earmarked for the purpose of listing candidates or ballot measure committees on a slate mailer are not contributions to the committee although the payments count toward qualification as a slate mailer organization. See Campaign Disclosure Manual 7 for additional information about slate mailer organizations, including the required disclaimers that must be included on slate mailers.

This manual cannot address all the methods by which general purpose committees solicit funds for political purposes, but the FPPC may be contacted for guidance with specific questions.

Quick Tip!

If a general purpose committee also qualifies as a slate mailer organization, additional reporting obligations will apply.

Ex 1.10 –The San Francisco Greens, a general purpose committee, has solicited candidates and ballot measure committees to appear on a slate mailer the committee will produce and distribute to San Francisco voters. Nine different candidates pay $1,500 for their appearance on the slate mailer. The committee has now also qualified as a slate mailer organization.

Answering Your Questions

A. May a candidate or an elected official form a general purpose committee for the purpose of making contributions to other candidates?

No. The "one bank account rule" requires that campaign funds raised and spent by a candidate must be deposited in a campaign bank account established for a particular office and election. But, candidates and elected officials may control a primarily formed or general purpose ballot measure committee. See Campaign Disclosure Manual 3.

B. A trade association is establishing a sponsored general purpose committee. May a city council member, who is also a member of the trade association, participate in decisions regarding which candidates will receive contributions?

A general purpose committee cannot be both controlled and sponsored. A committee that has a candidate or an elected officer making decisions for the committee is a controlled committee. A candidate or elected officer may not participate in decisions regarding contributions to other candidates unless the committee is designated as the candidate's controlled committee for elective office.

C. May a city councilmember serve on the board of a general purpose committee without the committee becoming a controlled committee of the elected official?

An elected official may have some limited involvement in a committee, but may not exert "significant influence" over the committee's activities. FPPC staff can assist in the determination as long as the candidate's total involvement with the committee is described. Such determinations are analyzed on a case by case basis.

Authority

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

Government Code Sections

82007	Candidate.
82008	City.
82013	Committee.
82015	Contribution.
82016	Controlled Committee.
82017	County.
82025	Expenditure.
82027.5	General Purpose Committee.
82031	Independent Expenditure.
82041.5	Mass Mailing.
82043	Measure.
82044	Payment.
82047	Person.
82047.5	Primarily Formed Committee.
82048.3	Slate Mailer.
82048.4	Slate Mailer Organization.
82048.7	Sponsored Committee.
82050	State Candidate.
82051	State Measure.
84101	Statement of Organization; Filing.
84102	Statement of Organization; Contents.
84103	Statement of Organization; Amendment.
84215	Campaign Reports and Statements; Where to File.
84222	Multipurpose Organizations.
84605	Who Shall File Online.
85203	Small Contributor Committee.
85205	Political Party Committee.

Title 2 Regulations

18215	Contribution.
18225	Expenditure.
18227.5	General Purpose Committees: State, County or City.
18247.5	Primarily Formed and General Purpose Committees.
18419	Sponsored Committees.
18421.8	Reporting an Expenditure by a Candidate Controlled General Purpose Ballot Measure Committee.
18422	Nonprofit and Multipurpose Organization Political Activity Transparency.
18503	Small Contributor Committees.
18521.5	Ballot Measure Committees Controlled by Candidates for Elective State Office.

Statement of Organization (Form 410)

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

As explained in Chapter 1, a group or entity qualifies as a recipient committee when contributions of $2,000 or more are received. A recipient committee is required to file a Statement of Organization (Form 410), which provides the public with information about the purpose of the committee and identifies the committee's treasurer and principal officer(s). The Form 410 is also required to be filed in order to terminate the committee. This chapter describes how to complete and file the Form 410.

A. Annual Committee Fees

All committees that file a Form 410 must pay a $50 fee to the Secretary of State no later than 15 days after the Form 410 is filed. Committees must pay the fee annually by January 15 until the committee terminates. A committee that fails to timely pay the fee is subject to a penalty of $150 (in addition to the $50 fee). A committee that does not pay the fee and the penalty will be referred to the FPPC's Enforcement Division.

Exception: A committee that is created and pays the initial $50 fee in the last three months of a calendar year is not subject to the annual fee in the subsequent year.

Quick Tip

The committee ID number is generally assigned within 7 – 10 days after the Secretary of State's office receives the Form 410.

B. Committee ID Number

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 campaign forms. After filing the Form 410, the committee ID number may be obtained from the Cal-Access section of the Secretary of State's website. Contact the Secretary of State's office at (916) 653-6224 with any other questions about committee identification numbers.

Quick Tip

If a person or group qualifies as a committee within the 90 days before an election, or on the date of the election and the committee makes contributions of $1,000 or more to a candidate or ballot measure committee, the Form 497 (24-hour Contribution Report) must be filed. The Form 497 may be required before the committee ID number is assigned. See Chapter 10 for more information about the Form 497.

Statement of Organization
Recipient Committee

Date Stamp

CALIFORNIA FORM 410

For Official Use Only

A **Statement Type**

☑ **Initial** — Not yet qualified ☐ or — 03 / 12 / 20XX — Date qualified as committee

☐ **Amendment** — List I.D. number: # _____ — ___/___/___ Date qualified as committee (If applicable)

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

1. Committee Information

NAME OF COMMITTEE: CA Technology PAC, Sponsored by CA Technology Association

STREET ADDRESS (NO P.O. BOX): 1810 - 21st Street

CITY: Sacramento | STATE: CA | ZIP CODE: 95814 | AREA CODE/PHONE: (916)555-1640

MAILING ADDRESS (IF DIFFERENT): P.O. Box 558490, Sacramento, CA 95899

FAX / E-MAIL ADDRESS: (916) 555-1641 / lcooper@cclaw.com

COUNTY OF DOMICILE: Sacramento | JURISDICTION WHERE COMMITTEE IS ACTIVE: State

Attach additional information on appropriately labeled continuation sheets.

2. Treasurer and Other Principal Officers

NAME OF TREASURER: Leslie Cooper

STREET ADDRESS (NO P.O. BOX): 1810 - 21st Street

CITY: Sacramento | STATE: CA | ZIP CODE: 95814 | AREA CODE/PHONE: (916)555-1640

NAME OF ASSISTANT TREASURER, IF ANY: Tracy Chu

STREET ADDRESS (NO P.O. BOX): 1810 - 21st Street

CITY: Sacramento | STATE: CA | ZIP CODE: 95814 | AREA CODE/PHONE: (916)555-1640

NAME OF PRINCIPAL OFFICER(S): Corey Silva

STREET ADDRESS (NO P.O. BOX): 515 Hanson Way

CITY: Palo Alto | STATE: CA | ZIP CODE: 94303 | AREA CODE/PHONE: (650)555-4288

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 03/17/20XX (DATE) By [Signature Required] (SIGNATURE OF TREASURER OR ASSISTANT TREASURER)

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

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

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

FPPC Form 410 (Dec/2012)
FPPC Advice: advice@fppc.ca.gov (866/275-3772)
www.fppc.ca.gov

C. Completing the Statement of Organization (Form 410)

A Statement Type

Check the "Initial" box if this is the first filing and indicate the date on which the committee met the $2,000 committee qualification threshold or check the "Not Yet Qualified" box. If the "Not Yet Qualified" box is checked, an amended Form 410 must be filed within 10 days of reaching the $2,000 threshold to provide the date the committee qualified.

1 Committee Name

Provide the full name of the committee. A committee may use only one name.

Sponsored Committees: If the committee is sponsored, the full name of its sponsor must be included in the name of the committee. (See Chapter 1 for the definition of a sponsored committee.)

If the committee has more than one sponsor and the sponsors are members of an industry or some other identifiable group, the committee's name must include a term that identifies that industry or group (e.g., milk producers or police officers).

Committee Address

Provide the committee's street address and mailing address, if different. A post office box may be used as a mailing address. The committee may have more than one mailing address.

County of Domicile and Jurisdiction Where Committee is Active

Indicate the county in which the committee is located and the jurisdiction where the committee is active and must file its campaign statements (i.e., State, County of Sacramento, City of San Diego).

2 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 street addresses and phone numbers.

List the name of the principal officer(s) and his or her street address. If no individual other than the treasurer is a principal officer, the treasurer must be identified as both the treasurer and the principal officer. A principal officer is an individual that is responsible for the following type of activities:

- Authorizing the content of committee communications
- Authorizing expenditures
- Determining the committee's campaign strategy

If the committee has more than three principal officers, only three must be identified on the Form 410.

3 Verification

The treasurer or assistant treasurer must complete the verification. It is not considered filed if it is not signed. The principal officer is not required to sign the Form 410.

Bank Account

On page 2, enter the name and address of the financial institution where the committee's campaign bank is located, as well as the bank account number. If a committee has more than one bank account, only one account must be listed. If a bank account has not yet been opened at the time of filing an "Initial" Form 410, an amended Form 410 must be filed within ten days of opening the bank account to provide this information.

4 Type of Committee/Level of Activity

On page 3 of the Form 410, a general purpose committee must indicate the level of government at which the committee participates. A committee is classified as either a city, county, or state committee. If a committee does not qualify as a city or county committee, it is considered a state committee.

Quick Tip!

It is the treasurer's responsibility to ensure that the committee is filing its reports in the appropriate jurisdiction.

A **city general purpose committee** makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in only one city, or in one consolidated city and county, including contributions to city general purpose committees in the same city or the same consolidated city and county.

A **county general purpose committee** makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in only one county, or in more than one jurisdiction within one county, including contributions to county general purpose committees in the same county.

A **state general purpose committee** makes contributions or expenditures to support or oppose candidates or measures voted on in state elections, including making contributions to other state general purpose committees, or in more than one county, and does not meet the definition of city or county general purpose committee. A political party committee is also a state general purpose committee.

A general purpose committee is required to verify its filing jurisdiction at specified times. Chapter 1 includes a discussion about reviewing the committee's filing jurisdiction status, as well as examples of when a committee would be required to change its filing jurisdiction status.

Description of Activity

Provide a brief description of the committee's political activities such as whether it supports candidates or measures that share a common political affiliation.

Sponsored Committee

If the committee is sponsored, list the names and addresses of all sponsors and their industry group or affiliation. (See Chapter 1 for additional information about sponsored committees).

Small Contributor Committee

If the committee is a small contributor committee, check the box and enter the date the committee qualified as a small contributor committee. (See Chapter 1 for additional information about small contributor committees.)

Statement of Organization
Recipient Committee
INSTRUCTIONS ON REVERSE

CALIFORNIA FORM 410

COMMITTEE NAME: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER:

4

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

Support candidates and ballot measures favorable to technological advances

Sponsored Committee List additional sponsors on an attachment.

NAME OF SPONSOR	INDUSTRY GROUP OR AFFILIATION OF SPONSOR
CA Technology Association	Technological businesses

STREET ADDRESS NO. AND STREET	CITY	STATE	ZIP CODE
450 Mill Valley Way	Cupertino	CA	95015

Small Contributor Committee ☐ _____/_____/_____
Date qualified

5. Termination Requirements

By signing the verification, the treasurer, assistant treasurer and/or candidate, officeholder, or proponent certify that all of the following conditions have been met:

- This committee has ceased to receive contributions and make expenditures;
- This committee does not anticipate receiving contributions or making expenditures in the future;
- This committee has eliminated or has no intention or ability to discharge all debts, loans received, and other obligations;
- This committee has no surplus funds; and
- This committee has filed all campaign statements required by the Political Reform Act disclosing all reportable transactions.
  - -- There are restrictions on the disposition of surplus campaign funds held by elected officers who are leaving office and by defeated candidates. Refer to Government Code Section 89519.
  - -- Leftover funds of ballot measure committees may be used for political, legislative or governmental purposes under Government Code Sections 89511 - 89518, and are subject to Elections Code Section 18680 and FPPC Regulation 18521.5.

FPPC Form 410 (Dec/2012)
FPPC Advice: advice@fppc.ca.gov (866/275-3772)
www.fppc.ca.gov

D. When and Where to File the Form 410

Generally, the original and one copy of the Form 410 must be filed with the Secretary of State **within 10 days** of receiving contributions of $2,000 or more.

Send the Form 410 to:

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

In addition, if the committee is a county or city committee, a copy of the Form 410 must be filed with the county elections office or city clerk, respectively, within the same time frame. The Form 410 may be filed prior to raising $2,000, but then must be amended within 10 days to disclose the date the committee qualified.

Ex 2.1 – In January, a group of citizens filed a Form 410 prior to qualifying as a county general purpose committee. On February 10, they received a number of contributions totaling more than $2,000. By February 20, they must file an amended Form 410 with the Secretary of State (and a copy with the county elections office) showing the date the committee qualified.

24-Hour Deadline for the Form 410

In the following situations, the Form 410 must be filed **within 24 hours:**

- **90 days before an election.** If a committee qualifies in the 90 days prior to an election, or on the date of the election, in which the committee makes independent expenditures of $1,000 or more to support or oppose a candidate(s) in that election, the Form 410 must be filed **within 24 hours** of qualifying.
  - **Where to File:** With the filing officer who will receive the committee's original campaign statements and with the filing officer(s) for the candidate(s) supported or opposed by the independent expenditure(s).
  - **Method of Delivery:** By fax, guaranteed overnight delivery, personal delivery, or online (if online filing is available).
- **16 days before an election.** If a committee qualifies in the 16 days prior to an election in which it must file preelection statements, the Form 410 must be filed **within 24 hours** of qualifying.

Quick Tip

A group that qualifies as a committee in these situations may be a primarily formed committee, not a general purpose committee. See Chapter 1 for a discussion on committee types.

- **Where to File:** With the filing officer who will receive the committee's original campaign statements.

- **Method of Delivery:** By fax, guaranteed overnight delivery, personal delivery, or online (if online filing is available).

Note: If the 24-hour Form 410 is not required to be filed with the Secretary of State in the two situations above, an original Form 410 must be filed with the Secretary of State within 10 days (regular mail may be used).

E. Amendments to Form 410

Generally, if any information on the Form 410 changes, the committee must file an amendment **within 10 days** of the change. The amendment must be filed with the Secretary of State and a copy with the local filing officer, if applicable.

24-Hour Deadline for Amendments to the Form 410

If, during the last 16 days before the election, any of the following changes occur, the committee must file the amended information **within 24 hours** with the filing officer with whom the committee files its original campaign statements:

- The name of the committee
- The treasurer or other principal officer(s)
- Any candidate or state ballot measure proponent who controls the committee
- Any committee with which the committee acts jointly

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 (if online filing is available). The amendment must also be filed with the Secretary of State within 10 days (regular mail may be used) if the Secretary of State is not the filing officer with whom the committee files its original campaign statements.

Quick Tip

It is especially important to file an amendment as soon as possible if the committee has a new treasurer or principal officer(s) since the individuals listed on the most recently filed Form 410 are liable for the committee's activity.

F. Most Common Campaign Reports

The FPPC's website contains filing schedules for state and local elections that outline all campaign reports that may be required by a general purpose committee, as well as the deadlines for filing the reports. The most common campaign reports include:

- **90-Day Election Reports.** During the 90 days prior to an election, or on the date of the election, a general purpose committee is required to report certain contributions and independent expenditures made within 24 hours.
  - **Form 496 (24-hour Independent Expenditure Report).** Filed if an independent expenditure of $1,000 or more is made to support or oppose a candidate or ballot measure. (See Chapter 11 for additional information.)
  - **Form 497 (24-hour Contribution Report).** Filed if a contribution of $1,000 or more is made to a candidate, officeholder, or ballot measure committee, or to a political party committee during the 90 days before any state election, or on the date of the election. (See Chapter 10 for additional information.)
- **Form 460 (Recipient Committee Campaign Statement)**. The Form 460 is the campaign disclosure report that provides the public with an overview of the committee's activity, including money coming in and money going out. The Form 460 is generally filed as a semi-annual statement and a preelection statement. See Chapter 12 for additional information about when the Form 460 must be filed.

G. Terminating the Committee

There is no deadline by which a general purpose committee must terminate; however, the committee must continue to file reports until it terminates. There are specific requirements that must be met in order for a committee to 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.

A committee must file a Form 410 termination statement and a final Form 460 (Recipient Committee Campaign Statement) or Form 450 (Recipient Committee Campaign Statement - Short Form). On the Form 410, the "Termination" box must be checked. List the committee's identification number and the date of termination (the date of termination is generally the date all funds have been spent). Complete Section 1 and the treasurer or assistant treasurer must sign the verification.

Form 460 or Form 450 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.

File the original and a copy of the Form 410 with the Secretary of State. County and city committees must also file a copy with the local filing officer who receives the committee's original campaign statements. File Form 450 or Form 460 in the committee's regular filing locations.

Quick Tip

Some multipurpose organizations that qualify as recipient committees may automatically terminate at the end of the calendar year. See Chapter 15.

Answering Your Questions

A. Must we wait until $2,000 is received to file a Form 410?

No. You may file a Form 410 prior to committee qualification. Check the "Not Yet Qualified" box and file an amendment to report the date the committee qualifies.

B. May our committee use a mail receiving and forwarding service as the committee's street address on the Form 410?

No. Either the committee's street address or the treasurer's street address (home or business) must be provided. A post office box may be used as a mailing address.

C. The Association of Heating and Air Conditioning Manufacturers pays the administrative expenses for our committee and we receive some of our contributions from payroll deductions from the Heating and Air Conditioning Engineers, Local #233. May two organizations sponsor a committee? If so, must the names of both sponsors be in the name of the committee?

Yes. More than one organization may sponsor a committee. Since the sponsors are members of one industry or other identifiable group, a term identifying that industry or group may be used. In this case, an appropriate name for the committee could be "Heating and Air Conditioning Industry Political Action Committee."

D. During the calendar year, the committee changed status from a state committee to a city committee. Which filing officers receive the Form 410 amendment?

File the original Form 410 and a copy with the Secretary of State. File a copy with the city clerk's office.

E. During the calendar year, the committee changed status from a city committee to a state committee. Which filing officers receive the Form 410 amendment?

File the original Form 410 and a copy with the Secretary of State. Although not required, it is recommended that a copy is filed with the city's clerk's office so the city will not expect to receive future campaign statements.

F. Our political action committee has been registered for several years as a general purpose committee and has supported and opposed candidates and ballot 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?

Possibly. An existing committee that has reason to know it may qualify as a primarily formed committee must review its status on a quarterly basis to determine whether it is primarily formed. If, upon review, the committee determines that it has made more than 70 percent of its total contributions and expenditures to support the county ballot measure, it will be required to change its status from general purpose to primarily formed. (See Regulation 18247.5.)

Authority

The following Government Code sections and Title 2 Regulations provide authority for the 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.
82013	Committee.
82015	Contribution.
82027.5	General Purpose Committee.
82047.6	Principal Officer.
82048.7	Sponsored Committee.
84100	Treasurer.
84101	Statement of Organization; Filing.
84101.5	Annual Fees.
84102	Statement of Organization; Contents.
84103	Statement of Organization; Amendment.
84106	Sponsored Committee; Identification.
84214	Termination.
84215	Campaign Reports and Statements; Where to File.
85203	Small Contributor Committee.

Title 2 Regulations

18215	Contribution.
18247.5	Primarily Formed and General Purpose Committees.
18402	Committee Name.
18402.1	Principal Officers.
18404	Termination of Candidate's and Committees' Filing Requirements.
18410	Statement of Organization.
18419	Sponsored Committees.
18421.2	Street Address.
18426.1	Assistant Treasurer.
18427	Duties of Treasurers and Candidates with Respect to Campaign Statements.
18503	Small Contributor Committees.

Finance Rules

One of the fundamental purposes of the Political Reform Act (Act) is to ensure that receipts and expenditures in election campaigns are truthfully and fully disclosed. In order to do so, an individual who chooses to act as a committee treasurer, assistant treasurer, or principal officer must be familiar with the finance and recordkeeping requirements.

A. Committee Treasurer

Every committee must have a treasurer before the committee may accept contributions or make expenditures. Although there are no restrictions on who may be a treasurer, in order to adequately perform the duties, the treasurer must understand the campaign finance laws and the responsibilities of a committee treasurer. **No individual should accept the position of a committee treasurer as a mere figurehead.**

Contributions may not be accepted and expenditures may not be made if the treasurer's post is vacant at any time, even if the committee has an assistant treasurer (see below). If the treasurer is unavailable to carry out his or her duties, a new treasurer should be designated and the committee's Statement of Organization (Form 410) must be amended. **The individual listed on the most recent Form 410 filed with the Secretary of State continues to be liable until an amendment is filed to designate a new treasurer.**

The committee treasurer must sign and verify all reports and statements filed. The verification is signed under penalty of perjury and indicates that:

- The treasurer 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 treasurer 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 is subject to late fines.

Treasurer Responsibilities

In addition, a committee 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.
- 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 the statements and underlying records prepared by others.
- Correct any inaccuracies or omissions, and inquire about any information that would cause a person of reasonable prudence to question the accuracy of the campaign statements. 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 manner in which the contribution is recorded in the campaign records; and all other circumstances surrounding receipt of the contribution.

Quick Tip

Reconciling the committee's bank statement with the committee's records will ensure accuracy and make completing the campaign forms easier.

Assistant Treasurer

An assistant treasurer may be designated on the Statement of Organization (Form 410). 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.

Principal Officer

Government Code Section 84104 also lists principal officers as individuals who have the responsibility to maintain detailed accounts, records, bills and receipts necessary to prepare campaign statements.

B. Education and Assistance

The FPPC provides educational seminars and webinars for campaign treasurers. In addition, there are other instructive materials on the website. Treasurers may also request advice by email (advice@fppc.ca.gov), or by telephone (866-275-3772).

C. Committee Audits

While not all committees are chosen for an audit, all are potentially subject to one as the FPPC and the Franchise Tax Board (FTB) may perform discretionary audits, including preelection investigations and audits with respect to any reports or statements required by the Act. In addition, the FTB performs *mandatory* audits on general purpose committees that raise or spend more than $10,000 supporting or opposing state candidates or state measures during any calendar year. (An exception exists for committees that have been audited and found to be in substantial compliance with the Act. These committees will have a 25 percent chance of being audited in any given year.)

Quick Tip

The committee treasurer may be fined by the FPPC if all recordkeeping requirements are not met. Generally, violations of the Act are punishable by fines of up to $5,000 per violation.

D. Bank Accounts

In most cases, an entity or organization that establishes a general purpose committee will set up a separate bank account to receive contributions and make expenditures. **Contributions received by a committee may not be commingled with any individual's personal funds.**

A general purpose committee receiving contributions for the purpose of making contributions to state candidates **must** establish a separate bank account as the committee is subject to contribution limits. Chapter 5 sets forth the applicable contribution limits and includes a discussion about the required bank accounts ("all purpose" and "restricted use") for a general purpose committee that makes contributions to state candidates and also receives contributions over the state contribution limits for other purposes (such as making independent expenditures, or making contributions to local candidates or to state or local ballot measure committees). An organization may instead choose to establish *separate committees* to receive contributions in excess of the limits, such as an "issues" PAC for ballot measures.

Although a separate bank account is not required under the Act for other general purpose committees, it is strongly recommended that a separate bank account is established. It is the best way to ensure that the Act's recordkeeping requirements are met. Certain local jurisdictions may require a separate account, so local committees should check with the county or city. Committees are also encouraged to check with the Internal Revenue Service about federal laws that may require a separate bank account for certain campaign activity.

Employer Identification Number (EIN). Many financial institutions will require an employer identification number in order to open a bank account. The FPPC does not advise on or enforce tax issues. Filers should seek advice from a tax expert or contact the IRS (www.irs.gov).

E. Recordkeeping Requirements

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 Act and FPPC regulations outlined in this manual. While others may be involved, the treasurer 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, such as bank statements and other records reflecting account activity, for a period of four years from the date the campaign statement relating to the records was filed.

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

Ex 3.1 –The California General Contractors' PAC filed its first campaign statement on January 31, 2014. The records associated with completing that statement, such as receipts and information on contributors, must be retained until January 31, 2018.

Records of Contributions Received

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.

Date Received

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 online 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” by the committee when the committee has possession of the funds.

- A contributor makes a contribution by text message. The contribution is “received” by the committee on the date that the mobile fundraising vendor, acting as agent of the committee, obtains possession or control of the contribution.

- A contributor agrees to make contributions via installment payments by authorizing the committee to periodically charge his or her credit card or withdraw funds from his or her account. The contribution is “received” when the committee, or an agent of the committee, obtains possession or control of the funds for each installment payment. The contribution reported is only the amount of each installment payment when received. Installment payments scheduled to take place in the future, but not yet received, are not reportable.

A monetary contribution **collected by means of payroll deductions or membership dues** by a membership organization for its sponsored committee is “received” by the committee on the **earlier** of the following:

- The date the committee obtains actual possession or control of the contribution;

- Within 60 days after the receipt of the payment by the committee’s sponsor.

When contributions are collected by a sponsor through payroll deductions or membership dues, the sponsor is acting as an intermediary for the employees or members. The committee must itemize each individual employee or member whose money is transmitted to the committee if the individual's or member's contributions total $100 or more during a calendar year.

Ex 3.2 –A trade association collects its membership dues in January of each year. Members can voluntarily contribute funds to the association's sponsored PAC. Most members write one check for both the membership dues and the PAC contribution. On February 15, the trade association transfers all of the PAC contributions to the PAC bank account. Since the contributions are given to the sponsored PAC within 60 days of receipt, the PAC reports receipt of the contributions on February 15.

Receipts Under $25

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

Contributor Records

Contributions: $25 to $99.99

For each monetary or nonmonetary contribution or loan of $25 or more, the date received, amount of the contribution, and full name and street 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.

Contributions: $100 or More

If contributions totaling $100 or more are received from an individual, in addition to the information required for contributions of $25 or more as described above, the contributor's occupation and employer must be 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, generally 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, street 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.

Such 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 the Form 497, 24-Hour Contribution Report).

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. The From 497 need not be amended. The committee also must note in its records the date the contributor information is received, if that date is different than the date the contribution is received.

When a contribution cannot be returned to the contributor within 60 days from the date the contribution was received, the contribution amount must be paid to the Secretary of State for deposit in the State General Fund. City and county committees must make the payments to the general fund of the local jurisdiction in which the committee is active (e.g., a city general purpose committee must make the payment to the city's general fund).

If a contribution is returned to the contributor by check but the check is not cashed by the contributor within 90 calendar days, the contribution amount must be paid within 30 days to the Secretary of State for deposit in the State General Fund. City and county committees must make the payments to the general fund of the local jurisdiction in which the committee is active.

Ex 3.3 – Doctors for Patient Care 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 4), records with the above information for **both** the intermediary and the contributor are required.

Affiliated Entities

Information from affiliated entities that describes the connection of affiliated contributors must be maintained in the records. See Chapter 4 for additional information about affiliated entities.

Nonmonetary Contributions

If the contribution is nonmonetary and valued at $25 or more, a description and the fair market value of the contribution must be recorded. (See “Valuing Nonmonetary Contributions” in Chapter 4.)

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, if any; and
- Name and street address of any guarantor and the amount guaranteed, if any. 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 transmittal; notices 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.

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, and 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 street 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.

F. Expenditures

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.

Quick Tip

Committees controlled by a candidate or officeholder (including general purpose ballot measure committees) must keep a dated record that includes the names of all individuals for whom an expenditure for a meal was paid. See Campaign Disclosure Manual 3 and Regulation 18421.7 for additional recordkeeping and reporting requirements for committees controlled by a candidate or officeholder that make expenditures for meals, gifts, or travel payments.

Contributions and Independent Expenditures

For expenditures that are contributions or independent expenditures, the amount of the expenditure and the cumulative amount paid in that calendar year in connection with the 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 was 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 the 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.

Quick Tip

See Chapter 4 for a detailed discussion and examples of when a contribution is made. Chapter 8 describes communications that are considered independent expenditures.

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 6.)

Documentation

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

For expenditures of $25 or more, canceled checks, bills, invoices, or statements; receipts; credit card charge slips, vouchers; contracts; loan agreements and other documents produced or received by the committee reflecting additional obligations also must be kept. Copies of canceled checks may be retained if the copies contain a legible image of the front and back of the canceled check and the copies are obtained from the financial institution.

Quick Tip

Expenditures may be made electronically using a bank account, credit card, debit card, or electronic payment firm (e.g., PayPal) so long as detailed records are 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.

G. Mass Mailings, Telephone Calls, Notices to Major Donors, and E-530

The following must be retained for a period of four years following the date the campaign statement relating to the records was filed:

- A copy of any mass mailing sent by the committee (see Chapter 9)
- A script of the call or a copy of the recorded phone message when the committee pays for more than 500 telephone calls to expressly advocate support for or opposition to a candidate or ballot measure (see Chapter 9)
- A copy or record of all major donor notices sent by the committee (see Chapter 4)

Electronic filing declarations required to be filed with the E-530 (Communications Identifying State Candidates) must be retained for a period of five years following the date the campaign statement to which it related is filed. (See Chapter 8.)

H. Multipurpose Organizations

A multipurpose organization must maintain all records necessary to ensure its compliance with the registration and reporting requirements of Government Code Section 84222 and FPPC Regulation 18422. (See Chapter 15.)

Answering Your Questions

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

No. However, no individual should accept the position as a mere figurehead. To adequately perform the duties, the treasurer must have a basic understanding of the campaign finance laws and the responsibilities of a committee treasurer.

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

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.

C. Are form letters thanking the committee for contributions it has made required to be retained for recordkeeping purposes?

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

D. Must a city officeholder that controls a general purpose ballot measure committee maintain the names of all individuals who received a meal at the committee's fundraiser?

Yes. Committees controlled by a candidate or officeholder (including general purpose ballot measure committees) must maintain a dated memo or other dated written record that includes the names of all individuals for whom an expenditure for a meal was paid. (See Campaign Disclosure Manual 3 and Regulation 18421.7 for additional information.)

Authority

The following Government Code sections and Title 2 Regulations provide authority for the 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 of Agent.
84306	Contributions Received by Agents of Candidates or Committees.
84307	Commingling with Personal Funds.
84310	Identification Requirements for Telephone Calls.
85700	Donor Information Requirements; Return of Contributions.
90000	Responsibility.
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.
18421.3	Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
18421.31	Text Message Contributions.
18421.7	Reporting an Expenditure for a Gift, a Meal, or Travel.
18421.8	Reporting an Expenditure by a Candidate Controlled General Purpose Ballot Measure Committee.
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.

18534	Required Committee Bank Accounts.
18539.2	Reporting Payments Pursuant to Government Code Section 85310.
18570	Return of Contributions with Insufficient Donor Information.
18994	Auditing and Investigations.
18995	Standards and Guidelines for Auditing Statements and Reports.

Contributions

This chapter discusses contributions and provides guidelines for proper reporting, including how to value nonmonetary contributions. For information about how to determine if a payment made for a communication is an independent expenditure, see Chapter 8.

A. What is a Contribution?

A contribution is a monetary or nonmonetary payment made to or received by a candidate or committee for which the candidate or committee has not provided full and adequate consideration in return. See the definition of "contribution" in FPPC Regulation 18215. A contribution may take any of the following forms:

- Money (cash, check, credit card, wire transfers, text contributions)
- Nonmonetary items (donated goods or services)
- Payments made by a third party for advertising or other communications coordinated with a candidate or committee
- Loans (including loan guarantees, co-signing, lines of credit, and forgiveness of a loan)
- Tickets to political fundraisers (full value of ticket)
- Funds collected through payroll deduction or membership dues that are earmarked or allocated for the purpose of making contributions to state or local candidates or committees
- Enforceable promises to make a payment (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 good or services).

Note: Contributions of $100 or more may never be made or received in cash. See Chapter 6 for additional contribution restrictions.

Quick Tip

Contributions 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 3.)

B. Reporting the Date Contributions are Made and Received

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.

In general, a **monetary** contribution is *made* on the date the contribution is mailed, delivered, or otherwise transmitted to the candidate or committee. Alternatively, the date of the check may be used provided it is no later than the date the contribution is mailed, delivered, or otherwise transmitted.

Quick Tip

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

A **monetary** contribution is *received* on the date the committee or an agent of the committee obtains possession or control of the cash, check, or other item that constitutes the 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. The date of the contribution is the date the agent obtained possession of the contribution.

Ex 4.1 – John Burns, the campaign consultant for Citizens for Cleaner Air, 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.

Citizens for Cleaner Air 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 from the website service because it controls the contribution on that date.

A **nonmonetary contribution** is *made* by the contributor and *received* by the candidate or committee 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.

A nonmonetary contribution of **employee services** is made by the contributor and received by the candidate or committee on the **payroll date** of the employee. (See "Employee Time" under Section F., Valuing Nonmonetary Contributions.)

An **enforceable promise** is made by the contributor and received by the candidate or committee on the date the candidate or committee or an agent of the candidate or committee is provided documents verifying that the contributor has made a legally-enforceable promise to make a payment. A person makes an "enforceable promise to make a payment" if he or she:

- Guarantees a loan.
- Furnishes security for a loan.
- Endorses a loan.
- Cosigns a loan.
- Makes and delivers a post-dated check.
- Establishes a line of credit at a bank or other commercial lending institution for a candidate or committee.

A pledge card is not considered an enforceable promise to make a contribution. "Enforceable promise" also does not include a contributor's agreement to make future installment payments through wire transfer, credit card transaction, debit account transaction, or similar electronic payment.

C. Contribution Exceptions

There are many exceptions to the definition of "contribution." In addition to the most common exceptions listed below, Chapter 8 discusses certain types of political communications that are not considered contributions.

Volunteer Personal Services: If an individual donates his or her personal or professional services to a campaign (including a volunteer's travel expenses), no contribution has been made or received as long as there is no understanding of reimbursement. "Volunteer personal services" does not include any tangible items. Donated goods are contributions.

If an employer donates employee services to a committee, and any employee spends more than 10 percent of his or her compensated time in a calendar month performing campaign activities for one or more campaigns, the employer has made a nonmonetary contribution to the committee. (See "Employee Time" in Section G., Valuing Nonmonetary Contributions.)

Home/Office Fundraisers: If a person, other than a lobbyist (or a cohabitant of a lobbyist) or lobbying firm, holds a fundraiser or other campaign event for a candidate or committee 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.

If a fundraiser will exceed $500, all payments are reportable nonmonetary contributions, including the reasonable rental value of the home/office for the duration of the fundraiser. If the costs of the home/office fundraiser do not otherwise exceed $500, the reasonable rental value of the space is not factored in.

Note: The home/office fundraiser exception does not apply to a state lobbyist or to a cohabitant of a lobbyist. A registered state lobbyist may not make a contribution to an elected state officer or candidate for elective state office if the lobbyist is registered to lobby the official's agency or the agency for which the candidate is seeking election. A fundraiser held in the home of a lobbyist is considered a contribution; therefore, a lobbyist is prohibited from holding a fundraiser in his or her home for a candidate seeking election to a governmental agency that the lobbyist is registered to lobby. A similar prohibition applies to lobbying firms holding fundraisers at their offices.

Ex 4.2 – Jim Yee holds a fundraiser in his home for a committee. He spends $250 on decorations, food, and drinks for the event. His neighbor brings some door prizes with a fair market value of $50. Since the total cost of the event is under $500, Jim's $250 is not reportable. However, his neighbor has made a nonmonetary contribution of $50.

Ex 4.3 – Shannon sponsors an event after work in her business' downtown office to raise contributions for a committee. Shannon spends $450 to have the event catered. Her friend supplies a flower arrangement centerpiece worth $125. Since the total cost of the event now exceeds $500, both Shannon's contribution of $450 and her friend's $125 flower arrangement are reportable by the committee.

Quick Tip

For the "contribution" exception to apply, the total cost of the home or office fundraiser must be $500 or less, no matter how many candidates or committees benefit from the event.

Social Media – Internet Communications: Uncompensated Internet activity by an individual, such as sending or forwarding electronic messages, social networking, blogging, creating or hosting a website, to support or oppose a candidate or ballot measure is not considered a contribution or expenditure.

When a PAC blogs or posts communications that expressly advocate a candidate or measure, the advertisement is subject to disclaimer requirements. Depending upon the communication and the cost to prepare the communication, a contribution may be reportable.

Ex 4.4 – A PAC may establish a social media account (e.g., Facebook, Twitter, Tumblr) to engage in campaign activity, such as posts or tweets to support candidates and ballot measures. See Chapter 9 for information about required disclosure for advertisements.

Administrative Expenses – Sponsored Committees: Payments made by a sponsoring organization for the "establishment and administration" of its sponsored committee are not considered contributions but must be reported.

"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. In addition, bank fees (including fees for monthly services, purchasing/printing checks, cashier's checks and money orders, overdraft, stop payments) and third party vendor fees, such as internet account fees and merchant account fees, are considered payments for the establishment and administration of its sponsored committee, so long as they are not incurred for fundraising activities.

Although the establishment and administration costs are not contributions from the sponsor to the committee, the committee must report them on Schedule C (Nonmonetary Contributions Received) of its campaign disclosure reports (Form 460).

Other payments made by a sponsoring organization, such as the cost of raising funds for the committee and the cost of reviewing a communication to determine the advertisement disclosure requirements, are contributions to the committee. These payments are subject to regular reporting and contribution limits for committees that make contributions to state candidates.

In addition, if the sponsoring organization provides services to a candidate or a committee other than its sponsored committee, those payments are contributions to the candidate or committee, which must be reported by the sponsoring organization. The sponsoring organization may file its own reports to disclose the contributions or, in most circumstances, the contributions are disclosed on the sponsored committee's campaign statements.

Ex 4.5 – The members of an association make regular dues payments to the association, a portion of which is earmarked to be used by the association's sponsored committee for contributions to candidates. The association collects and transmits the earmarked dues payments to the committee and provides the committee with office space, staff, and accounting services. The committee discloses the earmarked member dues as monetary contributions on Schedule A of its campaign reports and the administrative services from the association in the "Description of Goods or Services" column on Schedule C.

During an election year, the association sends a mailing to its members to raise funds for the upcoming state elections. The sponsored committee must disclose the payment made by the association for the mailing on Schedule C as a nonmonetary contribution from the association, and because the committee makes contributions to state candidates, contributions to the committee are limited to $7,300 (2017-2018 limit) from a single source in a calendar year, including contributions made to the committee by the sponsoring organization.

Member Communications: Payments made by an organization or its sponsored committee for a communication that supports or opposes a candidate or ballot measure are not contributions or expenditures as long as the communication is made only to the organization's members, employees, or shareholders, or to 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. Payments made by a recipient committee for member communications must be disclosed as regular expenditures on the committee's campaign disclosure statements (Form 450 or 460). See Chapter 8 for special rules that apply to political parties.

Gifts: A payment or other benefit to a candidate or official that is made principally for *personal purposes* (not political purposes) is a gift unless the candidate or official provides payment or services of equal or greater value. Generally, gifts are subject to annual limits and must be disclosed by the candidate or official on a Form 700 (Statement of Economic Interests). For additional information about gifts, see the fact sheet entitled, *Limitations and Restrictions on Gifts, Honoraria, Travel and Loans*.

Payments for Legislative, Governmental, or Charitable Purposes: Behested payments made in connection with a legislative, governmental, or charitable purpose, are not considered to be made for political or personal purposes; therefore, they are not considered contributions or gifts. However, if the payment is made at the behest of an elected official and the payment(s) totals $5,000 or more from a single source in a calendar year, the official is required to file a Form 803 (Behested Payment Report) to disclose the payment within 30 days. Behested payments solicited by state elected officials are posted on the FPPC's website.

Ex 4.6 – At the request of a county supervisor, the Committee for Educated Children donates $5,000 to a school for the purpose of purchasing library books. Although the payment is not considered a gift or a contribution, the supervisor must file a Form 803 to report the behested payment within 30 days.

D. Aggregating Contributions

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

The following contributions are aggregated:

- Contributions made from an individual's personal funds and from an entity's funds he or she directs and controls.
- Contributions made by two or more entities that are directed and controlled by a majority of the same persons.
- Contributions made by entities that are majority owned by any person. Contributions made by the majority owner and all other entities majority owned by that person are aggregated unless the entities act independently in their decisions to make contributions.

Quick Tip

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

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

Ex 4.7 – Global Corporation has a board of directors and the Corporation has a sponsored general purpose recipient committee with a separate board of directors. (No director serves on both boards.) Global Corporation may make a contribution of $4,400 to an Assembly candidate for the primary election and the sponsored PAC may also make a contribution of $4,400 (2017-2018 contribution limit) to the same candidate for the primary election.

Ex 4.8 – A union has a small contributor committee and another committee that makes contributions to state candidates. The contributions of both committees are approved by a single board of directors. If the small contributor committee makes a $14,600 contribution to a Lt. Governor candidate's general election (2017-2018 contribution limit for a small contributor committee), the other committee may not make a contribution to the candidate for the same election.

Ex 4.9 – Sally Perez Jones contributed $98 from her personal funds and another $98 from the funds of her business, Flowers by Sally, to the Committee to Advance Public Education. 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.

Ex 4.10 – William owns two separate corporations. William makes political contributions from his personal funds and directs and controls the contributions of his corporations. William made a contribution of $1,000 from his personal funds and contributions of $3,000 from the funds of each of his corporations to the Committee to Advance Public Education. 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 $7,300 (2017-2018 contribution limit). If the committee makes contributions to state candidates, it may not receive any additional contributions from William or his corporations for the rest of the calendar year unless the contributions are placed in a separate "restricted use" account.

Ex 4.11 – Southwest TeleCom has a greater than 50 percent 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 to Advance Public Education. The committee does not aggregate these contributions because Southwest TeleCom and American TeleCom acted completely independently in their decisions to make the contributions.

There are special rules for “major donors” (generally these are individuals and business entities that make contributions totaling $10,000 or more in a calendar year) when they make contributions that are subject to aggregation. The major donor must notify each committee to which it makes a contribution of the name under which the major donor is filing its report (Form 461). The recipient of the contribution must identify the name of the “filer” and the name of the contributor, if that is different than the name of the filer.

Ex 4.12 – Temple Construction is a subsidiary of Temple Enterprises. Your committee receives a contribution from Temple Construction. Temple Construction is required to notify you that its contribution is reported on a campaign statement filed under the name of Temple Enterprises. Your committee must identify both names on its report and, if you receive contributions from both entities, the contributions must be aggregated for purposes of state contribution limits and for reporting cumulative amounts.

If more than one affiliated committee receives contributions from the same donor, the contributions received by the committees are not cumulated.

Ex 4.13 – State Firefighters United has two general purpose committees: one committee makes contributions to state candidates and the other committee makes contributions to support state and local ballot measures. Leah Perry made a contribution of $200 to each committee. Each committee reports the contributions from Leah on Schedule A, in the column titled Cumulative to Date – Calendar Year, as $200.

If a general purpose committee has more than one bank account (see Chapter 5), contributions from a single source are cumulated.

Ex 4.14 – The State Firefighters United committee has two bank accounts; one is used to make contributions to state candidates and the other is used only for administrative expenses. Bill Woods made two contributions to that committee; $2,500 for the state candidate account and $500 for the administrative account. When the committee reports the contributions on Schedule A, $3,000 is the amount reported in the column titled Cumulative to Date – Calendar Year.

E. Reporting the Intermediary of a Contribution

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 and the intermediary.

Ex 4.15 – Kenny made a $100 contribution from his personal funds to support the Committee to Advance the Arts, with the understanding that he would be reimbursed by his employer, Gary's Guitars. Kenny must tell the committee that he is acting as an intermediary on behalf of his employer. The committee must itemize the contribution from Gary's Guitars and list Kenny as an intermediary.

Ex 4.16 – A trade association's PAC collected $200 from each of its members after sending a solicitation stating that the funds would be used to make a contribution to a local candidate. The PAC made a single contribution to the local candidate in the total amount received from its members. The committee receiving the contribution must report each of the members as contributors, with the PAC as an intermediary.

Ex 4.17 – The California Automobile Insurers Association's (CAIA) sponsored general purpose committee received a $5,000 check from one of its members. The member stated in an email to the committee's treasurer that she would like the funds to be contributed to the Yes on Proposition 42 Committee. The treasurer must inform the ballot measure committee that the member was the true source of the funds and the CAIA committee is acting as the intermediary. The ballot measure committee must report both the true source of the funds and the intermediary.

Committee treasurers are required to check information regarding the true source of a contribution if a person of reasonable prudence would question it based on all available information. If there is reason to question the source of a contribution (e.g., 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 contacted to determine if he or she is acting as an intermediary for the true source of the contribution.

Quick Tip

When a general purpose committee makes a payment to another general purpose committee, whether or not the receiving committee is considered an intermediary depends on the facts of the situation. Contact the FPPC with questions.

Failure to disclose the true source of a contribution is often referred to in media reports as campaign money laundering and is one of the most serious violations of the Political Reform Act.

F. Reporting Various Types of Contributions

Electronic Receipt of Contributions: Contributions may be made or received by credit card, wire transfer, via the Internet, cell phone text message, telephone, debit account transaction, or similar electronic payment options:

- 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 to the contributor 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.

Ex 4.18 – 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, employer, and the full $100 per ticket as a contribution. Do not subtract $25 from each ticket sold. The expenses will be reported on Schedule E of the Form 460.

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

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. If any person pays $100 or more, the payment is itemized.

However, when someone pays more than fair market value for an item, 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 is reported as a monetary contribution. Both must be itemized at $100 or more.

Ex 4.19 – 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. And, itemize $500, the 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.)

Joint Checking 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.

Ex 4.20 – Linda and Jerry Nelson have a joint checking account. From this account, Linda signed a $100 check payable to Californians Against Drug Abuse. 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.

Business Accounts: 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.

Text Contributions: For a contribution made by a text message, the contributor is the person who is subscribed to the cell phone number that texted in the contribution.

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 that the child actually chose to make the contribution.

G. 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 made or received, the fair market value of the goods or service must be reported. 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.

Ex 4.21 – The owner of an electronics store donates an iPad valued at $550 to a committee for sale at an upcoming auction. Although the cost to the owner is less than $550, the nonmonetary contribution is reported at the fair market value amount of $550 (the amount it would cost a member of the public to purchase the iPad).

Employee Time: If an employer donates the use of an employee to work on campaign activities for one or more campaigns, the amount the individual is paid is reportable as a nonmonetary contribution from the employer if the employee spends more than 10 percent of his or her compensated time in a calendar month working on campaign activities. To determine the contribution amount, allocate the gross compensation to the time spent on campaign activity. Compensation includes wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase. Compensation does not include routine benefits, such as the employer's payments to a health care or retirement plan.

Ex 4.22 – Your general purpose committee donates the services of one of its employees to two ballot measure campaigns during the month before the election. The employee spends 9 percent of her compensated time working for one ballot measure campaign and 7 percent of her compensated time working for the other ballot measure campaign. Even though she did not spend 10 percent or more of her compensated time on a single campaign, more than 10 percent (16 percent) of her compensated time in a calendar month was spent on campaign activities, so each ballot measure committee must report a nonmonetary contribution from your committee. The value reported by the first ballot measure committee is 9 percent of her gross salary and the value reported by the second committee is 7 percent of her gross salary.

Private Air Transportation: A person that provides members of a committee or a candidate with a flight in a private airplane is making a nonmonetary contribution. The value is determined by using one of the following methods: the commercial rate, if available, to the destination or the charter rate divided by the number of passengers on the flight.

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

Joint Fundraisers: If a committee pays for a fundraising event for multiple candidates, the fair market value of the contribution for each candidate may be allocated based on the amount of expenditures and the number of candidates at the event.

Email Lists: If a list of email addresses is donated, the fair market value must be reported as a nonmonetary contribution.

Corporate Stock: The contribution of corporate stock must be reported and valued as listed on the stock exchange on the date of receipt. When the stock is sold, the total proceeds of the sale are reported on Schedule I as a miscellaneous increase to cash. If the purchaser is unknown, report the brokerage firm as the source with a notation that the payment represents the sale of stock. Broker's fees must be reported on Schedule E.

Ex 4.23 – Your committee treasurer knows the owner of Janns' Printing Shop and gets the owner to give your committee a 50 percent discount on the printing of a fundraising invitation that normally would cost $1,200. Your committee has received a nonmonetary contribution of $600 from Janns' Printing Shop.

H. Valuing Mailings, Telephone Banks, Polls

Multiple Candidates/Measures: If a communication expresses support of or opposition to more than one candidate or ballot measure, 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.

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 communication containing both express advocacy in support of or opposition to a candidate or ballot measure, as well as non-political material, may be prorated. Costs directly associated with the political message are reportable as nonmonetary contributions, including, for example, compensation paid to employees who spend more than 10 percent 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 as between the political and non-political material.

Ex 4.24 – A PAC produces and mails a one-page flyer urging voters to vote for Proposition 310 and to vote for two statewide candidates. Half of the flyer is devoted to supporting Proposition 310 and the other half equally supports the candidates. The PAC coordinates the mailing with the committee primarily formed to support Proposition 310, but does not coordinate with either candidate's committee. The total cost of producing and mailing the flyer is $14,000. The PAC has made a nonmonetary contribution to the committee supporting Proposition 310 valued at $7,000, and has made independent expenditures of $3,500 apiece supporting the two candidates.

Ex 4.25 –A local association of realtors is holding a golf tournament, which will be featured as a networking and marketing event for its members. The association sends invitations, which include an option for attendees to donate an additional sum earmarked for the association's sponsored committee. Because the invitations include non-political material as well as political material (i.e., the portion of the invitation that solicits contributions for the association's sponsored committee), the costs may be prorated. Costs directly associated with the political message are reportable by the committee, including the pro rata costs of paper, envelopes, and postage. The allocation may be based on the comparative amount of space devoted to political versus non-political material.

Bulk Rate Permits: Except for the use of a nonprofit sponsor's bulk rate by its sponsored committee, use of another organization's bulk rate permit is a nonmonetary contribution from the organization. If the candidate or committee using the permit 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 candidate or committee does not have such a permit, the amount it would have cost to pay for the mailing using regular mail or the cost of the bulk rate mailing plus the cost of a permit should be reported as a nonmonetary contribution.

A sponsored committee's use of its sponsor's nonprofit postal permit is not a contribution from the sponsor to the committee since the committee could obtain the same permit at no cost. (See Chapter 1 for the definition of "sponsored committee.")

Phone Banks: Businesses and other entities will sometimes allow a 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. One method to determine the fair market value is to contact organizations that provide phones banks as a business.

Polls & Surveys: A person or entity that provides data from a public opinion poll or survey to a candidate or committee is making a nonmonetary contribution if the candidate or committee requests the data or the data are used for political purposes. Standards used by the Federal Election Commission (11 CFR 106.4) may be used for valuing polling or survey data, as to the aging of poll results and the amount of a contribution attributable to each candidate or committee that receives the poll results. 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 candidate or committee.

Ex 4.26 –A committee provided phone banking services. The services included the use of phone banking software, the cost of the call list, the cost of voter updates from the registrar, and donated materials and snacks for the volunteers. The calls expressly advocated for a candidate and a measure, both of which will be voted upon by all of the same voters. The message provides equal time to both committees, so the contribution to each committee is valued at one-half of the total cost for the phone bank. Note: If a phone bank makes calls on behalf of several committees with different voting jurisdictions and different messages, the committees must also report the fair market value, which may not be determined simply by dividing the full cost by the number of committees. Contact the FPPC for assistance.

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 candidate or committee, the nonmonetary contribution is the prorated portion of the total value of the survey. In other words, the value of the nonmonetary contribution is based on the value of the information the committee receives. If the benefiting committee used 50 percent of the poll, the nonmonetary contribution value would be 50 percent of the total poll cost.

When two or more committees equally share the costs of a poll, before the results are known, the payments do not result in nonmonetary contributions among the committees. Committees are encouraged to contact the FPPC with specific facts for assistance.

I. Contributions Between Multipurpose Organizations: Expedited Notice and Filing

A multipurpose organization (including a nonprofit) that identifies another multipurpose organization as a contributor of more than $50,000 on its campaign report using LIFO, must send a notice to the contributing multipurpose organization that the organization may be required to file expedited campaign reports. The notice must include the major donor notification language below (see Section J), as well as the following **additional language:**

> *The Political Reform Act requires disclosure of the source of donor funds used for political expenditures and requires funds to be tracked back to the original donors when funds are contributed by one multipurpose organization to another. Your organization was identified as a contributor of more than $50,000 in funds that our organization used for political expenditures. Therefore, your organization may qualify as a committee under Government Code Section 84222 and Fair Political Practices*

Quick Tip

A major donor notice must be sent to persons listed on a campaign report prepared by a multipurpose organization. For example, if when using the LIFO accounting method to determine reportable sources, a contributor of $5,000 or more is identified, the organization must sent the contributor a major donor notification. In addition, a multipurpose organization that identifies another multipurpose organization as a contributor of more than $50,000 must send an expedited notice. (See Chapter 15.)

Commission (FPPC) Regulation 18422, contained in Title 2, Division 6 of the California Code of Regulations, that is required to register with the Secretary of State on FPPC Form 410 and file expedited reports on FPPC Form 460 disclosing donors for such funds within three business days during the 90 days before an election, or within 10 business days at all other times.

The notice must be sent by email, overnight delivery, or fax within 24 hours during the 90-day period before an election, and within ten business days outside of the 90-day period. The organization must maintain a record of all notices it sends. (Gov. Code Section 84222; Regulation 18422.)

J. Notification to Contributors of $5,000 or More

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, corporate, or general funds must send the contributor written notice that they may have a filing obligation.

Generally, the notice must be mailed, faxed or emailed to the contributor **within two weeks** of receiving contributions totaling $5,000 or more. But, if a contribution of $10,000 or more is received in the 90 days prior to the election, or on the date of the election, the notice must be mailed, faxed or emailed to the contributor **within one week**. A copy of each notice or a record of all notices showing the date sent and the name and address of the person receiving the notice must be retained.

You do not need to send the notice again for subsequent contributions received from the same contributor in the same calendar year. In addition, the notice is not required to be sent if the source of the contribution is a candidate, officeholder, or an existing committee because they already are required to file campaign statements.

Quick Tip

A multipurpose organization (including a nonprofit) that identifies another multipurpose organization as a contributor of more than $50,000 on its campaign report by the "last in, first out" (LIFO) accounting method, must send an expedited notice as described in Section I.

The notice may be tailored as long as it contains language substantially similar to the italicized language below:

Major Donors

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. For additional information, visit www.fppc.ca.gov and review the available campaign materials.

Multipurpose organizations including nonprofits

If your organization is a multipurpose group, it may qualify as a major donor committee required to file Form 461 or as a recipient committee required to file the Form 460 disclosing donors. Refer to Government Code Section 84222 and FPPC Regulation 18422 to determine your filing requirements. For additional information, visit www.fppc.ca.gov and review the available campaign materials.

24-Hour Reports

Major donors and multipurpose organizations that trigger reporting obligations must also file a 24-hour Contribution Report (Form 497) if you:

- *Make contributions totaling $1,000 or more to a single candidate, any of the candidate's controlled committees, or to a committee primarily formed to support or oppose a candidate or ballot measure during the 90 days before the election, or on the date of the election, in which the candidate or measure is being voted on; or*

- *Make contributions totaling $1,000 or more to a state or county political party committee during the 90 days prior to a state election, or on the date of the election, including state special elections.*

Electronic Filing

State committees that make contributions of $25,000 or more must file electronically with the Secretary of State. State committees that are required to file the Form 497 (24-hour Contribution Report) must file this form electronically even if the $25,000 threshold has not yet been met. For more information on the electronic filing requirements, contact the Secretary of State's office at (916) 653-6224. Local committees should contact the local jurisdiction to determine if there are electronic filing requirements.

Late Filing Penalties and Fines

Failure to file campaign statements may result in late filing penalties of $10/day (state committees may be fined $20/day if they must file electronically and on paper) and fines of up to $5,000 per violation.

FPPC Assistance

For assistance with your filing obligations, contact the Fair Political Practices Commission toll-free at (866) ASK-FPPC, send an email to advice@fppc.ca.gov, or refer to their website: www.fppc.ca.gov

K. Returning Contributions

There are several provisions in the Act and FPPC regulations that regulate the return of contributions. The general rule is that a committee may return contributions to its contributors so long as the return is reasonably related to a political, legislative, or governmental purpose.

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. Once a contribution is deposited, cashed, or negotiated, it must be disclosed on the next campaign statement, even if it is subsequently returned.

Contributions that Exceed the Limits

Contributions that exceed the contribution limits are not considered accepted if they are not deposited into the committee's bank account and are returned within 14 days of receipt. For nonmonetary contributions, either the item itself, its monetary value, or the monetary amount by which the value of the nonmonetary contribution exceeds the limits must be returned within 14 days of receipt. Contributions that exceed the contribution limits may, under certain circumstances, be deposited into a general purpose committee's "restricted use" account which may not be used for contributions to state candidates. (See Chapter 5 for more information about "restricted use" bank accounts.)

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 3 for additional information.)

Answering Your Questions

A. 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?

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

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

There is no requirement to put the identification number anywhere on the letter. 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.

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

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. Standard reporting and recordkeeping is required.

D. 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?

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.

E. May a nonprofit organization hold a joint fundraiser with a political committee?

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

F. 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?

If 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 and does not provide the discount for political purposes, the committees are not receiving contributions from the polling firm.

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

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.

H. A business donated the use of an employee to work on two ballot measure campaigns. In one month, the employee spent a total of 6 percent of her compensated time working on one measure and 6 percent on the other measure. Since more than 10 percent of her compensated time was not spent on a single campaign, is her compensated time still required to be reported as a nonmonetary contribution from her employer?

Yes. If an employee spends more than 10 percent of his or her compensated time working on campaign activity (one or multiple campaigns) in a calendar month, a nonmonetary contribution from the business must be reported. In this situation, each ballot measure committee must report a nonmonetary contribution in the amount of 6 percent of the employee's compensated time. The value of the nonmonetary contribution is based on her gross salary; standard benefits (i.e., retirement and health care) do not need to be counted.

I. If someone takes a candidate out to dinner to discuss his or her campaign and pays for the candidate's dinner, is the payment for the meal considered a contribution to the candidate?

No. Because there is a personal benefit to the candidate, the payment for the meal would be considered a gift to the candidate.

Authority

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

Government Code Sections

82015	Contribution.
82018	Cumulative Amount.
82025	Expenditure.
82025.5	Fair Market Value.
82027.5	General Purpose Committee.
82041.5	Mass Mailing.
82043	Measure.
82047	Person.
84104	Recordkeeping.
84105	Notification of Contributors.
84211	Contents of Campaign Statements.
84216	Loans.
84300	Cash and In-Kind Contributions; Cash Expenditures.
84301	Contributions Made Under Legal Name.
84302	Contributions by Intermediary or Agent.
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.
18215.1	Contributions; When Aggregated.
18215.2	Uncompensated Internet Activity by Individuals that is not a Contribution or Expenditure.
18216	Enforceable Promise to Make a Payment.
18225	Expenditure.
18225.7	Made at the Behest of; Independent Versus Coordinated Expenditures.
18421.1	Disclosure of the Making and Receipt of Contributions.
18421.3	Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
18421.31	Text Message Contributions.
18423	Payments for Personal Services as Contributions and Expenditures.
18427.1	Notification to Contributors of $5,000 or More.
18428	Reporting of Contributions and Independent Expenditures Required to be Aggregated.
18431	Reporting of Expenditures by an Agent or Independent Contractor.
18432.5	Intermediary.
18531	Return of Excessive Contributions.
18531.7	Payments for Communications – Section 85312.
18533	Contributions from Joint Checking Accounts.
18534	Required Committee Bank Accounts.
18570	Return of Contributions with Insufficient Donor Information.
18946.4	Reporting and Valuation of Gifts: Tickets to Nonprofit and Political Fundraisers.

State Contribution Limits

Candidates seeking a state office and general purpose recipient committees that make contributions to state candidates are subject to contribution limits from a single source. The charts below show the current limits of $7,300 per calendar year (effective January 1, 2017 through December 31, 2018) for general purpose committees making contributions to state candidates. Contribution limits may increase or decrease every two years based on changes in the Consumer Price Index.

Election Period: Contribution limits to candidates apply per election. The primary, general, special, and special run-off elections are considered separate elections. After an election, contributions may be made to candidate committees only if the committee has net debt.

Calendar Year: Contribution limits to officeholder committees and committees that make contributions to state candidates apply on a calendar year basis.

Quick Tip

Because the primary and general elections are considered separate elections, committees may contribute $7,300 (2017-2018 limit) to a candidate for each election, for a total of $14,600.

Local Contribution Limits

This chapter does not apply to local committees. City and county general purpose recipient committees must contact the local jurisdiction to determine if local contribution limits or other restrictions apply. Copies of local campaign finance ordinances are also posted on the FPPC's website.

California Fair Political Practices Commission
California State Contribution Limits

(Effective January 1, 2017 - December 31, 2018)

Candidates seeking a state office and committees that make contributions to state candidates are subject to contribution limits from a single source. (Sections 85301 - 85303.) Contributions from affiliated entities are aggregated for purposes of the limits. (Regulation 18215.1.) The chart below shows the current limits per contributor for state offices. The primary, general, special, and special run-off elections are considered separate elections. Contribution limits to candidates apply to each election. Contribution limits to officeholder and other committees apply on a calendar year basis. Contact your city or county about contribution limits for local offices.

Contribution Limits to State Candidates Per Election

	Contributor Sources		
Candidate or Officeholder	**Person (individual, business entity, committee/PAC)**	**Small Contributor Committee (see definition on page 2)**	**Political Party**
Senate and Assembly	$4,400	$8,800	No Limit
CalPERS/CalSTRS	$4,400	$8,800	No Limit
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	$7,300	$14,600	No Limit
Governor	$29,200	$29,200	No Limit

Contributions to Other State Committees Per Calendar Year

	Contributor Sources
Committee	**Person (individual, business entity, committee/PAC)**
Committee (Not Political Party) that Contributes to State Candidates (PAC)	$7,300
Political Party Account for State Candidates	$36,500
Small Contributor Committee	$200
Committee Account NOT for State Candidates (Ballot Measure, PAC, Political Party)	No Limit*

*State committees (including political parties and PACs) may receive contributions in excess of the limits identified above as long as the contributions are NOT used for state candidate contributions. (Regulation 18534.)

Contributions to State Officeholder Committees Per Calendar Year

	Contributor Sources	
Committee	**Any Source (Person, Small Contributor Committee or Political Party)**	**Aggregate From All Sources**
Senate and Assembly	$3,600	$60,600
CalPERS/CalSTRS	$3,600	$60,600
Lt. Governor, Secretary of State, Attorney General, Treasurer, Controller, Supt. of Public Instruction, Insurance Commissioner, and Board of Equalization	$6,000	$121,100
Governor	$24,200	$242,300

Notes:

- See Chapter 1 for the "small contributor committee" definition and requirements.
- "Person" includes 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.
- Contributions from affiliated entities are aggregated for purposes of the limits. See Chapter 4 for information on aggregation.
- Loans are considered contributions subject to limits, but if a loan has been repaid in full or in part, the lender may make additional contributions to the same committee up to the limit.

A. Receiving Contributions

A general purpose committee, including a small contributor committee and a political party committee, that makes contributions to state candidates and state officeholders, has a limit on how much it may accept from a single source in a calendar year.

A general purpose committee that pays for certain communications that identify state candidates may also be subject to the contribution limits even if it does not make contributions to state candidates. (See "Communications Identifying State Candidates" below.)

"All Purpose" and "Restricted Use" Bank Accounts

All Purpose Account. A committee that receives contributions for the purpose of making contributions to state candidates must establish a bank account for its state candidate contributions and designate the account as an "all purpose" account. The "all purpose" account is subject to a calendar year limit per contributor. For example, in 2017 and 2018 the maximum amount a person may contribute to an "all purpose" account is $7,300 for the entire calendar year. Checks drawn on this account must include the words "all purpose" in the title

Quick Tip

Since a federal PAC may not accept contributions totaling more than $5,000 in its separate segregated account under federal rules, it is not required to open a separate "all purpose" account under the Act. It may use its separate segregated account to make contributions to candidates for elective state office in California. "All purpose" must be included in the memo line of the check.

of the account appearing on the checks. **No amounts in excess of the applicable contribution limit may be deposited in or transferred to the "all purpose" account.**

Restricted Use Account. Funds in this account may include contributions received in excess of the contribution limits and may not be used for the purpose of making contributions to state candidates or to other committees for the purpose of making contributions to state candidates. These funds may be used for any other legitimate purpose, such as independent expenditures, contributions to local candidates, contributions to state and local ballot measure committees, voter registration, administrative costs, etc.

Checks drawn on the accounts must include "all purpose account" or "restricted use account" in the title of the account appearing on the checks. The funds may be used as described below:

Purpose	Bank Account
Contributions to State Candidates	All Purpose Only
Contributions to Local Candidates	All Purpose or Restricted Use
Contributions to Ballot Measures	All Purpose or Restricted Use
Independent Expenditures	All Purpose or Restricted Use
Voter Registration	All Purpose or Restricted Use
Member Communications)	All Purpose or Restricted Use
Mailers, Phone Banks, TV and Radio Ads, Emails (Contributions to Candidates)	State – All Purpose Only Local – All Purpose or Restricted Use
Employee Time for State Candidate Polling/ Canvassing	All Purpose Only
Renting Office Space	All Purpose or Restricted Use

Quick Tip

It is not necessary to open a separate account if the committee never receives contributions in excess of the applicable limits or if the committee does not make contributions to state candidates or other committees that are subject to state limits. However, if the committee makes contributions to state candidates, the term "all purpose account" must appear in the title of the account appearing on the check.

When making contributions, the committee must notify the recipient whether the contribution is from the "all purpose" or "restricted use" account, or from some other account (e.g., administrative account).

Ex 5.1 – The Committee for Californians United makes contributions to state candidates and has only one bank account. It received a contribution of $3,100 on March 5 from Starr Lu. On April 10 of the same year, Starr contributed a second contribution of $4,200. Since her total contributions during the calendar year to the committee equal $7,300 (2017-2018 contribution limit), Starr may not make additional contributions, including loans, to the committee until the following calendar year, unless the committee opens a separate "restricted use" bank account.

Ex 5.2 – The California Council for Solar Energy established three separate PACs; a committee that will make contributions to state candidates, a small contributor committee ("SCC"), and a ballot measure committee. In a calendar year, a single contributor may contribute $200 to the SCC, $7,300 (2017-2018 contribution limit), to the state candidate committee, and an unlimited amount to the ballot measure committee.

Ex 5.3 – The California Landscape Employees' Association transmits $35 per month from each of its members to its political action committee. Because the committee does not receive contributions totaling more than $7,300 (2017-2018 contribution limit) per calendar year from a single source, it is not required to have more than one bank account. Contributions to state candidates and all other expenditures made by the committee may be paid from the account. When contributions are made to state candidates, the committee must include the term "all purpose account" on its checks.

Quick Tip

Local and out-of-state committees (e.g., federal PACs) that make contributions to state candidates must do so from a bank account that does not receive contributions totaling more than $7,300 (2017-2018 contribution limit) from a single contributor in a calendar year. Instead of opening separate bank accounts (all purpose and restricted use), an entity may choose to establish a separate committee to receive contributions in excess of the limits, such as an "issues" PAC for ballot measures.

B. Contributions that Exceed the Limits

A general purpose committee that makes contributions to state candidates may not accept and deposit contributions in excess of the limits into its "all purpose" account. Contributions that exceed the limits are not considered accepted if they are not deposited into the receiving committee's bank account and are returned within 14 days of receipt. For nonmonetary contributions, the item itself, its monetary value, or the monetary amount by which the value of the nonmonetary contribution exceeds the limits must be returned within 14 days of receipt.

However, a general purpose committee that makes contributions to state candidates (other than a small contributor committee) may receive contributions in excess of the per calendar year limit ($7,300 for 2017-2018) if the contributions are placed in the committee's

Quick Tip

A small contributor committee is prohibited from receiving more than $200 per calendar year from any contributor.

"restricted use" account. The committee may then transfer the allowable amount to be used for state candidate contributions to the "all purpose" account. The transfer must be made within 14 days of receiving the contribution.

Alternatively, some financial institutions may allow the committee to divide the contribution between accounts at the time of deposit. **No amounts in excess of the applicable contribution limit may be deposited in or transferred to the "all purpose" account.**

Ex 5.4 – The Bay City Chamber of Commerce Political Action Committee has two bank accounts, one that it uses for making contributions to state candidates ("all purpose") and a separate account for other expenditures that are not subject to contribution limits ("restricted use"). The committee receives a contribution check for $20,000. The committee must deposit the check in its "restricted use" account and, within 14 days, it may transfer $7,300 (2017-2018 contribution limit) to the "all purpose" account.

C. Communications Identifying State Candidates

(Also known as "electioneering communications" or "issue ads")

Some general purpose committees are subject to contribution limits even if they do not make contributions to state candidates. A committee may not receive a contribution of more than $36,500 (2017-2018 contribution limit) from a single source if the committee makes a payment or a promise of payment totaling $50,000 or more for a communication that:

- Clearly identifies a state candidate;
- But does not expressly advocate the election or defeat of the candidate; and
- Is disseminated, broadcast, or published within 45 days of the candidate's election; and
- Is made at the behest of the candidate featured in the communication. (Section 85310.)

Once a committee receives a contribution over the limit, it may not make or promise to make a payment for a communication identifying a state candidate, as described above.

Ex 5.5 – The California Solar Energy "Issues" Committee pays $300,000 for a television advertisement to oppose a state ballot measure. The ad includes a photograph of the State Controller who also opposes the measure, but the ad does not expressly advocate support of or opposition to the Controller's election. The ad is broadcast during the 45-day period before the Controller's election. If the ad was coordinated with or made at the behest of the Controller, the committee is subject to contribution limits and must file an E-530 report. (See Chapter 8 for additional information about the E-530 report.)

D. Making Contributions to State Candidates

For purposes of the contribution limits, the primary, general, special, and special runoff elections are considered separate elections. General purpose committees may contribute to a state candidate's general or special general election prior to a primary or special primary election for the same office. If the candidate is defeated in the primary or special primary election, contributions received for the general or special general election must be returned to the contributors on a pro rata basis, less the cost of raising and administering the funds.

Ex 5.6 – The California Council for Solar Energy's state candidate PAC wants to make contributions to a candidate seeking an Assembly office in 2016. The PAC may make a contribution of $8,800 ($4,400 designated for the primary election and $4,400 for the general election). If the candidate is defeated in the primary election, the contribution for the general election must be returned to the PAC on a pro rata basis, less the cost of raising and administering the funds. The returned contribution will be reported by the PAC on Schedule I as a miscellaneous increase to cash.

Intermediary for Contributions. An organization may act as an intermediary for contributions to state candidates and must identify to the candidate that it is acting as an intermediary. The contributions received and made as an intermediary are not assigned to the organization.

Ex 5.7 –The Committee for Californians United collected contributions for Sharon Winston, a candidate for the State Senate. Contributors wrote checks of $4,400 payable to the general purpose committee. The committee deposited the checks and then wrote one check to Ms. Winston's campaign, providing her with the name, address, occupation, and employer of each contributor. The committee itself may also contribute $4,400 (2017-2018 limit) to Ms. Winston's campaign.

Transferred Contributions. If a general purpose committee makes a contribution to a state candidate's campaign committee and the candidate subsequently transfers the contribution, in whole or in part, to another committee to run for a *different* state office, future contributions made by the general purpose committee directly to the candidate's subsequent committee are aggregated with the funds transferred by the candidate for purposes of the contribution limits.

Ex 5.8 – Tom Davies has a committee to run for Assembly in 2016. A general purpose committee makes a contribution of $4,400 (2017-2018 limit) to his committee for the general election. After the election, Mr. Davies decides to transfer $2,500 of the general purpose committee's funds to his committee to run for State Senate in 2018. The $2,500 transfer will count toward the amount the general purpose committee may contribute to Mr. Davies' Senate committee for the 2018 primary election.

Carryover Contributions. If a general purpose committee makes a contribution to a state candidate's campaign committee and the candidate carries over the contribution to a committee for the *same* state office (e.g., from the primary to the general election for the same office or to the next election for the same office), those "carryover funds" are not required to be aggregated with future contributions made by the general purpose committee.

Ex 5.9 – A general purpose committee made a contribution of $4,200 (2015-2016 limit) to an Assembly member's committee for the 2016 election. The Assembly member established a committee to run for the Assembly in 2018 and carried over $100,000 from the 2016 Assembly committee to the 2018 Assembly committee. Although the general purpose committee's contribution was included in the "carryover" funds, the general purpose committee may still make contributions of up to $8,800 to the 2018 Assembly committee ($4,400 for the primary and $4,400 for the general election).

Affiliated Committees Making Contributions to State Candidates

If an organization has both a regular general purpose committee (PAC) and a small contributor committee (SCC), and the contributions made are controlled by a majority of the same persons, the contributions from the two committees must be aggregated for the purpose of contribution limits.

Ex 5.10 – A chamber of commerce has a regular PAC and a SCC. The SCC made a contribution of $8,800 to a 2018 Senate candidate's committee. Assuming the committees' contributions are controlled by a majority of the same persons, the regular PAC may not make a contribution to the same candidate for the same election as the contributions must be aggregated and the SCC already contributed the maximum amount allowed per election for 2017-2018.

Ex 5.11 – If the chamber's regular PAC made a contribution of $4,400 to a legislative candidate, the SCC may only make a contribution of $4,400 to the same candidate for the same election because the contributions must be aggregated and the SCC limit for a legislative candidate is $8,800 per election (2017-2018 limits).

E. After the Election – Contributions to State Candidates are Restricted

After the election, committees controlled by a state candidate for election purposes are prohibited from accepting contributions unless they have net debts outstanding from the election. The primary and general elections are separate elections for purposes of calculating net debt. The applicable contribution limits apply to contributions to pay net debt. See Campaign Disclosure Manual 1 (for State Candidates) for additional information about net debts outstanding.

Ex 5.12 – Jordan Michaels was elected to the Senate in 2016 and his committee ended up with net debt outstanding after the election. A general purpose committee made a contribution of $1,000 to his committee for the 2016 general election. The committee may make an additional contribution of up to $3,200 (the limit in 2016 was $4,200) toward Mr. Michaels' Senate committee's debt.

F. Making Contributions to State Officeholder Accounts

An elected state officer may establish a separate committee to receive contributions after the date of the election for the purpose of paying expenses associated with holding office. The committee name must include the name of the officeholder, the office held, the year of the election, and the words "officeholder account." For example, "Garcia Assembly 2016 Officeholder Account." The chart on page 5-2 shows the limits on contributions to officeholder committees.

Officeholder account contributions are subject to calendar year limits on both the amount a donor may give and the aggregate total the officeholder may raise. In addition, officeholder contributions must be cumulated (in full) with any other contributions from the same contributor(s) for any other future elective state office for which the officeholder maintains a controlled committee.

Contributions made to an officeholder account are counted toward and may not exceed the limits on contributions to a campaign committee the officeholder establishes for reelection or election to another state office. In order to determine the applicable contribution limit to an elected state officer's officeholder account, use the lower of the following:

- The calendar year contribution limits applicable to the officeholder committee on the chart, or
- The lowest per election contribution limit (the aggregate of the primary and general election limits) applicable to any future state office for which the officeholder maintains a controlled committee at any time during his or her term of office. When an officeholder files a statement of intent to run for a future state office, he or she must notify donors who have made contributions to the officeholder account.

Ex 5.13 – In February 2017, the CA Medical Technicians' PAC contributed $3,600 from its "all purpose" account to Assemblymember Brenda Yee's officeholder committee. In June 2017, the PAC received a notice from Assemblymember Yee that she had filed a statement of intent to run for State Senate in 2018. The $3,600 contribution to the officeholder committee will count toward the maximum amount the PAC may contribute to Ms. Yee's 2018 Senate committee.

Contributions to a state officeholder account must be made from a general purpose committee's "all purpose" bank account. A state officeholder may not receive new contributions to an officeholder account once the officeholder's term of office ends, or the officeholder leaves office, whichever is earlier.

G. When State Contribution Limits Do Not Apply

Ballot Measure Committees

A state or local ballot measure committee is not subject to contribution limits. A state candidate's controlled ballot measure committee may not make a contribution to a state candidate's election committee.

Exception: State candidates and officeholders may not make contributions to any committees controlled by other state candidates in excess of $4,400 (2017-2018 limit), including a state candidate's ballot measure committee. This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's or officeholder's personal funds and from campaign funds.

Legal Defense Committees

Candidates and officeholders may establish a legal defense fund to defray attorneys' fees and other related legal costs incurred for the candidate's or officeholder's legal defense arising directly out of the conduct of an election campaign, the electoral process, or the performance of the officeholder's official duties. Such committees must have "legal defense" and the name of the candidate or officeholder in the name of the committee. Contributions to a state candidate's legal defense fund are not subject to contribution limits.

Exception: State candidates and officeholders may not make contributions to any committees controlled by other state candidates in excess of $4,400 (2017-2018 limit), including a state candidate's legal defense committee. This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's or officeholder's personal funds and from campaign funds.

Recall Committees – State Elected Officer Who is the Target of a State Recall

An elected state officer who is the target of a state recall may establish a committee to oppose the qualification of the recall measure or the recall election. Such committees must have the word "recall" and the name of the target officer in the name of the committee. Contributions to a state target officer's recall committee are not subject to limits. However, contributions to a *replacement* state candidate's committee are subject to the applicable limits. See Campaign Disclosure Manual 3 (for ballot measure committees) for additional information about recall elections.

Exception: State candidates and officeholders may not make contributions to any committees controlled by other state candidates in excess of $4,400 (2017-2018 limit), including a state candidate's controlled committee opposing a recall. This limit applies on a per election basis and includes, in the aggregate, contributions made from the candidate's or officeholder's personal funds and from campaign funds.

H. Sponsored Committees – Administrative Payments

Payments for the establishment and administration of a committee made by the sponsor of the committee (see Chapter 1 for the definition of "sponsored committee") are not contributions to the committee, and therefore not subject to contribution limits; however, the committee must report the payments. See Chapter 4 for additional information about payments for the establishment and administration of a sponsored committee, including how to report the payments. A sponsor's payments for fundraising activities are not considered administrative payments.

Answering Your Questions

A. If a labor union has both a small contributor committee and a committee that makes contributions to state candidates, may the small contributor committee contribute $8,800 (2017-2018 SCC limit) to an Assembly candidate's primary election and the other committee contribute $4,400 (2017-2018 limit) to the same candidate's primary election?

No. Assuming both committees are sponsored by the same organization and a majority of the same persons control the contributions and expenditures made by both committees, they would be treated as one entity when determining the contribution limits. Thus, if the small contributor committee contributed $8,800 (2017-2018 SCC limit) to the candidate's primary election, the other sponsored committee would be prohibited from making any additional contributions.

B. If a sponsor has two committees, a ballot measure committee and a small contributor committee, can the sponsor receive one check for $7,300 and deposit $200 into the small contributor committee's bank account?

The committee should deposit the check into the ballot measure committee's bank account. The committee may then transfer up to $200 to the small contributor committee. The transfer must be made within 14 days.

C. If a federal PAC that is subject to the federal limit of $5,000 per calendar year per source makes contributions to a California state candidate, does it need a separate "all purpose" account?

No. If all contributions to the federal PAC are under the $5,000 federal limit, they are under the contribution limit for California state candidates, so a separate account is not required. The PAC should include "all purpose account" on its check to the California state candidate. The notation also helps state candidates ensure that they may deposit the funds.

Authority

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

Government Code Sections

82015	Contribution.
82025	Expenditure.
82027.5	General Purpose Committee.
82031	Independent Expenditure.
82043	Measure.
82047	Person.
82048.7	Sponsored Committee.
82050	State Candidate.
82051	State Measure.
84302	Contributions by Intermediary or Agent.
85203	Small Contributor Committee.
85204.5	Special Election Cycle and Special Runoff Election Cycle.
85205	Political Party Committee.
85301	Limits on Contributions from Persons.
85302	Limits on Contributions from Small Contributor Committees.
85303	Limits on Contributions to Committees and Political Parties.
85304	Legal Defense Fund.

85304.5	Legal Defense Fund; Local Candidates and Elected Officers.
85305	Restrictions on Contributions by Candidates.
85307	Loans.
85310	Communications Identifying State Candidates.
85311	Affiliated Entities; Aggregation of Contributions to State Candidates.
85314	Special Elections and Special Runoff Elections as Separate Elections.
85315	Elected State Officer Recall Committees.
85316	Post-Election Fundraising.
85318	Contributions Received for Primary and General Elections.
85319	Returning Contributions.

Title 2 Regulations

18215	Contribution.
18215.1	Contributions; When Aggregated.
18225	Expenditure.
18419	Sponsored Committees.
18428	Reporting of Contributions and Independent Expenditures Required to be Aggregated.
18432.5	Intermediary.
18503	Small Contributor Committees.
18530.4	Legal Defense Funds – State Candidates and Officers.
18530.45	Legal Defense Funds—Local Candidates and Officers.
18531	Return of Excessive Contributions.
18531.2	Refunding General Election Contributions.
18531.5	Recall Elections.
18531.10	Communications Identifying State Candidates.
18531.62	Elected State Officeholder Bank Accounts.
18534	Required Committee Bank Accounts.
18535	Restrictions on Contributions Between State Candidates.
18536	Transfer and Attribution of Contributions.
18537	Contribution Limits and Application to Repaid Loans.
18544	Campaign Contribution and Voluntary Expenditure COLA Formula.
18545	Contribution Limits and Voluntary Expenditure Ceiling Amounts.

Contribution Restrictions

Although the Political Reform Act is primarily a disclosure law, there are several important restrictions and prohibitions on receiving contributions. This chapter reviews these restrictions and prohibitions, as well as some that are contained in laws other than the Political Reform Act. For restrictions and prohibitions related to expenditures made with campaign funds, see Chapter 7.

A. Restrictions under the Political Reform Act

Reporting the True Donor

As noted throughout the manual, 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. (See Chapter 4 for additional information about intermediaries.)

Failure to disclose the true source of a contribution is often referred to as campaign money laundering, which is a serious violation of the Act. One type of common violation is when an employer reimburses individual employees for contributions so that the committee receiving the contributions discloses the employees rather than the true source of the contribution (the employer) on campaign disclosure reports.

Another occurrence is when a person (organization, business, individual) makes a contribution to another person with the condition, agreement, or understanding that the payment will be subsequently used for political purposes, such as a contribution to another committee. It is a violation for persons to conceal their identities by contributing through another person.

Committee treasurers must inquire about any information that a person of reasonable prudence would question based on all available information. It is not possible to describe every situation that might trigger a duty for a treasurer to inquire if a contribution is identified correctly. Some examples are the size of the contribution, the reported source, the likelihood of that source making a contribution of the size reported, and all other circumstances surrounding receipt of the contribution.

Ex 6.1 –A committee receives contributions of $5,000 each from ten different individuals in the same week. The committee treasurer and campaign fundraiser did not make specific solicitations to the individuals. Upon request, the individuals state that they all work for the same employer. The committee treasurer has a duty to inquire to determine if the employer reimbursed the employees.

If it is discovered that a committee received a contribution and the donor and intermediary were not properly identified, the contribution must be paid to the Secretary of State for deposit in the State General Fund. A local agency may deposit laundered funds into its general fund when the action is brought under its local campaign finance ordinance.

Cash Contributions

A 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 committee bank account must be refunded within 72 hours of receipt.

Quick Tip

Even if change is immediately provided, a committee may not accept $100 or more in cash from a single source. For example, if the committee is holding a fundraiser and charging $50 per person, an attendee may not pay with a $100 bill. The payment must be made by personal check, debit card, or credit card.

Anonymous Contributions

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 General Fund.

Contributor's Legal Name

Contributions must be made in the name by which the contributor is identified for legal purposes.

Commingling Funds

Campaign funds may not be commingled with any individual's personal funds; they must be kept in an account separate from any account that contains personal funds. Campaign funds may not be used for personal expenses. (See Chapter 7 for information about the use of campaign funds.)

Contributions Made by Money Orders/Cashier's Checks/ Traveler's Cheques

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 General Fund.

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 may also be received by credit card (including over the Internet), wire transfer, or other electronic means. (See Chapter 4.)

Contributions Delivered in State Office Buildings

A contribution may not be delivered 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. "Personally delivered" includes the delivery of a copy or facsimile of a contribution, and the original or a copy of a contribution transmittal letter. This prohibition does not apply to contributions received or delivered in a legislative district office or those sent by mail.

Contribution Limits

Chapter 5 includes a detailed discussion about contribution limits to state candidate controlled committees and committees that make contributions to state candidates. In addition, the contribution limits chart is available on the FPPC website. Local committees should check with the city clerk or county elections office to determine if local limits apply in the jurisdiction.

Contributions From State Lobbyists

A lobbyist may not make a contribution to an elected state officer or a candidate for elective state office if the lobbyist is registered to lobby the governmental agency for which the candidate is seeking election or the governmental agency of the elected state officer.

A general purpose committee that receives personal funds from a lobbyist and includes the lobbyist (or a cohabitant of a lobbyist) in decisions regarding the making of contributions is also prohibited from making contributions to state candidates who are seeking or holding an office of an agency the lobbyist is registered to lobby.

A lobbyist is not prohibited from advising his or her clients (including sponsored general purpose committees) regarding the making of contributions to state candidates.

State Lobbyist and Lobbying Firm Fundraisers

A fundraiser held in the home of a lobbyist is considered a contribution; therefore, a lobbyist (or a cohabitant of a lobbyist) is prohibited from holding a fundraiser in his or her home for a candidate seeking election to a governmental agency that the lobbyist is registered to lobby. A similar prohibition applies to lobbying firms holding fundraisers at their offices.

Contributions From Foreign Governments or Foreign Principals

Committees are prohibited from soliciting or accepting contributions from a foreign government or foreign principal in connection with a candidate or ballot measure in any local, state, or federal election. (52 U.S.C. Section 30118 and Government Code Section 85320 of the Act.)

For purposes of this prohibition, a “foreign principal” includes:

- A foreign political party.
- An individual outside the United States, unless the individual is a United States citizen.

- A corporation outside of the United States, unless it is organized or created by the laws of the United States or any place subject to the jurisdiction of the United States, and its principal place of business is 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.

- A foreign partnership, association, corporation, or organization.

- 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 not a citizen of the United States or a lawfully-admitted resident of the United States.

Contributions, expenditures, or independent expenditures made by a lawfully-admitted permanent resident (e.g., a "green card" holder) of the United States are permitted.

B. Public Funds and Public Resources

The Political Reform Act prohibits the payment of public moneys, in the form of matching funds or cash subsidies, for the financing of elections, 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; and *Vargas v. City of Salinas* (2009) 46 Cal 4th 1.)

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. For further information on laws outside the Act, contact the Attorney General's office at (800) 952-5225 or the local district attorney.

Authority

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

Government Code Sections

82015	Contribution.
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.
85701	Laundered Contributions.
85702	Contributions from Lobbyists.

Title 2 Regulations and Opinions

18432.5	Intermediary.
18439	Definition of “Personally Deliver.”
18572	Lobbyist Contributions-Making a Contribution Defined. *Pelham Opinion (2001) 15 FPPC Ops 1.*

Use of Campaign Funds

The Political Reform Act strictly regulates how campaign funds may be spent. The general rule is that the expenditure of campaign funds must be reasonably related to a political, legislative, or governmental purpose.

An expenditure that confers a substantial personal benefit on any individual who is authorized to approve the committee's expenditures must be directly related to a political, legislative, or governmental purpose. A substantial personal benefit means an expenditure of campaign funds which results in a direct personal benefit with a value of more than $200.

Ex 7.1 – The committee's treasurer has decided to enter an accounting certificate program at the local community college. While the program may enhance her qualifications as a treasurer, campaign funds may not be used for this purpose. A certificate would confer a personal benefit to the individual that is not considered to be directly related to a political, legislative, or governmental purpose.

The following are examples of specific expenditures and the rules regarding the use of campaign funds for such purposes. If the examples are not helpful, contact the FPPC for assistance by sending an email with specific facts to advice@fppc.ca.gov.

Quick Tip

The FPPC has fined committees for payments made from a campaign account that were used for the following personal purposes: auto care services, doctor visits, clothing, and personal life insurance premiums.

Election Night Celebrations

Costs associated with election night celebrations or similar campaign events are considered to be directly related to a political, legislative, or governmental purpose; therefore, campaign funds may be used.

Attorneys' Fees

Generally, attorneys' fees and other costs related to administrative, civil, or criminal litigation may not be paid with campaign funds. However, where the litigation is directly related to the committee's activities that are consistent with its primary objectives, campaign funds may be used to pay for expenses related to the following:

- 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 a ballot or challenge the wording of a 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, so long as the expenses are incurred for political, legislative, or governmental purposes.

Automobile Lease or Purchase

When making payments associated with leasing, purchasing, or operating a vehicle, such as insurance, maintenance, and repairs, the committee must be the lessee or hold title to the vehicle. Additional titleholders may not be the treasurer or any other person who may approve committee expenditures, or a member of any such person's immediate family (spouse, registered domestic partner, and dependent children).

Reimbursed Automobile Expenses

Campaign funds may be used to reimburse the treasurer or any person who may approve committee expenditures, or committee staff, 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, contact the Internal Revenue Service at (800) 829-1040 (www.irs.gov).

Donations

Campaign funds may be used to make donations or loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organizations. The donation or loan must be reasonably related to a political, legislative, or governmental purpose. For example, a sponsored general purpose committee may not use campaign funds to pay for the sponsor's general operating expenses that have no connection to its political, legislative, or governmental programs.

In addition, the donation to a nonprofit organization may not personally benefit the committee treasurer or any individual with the 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 and if use for any other purpose will be minimal. 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 committee may purchase a meal with a cost of $200 or less, so 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 types of fines, penalties, judgments, and settlements may be paid with committee 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.

Ex 7.2 – The treasurer filed the committee's semi-annual campaign statement 5 days late and the Secretary of State assessed a fine of $50. The fine may be paid with the committee's funds.

Gifts

Unless directly related to a political, legislative, or governmental purpose, personal gifts may not be paid for with campaign funds. However, gifts of less than $250 in a calendar year to campaign employees or workers are permitted because they are considered to be directly related to a political, legislative, or governmental purpose.

Health-Related Expenses

A committee may use campaign funds to pay for health care benefits for its employees or independent contractors. However, campaign funds may not be used to pay for other health-related expenses, such as health club dues, special dietary foods, or medical check-ups.

Loans

Campaign funds may be used to make loans to other political committees. Loans to state candidate committees are subject to limits. In addition, committee funds may be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, nonprofit organizations.

However, a loan may not personally benefit the committee treasurer, or any individual with authority to approve the expenditure of committee funds, or any such person's immediate family member (spouse, registered domestic partner, and dependent children). The loan must be reasonably related to a political, legislative, or governmental purpose. Committee funds may not be loaned to an individual or to an entity other than those described above.

A sponsored committee may not loan campaign funds to its sponsoring organization for general expenses of the sponsor.

Out of State Contributions

The Political Reform Act does not prohibit a general purpose recipient committee from making donations to support out of state candidates so long as the expenditure is related to a political, legislative, or governmental purpose.

Professional Services

When the committee reasonably requires the services of professionals, such as accountants or attorneys, their fees may be paid with campaign funds as these expenditures are considered to be directly related to a political, legislative, or governmental purpose.

Real Property

A committee, other than a state political party, may not purchase real property. It may, however, lease property for up to one year, so long as its use is directly related to a political, legislative, or governmental purpose. The treasurer or any other individual with authority to approve the committee's expenditures, or an immediate family member (spouse, registered domestic partner, and dependent children) of any of these persons may not be a lessee or sublessor, or hold legal title to the leased property.

Refunding Contributions

The return of a contribution to a contributor 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 3.)

Salary and Compensation

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.

Tickets for Entertainment and Sporting Events

Campaign funds may not be used to purchase entertainment and sporting event tickets for use for an officer, director, employee, or staff of the committee, unless attendance at the event is directly related to a political, legislative, or governmental purpose.

Tickets to Political Fundraisers

Campaign funds may be used to purchase tickets to another committee's political fundraiser (subject to any applicable contribution limits) for an officer, director, employee, or staff of the committee.

Travel

A committee may use campaign funds to pay for travel or accommodations for any individual with authority to approve the committee's expenditures, or employees or staff of the committee so long as the standards set by Internal Revenue Code Sections 162 and 274 (deduction of travel expenses for tax purposes) are complied with. 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 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.

Lobbying

Campaign funds may be used to attempt to influence legislative or administrative action. Expenditures for lobbying may include salaries for lobbyists and their support staff, bill tracking services, overhead expenses in support of a lobbyist, and other payments associated with lobbying.

Answering Your Questions

A. I am the treasurer of a state general purpose ballot measure committee. I make long distance campaign phone calls on my home phone. How may I pay for them?

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.

B. As a volunteer for our general purpose committee, I will occasionally use my personal car to assist the committee. Is mileage considered a reportable contribution to the committee if I do not want to be reimbursed?

No. Incidental use of your personal car for campaign purposes is not considered a contribution and is not reportable.

C. Is it permissible to have an agreement with a committee fundraiser or consultant to pay additional money if we surpass our fundraising goals?

Yes, under the Act you may make contingency agreements that the committee will not pay a contractor unless a particular outcome is achieved in fundraising or campaign results, or that a bonus will be paid depending upon an outcome. The arrangement should be made part of the written contract. However, no contingency fee or arrangement is permissible when paying a lobbyist.

D. May we give bonuses to our committee workers?

Yes, but in most cases, the bonuses would be considered gifts and must be limited to less than $250 per calendar year.

E. May we give campaign funds to our committee's sponsor to help pay the sponsor's general operating expenses?

No. Committee funds may only be used for political, legislative, or governmental purposes.

F. May campaign funds be used to pay lobbying expenses?

Yes. Committee funds may be used for political, legislative, or governmental purposes.

G. May campaign funds be used to pay the $95 membership dues of an honorary member of the committee? The individual has served as president for many years and is retiring.

Yes. Committee funds may be used to provide a gift to a former board member of the committee as long as the gift does not exceed $250 in a year.

H. May campaign funds of an education related political committee be used to establish a recall committee to remove a school board member from office?

Yes. This would be used considered a political purpose.

I. May a county central committee allow its offices to be used by candidates? Candidates could use the office equipment and share help from volunteers.

Yes. This would be considered a political purpose. However, the office space would also be a nonmonetary contribution to the candidates and must be reported.

Authority

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

Government Code Sections

82025	Expenditure.
82029	Immediate Family.
82044	Payment.
89511	Campaign Funds Held by Candidates and Committees.
89512.5	Expenditures by Committees Not Controlled by Candidates.
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.
89518	Use of Campaign Funds for Compensation.

Title 2 Regulations

18229	Inclusion of Registered Domestic Partners.
18570	Return of Contributions with Insufficient Donor Information.
18960	Direct Personal Benefit Defined.
18961	Incidental Use.

Communications

Campaigns reach the voters through communications including television, radio and Internet advertising, mailers, billboards, precinct walking and flyers. The Political Reform Act requires reporting of most payments in connection with political communications and requires "paid for by" disclaimers on ads placed by general purpose committees on candidates and measures to inform voters who is paying for a communication.

This chapter reviews common communications in a campaign and how payments for the communications are required to be reported. The next chapter discusses the disclaimer requirements that apply to political communications.

A. Payments for Communications

Nonmonetary Contributions. Generally speaking, when a general purpose committee pays for a communication supporting or opposing a candidate or ballot measure, the general purpose committee has made a nonmonetary contribution to that committee if the general purpose committee was coordinating with the candidate or measure committee.

Reporting Nonmonetary Contributions: When a general purpose committee makes payments for a communication that is a contribution, both the general purpose committee and the candidate or committee receiving the benefit report the contribution on a campaign statement.

Independent Expenditures. A general purpose committee may also make "independent expenditures" supporting or opposing a candidate or measure. If a general purpose committee spends money for communications to support or oppose a candidate or a measure without coordinating with the affected candidate or ballot measure committee, the general purpose committee's expenditures are considered to be independent expenditures.

Reporting Independent Expenditures: When a general purpose committee makes payments for communications that are independent expenditures, only the general purpose committee will report the payments on its campaign statements. Committees that are the beneficiaries of independent expenditures do not report them. A general purpose committee making independent expenditures on a candidate or a ballot measure must file reports, including 24-hour reports, verifications, and supplemental independent expenditure reports. (See Chapter 11.)

There is an exception for certain "member communications" sent solely to an entity or organization's employees, shareholders, or members, as discussed below.

B. Coordinated Communications

When a general purpose committee pays for a communication that is coordinated with or "made at the behest of" a candidate's committee or ballot measure committee, the communication is a nonmonetary contribution to that committee.

Coordination – "Made at the Behest"

"Coordinated" or "made at the behest" means made at the request, suggestion, or direction of, or in cooperation or consultation with the committee for whose benefit the expenditure is made.

A payment is coordinated with or "made at the behest" of a candidate or ballot measure committee under each of the following:

- It is made at the request, suggestion, or direction of, or in cooperation, consultation or coordination with the committee for whose benefit the expenditure is made.
- The committee or their agents have made or participated in making any decision about the content, timing, location, mode, intended audience, distribution, or frequency of placing the communication.

- The creator, producer, or distributor of the commutation, or person paying for the communication has had discussion and agreement with the committee, or its agents, regarding the content, timing, location, mode, intended audience, distribution, or placement of the communication.

There is a rebuttable presumption that an expenditure is **coordinated** or "made at the behest of" a committee if:

- **Committee's Needs.** It is based on information about the committee's campaign needs or plans provided to the expending person by the committee, such as information concerning messaging, planned expenditures, or polling data.

- **Agent.** It is made by or through any agent of the committee in the course of the agent's involvement in the current campaign.

"Current campaign" means the period beginning 12 months prior to the date of the primary or special election in which the candidate is on the ballot for an elective office and ending on the date of the general or special runoff election for that office. For a measure, "current campaign" means the period beginning 12 months prior to the date of the election in which the measure is on the ballot.

- **Common Consultants.** The person making the expenditure retains the services of a person who provides the committee with professional services related to the campaign or fundraising strategy for that same election.

- **Republication.** The communication reproduces, republishes, or disseminates a communication designed, produced, paid for, or distributed by the committee.

- **Fundraising.** The committee making the expenditure is primarily formed to support the candidate or oppose their opponent and in the course of the current campaign, the candidate who benefits from the expenditure solicits funds for or appears as a speaker at a fundraiser for the committee making the expenditure.

Ex 8.1 – A general purpose recipient committee printed campaign literature stating, "Vote for Banks." The communication included Banks' photograph, which was obtained from the Banks re-election committee's website. The general purpose committee did not in any other way coordinate with the Banks campaign in producing the campaign literature. The general purpose committee made an independent expenditure, not a contribution to Banks' committee.

On the other hand, if the general purpose committee contacted Banks' political consultant and arranged for a professional photographer to meet with them for the purpose of taking photographs for the mailer, the general purpose committee would be making a nonmonetary contribution to Banks' committee.

- **Former Staff.** The person making the expenditure is established, run, or staffed in a leadership role, by an individual who previously worked in a senior position or advisory capacity on the candidate's or officeholder's staff within the current campaign.

- **Candidate's Family.** The person making the expenditure is established, run, staffed in a leadership role, or principally funded by an individual who is an immediate family member of the candidate.

However, an expenditure is **not coordinated** or made at the behest of a candidate or committee merely because:

- **Interview.** A person interviews the committee or committee's agent on issues affecting the person making the expenditure.

- **Photograph or Press Release.** The person making the expenditure has obtained a photograph, position paper, press release, or similar material from the committee or the committee's agents.

- **General Request for Support.** The person makes the expenditure in response to a general, non-specific request for support by a candidate or committee, provided that there is no discussion with the candidate or committee prior to the expenditure relating to details of the expenditure.

- **Meeting with Members or Employees.** The person making the expenditure has invited committee representatives 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 related to details of the expenditure.

- **Prior Contribution.** The person making the expenditure has made a contribution to the candidate or committee.

- **Informed after the Expenditure is Made.** A person informs a candidate or committee that the person has made an expenditure, provided that there is not exchange of information, not otherwise available to the public, relating to details of the expenditure.

- **Expenditure Benefits Another Candidate or Committee.** The expenditure is made at the request or suggestion of the candidate or committee for the benefit of another candidate or committee.

- **Hyperlink.** The communication includes a hyperlink to the Internet website or other social media page of a candidate or ballot measure committee.

- If a general purpose committee places an online advertisement supporting a candidate and the advertisement, without consultation or coordination with the candidate or candidate's committee, links to the candidate's or committee's web page or other information posted by the candidate or committee, the presence of the link itself does not mean that the advertisement was coordinated with or "made at the behest of" the candidate.

Ex .8.2 – A local tax measure would increase the benefits provided to police and firefighters. Representatives from both of the general purpose committees that represent the police and firefighters meet to review polls on the likelihood the measure will pass. Each committee then makes separate expenditures in connection with supporting the measure. Under these facts, neither PAC is making a contribution to the other.

If two or more general purpose committees exchange information between or among themselves, subsequent expenditures by each committee are not, merely by reason of that exchange, considered to be coordinated with or "made at the behest of" the other committee.

The determination as to whether a communication is considered independent or made at the behest of a candidate or committee is based on specific facts. Contact the FPPC for assistance.

C. Independent Expenditures

When a general purpose committee makes an expenditure for a communication supporting or opposing a candidate or ballot measure that is not coordinated with the candidate or measure committee, it is making an independent expenditure. An independent expenditure is a payment for 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, and
- The communication is **not coordinated** with or "made at the behest" of the affected committee.

Clearly Identified

A communication clearly identifies a candidate or ballot measure when the candidate's name, photograph, or status as a candidate or officeholder is used, or the measure's name, popular title, or official title is used. Some flyers may mention a group of candidates by some well-defined characteristic of the group. Even if no specific names are used, these too may be communications which clearly identify candidates.

Express Advocacy

A communication expressly advocates support or opposition of a clearly identified ballot measure under the following scenarios:

- **Magic Words.** The communication uses words such as "vote for," "elect," "cast your ballot," or "defeat."
- **Unambiguously Urges.** The communication is made within 60 days prior to an election and the communication refers to a clearly identified candidate or ballot measure so that when, taken as a whole, it unambiguously urges a particular result in an election. The message must be susceptible of no reasonable interpretation other than as an appeal to vote for or against a specific candidate or ballot measure.

Ex 8.3 – A general purpose committee paid $4,000 for a newspaper ad stating "Vote for Measure A." The communication expressly advocates support for a clearly identified ballot measure. It must be reported by the general purpose committee either as a contribution or independent expenditure, depending upon whether it was coordinated with a primarily formed ballot measure committee.

Later, the same general purpose committee 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 clearly identified measure.

A committee or person making independent expenditures must be aware that the communication cannot be coordinated with the affected candidate or measure committee. If there is coordination, the payments are reported as contributions.

D. Other Communications

Endorsements

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

Ex 8.4 – 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.

Social Media – Internet Communications

Uncompensated Internet activity by an individual, such as sending or forwarding electronic messages, social networking, blogging, creating or hosting a website, to support or oppose a candidate or ballot measure is not considered a contribution or expenditure.

When a PAC blogs or posts communications that expressly advocate a candidate or measure, the advertisement is subject to disclaimer requirements. Depending upon the communication and the cost to prepare the communication, a contribution will be reportable.

Ex 8.5 – A PAC may establish a social media account (e.g., Facebook, Twitter, Tumblr) to engage in campaign activity, such as posts or tweets to support candidates and ballot measures. See Chapter 9 for information about required disclosure for advertisements.

E. Advertisement Reports

Communications Identifying State Candidates (Form E-530)

If a general purpose committee makes a payment or a promise of a payment totaling $50,000 or more for a communication disseminated within 45 days of an election that clearly identifies a candidate for elective state office, but does not expressly advocate the election or defeat of the candidate, the committee must report the payment. The committee must file Form E-530 with the Secretary of State within 48 hours.

"Thank you Senator Ramos for supporting seismic retrofitting and the jobs it creates."

Ex 8.6 – Two weeks before a 2016 election in which State Senator Ramos will be listed on the ballot, a general purpose committee pays more than $50,000 for billboard ads in her district stating "Thank you Senator Ramos for your support of high speed rail." The ads do not advocate her election, but include her name and image and were approved by her. The general purpose committee must file an E-530 report and is subject to a contribution limit of $36,500 (2017-2018 limit) in a calendar year from a single source.

If the communication is made at the behest of the candidate, the general purpose committee is subject to the political party contribution limits of $36,500 (2017-2018 limit) per contributor. Once a general purpose committee receives a contribution in excess of that contribution limit, the committee may not make a payment for such a communication. (See Chapter 5.)

Ballot Measure Ad – Paid Spokesperson Report (Form 511)

When a general purpose committee pays an individual for his or her appearance in a ballot measure advertisement, the committee must file a Paid Spokesperson Report (Form 511) and include a disclaimer on the ad in the following situations:

- **$5,000 payment to an individual in a ballot measure ad:** The committee makes expenditures totaling $5,000 or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage or defeat of a state or local ballot measure.

- **Any payment to an individual in a ballot measure ad portraying a professional (nurse, doctor, firefighter, scientist, engineer, lawyer, etc.):** The committee makes expenditures of any amount to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage or defeat of a state or local ballot measure that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training to engage in that occupation.

See Chapter 9 for information about the advertisement disclaimer requirements.

When to File Form 511

A committee that makes an expenditure identified above must file the Form 511 within 10 days. An expenditure is made on the date the payment is made or the date the services are received, whichever is earlier.

Where to File Form 511

State Committees: File Form 511 with the Secretary of State. Committees required to E-file must also file a paper version.

Local Committees: File Form 511 in the same location the committee files its regular campaign statements (i.e., Form 460).

Paid Spokesperson Report

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

Date Stamp

CALIFORNIA FORM 511

For Official Use Only

1

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

ID # *(If required)*: 13582XX

AREA CODE/PHONE NUMBER: (916) 555-1640

E-MAIL *(Optional)*: lcooper@cclaw.com

☐ Amendment (explain)

STREET ADDRESS: 1810-21st Street

CITY: Sacramento

STATE: CA

ZIP CODE: 95814

2

Payments Made ***Attach additional information on appropriately labeled continuation sheets.***

DATE	NAME AND ADDRESS OF SPOKESPERSON (OCCUPATION MAY BE REQUIRED - SEE INSTRUCTIONS)	BALLOT MEASURE SUPPORTED OR OPPOSED (INCLUDE BALLOT NUMBER OR LETTER AND JURISDICTION)	AMOUNT
9/20/XX	George Abdin 2495 River Point Drive Sacramento, CA 95828 Occupation: Computer Programer	Proposition 25, State of California ☐ Support ☒ Oppose	$2,500

3

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 [Date Required] (DATE)

By [Signature Required] (SIGNATURE OF TREASURER/ASSISTANT TREASURER/FILER)

FPPC Form 511 (Jan/2015)
FPPC Advice: advice@fppc.ca.gov (866/275-3772)
www.fppc.ca.gov

Completing Form 511

1 Name of Filer/Committee Information

Provide the committee's full name, street address, city, state, zip code, telephone number, and the committee's identification number.

2 Payments Made

Provide the date the payments were made or the services were received, whichever is earlier. Indicate the name and address of the individual who was paid to appear in the advertisement. The occupation of a spokesperson is also required when an expenditure of any amount is paid to an individual for his or her appearance in an advertisement that supports or opposes the qualification, passage, or defeat of a state or local ballot measure and the advertisement states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training as a prerequisite to engage in that occupation.

Provide the name, number or letter, and jurisdiction of the ballot measure supported or opposed by the advertisement and indicate the total amount of the expenditure.

3 Verification

The committee treasurer or the assistant treasurer must complete the verification. The statement is signed under penalty of perjury that the information is true and correct. 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.

F. Non-Contributions

There are some communications that are not considered to be contributions, although payments made by a general purpose committee in connection with these communications would be reportable expenditures.

Debates

If an organization or entity hosts a debate or other forum and invites at least two opposing candidates or the proponent of a ballot measure and at least one opponent, or their respective representatives, to participate in equal numbers, a payment for the event is not a contribution to the candidate or ballot measure committees.

Ex 8.7 – The League of Women Voters invited the proponent and an opponent of Proposition 31 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 a candidate or 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.

Ex 8.8 – 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, so no contribution was made.

Non-Political Communications

A payment made at the behest of a candidate for a communication by the candidate or any other person, is not a contribution to the candidate if the communication:

- Does not contain express advocacy;
- Does not make reference to the candidate's election campaign, or his or her opponent's qualifications for office; and
- Does not solicit contributions to the candidate or to third persons for use in support of or opposition to the candidate.

Voter Registration

A payment made at the behest of a candidate or ballot measure committee as part of voter registration or get-out-the-vote activities is not a contribution if the communication does not expressly advocate support of or opposition to the candidate or ballot measure.

Ex 8.9 – At the behest of a state candidate, a general purpose committee paid for a nonpartisan voter registration booth at a local fair. No other literature was distributed at the booth. The payment for the voter registration booth was not a contribution to the candidate.

Member Communications

Payments made by an organization or its sponsored committee for a communication that supports or opposes a candidate or 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.

Payments made by a **political party** for a communication that supports or opposes a candidate or 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.

Quick Tip

Political party committees have different reporting requirements for member communications.

If a communication is sent to members and nonmembers, the committee may allocate that portion of the costs associated with communicating with nonmembers as a contribution or independent expenditure.

However, if the communication is *inadvertently* sent to nonmembers *and* the costs do not exceed $100 or 5% of the total cost of the communication, whichever is higher, the entire communication is considered a member communication.

Other communications, such as a sponsoring organization's solicitations for contributions for its committee, are not considered "member communications" and are contributions to the committee.

Definition of "Member"

A member is any person who, according to a specific provision of an organization's articles or bylaws, has the right to vote for the election of a director or an officer or on a disposition of all or substantially all of the assets of the organization or on a merger or on a dissolution.

Ex 8.10 – A corporation's sponsored PAC sends a mailing supporting a ballot measure to the corporation's shareholders. The mailing is not a contribution to the ballot measure committee whose position is supported, nor is it an independent expenditure. Later, at the behest of the ballot measure committee, the PAC sends the mailing to all registered voters in the district where the measure will appear on the ballot. The mailing to the voters is a nonmonetary contribution.

Ex 8.11 – The California Tree Doctors Association collects and transmits dues earmarked by its members for political purposes to its sponsored committee. In December, the Association sends a special mailing to its members to raise additional funds for the upcoming state elections. The committee must disclose the payments made by the Association for the solicitation mailing on Schedule C of the Form 460 as nonmonetary contributions from the Association (rather than administrative services). The following year, the Association sends a letter to its members recommending candidates running in the upcoming state election. The payments for this mailing qualify as "member communications" and, therefore, are not contributions to the committee or to the candidates. Neither the Association or the candidates must report the costs of the mailing. (Note: If the sponsored committee paid for the member communication the payments would be reported on Schedule E or F of the Form 460.)

A member is also any person who is designated in the articles or bylaws as a member and, according to a specific provision of an organization's articles or bylaws, has the right to vote on changes to the articles or bylaws, or pays or has paid membership dues in an amount predetermined by the organization so long as the organization is tax exempt under 26 U.S.C. 501(c). Members of a local union are considered to be members of any national or international union of which the local union is a part and of any federation with which the local, national, or international union is affiliated.

Quick Tip

People who are only on a mailing or contact list for the organization are not "members" of the organization.

For more information about member communications, see Regulation 18531.7 or contact the FPPC.

Third Party Payments for Member Communications

To meet the exception to the definition of contribution or expenditure, the payment for the communication must be paid by the committee or its sponsor. If a third party makes the payment in coordination with the committee or organization, the payment is considered a contribution or expenditure, subject to any applicable limits and reporting requirements.

Ex 8.12 – The River City Rowing Club's bylaws require payment of membership dues in order to vote for officers of the club. The club also has a mailing list of individuals that do not pay dues, but receive the club's literature. When the club sends a mailer supporting or opposing candidates and measures, they do not send the communication to the mailing list of non-members. Therefore, the mailing qualifies as a "member communication" and the payments made are not contributions or independent expenditures.

Ex 8.13 – The California Association of Vegetarians has decided to send a campaign brochure supporting the three Green Party members running for statewide office to its members. Upon hearing of the plan, Friends of the California Environment offers to pay for the communication. The total cost of the communication is $15,000. The payments are made at the behest of each candidate, and each will be featured equally on the flyer. Because the association is not paying for the communication, it does not meet the definition of a "member communication." Friends must report making a contribution to the three candidates of $5,000 each. Contribution limits apply.

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.

Authority

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

Government Code Sections

82015	Contribution.
82025	Expenditure.
82031	Independent Expenditure.
82044	Payment.
82047	Person.
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 (express advocacy, clearly identified).
18225.7	Made at the Behest of; Independent Versus Coordinated Expenditures.
18531.7	Payments for Communications – Section 85312 (member communications).
18531.10	Communications Identifying State Candidates.

Cases

Californians for Fair Representation – No on 77 et al., v. Schwarzenegger (2006) 138 Cal.App.4th 15.

Advertisement Disclaimers

This chapter describes the disclaimers required on political mailings and other advertisements made by general purpose committees on candidates or ballot measures. The disclaimers inform the public who is paying for a communication.

The disclaimers required for communications made by a general purpose committee that are *independent expenditures* and those required for coordinated *communications that are contributions* to a candidate or measure are shown in two charts.

A. What is the Disclaimer?

"Paid for by [committee name]" is the basic disclaimer on most campaign communications. The disclaimer is required on the following:

- Mailings and emails
- Paid telephone calls
- Radio ads
- Television ads
- Electronic media ads
- Newspaper ads
- Billboards
- Yard signs

On all communications, "paid for by [committee name]" is required. On printed mass mailings "paid for by [committee name]" *and the committee's address* are required.

Examples:

"This call was paid for by ABC Trade Association."

"This ad was paid for by Going Green Political Action Committee."

Quick Tip

Contact the local elections office for rules on placement of campaign signs in residential or commercial areas.

Quick Tip

Local rules may require additional disclaimers on campaign ads.

Not Authorized by Candidate

When a general purpose committee pays for an independent expenditure advertisement supporting or opposing a candidate, the ad must include the following statement: "This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office.

Example:

"This advertisement was paid for by ABC Trade Association and was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office."

The Political Reform Act ensures that the committee paying for the ad is identified. The Act does not regulate the truth or accuracy of the content of political communications given the broad First Amendment protection for political speech.

Ex 9.1 – Denim Manufacturers Committee made two types of independent expenditures. One was for a series of radio spots opposing a proposition and the other was a mass mailing supporting a candidate for mayor in San Francisco. The radio spots audio disclaimer must say "paid for by Denim Manufacturer's Committee." The mailing must state "Paid for by Denim Manufacturer's Committee and not authorized by a candidate or a committee controlled by a candidate."

How Must the Disclaimer Appear?

Disclaimers on political ads must be clear and conspicuous so as to be understood by the public. Written disclaimers must be printed clearly and legibly. Spoken disclaimers must be clearly audible and intelligible. Specific requirements for color contrast, print font size, and time appearing on screen are provided on the following chart. Disclaimers must also be written or spoken in the same language used in the advertisement.

If an acronym is used to identify the committee, the name of any sponsoring organization of the committee must be printed on print advertisements or spoken in broadcast advertisements.

Telephone Calls

When a general purpose committee pays for 200 or more similar telephone calls that expressly advocate support for or opposition to a candidate or ballot measure, the name of the committee must be disclosed to recipients. The disclosure must include the words "paid for by" or "authorized by." This is required for both contributions and independent expenditures. A script of the call must be maintained in the committee's records.

B. Advertisement Disclaimers for Independent Expenditure Ads

The disclaimer rules for independent expenditure ads by general purpose committees that support or oppose candidates or measures are summarized in the chart below.

Independent Expenditure Ads on Candidates or Ballot Measures (By General Purpose Recipient Committees)

Communication	Manner of Display
All mass mailings (more than 200) (see note)	• Committee name/address (on file with Forms 410) on outside of mailing in no less than 14-point, bold, sans serif type, contrasting print color • **"Paid for by"** must be in the same color and size as the name/ address and immediately in front of or above the name/address • **IE disclaimer in box for candidate ads.** The required statement ("[t]his advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office") must be located one quarter of an inch from the recipient's name and address in a box. The box's outline must have a 3.25 line weight. So the statement is clearly readable, contrasting colors must be used for the background of the ad and the box outline, text and background

Telephone calls (more than 200) - made by vendors (“robo” calls) or paid individuals	• Disclaimer must state the call is “paid for by” committee name • Must be at least 3 seconds at beginning or end of call
Radio	• Must be at least 3 seconds either at beginning or end of the ad
Television	• Both written & spoken at the beginning or end of ad • Not less than 4 seconds • Size & contrasting color must be legible to the average viewer • Exception - no spoken disclosure required if written statement is shown for at least 5 seconds on a 30 second broadcast or 10 seconds on 60 second broadcast

Electronic Media **1. Websites and blast emails** **2. Ads of limited size (micro bar, button ad, ads limited to 500 characters or less)** **3. SMS texts** **4. Electronic ads sent in an audio format** **5. Electronic ads sent in a video format**	1. Disclaimer statement must be in the same font size as majority of text and displayed conspicuously near the ad 2. Ad must provide disclaimer via rollover, link or other connection to website with the disclaimer 3. Include the committee ID number and if technically possible link to the committee's campaign statement on Secretary of State's website 4. Same requirements as for radio ads above 5. Same requirements as for television ads above
Paid spokesperson in ballot measure ad • $5,000 payment to individual in ad • Any payment to individual in ad portraying a member of a licensed occupation (nurse, doctor, firefighter, scientist, engineer, lawyer, etc.) who is not actually a member of that occupation.	**Disclaimer:** "(Spokesperson's name) is being paid by this campaign or its donors." **Disclaimer:** "Persons portraying members of an occupation in this advertisement are compensated spokespersons not necessarily employed in those occupations." • Printed or televised ad: shown continuously in highly visible font • Radio broadcast or phone message: spoken in clearly audible format

Newspaper ads	• 14-point, bold, sans serif type in contrasting print color • Also check the Elections Code
A billboard **Yard signs (more than 200)**	• 5% of height of ad in contrasting color
Door hangers, flyers, posters, and oversized campaign buttons and bumper stickers (more than 200) (buttons 10" across or larger and stickers 60 sq. in. or larger)	• 14-point, bold, sans serif type in contrasting print color

Note: Two display rules exist for mass mailings. A mass mailing must have the committee name/address on the outside of an envelope in 6 pt type, while the manner of display for the ad disclaimer requires the committee name in no less than 14-point, bold, sans serif type. Often a one-page mailer combines the display rules with both the committee name and address in no less than 14-point, bold, sans serif type although the address may be at 6 pt type.

Updating a Disclaimer

In the event an advertisement disclaimer must be revised due to a name change, television, radio, electronic media, or robocalls must be amended within five calendar days. Print media, mass mailings, or other tangible items must be amended every time an order to reproduce is placed.

Advertisements in Languages Other than English

Disclaimers on political advertisements should be written or spoken in the same language used in the advertisement. Proper names are not required to be translated.

Advertisement Disclaimer Exceptions

A disclaimer is not required on regular-size campaign buttons, pins, bumper stickers, or magnets. It is not required on pens, pencils, rulers, mugs, potholders, key tags, golf balls and similar small campaign promotional items where a disclaimer cannot be conveniently printed. The disclaimer is not required on t-shirts, caps, hats, and other articles of clothing; skywriting and airplane banners; or committee checks and receipts.

C. Advertisement Disclaimers for Coordinated Communications

The disclaimer rules for communications made by general purpose committees that are coordinated with a candidate or committee are summarized in the chart below. Payments for such communications are a reportable contribution to the candidate or committee.

Communications by General Purpose Recipient Committee that are Contributions to a Candidate or Committee

Communication	Manner of Display
All mass mailings (more than 200) (including emails, faxes, Twitter feeds)	• Committee name/address, as on file with Form 410. (If no Form 410 on file, use candidate name/address.) • Only committee name required on emails. • No less than 6 pt type/ contrasting print color • Return envelopes (included in solicitation)–committee's name, address and ID number are recommended, but not required

Telephone calls (500 or more) - made by vendors ("robo" calls) or paid individuals	• Any time during the message • Must identify the candidate that paid for the call or an organization authorizing the call that files campaign reports • Must state that the call is "paid for by" or "authorized by the identified candidate or organization • Examples: This call was paid for by Senator Jones; This call was authorized by (name of committee) • No ID required on telephone calls personally dialed by candidate, campaign manager or volunteers
The Political Reform Act does not require a specific disclaimer on the following communications, although the FPPC recommends placing "paid for by committee name" and committee ID number on all public campaign materials.	
Newspaper, radio and television ads	• Radio and television advertisements require "paid for by" or sponsor identification under Federal Communications Commission rules • Check the Elections Code for newspaper ad requirements
Billboards, yard signs, business cards, door hangers, flyers, posters and websites	• "Paid for by committee name" and committee ID number are recommended but not legally required

D. Mass Mailings – Postal Mailings and Emails

When a general purpose committee pays for a mailing of more than 200 substantially similar pieces in a calendar month ("mass mailing"), the committee's name and address must be on the mailing. Mass mailings include more than 200 substantially similar electronic messages (emails) sent to the public within a calendar month. All mass mailings must include the words "Paid for by" immediately adjacent to or above identification of the name of the committee. The committee's address is also required on postal mailings.

The committee name must be printed in at least 14-point, bold, sans serif type. The committee address must be printed in at least 6 point type. The color or print must contrast with the background so it is easily read (e.g., no light blue on blue). 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

If a mass mailing is paid for by more than one committee, 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 names and addresses of all committees must appear on at least one insert.

Emails

When over 200 substantially similar emails are sent by a political committee, the email must include "Paid for by [committee name]." The committee's street address is not required on mass emails sent by a committee, but may be included.

To: Voter@emailaddress.web From: ABCTradeAssociation@emailaddress.web Subject: Vote for Smith for Senate
The following message is paid for by ABC Trade Association and was not authorized by Candidate Smith.

Valuing a Mailing

Multiple candidates/measures: If a mass mailing (including emails) supports or opposes more than one candidate or measure, the fair market value attributable to each may be calculated by prorating the costs based on the amount of space allotted to each candidate or measure supported or opposed in the mailing.

Political and non-political material: The cost of a mailing containing both express advocacy supporting or opposing a ballot measure or candidate as well as non-political material may be prorated. Costs directly associated with the political message are reportable, including staff time of more than 10 percent in a calendar month.

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;
- The number of pieces sent; and
- The method of postage used.

E. Ballot Measure Ad – Paid Spokesperson

The Act requires specific disclosure when a committee pays an individual for his or her appearance in a ballot measure advertisement. The committee must (1) file a Paid Spokesperson Report (Form 511) and (2) put a disclaimer on the ad in the situations below.

Quick Tip

See Chapter 8 for additional information about the Form 511.

- **$5,000 payment to individual in a ballot measure ad:** The committee makes expenditures totaling $5,000 or more to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage or defeat of a state or local ballot measure.

  Disclaimer on ad: "(Spokesperson's name) is being paid by this campaign or its donors."

- **Any payment to individual in a ballot measure ad portraying a professional (nurse, doctor, firefighter, scientist, engineer, lawyer, etc.):** The committee makes expenditures of any amount to an individual for his or her appearance in an advertisement to support or oppose the qualification, passage or defeat of a state or local ballot measure that states or suggests that the individual is a member of an occupation that requires licensure, certification, or other specialized, documented training to engage in that occupation.

  Disclaimer on ad: "Persons portraying members of an occupation in this advertisement are compensated spokespersons not necessarily employed in those occupations." However, if the individual in the ad is actually a member of the occupation portrayed, the committee may omit this disclaimer, and shall maintain documentation of the individual's license or certification for the occupation. Upon request from the FPPC, documentation of an individual's occupation must be provided by electronic means within 24 hours.

Ex 9.2 – ABC Trade Association paid for a television advertisement to oppose a local ballot measure. The association paid Dr. Jane Miller $5,000 to appear in the ad. Since Jane is actually a doctor and will be clearly identified as a doctor in the ad, the additional disclaimer is not required. The following disclaimer would suffice: "Paid for by ABC Trade Association. Dr. Jane Miller was paid for her appearance in this advertisement."

The advertisements include print, television, and radio ads, as well as telephone messages. The disclaimers on the ads must be shown in highly visible font for print or television ads, or spoken in a clearly audible manner for radio ads or telephone messages.

F. Penalties

The penalty for failing to comply with the Act's disclaimer requirements is a fine of up to $5,000 per violation. In addition, any person who violates the disclaimer requirements concerning ballot measure and independent expenditure advertisements may be liable for a fine of up to three times the cost of the advertisement, including placement costs.

Answering Your Mass Mailing Questions

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

No. The FPPC recommends that committees include the committee ID number, but it is not legally required.

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

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

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

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

D. 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?

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

E. If a committee is sending a post card-type mailing, may the name of the committee appear only once?

Yes.

F. If our general purpose committee pays for a mass mailing that was coordinated with a candidate, must the general purpose committee be identified on the mailing?

Yes. If more than 200 pieces of the same or substantially similar mail are sent in a calendar month, the name and address of the general purpose committee paying for the mailing must appear on the outside of the mailing in no less than six-point type and in a color that contrasts with the background (e.g., no light brown on brown).

G. If our general purpose committee decides to produce a broadcast expressly asking voters to vote for a candidate without coordinating with the candidate, are there disclaimer requirements?

Yes. The advertisement must state "paid for by [name of the general purpose committee]" and "This advertisement was not authorized or paid for by a candidate for this office or a committee controlled by a candidate for this office."

H. Will our general purpose committee be identified on any campaign ads we are not responsible for producing?

Ballot measure ads include the names of the top two donors of $50,000 or more to the ballot measure committee. If your general purpose committee contributes $50,000 or more to a primarily formed ballot measure committee, your committee's name may be included as a top donor in the primarily formed committee's advertisements if your committee is one of the two highest contributors to the committee.

Authority

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

Government Code Sections

82041.5	Mass Mailing.
84305	Requirements for Mass Mailing.
84310	Identification Requirements for Telephone Calls.
84501	Advertisement.
84505	Avoidance of Disclosure.
84506	Disclaimers: Independent Expenditure Ads
84506.5	Disclaimers: Independent Expenditure Ads; Not Authorized by Candidate.
84507	Disclaimer: Legible and Audible.
84509	Amended Disclaimers.
84511	Ballot Measure Ads; Paid Spokesperson Disclosure.

Title 2 Regulations

18435	Definition of Mass Mailing and Sender.
18440	Telephone Advocacy.
18450.1	Definitions. Advertisement Disclosure.
18450.4	Contents of Disclosure Statements. Advertisement Disclosure.
18450.5	Amended Advertisement Disclosure.
18450.11	Spokesperson Disclosure.

24-Hour Contribution Reports (Form 497)

In order for voters to be more informed about the contributors to election campaigns, the Act requires committees to file certain contribution reports within 24 hours. During the 90-day period before an election, or on the date of the election, a general purpose committee that makes contributions of $1,000 or more to support or oppose a candidate or ballot measure must file the Form 497 (24-hour Contribution Report) within 24 hours from the time the contribution is made. In addition, state committees that make contributions of $5,000 or more to state ballot measure committees outside of the 90-day, 24-hour reporting period must file the Form 497 within 10 business days.

This chapter discusses the Form 497 in detail. All contributions reported on the Form 497 must also be reported on the committee's next regular campaign statement (e.g., Form 460).

Ex 10.1 – A committee made a contribution of $2,500 to a state officeholder's legal defense committee. The Form 497 must be filed if the contribution was made during the 90 days before the state officeholder's election, or on the date of the election.

A. State Committees

State committees must file the Form 497 **within 24 hours** of the following payments:

- Contributions that total in the aggregate $1,000 or more made to a candidate, officeholder, or ballot measure committee within 90 days before an election, or on the date of the election.
- Contributions that total in the aggregate $1,000 or more made to a state or county political party committee within 90 days before any state election, or on the date of the election.
- Contributions that total in the aggregate $1,000 or more made to a candidate in a CalPERS or CalSTRS election within 90 days before an election, or on the date of the election.

Ex 10.2 – In 2013, several state special elections were held. A general purpose committee that made a contribution of $1,000 or more to a political party within 90 days before any special election, or on the date of the election, was required to file the Form 497.

State committees that are required to file electronically must file the Form 497 **within 10 business days** of the following payments:

- Contributions that total $5,000 or more made to support or oppose a single state ballot measure. But, this report must also disclose donors to the general purpose committee who have not been previously reported on a campaign statement.

Filing deadlines are extended to the next business day on Saturdays, Sundays, and official state holidays. But, the extension does not apply on the Saturday, Sunday or an official state holiday immediately prior to an election. Committees should refer to the relevant FPPC filing schedule for specific deadlines.

Where To File: All state committees file the Form 497 electronically with the Secretary of State. This includes committees that have not yet reached the $25,000 electronic filing threshold. No paper copies of this report are required and no copies are required to be filed with other filing officers.

Quick Tip

A loan of $1,000 or more that is forgiven during the 90-day period before the election, including the date of the election, triggers a 24-Hour Contribution Report (Form 497).

B. Local Committees

Local committees must file the Form 497 **within 24 hours** of the following payments:

- Contributions that total in the aggregate $1,000 or more made to a candidate or ballot measure committee within the 90 days before an election, or on the date of the election.

- Contributions that total in the aggregate $1,000 or more made to a state or county political party committee within 90 days before any state election, or on the date of the election.

- Contributions that total in the aggregate $1,000 or more are made to a candidate in a CalPERS or CalSTRS election within 90 days before the election, or on the date of the election.

Check with the city clerk or county elections office to determine if there are additional 24-hour report requirements in the jurisdiction.

Ex 10.3 –Forty-five days before the November election, a general purpose committee, made a $500 contribution to a candidate for city council. Ten days before the election, the committee made a $600 contribution to the same candidate. Because the committee has now made contributions to the candidate that total in the aggregate $1,000 or more, the Form 497 must be filed within 24 hours of making the second contribution. The day before the election, the committee provided the same candidate with the committee's third and final contribution of $600. A second Form 497 is not required as the committee did not reach a subsequent $1,000 since the last report filed.

Filing deadlines are extended to the next business day on Saturdays, Sundays, and official state holidays. The extension does not apply on the Saturday, Sunday or an official state holiday immediately prior to an election. Committees should refer to the relevant FPPC filing schedule for specific deadlines.

Where To File: File the Form 497 at the same locations the committee files its Form 460 (Recipient Committee Campaign Statement); generally the city or county elections office. The Form 497 must be filed by fax, guaranteed overnight delivery service, or personal delivery. Some jurisdictions require electronic submissions. Check with the local elections office.

C. Nonmonetary Contribution Reports

A committee that anticipates making more than one nonmonetary contribution to a single candidate, ballot measure committee, or political party committee during the 90 days before the election, or on the date of the election may, on or before the deadline, file a single Form 497 covering the period in which the nonmonetary contributions will be made.

The report should disclose the total value of the nonmonetary contributions that will be made during the period covered. If the actual value is not known at the time of filing, a good faith estimate of the value that will be contributed during the period may be disclosed. If the value of the nonmonetary contributions made differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours from the date the committee knows the estimated value is incorrect. The committee must notify the candidate or ballot measure committee of the contribution's value within 24 hours so that the receiving committee may fulfill its reporting requirement.

497 Contribution Report

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

497 CONTRIBUTION REPORT

CALIFORNIA FORM 497

For Official Use Only

Date Stamp

A

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

AREA CODE/PHONE NUMBER: (916) 555-1640

I.D. NUMBER *(if applicable)*: 13582XX

STREET ADDRESS: 1810 - 21st Street

CITY: Sacramento

STATE: CA

ZIP CODE: 95814

B

Date of This Filing 5/20/XX

Report No. 1

☐ **Amendment to Report No.** _____
(explain below)

No. of Pages 1

1

2. Contribution(s) Made

DATE MADE	FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CANDIDATE AND OFFICE OR MEASURE AND JURISDICTION	AMOUNT OF CONTRIBUTION	DATE OF ELECTION (IF APPLICABLE)
5/19/XX	Friends of Senator Smith, 2014 1010 Main Street Sacramento CA 95814 #135234	Smith, Senate Dist 2	$3,000	6/4/XX
5/19/XX	County Central Committee 22 First Street Fresno CA 93611 #123456	N/A	$4,000	N/A

Reason for Amendment: _____

FPPC Form 497 (March/2011)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

D. Completing the Form 497

A Filer Information

Provide the committee's full name, telephone number, street address, city, state, zip code, and identification number.

B Date, Report Number, Number of Pages

Indicate the date the report is being filed; assign a unique number to each Form 497, such as 1,2,3, PR-1, PR-2, PR-3, etc. and, indicate the number of pages included in the report.

Contribution(s) Received

Local Committees: This section is not required.

State Electronic Filers: A committee is required to complete this part for each contribution of $5,000 or more made in connection with a state ballot measure. List all new contributions of $100 or more received by the committee that have not been previously reported up through the date of the $5,000 or more payment. This section is not

required for contributions made to local and state candidates, local ballot measures or political party committees. For specific guidance, see FPPC Regulation 18466.

Ex 10.4 – A state general purpose committee made a $75,000 contribution to a state ballot measure committee in January. Within 10 business days, the state general purpose committee must file Form 497 and list all donors of $100 or more since the last campaign report was filed (e.g., Form 460 or Form 497).

1 For Contributions Made, provide:

- The date made.
- The recipient's full name, street address and zip code. If the recipient is a committee, also enter the committee's identification number. In the case of a nonmonetary contribution report the committee receiving the benefit of the contribution, not the vendor.
- The candidate's name and office sought or the ballot measure number or letter and jurisdiction.
- The amount of the contribution.
- For a contribution made to a city or county committee, enter the date of the election.

Amendments

To amend a previously filed Form 497, file a new Form 497 with the corrected information, the "Amendment" box checked, and indicate the reason for the amendment. The "Report Number" of the report being amended must be included. There is no deadline for filing amendments; however, they should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

A. If a contribution of $1,000 or more is made to one of a candidate's campaign committees (i.e., legal defense, ballot measure, past election), but not to the committee that is formed for the election triggering the 90-day reporting, are the candidate and/or the donor required to file a Form 497?

Yes. When a candidate is in a 90-day reporting period, each contribution of $1,000 or more to any of his or her committees requires the Form 497 to be filed by both the candidate and the donor.

B. A committee made a $500 contribution to a candidate in a special primary election a few days before the election, and made a second contribution of $500 a few days after the primary election when the candidate moved to the special general election. Both contributions were received during the 90 days before the general election. Is a Form 497 required to be filed by the donor and/or the candidate?

No. Because $1,000 or more was not received in connection with one election, the Form 497 is not required to be filed.

C. Must a committee file a Form 497 if a contribution of $1,000 or more is made to a state candidate committee for an election if the candidate has withdrawn from the election and does not appear on the certified list of candidates?

No. If a candidate is not on a certified list of candidates, thus not listed on a ballot, a Form 497 is not required to be filed within 90 days of the election.

Authority

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

Government Code Sections

81004.5	Reports and Statements; Amendments.
82015	Contribution.
82036	Late Contribution.
84203	Late Contribution; Reports
84203.3	Late In-Kind Contributions.
84204.5.	Ballot Measure Contributions and Expenditures: Reports

Title 2 Regulations

18116	Reports and Statements.
18215	Contribution.
18421.1	Disclosure of the Making and Receipt of Contributions.
18425	24-Hour Contribution Reports.
18466	State Ballot Measure Contributions and Expenditures: Online Reports.

Independent Expenditure Reporting

A. Overview

As described in Chapter 8, a payment for a communication that expressly advocates support of or opposition to a candidate or ballot measure, which is not made at the behest of the candidate or measure committee, is an "independent expenditure." Chapter 8 defines in detail "expressly advocates" and "made at the behest of" and provides examples to assist committees in determining whether a payment made for a communication is considered an independent expenditure.

Quick Tip

There is an exception for "member communications" sent solely to an entity or organization's employees, shareholders, or members. See Chapter 8 for information about member communications.

The Act requires committees making independent expenditures to file several reports so that voters are fully informed about who is paying for the communications that urge voters to support or oppose a particular candidate or measure. Because the affected candidate or measure committee will not report the expenditures, the committee making the independent expenditure must file certain reports at the same time the candidate or measure committee is required to file. In addition, a verification form that identifies an individual who is responsible for ensuring that the campaign committee's independent expenditures were not coordinated with the listed candidate or measure committee (or the opponent) must be filed.

This chapter describes how to complete each of the required forms and reviews when and where to file them. In general, a committee that makes an independent expenditure of $1,000 or more is required to file each of the forms listed below.

- **Form 462** (Verification of Independent Expenditures)
- **Form 496** (24-hour Independent Expenditure Report)

These reports are filed in addition to any required preelection and semi-annual campaign statements (Form 460). Independent expenditures disclosed on these reports must also be reported on the committee's next Form 460.

B. Filing Deadlines

This chart summarizes the deadlines and filing locations for each of the independent expenditure reports. Additional information is included for each form later in the chapter.

Deadline	Form	Filing Location
Within 24 hours	496	Filing officer where election is held
10 days after first IE	462	FPPC by email (form462@fppc.ca.gov)

Notes:

- Form 496 filed in connection with a state election **must be filed electronically** with the Secretary of State. No paper copies are required.
- Filing deadlines cannot be extended.
- Failure to file a statement on time may result in late filing penalties of $10 per day for each day the statement is late.
- Failure to file a statement may result in additional penalties of up to $5,000 per violation.

C. Valuing Mailings

Multiple candidates/measures: The cost of a communication paid for by an independent expenditure that expresses support of or opposition to more than one candidate or ballot measure may be attributed to each featured candidate and ballot measure by calculating the prorated costs based on the amount of space allotted to each candidate or ballot measure supported or opposed in the mailer.

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's or ballot measure's jurisdiction.

Political and non-political material: The cost of a communication paid for by an independent expenditure that contains both express advocacy in support of or opposition to a candidate or ballot measure, as well as non-political material, may be prorated. Costs directly associated with the political message are reportable, including, for example, compensation paid to employees who spend more than 10 percent 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.

Ex 11.1 – A PAC produces and mails a one-page flyer urging voters to vote for Proposition 310 and to vote for two statewide candidates. Half of the flyer is devoted to supporting Proposition 310 and the other half equally supports the candidates. The PAC coordinates the mailing with the committee primarily formed to support Proposition 310, but does not coordinate with either candidate's committee. The total cost of producing and mailing the flyer is $14,400. The PAC has made a nonmonetary contribution to the committee supporting Proposition 310 valued at $7,200, and has made independent expenditures of $3,600 apiece supporting the two candidates.

D. Form 462 (Verification of Independent Expenditures)

A state or local general purpose committee that makes an independent expenditure(s) totaling in the aggregate $1,000 or more in a calendar year to support or oppose a single candidate, single ballot measure, or the qualification of a single ballot measure, must file the Form 462.

The Form 462 identifies an individual who is a principal officer of the committee. Any individual listed as a principal officer on the committee's Statement of Organization (Form 410) may sign the Form 462.

Who is a Principal Officer?

A principal officer is an individual primarily responsible for approving the political activity of the committee such as:

- Authorizing the content of communications.
- Authorizing independent expenditures.
- Determining the committee's campaign strategy.

Ex 11.2 – A local association of realtors is holding a golf tournament, which will be featured as a networking and marketing event for its members. The association sends invitations, which include an option for attendees to donate an additional sum earmarked for the association's sponsored committee. Because the invitations include non-political material as well as political material (i.e., the portion of the invitation that solicits contributions for the association's sponsored committee), the costs may be prorated.

When to File

File within 10 days from the date of an independent expenditure that totals, in the aggregate, $1,000 or more to support or oppose a candidate or measure in a calendar year. A candidate or measure is only required to be listed once for each election.

Where to File

The Form 462 must be filed via email with the FPPC (form462@fppc.ca.gov). The originally signed form must be maintained with the committee's records for four years.

Form 462
Verification of Independent Expenditures

CALIFORNIA FORM 462

1

This verification form identifies an individual responsible for ensuring that the campaign committee's independent expenditures were not coordinated with the listed candidate or measure committee (or the opponent) and that the committee will report all contributions and reimbursements as required by law. An independent expenditure is not subject to state or local contribution limits.

☐ Amendment (Explain)

1. Name of Committee:

NAME OF RECIPIENT COMMITTEE, ENTITY OR INDIVIDUAL			COMMITTEE ID #
CA Technology PAC, Sponsored by CA Technology Association			1358200
BUSINESS STREET ADDRESS		CITY	
1810 - 21st Street		Sacramento	
STATE	ZIP CODE	E-MAIL	TELEPHONE NUMBER
CA	95814	lcooper@cclaw.com	(916) 555-1640

2

2. Candidates or Measures:

This committee has reported independent expenditure(s) to support or oppose the candidate(s) or measure(s) listed on a ballot for the election date identified below. (Note: The reporting of an independent expenditure may occur after this form is filed if an independent expenditure is made before the 90 day-24 hour reporting period of Government Code Sections 84204 and 85500.)

NAME OF CANDIDATE (First/Last)/BALLOT MEASURE	SUPPORT	OPPOSE	OFFICE SOUGHT OR HELD/ BALLOT NO./LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
Jason Reid		✓	State Assembly	District 26	6/04/XX
NAME OF CANDIDATE (First/Last)/BALLOT MEASURE	SUPPORT	OPPOSE	OFFICE SOUGHT OR HELD/ BALLOT NO./LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
NAME OF CANDIDATE (First/Last)/BALLOT MEASURE	SUPPORT	OPPOSE	OFFICE SOUGHT OR HELD/ BALLOT NO./LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE
NAME OF CANDIDATE (First/Last)/BALLOT MEASURE	SUPPORT	OPPOSE	OFFICE SOUGHT OR HELD/ BALLOT NO./LETTER	JURISDICTION AND DISTRICT, IF ANY	ELECTION DATE

3

3. Verification (Check One): ☑ Principal Officer ☐ Candidate/Officeholder ☐ State Ballot Measure Proponent

I have not received any unreported contributions or reimbursements to make these independent expenditures. I have not coordinated any expenditure made during this reporting period with the candidate or the opponent of the candidate who is the subject of the expenditure, with the proponent or the opponent of the state measure that is the subject of the expenditure, or with the agents of the candidate or the opponent of the candidate or the state measure proponent or opponent. **I certify under penalty of perjury under the laws of the State of California that the following is true and correct.**

Signature [Signature Required] Printed Name Corey Silva Signed on 3/1/20XX (month, day, year)

FPPC Form 462 (Dec/2012)
FPPC Advice: advice@fppc.ca.gov (866/275-3772)
www.fppc.ca.gov

E. Completing the Form 462

1 Name of Committee

Enter the name and street address of the committee that is making the independent expenditure(s). The address should be the same as the address listed on the committee's Statement of Organization (Form 410).

2 Candidates or Measures

List the candidate(s) and measure(s) supported or opposed. If the committee files this form and later makes independent expenditures in connection with other candidates or measures, subsequent forms do not need to repeat the previously identified candidates and measures. Once a candidate or measure is listed on the Form 462, no further Form 462 filings are required for that candidate or measure for that election.

Ex 11.3 –A general purpose committee made independent expenditures to oppose a candidate in the primary election and filed a Form 462 listing the candidate. If the committee makes independent expenditures to oppose the same candidate in the general election, a new Form 462 must be filed since it is a different election.

3 Verification

The form must be reviewed and signed by the committee's principal officer. If the committee has more than one principal officer, only one individual must sign the Form 462. The individual must be listed on the committee's Statement of Organization (Form 410). The same principal officer is not required to sign each Form 462.

The individual acknowledges, under penalty of perjury, that the committee's independent expenditures were not coordinated with the listed candidate or measure committee (or the opponent) and that the committee will report all contributions and reimbursements as required by law.

Ex 11.4 – A general purpose committee made independent expenditures to oppose a candidate in the November general election and filed a Form 462 listing the candidate. The committee then made independent expenditures to support a different candidate in the same election. A new Form 462 must be filed for the second candidate, but the first candidate is not listed again since a Form 462 was already filed for that candidate for that election.

F. Amending the Form 462

To amend a previously filed Form 462, file a new Form 462 with the corrected information, check the "Amendment" box, and provide a brief explanation of the amendment. Amendments must be filed within 10 days of the change. Like the original, the amendment must be signed and dated. The Form 462 amendment must be filed via email with the FPPC (form462@fppc.ca.gov).

G. Form 496 (24-Hour Independent Expenditure Report)

90-Day Election Period

In addition to the Form 462, a state or local general purpose committee that makes an independent expenditure totaling in the aggregate $1,000 or more to support or oppose a single candidate or ballot measure during the 90 days prior to a candidate's or measure's election, or on the date of the election, must file **within 24 hours** a separate Form 496 for each candidate or measure.

The 24-hour reports are the most important of the independent expenditure disclosure reports because they provide "real time" information before the election about who is spending money to influence voters about candidates and measures in a particular jurisdiction.

All independent expenditures must also be disclosed on the committee's next campaign statement (Form 460).

When to File Form 496

State Elections: Committees that make an independent expenditure of $1,000 or more to support or oppose a single state candidate or a single state ballot measure during the candidate's or measure's 90 day election cycle must file a separate Form 496 within 24 hours for each candidate or ballot measure supported or opposed. The report must be filed **electronically** within 24 hours regardless of the day of the week.

Local Elections: Committees that make an independent expenditure of $1,000 or more to support or oppose a single candidate or single ballot measure during the 90 days prior to the local candidate's or measure's election, or on the date of the election, must file a separate Form 496 for each candidate or ballot measure supported or opposed. The report must be filed within 24 hours regardless of the day of the week and must be filed by fax, guaranteed overnight delivery, or personal delivery. Regular mail may not be used. Check with the local jurisdiction about possible electronic filing requirements. Local agencies that have an approved electronic filing program may eliminate the filing of a paper Form 496.

Where to File Form 496

The Form 496 is filed in the same location(s) that a committee primarily formed to support or oppose the candidate or measure identified in the communication would file. This allows the voters in the jurisdiction where the election is taking place to have access to reports showing who has spent funds attempting to influence them. File a separate report for each candidate or ballot measure supported or opposed.

If the Form 496 is filed electronically with the Secretary of State, no paper copies are required. (Exception: As noted in the chart below, if independent expenditures are made to support or oppose a candidate for the CalPERS or CalSTRS board, a copy must be filed with the relevant board office.) If the Form 496 is required to be filed with a local jurisdiction, an original and one copy must be filed.

Ex 11.5 – Within 90 days of a county election, or on the date of the election, a state general purpose committee makes an independent expenditure of $4,000 to support a San Joaquin County ballot measure. The committee must file the Form 496 within 24 hours with the San Joaquin County elections office, where the measure is being voted on. If the same committee makes an independent expenditure to support a city council candidate in Stockton within 90 days of the election, or on the date of the election, the committee must also file the Form 496 within 24 hours with the Stockton city clerk's office.

Jurisdiction of Candidate or Measure Supported/Opposed	Location of Filing Form 496
Statewide	Secretary of State (electronically)
Senate or Assembly District	Secretary of State (electronically)
CalPERS/CalSTRS	Secretary of State (electronically) Also file a copy at CalPERS/ CalSTRS board office
Multi-County	County with the largest number of registered voters in the jurisdiction (original and one copy)
County	County in which the candidate or measure will appear on the ballot (original and one copy). LAFCO proposals: County where measure likely to appear on the ballot and the LAFCO (one copy).
City	City in which the candidate or measure will appear on the ballot (original and one copy).

Quick Tip

A state general purpose committee that makes independent expenditures to support or oppose local candidates or ballot measures may trigger reporting as a city or county committee instead of a state committee. Similarly, a local general purpose committee that makes independent expenditures to support or oppose state candidates or ballot measures may trigger reporting as a state committee. See Chapter 1 for information on how to determine if the committee is a state, county, or city committee.

Quick Tip

If subsequent independent expenditures of $1,000 or more are made to support or oppose the same candidate or ballot measure, another Form 496 is required to be filed. For example, a committee files a Form 496 in April to disclose an independent expenditure of $1,500 made to oppose a candidate on the June ballot. In May, the committee makes another independent expenditure of $1,500 to oppose the same candidate. The committee must file a second Form 496 within 24 hours to report the subsequent independent expenditure. However, if the committee made a $1,500 independent expenditure in April and made its last independent expenditure of $500 in May, a second Form 496 is not required.

Outside the 90-Day Election Cycle (Ballot Measure Reports)

State Elections Only

In addition to the 90-day, 24-hour reports discussed above, at all times other than the 90-day election cycle, a state general purpose committee that is required to file electronically with the Secretary of State must file **within 10 business days** a Form 496 each time it makes independent expenditures totaling $5,000 or more to support or oppose the qualification or passage of a **single state ballot measure.** The report must be filed electronically with the Secretary of State.

All independent expenditures must also be disclosed on the committee's next campaign statement (Form 460).

496 Independent Expenditure Report

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

496 INDEPENDENT EXPENDITURE REPORT

A

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

AREA CODE/PHONE NUMBER: (916) 555-1640

I.D. NUMBER *(if applicable)*: 13582XX

STREET ADDRESS: 1810 - 21st Street

CITY: Sacramento | STATE: CA | ZIP CODE: 95814

B

Date of This Filing 3/8/XX

Report No. 3

☐ **Amendment to Report No.** _____ (explain below)

No. of Pages 2

Date Stamp

CALIFORNIA FORM 496

For Official Use Only

1

1. List Only One Candidate or Ballot Measure

NAME OF CANDIDATE SUPPORTED OR OPPOSED			
Jason Reid			
OFFICE SOUGHT OR HELD	DISTRICT NO.	SUPPORT	OPPOSE
State Assembly District	26		X

NAME OF BALLOT MEASURE SUPPORTED OR OPPOSED			
BALLOT NO./LETTER	JURISDICTION	SUPPORT	OPPOSE

2

2. Independent Expenditures Made ***Attach additional information on appropriately labeled continuation sheets.***

DATE	DESCRIPTION OF EXPENDITURE	AMOUNT
3/7/XX	Mailer Design	$2,100
3/7/XX	Mailer	$37,550

FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

H. Completing the Form 496

A Filer Information

Provide the committee's full name, address, and telephone number as listed on the Statement of Organization (Form 410).

B Date, Report Number, Number of Pages

Indicate the date the report is being filed; assign a unique number to each Form 496, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.; and, indicate the number of pages included in the report.

1 Name of Candidate or Ballot Measure Supported or Opposed

Disclose the name, office sought or held, and the district number, if applicable, of the candidate supported or opposed in the communication. Or, disclose the name, ballot number or letter, if assigned, and jurisdiction of the ballot measure supported or opposed. Check the box indicating whether the candidate or ballot measure was supported or opposed by the independent expenditure.

Note: When filing a $5,000 ballot measure report (state committees only – see above) outside of the 90-day election cycle, if the measure has not yet been assigned a ballot number or letter, include the title of the measure if the title has been issued by the Attorney General. If the title has not yet been issued, include the subject of the measure.

2 Independent Expenditures Made

Disclose the date the committee made the independent expenditure. In the "Description of Expenditure" column, include a description of the independent expenditure (e.g., printing, postage, mail house) and the cumulative-to-date total of independent expenditures relating to each candidate or measure. List the amount of the specific expenditure in the "Amount" column.

The cumulative-to-date total includes independent expenditures made in connection with a candidate or measure's upcoming election. When a committee has made independent expenditures in connection with a candidate's prior election, do not include the amount in the current report. For example, independent expenditures made in connection with a general election would not include the amount of independent expenditures made in connection with the primary election or a prior year's election. The cumulative-to-date total must be accurate on the most recent report filed, but the committee is not obligated to amend the cumulative amount on previous reports.

Quick Tip

When reporting an independent expenditure on Form 496, also report the cumulative-to-date total independent expenditures the committee has made for that candidate or measure for the relevant election.

Note: The cumulative-to-date total is not required when filing a $5,000 ballot measure report (state committees only – see above) outside of the 90-day election cycle.

496 Independent Expenditure Report

496 INDEPENDENT EXPENDITURE REPORT

CALIFORNIA FORM **496**

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER *(If applicable)*: 13582XX

3

3. Contributions of $100 or More Received*

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	INTEREST RATES
2/28/XX	CA Technology Association 450 Mill Valley Way, Cupertino, CA 95015 (Intermediary: No donors of $100 or more)	☐ IND ☐ COM ☒ OTH ☐ PTY ☐ SCC		$200,000	If loan, enter interest rate, if any _____%
3/2/XX	Jenna Martinez 562 Clarkson Court Santa Clara, CA 95051	☒ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Professor Bay Area Technical Institute	$500	If loan, enter interest rate, if any _____%
3/3/XX	Advancing Forward PAC (ID# 13298XX) 1401 L Street, Suite 850 Sacramento, CA 95814	☐ IND ☒ COM ☐ OTH ☐ PTY ☐ SCC		$10,000	If loan, enter interest rate, if any _____%

3 Contributions of $100 or More Received

Disclose contributions of $100 or more received since the closing date of the last campaign statement (e.g., Form 460) through the date of the independent expenditure. If no statement has been filed in the current calendar year, start with January 1.

Disclose the name and street address of the donor and, if the donor is an individual, his or her occupation and the name of his or her employer. If the individual is self-employed, disclose the name of the business. Also disclose the date and amount of the contribution and if the contribution is a loan, the interest rate. Once you have disclosed a contribution on the Form 496, it is not necessary to report that contribution on any additional Form 496 filings; however, it must be reported on the committee's next regular campaign statement (e.g., Form 460).

Multipurpose Organizations

A multipurpose organization (i.e., nonprofit) that qualifies as a recipient committee identifies its donors as contributors using the "last in, first out" (LIFO) accounting method if it did not receive the funds for political purposes. It must only itemize contributors of $1,000 or more instead of $100 or more as required for contributors that made a payment for political purposes. See Chapter 15 for additional information.

Quick Tip

See Chapter 15 for information about when a multipurpose organization qualifies as a recipient committee.

Note: If the funds used for an independent expenditure include both funds received for political purposes and LIFO funds, the Form 496 will list donors at both the $100 and the $1,000 threshold.

Ex 11.6 – A multipurpose organization receives $10,000 from donors for a specific political campaign. The organization makes independent expenditures of $60,000, using the $10,000 received specifically for political purposes and $50,000 from the organization's general membership dues account. The Form 496 will list the donor names that contributed $100 or more toward the initial $10,000 and will list the names of LIFO donors at $1,000 for the remaining $50,000.

Ex 11.7 – A multipurpose organization's only payment in California was a $40,000 independent expenditure using funds only from its general membership dues account. Since the organization does not qualify as a recipient committee, it is not required to list donors in Part 3.

I. Amending the Form 496

To amend a previously filed Form 496, file a new Form 496 with the corrected information, a new Report Number, the "Amendment" box checked, and a brief explanation of the amendment. The Report Number assigned to the original report being amended should be entered on the "Amendment to Report No." line. 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.

Quick Tip

Significant amendments to the Form 496 known before the election should be made as soon as possible. Filers reporting minimal independent expenditures before an election and filing amendments after the election to disclose substantial independent expenditures could be referred to the FPPC's Enforcement Division for nondisclosure.

Answering Your Questions

A. If a state general purpose committee makes an independent expenditure to support a San Diego County candidate, is the Form 496 filed with the Secretary of State or with the San Diego County elections office?

The San Diego County elections office. The Form 496 is filed in the same location that a committee primarily formed to support or oppose the candidate or ballot measure identified in the communication would file.

B. Before the primary election, a general purpose committee filed a Form 462 with the FPPC when it made an independent expenditure to oppose a candidate for the state Senate. If the committee makes another independent expenditure after the primary election to oppose the same candidate in the general election, is the committee required to file another Form 462?

Yes. Only one Form 462 is required for each candidate or measure per election, but the primary and general elections are considered to be separate elections.

C. A general purpose committee plans to send out several flyers that expressly support a candidate. If the committee obtains a photograph from the candidate, is the payment for the communication considered to be "made at the behest of" the candidate?

Not necessarily. A payment for a communication is not considered to be "made at the behest of" the candidate merely because the committee obtained a photograph from the candidate. However, the issue of whether a payment is made at the behest of a candidate or committee is fact-specific. For assistance from the FPPC, an email with the pertinent facts may be sent to advice@fppc.ca.gov.

Authority

The following Government Code sections and Title 2 Regulations provide authority for the 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.
82036.5	Late Independent Expenditure.
82044	Payment.
82046	Period Covered.
82047.6	Principal Officer.
84200	Semi-Annual Statements.
84200.5	Preelection Statements.
84200.6	Special Campaign Statements and Reports.
84204	Late Independent Expenditures; Reports.
84204.5	Ballot Measure Contributions and Expenditures; Reports.
84211	Contents of Campaign Statement.
84213	Verification.
84215	Campaign Reports and Statements; Where to File.
84605	Who Shall File Online.
84615	Campaign Reports and Statements -Electronic Filing for Local Agencies.
85500	Independent Expenditures; 24-Hour Disclosure; Coordination.

Title 2 Regulations

18116	Reports and Statements; Filing Dates.
18225	Expenditure.
18227.5	General Purpose Committees.
18402.1	Principal Officers.
18422	Multipurpose Organization Political Activity Transparency.
18423	Payments for Personal Services as Contributions and Expenditures.
18428	Reporting of Contributions and Independent Expenditures Required to be Aggregated.
18431	Reporting of Expenditures by an Agent or Independent Contractor.
18465.1	Verification of Online Filers.

Committee Reports (Form 460)

Typically, all general purpose committees (state and local) use the Recipient Campaign Statement (Form 460) to report campaign activity for all semi-annual and preelection statements. The Form 460 is the main campaign disclosure report and provides the public with an overview of the committee's activity, including money coming in and money going out, during a specified reporting period. The report must include all activity during the specified reporting period, even if it was previously reported. For example, a contribution that was already reported on a Form 497 (24-Hour Contribution Report) must still be reported on the committee's next Form 460.

Committees with minimal activity in a reporting period may be eligible to file the Form 450 (Committee Campaign Statement – Short Form) instead of the Form 460. A Form 450 example is provided at the end of this chapter.

A committee with no activity may file the Form 425 (Semi-Annual Statement of No Activity) as a semi-annual statement. The form simply requires the committee's name and address and the treasurer's signature.

The forms reviewed in this chapter can be accessed from the FPPC website. Software programs are also available for purchase. The FPPC does not endorse any specific programs. A list of vendors is available on the Secretary of State's website.

Multipurpose Organizations (including nonprofits and federal and out-of-state PACs)

Multipurpose organizations that are required to file the Form 460 should refer to Chapter 15 to determine which of the organization's donors must be listed as contributors. In addition, there are other special filing requirements that apply. For example, a federal PAC that is filing campaign statements with the Federal Election Commission is not required to reitemize its donors.

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

Type or print in ink.

COVER PAGE

Date Stamp

CALIFORNIA FORM **460**

Page XX of XX

For Official Use Only

SEE INSTRUCTIONS ON REVERSE

A — Statement covers period from 7/1/XX through 12/31/XX

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

1 — **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 — **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

3 — **3. Committee Information**

I.D. NUMBER: 13582XX

COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE): CA Technology PAC, Sponsored by CA Technology Association

STREET ADDRESS (NO P.O. BOX): 1810 - 21st Street

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Sacramento	CA	95814	916-555-1640

MAILING ADDRESS (IF DIFFERENT) NO. AND STREET OR P.O. BOX: P.O. Box 558490

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Sacramento	CA	95899	916-555-1640

OPTIONAL: FAX / E-MAIL ADDRESS

Treasurer(s)

NAME OF TREASURER: Leslie Cooper

MAILING ADDRESS: P.O. Box 558490

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Sacramento	CA	95899	916-555-1640

NAME OF ASSISTANT TREASURER, IF ANY: Tracy Chu

MAILING ADDRESS: P.O. Box 558490

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Sacramento	CA	95899	916-555-1640

OPTIONAL: FAX / E-MAIL ADDRESS: 916-555-1641 / lcooper@cclaw.com

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 1/31/XX (Date) By [Signature Required] (Signature of Treasurer or Assistant Treasurer)

Executed on 1/31/XX (Date) By [Signature May Be Required] (Signature of Controlling Officeholder, Candidate, State Measure Proponent or Responsible Officer of Sponsor)

Executed on _____ (Date) By _____ (Signature of Controlling Officeholder, Candidate, State Measure Proponent)

Executed on _____ (Date) By _____ (Signature of Controlling Officeholder, Candidate, State Measure Proponent)

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)
State of California

A. Completing the Form 460 Cover Page

A Statement Covers Period

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. The closing date is identified on the filing schedule available on the FPPC website.

B Date of Election

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

1 Type of Recipient Committee

Check the “General Purpose Committee” box and if the committee is sponsored and/or a small contributor committee or a political party, mark the applicable circle. (See Chapter 1 for definitions.)

2 Type of Statement

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

3 Committee Information and Treasurer(s)

This entire section must be completed and should include the same information as provided on the committee’s most recently filed Statement of Organization, Form 410. If the committee has not yet received an identification number from the Secretary of State, enter “pending” in the “I.D. Number” box.

4 Verification

The Form 460 is not considered filed if it is not signed. The committee treasurer or the assistant treasurer named on the committee’s Statement of Organization, Form 410, must review the form and complete the verification.

If the committee is sponsored and the sponsor is reporting contributions received through the sponsor or made by the sponsor, the responsible officer of the sponsor must also complete the verification. (See Chapter 1.)

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 12/31/XX

CALIFORNIA FORM **460**

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER
CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER
13582XX

	Contributions Received		Column A (TOTAL THIS PERIOD (FROM ATTACHED SCHEDULES))	Column B (CALENDAR YEAR TOTAL TO DATE)
1.	Monetary Contributions	*Schedule A, Line 3*	$ 265,000	$ 1,225,000
2.	Loans Received	*Schedule B, Line 3*	100,000	100,000
3.	SUBTOTAL CASH CONTRIBUTIONS	*Add Lines 1 + 2*	$ 365,000	$ 1,325,000
4.	Nonmonetary Contributions	*Schedule C, Line 3*	7,500	15,000
5.	TOTAL CONTRIBUTIONS RECEIVED	*Add Lines 3 + 4*	$ 372,500	$ 1,340,000

	Expenditures Made			
6.	Payments Made	*Schedule E, Line 4*	$ 170,000	$ 535,000
7.	Loans Made	*Schedule H, Line 3*	(10,000)	40,000
8.	SUBTOTAL CASH PAYMENTS	*Add Lines 6 + 7*	$ 160,000	$ 575,000
9.	Accrued Expenses (Unpaid Bills)	*Schedule F, Line 3*	(115,000)	-0-
10.	Nonmonetary Adjustment	*Schedule C, Line 3*	7,500	15,000
11.	TOTAL EXPENDITURES MADE	*Add Lines 8 + 9 + 10*	$ 52,500	$ 590,000

	Current Cash Statement		
12.	Beginning Cash Balance	*Previous Summary Page, Line 16*	$ 879,450
13.	Cash Receipts	*Column A, Line 3 above*	365,000
14.	Miscellaneous Increases to Cash	*Schedule I, Line 4*	1,218
15.	Cash Payments	*Column A, Line 8 above*	160,000
16.	**ENDING CASH BALANCE**	*Add Lines 12 + 13 + 14, then subtract Line 15*	$ 1,085,668

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

17.	LOAN GUARANTEES RECEIVED	*Schedule B, Part 2*	$ 75,000

	Cash Equivalents and Outstanding Debts		
18.	Cash Equivalents	*See instructions on reverse*	$ 40,000
19.	Outstanding Debts	*Add Line 2 + Line 9 in Column B above*	$ (15,000)

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.

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

B. Completing the Form 460 Summary Page

The Summary Page provides an overview of the committee's financial activities and must be completed for each filing. Although the Summary Page is located at the beginning of the Form 460, it should be completed after all other schedules have been completed. Totals from certain schedules are carried forward to the Summary Page.

A Column A – Total This Period

This column reflects the committee's activity during the current reporting period as reported on Schedules A through I. If there is no activity to report on a particular schedule, enter a zero or the word "none" on the appropriate line. There should be no blank lines.

Quick Tip

Complete the Summary Page last. Totals from some of the schedules are carried forward to the Summary Page.

B Column B – Total to Date

This column reflects the cumulative totals since January 1 of the current year.

Add the totals from Column B of the committee's last campaign statement (if any) to the corresponding amounts in Column A to calculate the Column B totals for the current statement. If this is the first report being filed for a calendar year, only carry forward the amounts for loans and accrued expenses reported on Lines 2, 7, and 9 of Column B from the committee's last 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, H, and F, respectively, of the current report.)

When loans (Schedules B and H) and accrued expenses (Schedule F) are paid, the figures to be carried forward from the schedules to Lines 2, 7, and 9 of Column A may be negative numbers. In this case, be sure to show them as negative figures on the Summary Page (e.g., with a minus sign (-) or in parentheses), and subtract them when totaling Columns A and B.

1 Lines 1-5 (Contributions Received)

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

2 Lines 6-11 (Expenditures Made)

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

3 Lines 12-16 (Current Cash Statement)

The Current Cash Statement section should accurately reflect the committee's cash condition position 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.

Beginning and ending cash balances should include the total amount of funds in the committee's campaign checking and savings accounts, plus any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks and bonds, etc.

Line 12 (Beginning Cash Balance)

The beginning cash balance must be the same as the ending cash balance reported on Line 16 of the previously filed statement. If this is the first statement of the calendar year and no previous statement was filed but money was raised or spent in the previous reporting period, enter the amount of cash on hand on December 31. Otherwise, enter zero.

Line 13 (Cash Receipts)

This amount represents the total of all monetary contributions and loans received during the reporting period. Do not include nonmonetary contributions.

Line 14 (Miscellaneous Increases to Cash)

This amount represents increases to the committee's cash position that are not contributions, loans, or repayments of loans made to others. Miscellaneous increases to cash include, for example, interest received to a bank account, refunds received from vendors, and proceeds from the sale of campaign property or auction items. The amount is carried forward from Schedule I, Miscellaneous Increases to Cash.

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

Line 15 (Cash Payments)

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

Line 16 (Ending Cash Balance)

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.

4 Line 17 (Loan Guarantees Received)

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.

5 Line 18 (Cash Equivalents)

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. These amounts should be part of the ending cash figure reported on Line 16.

6 Line 19 (Outstanding Debts)

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 candidate election committees. General purpose committees do not complete these sections.

Answering Your Questions

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

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

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

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

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

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

D. What is the common mistake made on the Summary Page?

Loan repayments are often reported twice, once on Schedule B and again on Schedule E. A loan repayment should only be reported on Schedule B.

C. General Rules for Reporting Contributions Received

Chapter 4 provides detailed information on the following topics and other contribution reporting rules. The information below is only a quick recap of some of the rules.

$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. Do not send the notice if the contribution is from another recipient committee.

Joint Checking Account

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

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. Failure to report the true source of a contribution is a serious violation of the Political Reform Act.

Contributions from Family Trusts

If a contribution is received from a family trust account, it is attributed to the person who directed the contribution.

Aggregating Contributions

There are a variety of situations in which contributions from two or more donors need to be aggregated for reporting purposes. For example, 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. Additional information and several examples are included in Chapter 4.

Reporting Cumulative Amounts

Contributions from the same source are cumulated from January 1 through December 31.

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 otherwise be reported. A contribution of $1,000 or more received within 90 days of an election, or on the date of the election, 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.

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.

Ex 12.1 – Sandra Nickel informed your committee that she wanted to contribute a total of $500, in five payments of $100 each month from June through October. On the committee's statement due July 31 covering the period January 1 through June 30, the campaign statement must itemize Sandra and report receipt of $100 on June 1. The statement would not include the future contributions.

Installment Payments

Contributions may be received as installment payments made at regular intervals over a period of time via credit card, debit card, wire transfer, or similar electronic means. When a contributor authorizes a series of installment payments, the contribution is reported as received when the committee, or an agent of the committee, obtains possession or control of the funds for each installment payment.

Quick Tip

A membership organization that is the sponsor of a committee may be required to register as a separate recipient committee if it receives payments of $10,000 or more in a calendar year from a single source. (See Chapter 15 for additional information.)

Sponsor's Contributions

If the sponsor of a committee collects contributions for the committee by means of employee payroll deductions or membership dues, the committee must disclose the sponsor as an intermediary for the contributions. If an employee or member contributes $100 or more to the committee in a calendar year, the employee or member must be itemized on the campaign reports.

In most cases, if the sponsor makes contributions from its general fund to other committees or candidates, the sponsored committee may report the contributions as if they were received and made by the committee. The sponsored committee's report must identify the donors that account for the political expenditures using the "last in, first out" (LIFO) accounting method. If any member made payments totaling $1,000 or more, the member's name, address, occupation and employer must be disclosed. If these contributors do not account for the full balance of the expenditures, the sponsoring organization must identify itself as the contributor of the remaining balance. These committee reports must be signed by both the committee treasurer and a responsible officer of the sponsoring organization. (See Regulation 18419 for additional information.)

Ex 12.2 – A union has a sponsored general purpose committee. The union made a contribution of $2,500 from its general treasury, which included only income producing funds and not membership dues, directly to a state ballot measure committee. On its next report, the sponsored committee reports: $2,500 from the Sponsor on Schedule A and $2,500 on Schedules D and E.

Contribution Limits

Chapter 5 contains detailed information about the state contribution limits and the requirement for a committee to maintain two separate bank accounts if contributions over the applicable limit are received. A general purpose committee, including a small contributor committee and a political party committee, that makes contributions to state candidates and state officeholders, has a limit on how much it may accept from a single source in a calendar year.

A general purpose committee that pays for certain communications that identify state candidates may also be subject to the contribution limits even if it does not make contributions to state candidates.

Donor Disclosure for Multipurpose Organizations

A multipurpose organization (i.e., nonprofit) that qualifies as a recipient committee must identify its funding sources for contributions and independent expenditures made. Chapter 15 discusses when a multipurpose organization qualifies as a recipient committee and provides detailed information about how to determine which donors to a multipurpose organization must be disclosed as contributors on a campaign statement.

Ex 12.2 cont'd – Later, the same union made a contribution of $10,000 to a state ballot measure committee from its general treasury from an account that held membership dues. The Form 460 must identify contributors to the membership dues fund that account for the $10,000 using a last in, first out accounting method. For example, if the most recent donation to the membership dues account was a $2,000 payment from donor A, donor A's name would be identified on Schedule A. On the other hand, using the LIFO method to account for the $10,000, if all of the most recent donor's payments were under $1,000, no donors would be disclosed.

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 12/31/XX

CALIFORNIA FORM 460

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

1 DATE RECEIVED	2 FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 CONTRIBUTOR CODE *	4 IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	5 AMOUNT RECEIVED THIS PERIOD	6 CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	7 PER ELECTION TO DATE (IF REQUIRED)
7/15/XX	CA Technology Association 450 Mill Valley Way, Cupertino, CA 95015 (Intermediary: No donors of $100 or more)	☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$150,000	$750,000	
7/30/XX	CA Go Green Issues PAC (ID# 13425XX) 780 L Street, Suite 650 San Jose, CA 95113	☐ IND ☑ COM ☐ OTH ☐ PTY ☐ SCC		$100,000	$200,000	
8/12/XX	Santana Solar Solutions 1986 Vallejo Blvd. Sacramento, CA 95833	☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$7,000	$8,000	
8/22/XX	Bradley Santana 9402 Jackson Street Sacramento, CA 95831	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Owner Santana Solar Solutions	$1,000	$8,000	
9/15/XX	Bay Area Council 200 Pine Street, Suite 300 San Francisco, CA 94104	☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$500	$1,000	
			SUBTOTAL $	258,500		

8 Schedule A Summary

1. Amount received this period – itemized monetary contributions. (Include all Schedule A subtotals.) ..... $ 259,950
2. Amount received this period – unitemized monetary contributions of less than $100 ..... $ 5,050
3. Total monetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) ..... **TOTAL $** 265,000

*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

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Schedule A (Continuation Sheet)
Monetary Contributions Received

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

SCHEDULE A (CONT.)

Statement covers period
from 7/1/XX
through 12/31/XX

CALIFORNIA FORM 460

Page XX of XX

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

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)
10/15/XX	CA Union of Information Technology Workers 1525 March Street, San Francisco, CA 94111 INTERMEDIARY FOR DONORS BELOW:	☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC				
	James Nguyen 3600 Bingham Street Fost City, CA 94404	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Computer Programmer Kaiser Permanente	$100	$100	
	Lori Gonzales 5050 Business Blvd. Redwood City, CA 94061	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Graphic Designer Genesis Software	$100	$100	
10/30/XX	Technological Advancers United 750-200 Richmond Road Tuscon, AZ 85701	☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$1,000	$2,000	
11/30/XX	Jamie Salas 5800 Sierra Drive Los Altos, CA 94022	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Information requested	$250	$250	
			SUBTOTAL $	$1,450		

D. Completing the Form 460 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.

1 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.

A contribution collected by means of payroll deductions or membership dues by a membership organization for its sponsored committee is received by the committee on the earlier of the following:

- The date the committee obtains actual possession or control of the contribution; or
- Within 60 days after the receipt of the payment by the committee's sponsor.

2 Contributor Information

Itemize persons and organizations that 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 3.)

Quick Tip

Some local agencies require itemization at less than $100. Check with the county elections office or the city clerk.

3 Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, “other” (such as a business entity), or a political party. (The code “SCC” is for small contributor committees.)

4 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 yet been obtained, enter “requested” or similar language in this column and amend Schedule A when the information has been received.

As noted in Chapter 3, a contribution of $100 or more must be returned if the contributor’s name, street 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 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. (See Chapter 4.)

5 Amount Received This Period

Report the amount of the contribution.

6 Cumulative to Date

The amount listed in the “Cumulative to Date—Calendar Year” column will differ from the “Amount Received This Period” column if the committee has received other contributions, including nonmonetary contributions, loans, or loan guarantees from this same source during the calendar year.

Once a contributor has contributed $100 in a calendar year, all future contributions received from that contributor must be itemized, regardless of the amount.

7 Per Election to Date

This column does not apply to general purpose committees, unless otherwise required by a local ordinance.

8 Schedule A Summary

Complete the Schedule A Summary section by entering the total amount of itemized contributions ($100 or more) received this period on Line 1 and the total amount of unitemized contributions (less than $100) received this period on Line 2. Add Lines 1 and 2 and enter that amount on Line 3. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 2. Reminder: Once a contributor has contributed $100 or more in a calendar year, all future contributions received from that person, regardless of the amount, must be itemized.

Schedule B – Part 1
Loans Received

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

SCHEDULE B - PART 1

Statement covers period from 7/1/XX through 12/31/XX

CALIFORNIA FORM 460

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 135

1 FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	a (a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	b (b) AMOUNT RECEIVED THIS PERIOD	c (c) AMOUNT PAID OR FORGIVEN THIS PERIOD*	d (d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	e (e) INTEREST PAID THIS PERIOD	f (f) ORIGINAL AMOUNT OF LOAN	g (g) CUMULATIVE CONTRIBUTIONS TO DATE
CA Technology Association 450 Mill Valley Way Cupertino, CA 95015 †☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$ -0-	$ 15,000	☐ PAID $ -0- ☐ FORGIVEN $ -0-	$ 15,000 n/a DATE DUE	-0- % RATE $ -0-	$ 15,000 9/1/XX DATE INCURRED	CALENDAR YEAR $ 750,000 PER ELECTION** $ n/a
CA Technology Association 450 Mill Valley Way Cupertino, CA 95015 †☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$ -0-	$ 10,000	☐ PAID $ -0- ☐ FORGIVEN $ -0-	$ 10,000 n/a DATE DUE	-0- % RATE $ -0-	$ 10,000 1/1/XX DATE INCURRED	CALENDAR YEAR $ 750,000 PER ELECTION** $ n/a
Tri-Cities Bank 670-900 Main Street San Jose, CA 95113 †☐ IND ☐ COM ☑ OTH ☐ PTY ☐ SCC		$ -0-	$ 75,000	☐ PAID $ -0- ☐ FORGIVEN $ -0-	$ 75,000 12/15/XX DATE DUE	3 % RATE $ -0-	$ 75,000 12/1/XX DATE INCURRED	CALENDAR YEAR $ 75,000 PER ELECTION** $ n/a
	SUBTOTALS	$ 100,000	$ -0-	$ 100,000	$ -0- (Enter (e) on Schedule E, Line 3)			

3 **Schedule B Summary**

1. Loans received this period ..... $ 100,000
   (Total Column (b) plus unitemized loans of less than $100.)
2. Loans paid or forgiven this period ..... $ -0-
   (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** $ 100,000 (May be 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.

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

E. Completing the Form 460 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 off or forgiven. 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 about loan guarantors, if any.

Quick Tip

If the committee has drawn on a line of credit, it is reported as a loan.

1 Lender Information and Contributor Codes

Provide the name, street address, city, state, and zip code of a lender of $100 or more. Check the box indicating whether the contributor is an individual, a committee, "other" (i.e, business entity), a political party, or a small contributor committee.

2 Individual Lender

If the lender is an individual, also provide the individual's occupation and employer, or, if the individual is self-employed, provide the name of the business. Do not leave this column blank. If this information has not yet been obtained, enter "requested" or similar language in this column and amend Schedule B, Part 1, when the information is received. (See Chapter 2 as contributions/loans may need to be returned if the name, address, occupation, or employer information is not received.)

Loan Amounts

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.

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.

c Amount Paid or Forgiven This Period

Enter the amount of any reduction of the loan during this reporting period. Check the appropriate box to indicate 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 if no payments were made this reporting period.

Quick Tip

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

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 the statement. Generally, the "per election" line is not applicable to general purpose ballot measure committees; however, local committees should check with the local filing officer to determine if there is a local ordinance that may require the "per election" information.

Quick Tip

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.

3 Schedule B Summary

Complete the Schedule B Summary by entering the total amount of loans received this period on Line 1 and the total amount of loans paid or forgiven on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the loans paid or forgiven this period are more than the amount of new loans received. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 2.

Outstanding Loans Received (Summary Page – Column B, Line 2)

Loans received are carried forward on future statements until they are paid off. To determine the amount for Column B, Line 2 of the overall Summary Page, add the amount from Column A, Line 2 of this statement to the amount of Column B, Line 2 of the previous statement. If the amount in Column A, Line 2 is a negative number, subtract it from the amount in Column B, Line 7 of the previous statement.

Schedule B – Part 2
Loan Guarantors

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

SCHEDULE B - PART 2

Statement covers period
from 7/1/XX
through 12/31/XX

CALIFORNIA FORM 460

Page XX **of** XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

1 FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 CONTRIBUTOR CODE	3 IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	4 LOAN	5 AMOUNT GUARANTEED THIS PERIOD	6 CUMULATIVE TO DATE	7 BALANCE OUTSTANDING TO DATE
Trevor McCann 55712 Columbia Blvd. Oakland, CA 94603	☑ IND ☐ COM ☐ OTH ☐ PTY ☐ SCC	Software Manager Genesis Software	LENDER: Tri-Cities Bank DATE: 12/15/XX	$75,000	CALENDAR YEAR $ 75,000 PER ELECTION (IF REQUIRED) $ n/a	$75,000
			SUBTOTAL $	75,000	Enter on Summary Page, Line 17 only.	

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FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

F. Completing the Form 460 Schedule B – Part 2 (Loan Guarantors)

1 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.

2 Contributor Codes

For each itemized guarantor, check the box indicating whether the contributor is an individual, a committee, “other” (i.e., business entity), a political party, or a small contributor committee.

3 Individual Loan Guarantor

If the guarantor is an individual, provide his or her occupation and employer, or, if self-employed, the name of the business.

4 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.

5 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.)

Quick Tip

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.

6 Cumulative to Date

Enter the cumulative amount of contributions (including loans, including loan guarantees, monetary and nonmonetary contributions) received from the guarantor during the calendar year covered by the statement.

7 Balance Outstanding to Date

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

G. General Rules for Reporting Nonmonetary Contributions Received

Schedule C is used 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 goods or services. (See Chapter 4 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.
- Poll results.
- Signs, postage, and printing.
- Food and entertainment provided for a fundraiser.
- Corporate stock.
- Discounts or rebates that are not extended to the general public.
- Mailing lists, mailings, and other advertising.
- Forgiveness of an accrued expense by the creditor.
- Use of an office, automobile, or airplane.
- Mail production, postage, printing, shipping, data and graphics.
- Phone banking and public communications.
- Media consulting services.
- Video services.
- Staff time and expenses.

Quick Tip

If corporate stock is received as a contribution, the amount reported on Schedule C is the value listed on the stock exchange on the date of receipt. When the stock is sold, the proceeds are reported on Schedule I as a miscellaneous increase to cash. See Chapter 4 for additional information.

- Facebook ads, banner ads.
- Precinct walking and door hangers.
- Food for volunteers.
- Slate mailer/slate cards.
- Campaign materials, flyers, for rally, buttons, t-shirts.
- Compensation paid by an employer to an employee who spends more than 10 percent of his or her compensated time in a calendar month working on campaign activities. Compensation includes gross wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase. Compensation does not include standard benefits, such as the employer's payments to a retirement or health plan.

(See Chapter 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. The committee may report the payments in the "Description of Goods or Services" column, but 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. In addition, bank fees (including fees for monthly services, purchasing/printing checks, cashier's checks and money orders, overdraft, stop payments) and third party vendor fees, such as internet account fees and merchant account fees, are considered payments for the establishment and administration of its sponsored committee.

Ex 12.3 – An association forms a committee. The association collects contributions from its members, transmits them to the committee, and provides the committee with office space and staff to prepare FPPC reports. The committee reports the administrative services from the association in the "Description of Goods or Services" column on Schedule C of its campaign reports.

Other costs paid by a sponsoring organization are contributions to the committee (e.g., costs of raising funds for the committee, costs of reviewing a communication to determine the advertisement disclosure requirements, petition gathering) and are subject to regular reporting.

Ex 12.4 –A third party, in coordination with your committee, prepared a fundraising mailer for your committee. The mailer was delivered to your committee on February 22 and the third party stated the bill was paid on March 15. Your committee received the nonmonetary contribution on February 22.

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 12/31/XX

Page XX **of** XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

1 DATE RECEIVED	2 FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 CONTRIBUTOR CODE *	4 IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	5 DESCRIPTION OF GOODS OR SERVICES	6 AMOUNT/ FAIR MARKET VALUE	7 CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	8 PER ELECTION TO DATE (IF REQUIRED)
7/15/XX	CA Technology Association 450 Mill Valley Way Cupertino, CA 95015	☐IND ☐COM ☑OTH ☐PTY ☐SCC		Administrative services $14,500	-0-	-0-	
9/1/XX	CA Technology Association 450 Mill Valley Way Cupertino, CA 95015	☐IND ☐COM ☑OTH ☐PTY ☐SCC		Staff time for fundraising	$5,600	$750,000	
9/2/XX	Advancing Forward PAC (ID# 13298XX) 1401 L Street, Suite 650 Sacramento, CA 95814	☐IND ☑COM ☐OTH ☐PTY ☐SCC		Mailing list	$1,500	$1,500	

Attach additional information on appropriately labeled continuation sheets. **SUBTOTAL $** 7,100

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Schedule C Summary

1. Amount received this period – itemized nonmonetary contributions. (Include all Schedule C subtotals.) ..... $ 7,100
2. Amount received this period – unitemized nonmonetary contributions of less than $100 ..... $ 400
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 $** 7,500

*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

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

H. Completing the Form 460 Schedule C (Nonmonetary Contributions Received)

1 Date Received

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

- The date funds are spent by the contributor the goods or services
- The date the committee or an agent of the committee obtains possession or control of the goods or services
- The date the committee receives the benefit of the expenditure

2 Contributor Information

Itemize persons 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 3.)

3 Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" (such as a business entity), or a political party. (The code "SCC" is for small contributor committees.)

4 Occupation and Employer 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 yet been obtained, enter "requested" or similar language in the column and amend Schedule C when the information has been received.

5 Description of Goods or Services

Provide a brief description of the goods or services received.

6 Amount/Fair Market Value

Report the value of the nonmonetary contribution received.

7 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.

8 Per Election to Date

This column does not apply to general purpose committees, unless otherwise required by a local ordinance.

9 Schedule C Summary

The total of nonmonetary contributions reported on Line 3, Schedule C Summary, is reported on the Form 460 Summary Page as both a contribution (Line 4, Column A) and as an expenditure (Line 10, Column A), because the committee would otherwise have had to pay for the good or serves donated.

Ex 12.5 – Seaside TV Sales donated a television to your committee. The cost to Seaside TV for the television was $500. Because it would have cost your committee $1,000 to purchase the TV at fair market value, the nonmonetary contribution from Seaside TV Sales is $1,000.

Quick Tip

Chapter 4 provides examples on how to value nonmonetary contributions.

I. General Rules for Reporting Expenditures Supporting/ Opposing Other Candidates, Measures, and Committees

Schedule D is a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose candidates, measures, and other committees, including:

- A monetary contribution or loan to a candidate or committee;
- A payment to a vendor for goods or services for a candidate or committee (i.e., a nonmonetary contribution);

- A donation to a candidate or committee of goods on hand, or the payment of salary or expenses for a campaign employee who spends more than 10 percent of his or her compensated time in a calendar month on campaign activities for other committees; and

- A payment for a communication (e.g., a mailing, billboard, radio ad) that expressly advocates the election/passage or defeat of a clearly identified candidate or ballot measure, but the payment is not made to, or at the behest of, the candidate or ballot measure committee.

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

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

SCHEDULE D
CALIFORNIA FORM 460

Statement covers period
from 7/1/XX
through 12/31/XX

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

1 DATE	2 NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	3 TYPE OF PAYMENT	4 DESCRIPTION (IF REQUIRED)	5 AMOUNT THIS PERIOD	6 CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	7 PER ELECTION TO DATE (IF REQUIRED)
8/1/XX	Sydney Yang Los Angeles City Council, 9th District ☑ Support ☐ Oppose	☐ Monetary Contribution ☐ Nonmonetary Contribution ☑ Independent Expenditure		$12,500	$25,000	
8/17/XX	Proposition 25, Statewide Measure ☑ Support ☐ Oppose	☑ Monetary Contribution ☐ Nonmonetary Contribution ☐ Independent Expenditure		$25,000	$25,000	
10/3/XX	Los Angeles County Independent Party Central Committee ☐ Support ☐ Oppose	☑ Monetary Contribution ☐ Nonmonetary Contribution ☐ Independent Expenditure		$15,000	$15,000	
			SUBTOTAL $	52,500		

8

Schedule D Summary

1. Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.) ..... $ 52,500
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 $ 52,500

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

J. Completing the Form 460 Schedule D

1 Date

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

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

An independent expenditure is made on the earlier of the following:

- The date the payment is made; or
- The date the committee making the payment receives consideration in exchange for the expenditure(s) (e.g., when the advertisement appears).

For purposes of reporting independent expenditures on Schedule D, the date an independent expenditure is made is the date the communication is mailed, broadcast, or otherwise disseminated to the public. If payments are made in one reporting period for a communication that is disseminated to the public during a subsequent reporting period, report the payments on Schedule E for the period in which they were made and complete Schedule D when the communication is disseminated. A payment for a communication that is never disseminated to the public is not an independent expenditure and need not be reported on Schedule D. Report the payment on Schedule E for the period in which it was made.

2 Candidate and Office, Measure and Jurisdiction, or Committee

For each contribution or independent expenditure of $100 or more to support or oppose a candidate, ballot measure, or general purpose committee (e.g., political party, PAC), disclose:

- **Candidate:** Name of candidate, the office sought or held, and the district, if any.
- **Ballot Measure:** Number or letter and jurisdiction of ballot measure. If a number or letter has not been assigned, include the measure's title.
- **General Purpose Committee:** Name of committee.

For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure. A contribution made to a committee primarily formed to oppose a candidate or measure would be identified as a contribution in opposition of the candidate or measure.

State Committees: A committee may make contributions to a state candidate for both the primary and general election before the primary. If the candidate loses in the primary, the candidate, after deducting expenses, must return general contributions. A returned contribution is reported on Schedule I. Do not amend the earlier report that identified the original contribution.

Ex 12.6 – Your committee made a $500 contribution to Committee to Support Bike Lanes, Yes on Measure C. In addition to reporting the contribution on Schedule D, the expenditure is also reported on Schedule E.

3 Type of Payment

Check the applicable box to indicate whether the payment was a monetary contribution, nonmonetary contribution, or independent expenditure.

4 Description

Because payments must be described when they are reported on Schedule E or F, a description is not required for payments reported on Schedules E or F that are nonmonetary contributions or independent

expenditures. However, if no payment was made, describe the goods or services and disclose the fair market value of the contribution. For example, if goods on hand are contributed to a candidate or another committee (e.g., office supplies), a description must be included.

5 Amount This Period

Provide the amount(s) of contributions or independent expenditures made this period relative to each committee.

6 Cumulative to Date Calendar Year

Report the cumulative amount contributed to or expended to support or oppose each itemized committee since January 1 of the current calendar year.

If contributions are made to more than one committee controlled by the same candidate, report the total amount contributed to each committee separately. In addition, do not cumulate independent expenditures and contributions made to support a candidate.

In addition, there are situations in which contributions made by two or more committees must be aggregated for purposes of reporting cumulative amounts, and for purposes of state contribution limits.

FPPC Regulation 18428 requires committees to identify on its report contributions and independent expenditures that are subject to aggregation. This should be identified on Schedule D by listing the committee ID number of any affiliated committees that make a contribution or independent expenditure to the same committee. (See Chapter 4 for detailed information about aggregating contributions.)

7 Per Election to Date

If a contribution is made to a candidate that is subject to state contribution limits, report the total amount contributed to the candidate in connection with each election and identify the election year. The primary and general elections are separate elections. For example, a contribution of $4,400 to a candidate for the primary election in 2018 would be reported as "$4,400 P-18." Some local ordinances may require that the "Per Election to Date" column be completed.

Ex 12.7 –Your organization has two general purpose committees, both are state committees and are directed and controlled by the same board of directors. One is a small contributor committee and the other committee makes contributions to state candidates. If each committee makes a contribution to the Governor's election committee of $5,000 during the first semi-annual reporting period, each committee would report $5,000 in the "Amount this Period" column, and $10,000 in the "Cumulative to Date Calendar Year" column.

"Per Election to Date" Column			
Limitation Cycle		Year of Election	
Primary	P	2014	14
General	G	2015	15
Special	S	2016	16
Runoff	R	2017	17

For purposes of contribution limits, contributions to a committee established by a state officeholder for officeholder expenses must be cumulated with contributions to any committee controlled by the officeholder for a future election.

8 Schedule D Summary

Complete the Schedule D Summary by entering the total amount of itemized contributions and independent expenditures of $100 or more (Line 1), the total amount of unitemized contributions and independent expenditures of less than $100 (Line 2), and the total amount for both (Line 3). Totals from the Schedule D Summary are **not** carried forward to the overall Summary Page.

K. General Rules for Reporting Payments Made and 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 7.)

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.

Ex 12.8 –Your committee makes a contribution of $1,000 to a Senator's 2012 election committee to help retire debt, a contribution of $1,000 to the member's officeholder account, and a contribution of $1,000 to the member's 2018 election committee for Secretary of State. For the "per election to date" total, the contributions to the officeholder account must be aggregated with the contribution to the 2018 committee so that the "per election to date" total will be $2,000.

Ex 12.9 –During October and November, the committee:

(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

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.

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. (See the Schedule C instructions earlier in this chapter if your committee's sponsor provides administrative services to the committee.)

Ex 12.9 cont'd – you did not pay for nor did you receive the flowers during the period covered by the statement.

Ex 12.10 –On June 15, your committee received two bills for June services. One bill was from a printing company 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 printing company is reported on Schedule F as an accrued expense on your semi-annual statement; the rent bill, however, is not.

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.

Payments for Online Communications

As reviewed in Chapter 9, the Act requires specific disclaimers on advertisements so that voters have the information they need to make informed decisions about the information they receive, whether from a digital or other source. FPPC Regulation 18421.5 requires a committee to report certain information when it pays an individual, either directly or through a third party, to create content for a digital platform unless the content provides a clear and conspicuous statement that a committee paid the author for the content.

Schedule E or F must identify such payments using the code "WEB." In the description field the following must be identified: the amount of the payment, the payee, the name of the individual providing content, and the name of the website or the URL on which the communication is published in the first instance.

The regulation applies when a campaign committee pays someone to provide favorable or unfavorable content on an Internet website (other than the committee's own website) about a candidate or ballot measure. It covers such content as a post for a blog, a video produced and posted online, and content created for social media. The regulation requires a campaign to disclose where the initial posting is made (on a supportive blog, for example), but does not require the campaign to know where the content is shared or passed on to after that initial post.

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 (often reported on Schedule G)

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, the expenditure must be reported in the same detail as if it had been made directly by the committee. Regulation 18431 lists the commonly known "subvendor payments." Examples of subvendor payments that must be itemized include:

- Development of campaign strategy;
- Media placements – television, radio, cable, digital (specifically listing the TV or radio stations);
- Commissions paid to media firms for media placements;
- Travel expenses, such as a commercial airline or hotel paid $500 or more;
- Print or online advertisements;
- Polling and survey research;

Ex 12.11 – A committee paid a volunteer $665 for fundraiser expenses of $535 worth of food and $130 for decorations. Itemize the volunteer's name and address on Schedule E, mark "FND" and the amount being reimbursed: $665. On Schedule E or G, list the name and address of the vendors, enter the code FND and the amount paid to each vendor.

- Talent and media services, production costs;
- Voter canvas program, including individuals paid $500 or more;
- Robocalls;
- Printing and literature; and
- Design or management of campaign literature or advertising.

Agents and independent contractors must provide the committee with the required payment information **no later than** three working days prior to when the Form 460 campaign statement must be filed.

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 3.)

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.

Ex 12.12 –A committee pays a consultant $80,000 to design an advertising campaign. The consultant buys air time on three TV stations. On Schedule E, the committee will show a payment of $80,000 to the consultant. On Schedule E or G the committee will itemize each station, noting the amount each station received.

Ex 12.13 –The treasurer of a committee paid a printer with the committee's credit card on December 28. 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 of the committee's semi-annual statement.

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. Schedule G may also be used to disclose 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.

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 12/31/XX

CALIFORNIA FORM 460

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

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)

1 NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 CODE	OR DESCRIPTION OF PAYMENT	3 AMOUNT PAID
Sydney Yang for L.A. City Council 20XX (ID# 13798XX) 825-204 Wingfield Road Los Angeles, CA 90014	IND	Campaign literature and mailings	$12,500
Californians Moving Forward, Yes on Proposition 25 (ID# 12441XX) 1600 - 11th Street, Suite 650 Sacramento, CA 95814	CTB		$25,000
Los Angeles County Independent Party Central Committee (ID# 12987XX) 2500 R Street, Suite 300 Los Angeles, CA 90011	CTB		$15,000

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

SUBTOTAL $ 52,500

4 Schedule E Summary

1. Itemized payments made this period. (Include all Schedule E subtotals.) ..... $ 167,500
2. Unitemized payments made this period of under $100 ..... $ 2,500
3. Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).) ..... $ -0-
4. Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.) ..... **TOTAL $** 170,000

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

SCHEDULE E (CONT.)

Schedule E
(Continuation Sheet)
Payments Made

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

Statement covers period
from 7/1/XX
through 12/31/XX

CALIFORNIA FORM 460

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

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
Vien Research 575 Embarcadero Drive, Suite 260 San Francisco, CA 94102	POL		$40,000
O'Reilly, Hill & Damon, Inc. 1225 I Street, Suite 300 Sacramento, CA 95814	CNS		$75,000

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

SUBTOTAL $ 115,000

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

L. Completing the Form 460 Schedule E (Payments Made)

1 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.

2 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.

For expenditures that are contributions or independent expenditures to support or oppose a candidate or ballot measure, provide the applicable code "CTB" or "IND" and disclose the name of the candidate or committee that received the contribution, or the name of the candidate or ballot measure supported or opposed by the independent expenditure. Include a brief description of the payment for a nonmonetary contribution or an independent expenditure. **These expenditures also must be disclosed on Schedule D.**

3 Amount Paid

Enter the total amount paid to the payee during the reporting period.

Quick Tip

A federal or out-of-state PAC is only required to itemize expenditures made in California. Non-California expenditures are reported as a lump sum. See Chapter 15 for additional information.

Ex 12.14 – A committee pays the balance of its credit card. That payment is required to be reported on Schedule E and F. A specific vendor that was already identified on a previous report on Schedule F as an accrued expense is not reported.

Payment of Accrued Expenses

When paying for accrued expenses previously reported on Schedule F, report all payments on Schedule E, itemizing each payment of $100 or more. Subvendor information does not need to be reitemized if it was identified on Schedule F of a previous report.

4 Schedule E Summary

Complete the Schedule E Summary by entering the total amount of itemized payments of $100 or more (Line 1) and the total amount of unitemized payments of less than $100 (Line 2). If the committee is paying interest on loans, enter the amount from Schedule B, Part 1, Column (e) on Line 3. The total amount of all payments made is entered on Line 4. The amount on Line 4 is carried forward to the overall Summary Page, Column A, Line 6.

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 12/31/XX

CALIFORNIA FORM 460

Page XX **of** XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

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)

1 NAME AND ADDRESS OF CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	2 CODE OR DESCRIPTION OF PAYMENT	3 (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
Vien Research 575 Embarcadero Drive, Suite 260 San Francisco, CA 94102	POL	$40,000	0	$40,000	0
O'Reilly, Hill & Damon, Inc. 1225 I Street, Suite 300 Sacramento, CA 95814	CNS	$75,000	0	$75,000	0
SUBTOTALS $		115,000	$ 0	$ 115,000	$ 0

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

4 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 $** 0
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 $** 115,000
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 $** (115,000) May be a negative number

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

M. Completing the Form 460 Schedule F – Accrued Expenses (Unpaid Bills)

1 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.

2 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.

For accrued expenses in connection with contributions or independent expenditures to support or oppose a candidate or ballot measure, provide the applicable code "CTB" or "IND" and disclose the name of the candidate or committee that received the contribution, or the name of the candidate or ballot measure supported or opposed by the independent expenditure. Include a brief description of the payment for a nonmonetary contribution or an independent expenditure. **These expenditures also must be disclosed on Schedule D.**

Quick Tip

Continue to list an unpaid debt until it is paid off. Subvendor payments are required to be reported only once.

Ex 12.15 – On its second preelection statement, a committee reported an estimated accrued expense of $5,000 owed to Reliable 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).

3 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.

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 enter “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, depending on the facts, the creditor may not be making a contribution. The FPPC may be contacted for assistance.

4 Schedule F Summary

Complete the Schedule F Summary by entering the total amount of accrued expenses **incurred** on Line 1 and the total amount of accrued expenses **paid** on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the accrued expenses paid are more than the amount of new accrued expenses. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 9.

Outstanding Accrued Expenses (Summary Page, Column B, Line 9)

Accrued expenses are carried forward on future statements until they are paid off. To determine the amount for Column B, Line 9 of the overall Summary Page, add the amount from Column A, Line 9 of this statement to the amount of Column B, Line 9 of the previous statement. If the amount in Column A, Line 9 is a negative number, subtract it the amount from the amount in Column B, Line 9 of the previous statement.

Answering Your Accrued Expenses Questions

A. When are unpaid bills reportable as accrued expenses?

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.

B. What if our committee has not received an invoice from the vendor yet?

If you have received the goods or services, you must report the accrued expense on Schedule F even if you have not received an invoice. If you do not know the actual amount, you may estimate the amount of the expense. Once the committee is made aware of the actual amount, the committee must either amend the statement on which the estimated amount was reported or 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." When reporting estimated amounts or corrections to estimated amounts, note that fact on Schedule F.

C. 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, for example March 17, must we report an accrued expense for the period of March 1 through March 17?

No. When you have agreed in writing to pay a contractor a set amount at regular intervals, it is not necessary to report as an accrued expense the amount owed to the contractor if the reporting period closes before the end of the contract period. The payment will be reported on Schedule E of the campaign statement for the period in which the payment is made.

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 12/31/XX

Page XX **of** XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

NAME OF AGENT OR INDEPENDENT CONTRACTOR: Vien Research

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
Bismark Surveys 511-490 Perry Drive Irvine, CA 92602	POL			$4,500
Griffin Research Company 2018 Manchester Street Riverside, CA 92501	POL			$3,575
Quick Survey Center 69511 Bedrock Drive Rancho Cordova, CA 95670	POL			$5,250
Z. Morales Methods, Inc. 675 W. Main Street Fremont, CA 94538	POL			$3,500

Attach additional information on appropriately labeled continuation sheets. **TOTAL* $** 16,825

** 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.*

FPPC Form 460 (January/05)

N. 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 consulting firms or advertising agencies). This schedule may be used in lieu of itemizing these payments on Schedules E and F. 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. Schedule G totals are not transferred to any other schedule or to the Summary Page.

Quick Tip

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

O. General Rules for Reporting Loans Made to Others

Schedule H is for reporting loans made by the committee. Outstanding loans are reported on each campaign statement until they are paid.

Generally, campaign funds may be used to make loans to candidates, officeholders, or bona fide charitable, educational, civic, religious, or similar tax-exempt nonprofit organizations. A substantial part of the proceeds may not have a material financial effect on the committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or a member of his or her immediate family. The loan must also bear a reasonable relationship to a political, legislative, or governmental purpose. Loans made to state candidate election committees are subject to state contribution limits.

Quick Tip

Loans may not be made with committee funds to the sponsor of the committee unless the funds are used for a political, legislative, or governmental purpose.

SCHEDULE H

Schedule H
Loans Made to Others*

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

Statement covers period
from 7/1/XX
through 12/31/XX

CALIFORNIA FORM **460**

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13[illegible]X

1

FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (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 LOANED THIS PERIOD	(c) REPAYMENT OR FORGIVENESS THIS PERIOD*	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST RECEIVED	(f) ORIGINAL AMOUNT OF LOAN	(g) CUMULATIVE LOANS TO DATE
CA Technology Issues PAC 1625 L Street, Suite 650 Sacramento, CA 95814 (ID Number 14786XX)	N/A	$ 50,000	$ -0-	☑ PAID $ 10,000 ☐ FORGIVEN $ -0-	$ 40,000 1/1/XX DATE DUE	0 % RATE $ -0-	$ 50,000 1/1/XX DATE INCURRED	CALENDAR YEAR $ 50,000 PER ELECTION** $ N/A
*Loans that are contributions to another candidate or committee must also be summarized on Schedule D. Loans forgiven must also be reported on Schedule E.	SUBTOTALS	$ -0-	$ 10,000	$ 40,000	$ -0- (Enter (e) on Schedule I, Line 3)			

2

Schedule H Summary

1. Loans made this period ..... $ -0-
   (Total Column (b) plus unitemized loans of less than $100.)
2. Payments received on loans ..... $ 10,000
   (Total Column (c) plus unitemized payments of less than $100.)
3. Net change this period. (**Subtract** Line 2 from Line 1.) ..... NET $ (10,000)
   (May be a negative number)
   (Enter the net here and on the Summary Page, Column A, Line 7.)

**If Required

FPPC Form 460 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

P. Completing the Form 460 Schedule H (Loans Made to Others)

1 Recipient Information

For each loan of $100 or more that was made or was outstanding during the reporting period, disclose the recipient's name and street address, city, state, and zip code and, if the recipient is an individual, his or her occupation and employer or, if self-employed, the name of the business.

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, Column (a) should be left blank.

b Amount Loaned This Period

Enter the amount loaned to the recipient during this reporting period. If this loan was made in a previous reporting period, Column (b) should be left blank.

c Repayment or Forgiveness This Period

Enter the amount of any reduction of the loan during this reporting period. Indicate whether the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E and if the recipient of the loan is a candidate or committee, report the forgiveness as a contribution on Schedule D.

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 Received

Enter the interest rate and amount of interest received on the loan during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest received is also transferred to the Schedule I summary.

f Original Amount of Loan

Enter the original amount of the loan and the date it was made. If this is the first time the loan is being reported, this will be the same amount as reported in Column (b).

g Cumulative Loans to Date

For each loan that is a contribution, enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is a state candidate, also enter the total amount contributed in connection with each election and identify the election year. Because loans are contributions, the total amount of contributions, including loans, may not exceed the applicable state contribution limit. (Report loans to candidates or other committees on Schedule D.)

2 Schedule H Summary

Complete the Schedule H Summary by entering the total amount of loans **made** on Line 1 and the total amount of loan payments **received** on Line 2. Subtract Line 2 from Line 1 and enter the difference (net change this period) on Line 3. The amount on Line 3 will be a negative amount when the loan payments received this period are more than the amount of new loans made. The amount on Line 3 is carried forward to the overall Summary Page, Column A, Line 7.

Outstanding Loans Made (Summary Page – Column B, Line 7)

Loans made are carried forward on future statements until they are paid off. To determine the amount for Column B, Line 7 of the overall Summary Page, add the amount from Column A, Line 7 of this statement to the amount of Column B, Line 7 of the previous statement. If the amount in Column A, Line 7 is a negative number, subtract it from the amount in Column B, Line 7 of the previous statement.

Q. General Rules for Reporting 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 include:

- Proceeds, up to the fair market value, of items sold at a garage sale or auction.
- Contributions returned to the committee.
- 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.

Ex 12.16 – A television was donated by Seaside TV Sales for your committee's auction. The television's fair market value was $1,000. A person paid $1,500 for the television. Report the purchaser information and report $1,000 in the amount column of Schedule I. On Schedule A also report the purchaser as a contributor of $500, the amount over the fair market value. Seaside will be reported as a contributor of $1,000 on Schedule C.

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.

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 12/31/XX

SCHEDULE I
CALIFORNIA FORM 460
Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF FILER: CA Technology PAC, Sponsored by CA Technology Association

I.D. NUMBER: 13582XX

1 DATE RECEIVED	2 FULL NAME AND ADDRESS OF SOURCE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 DESCRIPTION OF RECEIPT	4 AMOUNT OF INCREASE TO CASH
7/31/XX	California First Tech Credit Union 1090 Sixth Avenue San Jose, CA 95002	Interest earned	$352
10/31/XX	California First Tech Credit Union 1090 Sixth Avenue San Jose, CA 95002	Interest earned	$366
11/17/XX	Sheraton Grand Hotel 1230 J Street Sacramento, CA 95814	Refund for room rental deposit	$500

Attach additional information on appropriately labeled continuation sheets. **SUBTOTAL $** 1,218

5 **Schedule I Summary**

1. Itemized increases to cash this period. ..... $ 1,218
2. Unitemized increases to cash of under $100 this period. ..... $ 0
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 $** 1,218

R. Completing the Form 460 Schedule I (Miscellaneous Increases to Cash)

1 Date Received

Report the date the committee received the miscellaneous receipt.

2 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.

3 Description of Receipt

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

4 Amount of Increase

Enter the amount of the receipt.

5 Schedule I Summary

Complete the Schedule I Summary by entering the total amount of itemized increases to cash of $100 or more on Line 1 and the total amount of unitemized increases to cash on Line 2. Enter the total of all interest received this period on loans made to others (from Schedule H, Column (e)) on Line 3. Add Lines 1,2, and 3 to determine the total miscellaneous increases to cash this period and enter the amount on Line 4. The amount on Line 4 is carried over to the overall Summary Page, Line 14.

S. Form 450 (Recipient Committee Campaign Statement – Short Form)

The Form 450 may be filed instead of the Form 460 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).

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.

A — Statement covers period from 1/1/XX through 6/30/XX

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

Date Stamp

CALIFORNIA FORM 450

Page XX of XX

For Official Use Only

1 — **1. Type of Recipient Committee:**

- ☐ Ballot Measure Committee
  - ○ Primarily Formed
  - ○ Controlled
  - ○ Sponsored
- ☐ Primarily Formed Candidate/ Officeholder Committee
- ☒ General Purpose Committee
  - ○ Sponsored
  - ⊗ Small Contributor Committee

2 — **2. Type of Statement:**

- ☐ Pre-election Statement
- ☒ Semi-annual Statement
- ☐ Termination Statement
- ☐ Quarterly Statement
- ☐ Special Odd-year Report
- ☐ Amendment (Explain) _____ (Also check type of statement you are amending)

3 — **3. Committee Information**

I.D. NUMBER: 14628XX

COMMITTEE NAME: Independent Club of Chico

STREET ADDRESS (NO P.O. BOX): 4200 Pine Street

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Chico	CA	95973	530-555-1712

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: Clara Diego

MAILING ADDRESS: 4200 Pine Street

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Chico	CA	95973	530-555-1712

NAME OF ASSISTANT TREASURER, IF ANY: Luis Lopez

MAILING ADDRESS: 545 East Veranda Street

CITY	STATE	ZIP CODE	AREA CODE/PHONE
Chico	CA	95973	530-555-6445

OPTIONAL: FAX / E-MAIL ADDRESS

4 — **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 7/31/XX (DATE) By [Signature Required] (SIGNATURE OF TREASURER OR ASSISTANT TREASURER)

Executed on 7/31/XX (DATE) By [Signature May Be Required] (SIGNATURE OF CONTROLLING OFFICEHOLDER, CANDIDATE, STATE MEASURE PROPONENT, OR RESPONSIBLE OFFICER OF SPONSOR)

Executed on _____ (DATE) By _____ (SIGNATURE OF CONTROLLING OFFICEHOLDER, CANDIDATE, STATE MEASURE PROPONENT)

Executed on _____ (DATE) By _____ (SIGNATURE OF CONTROLLING OFFICEHOLDER, CANDIDATE, STATE MEASURE PROPONENT)

T. Completing the Form 450 (Campaign Statement – Short Form)

A 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.

B Date of Election

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

1 Type of Recipient Committee

Check the box indicating that the committee is a general purpose committee, and also indicate whether it is sponsored and/or a small contributor committee.

2 Type of Statement

Check the appropriate box to indicate the type of statement being filed, e.g., semi-annual, preelection, termination.

3 Committee and Treasurer Information

This entire section must be completed and should include the same information as provided on the committee's most recently filed Statement of Organization, Form 410. If the committee has not yet received an identification number from the Secretary of State, enter "pending" in the "I.D. Number" box.

4 Verification

The Form 450 is not considered filed if it is not signed. The committee treasurer or the assistant treasurer must review the completed Form 450 and sign the verification. If the committee is sponsored and the committee is reporting contributions received through the sponsor or made by the sponsor, the responsible officer of the sponsor must also complete the verification.

Recipient Committee Campaign Statement Summary Page

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

Statement covers period from 1/1/XX through 6/30/XX

SHORT FORM

CALIFORNIA FORM **450**

Page XX of XX

NAME OF COMMITTEE: Independent Club of Chico

I.D. NUMBER: 14628XX

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		$ 1,000
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*	$ 5,510

Current Cash Statement

11. Beginning cash balance	*Previous Summary Page, Line 15*	$ 550
12. Cash receipts this period	*Line 7 above*	1,000
13. Miscellaneous increases to cash		$ -0-
14. Cash expenditures this period	*Line 3 above*	860
15. **ENDING CASH BALANCE THIS PERIOD**	*Add Lines 11 + 12 + 13, then subtract Line 14*	$ 690

FPPC Form 450 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

U. Completing the Form 450 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.

The Summary Page also includes the ending cash balance. Note: The figures on the Summary Page are representative, but not exact, from the chapter's illustrations.

Quick Tip

Identify the sponsor as an intermediary if funds were deposited into the sponsor's account and transferred to the committee.

SHORT FORM

Recipient Committee Campaign Statement – Short Form

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

Statement covers period from 1/1/XX through 6/30/XX

CALIFORNIA FORM **450**

Page XX of XX

SEE INSTRUCTIONS ON REVERSE

NAME OF COMMITTEE: Independent Club of Chico

I.D. NUMBER: 14628XX

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

1 DATE*	2 NAME AND ADDRESS OF PAYEE (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	3 DESCRIPTION OF PAYMENT	4 NAME OF CANDIDATE AND OFFICE OR NAME OF BALLOT MEASURE AND BALLOT NUMBER OR LETTER AND JURISDICTION	5 AMOUNT THIS PERIOD	6 CUMULATIVE AMOUNTS TO DATE*
	Clara Diego 4200 Pine Street Chico, CA 95973	Treasurer duties	☐ Support ☐ Oppose ☐ Contribution ☐ Ind. Exp.	$450	Calendar Year $ _____ Other $ _____
	Chico Elks Lodge 225 North Elks Avenue Chico, CA 95973	Rent for club meeting	☐ Support ☐ Oppose ☐ Contribution ☐ Ind. Exp.	$200	Calendar Year $ _____ Other $ _____
			SUBTOTAL $	650	

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

FPPC Form 450 (January/05)
FPPC Toll-Free Helpline: 866/ASK-FPPC (866/275-3772)

V. Completing Part 5 (Payments Made) of the Form 450

Refer to the "General Rules" section in the instructions above for completing Form 460.

For each payment of $100 or more, provide:

1 Date

The date an expenditure is made is required only if the expenditure is a contribution to a candidate or committee or an independent expenditure to support or oppose a candidate or ballot measure.

2 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. (See Section K of this chapter for additional information about subvendor payments.)

3 Description of Payment

If the payment is a direct contribution to a candidate or committee, enter "monetary contribution." If the payment is for a nonmonetary contribution, enter "nonmonetary contribution" and describe the goods or services provided. If the payment is not a contribution, provide a brief description of the goods or services received.

4 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 another 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 (e.g., state, multi-county, county, city, special district, etc.) 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 and check one of the boxes indicating whether the payment was a contribution or an independent expenditure.

5 Amount This Period

Enter the amount paid this period.

6 Cumulative Amounts to Date

For each payment that is a contribution or an independent expenditure, report the cumulative amount contributed to or expended to support or oppose each itemized candidate, ballot measure, or committee since January 1 of the current calendar year.

See Chapter 4 for information about contributions that must be aggregated when reporting the cumulative amounts to date.

W. 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 and check the “Amendment” box under “Type of Statement.” Also check the box showing the type of statement being amended (e.g.,semi-annual, preelection) and enter the period covered by the statement being amended. Provide a brief explanation of the reason for the amendment and attach the schedule(s) being amended, including the Summary Page, if applicable. File the amendment with each of the filing officers that received the original filing. 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 information in this chapter:

Government Code Sections

81004	Reports and Statements; Perjury; Verification.
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.
84216	Loans.
84216.5	Loans Made by a Candidate or Committee.
84222	Multipurpose Organizations.
84302	Contributions by Intermediary or Agent.
84303	Expenditures by Agent or Independent Contractor.
84306	Contributions Received by Agents of Candidates or Committees.
85311	Affiliated Entities; Aggregation of Contributions to State Candidates.
85700	Donor Information Requirements; Return of Contributions.
89515	Use of Campaign Funds for Donations and Loans.

Title 2 Regulations

18215	Contribution.
18215.1	Contributions; When Aggregated.
18216	Enforceable Promise to Make a Payment.
18225	Expenditure.
18401	Required Recordkeeping for Chapter 4.
18419	Sponsored Committees.
18421	Cash Equivalents.
18421.1	Disclosure of the Making and Receipt of Contributions.
18421.2	Street Address.
18421.3	Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.
18421.4	Reporting Cumulative Amounts for State Elections and State Recipient Committees.
18421.6	Reporting Accrued Expenses.
18421.9	Reporting Expenditures Charged to a Credit, Debit or Charge Card by a Candidate or Committee.
18422	Multipurpose Organization Political Activity Transparency.
18423	Payments for Personal Services as Contributions and Expenditures.
18427	Duties of Treasurers and Candidates with Respect to Campaign Statements.
18427.1	Notification to Contributors of $5,000 or More.
18428	Reporting of Contributions and Independent Expenditures Required to be Aggregated.
18431	Reporting of Expenditures by an Agent or Independent Contractor.
18432.5	Intermediary.
18531.7	Payments for Communications—Section 85312.
18534	Required Committee Bank Accounts.
18570	Return of Contributions with Insufficient Donor Information.

When & Where to File the Form 460

This chapter reviews when and where committees file the Recipient Committee Campaign Statement (Form 460). All reports and statements filed under the Political Reform Act are public records available for public inspection. The Form 460 is the comprehensive report that discloses all receipts and expenditures of a committee. The Form 460 includes payments previously reported on forms such as the 24-Hour Contribution Report (Form 497) and the 24-Hour Independent Expenditure Report (Form 496).

Note: When a committee has minimal activity in a reporting period, the committee may be eligible to use the Recipient Committee Campaign Statement – Short Form (Form 450) or the Semi-Annual Statement of No Activity (Form 425). These reports are filed at the same time and locations as the Form 460.

The Secretary of State has a list of software vendors that prepare campaign reports. The FPPC does not endorse any specific programs.

A. General Information

Filing Schedules: The FPPC posts on its website filing schedules for specific election dates. In addition, county elections offices and city clerks often post filing schedules. Local committees should contact their local filing officer as some local jurisdictions may require filings in addition to what is required by the Political Reform Act. Except where noted, statements filed on paper must be hand-delivered or postmarked and sent by first-class mail by the due date.

The committee treasurer is responsible for meeting all applicable filing deadlines. Filing officers are not required to send reminder notices of upcoming deadlines, although they are required to notify committees that have missed a filing deadline.

Quick Tip

Some local agencies require additional statements before and after an election. Local committees should contact the county elections office or city clerk to determine if additional statements are required. Local campaign ordinances are also posted on the FPPC website.

Deadlines: Deadlines that fall on a Saturday, Sunday, or an official state holiday are extended to the next business day; however, the extension does not apply on the Saturday, Sunday, or an official state holiday immediately preceding an election. For example, if a committee made a $5,000 contribution to a candidate listed on a ballot on the Saturday before the election, the deadline is not extended to the next business day. The committee must file a Form 497 within 24 hours. There are no other provisions for extending a deadline.

Late Fines: Filing after a deadline may result in late filing penalties of $10 for each day the statement is late. A state committee required to file paper and electronic reports is subject to a $10/day fine for each report, resulting in a possible fine of $20/day.

Failure to File: Local and state filing officers must refer committees to the FPPC or another enforcement agency if a committee fails to file a campaign statement. Administrative penalties of up to $5,000 per violation may be assessed. (See Government Code Section 83116.) Committees fined by the FPPC Enforcement Division are listed on the FPPC website.

B. Electronic Filing

State Committees: State general purpose committees are required to file electronically with the Secretary of State once they receive contributions totaling $25,000 or more, or make expenditures totaling $25,000 or more. Once electronic filing requirements have been triggered, **all** future semi-annual and preelection statements discussed in this chapter must be filed electronically as well as on paper. For detailed information on electronic filing requirements, contact the Secretary of State's office.

Until a committee has triggered the electronic filing requirements, only paper reports are required.

Local Committees: Local committees should check with the local jurisdiction to determine whether electronic filing is required. Local

Quick Tip

A multipurpose organization (i.e., a federal or out-of-state PAC) that qualifies as a state committee must file electronically if its expenditures in California reach the $25,000 threshold. See Chapter 15 for additional information about multipurpose organizations.

agencies that have approved electronic filing programs may eliminate the requirement to file a paper copy of the Form 460.

Website Postings: The Secretary of State displays, among other things, the pdf versions of campaign statements filed by state general purpose committees that are required to file electronically. Many local agencies also post campaign statements, even those filed on paper. A local agency with an approved electronic program must provide the campaign data available on the Internet in an easily understood format that provides the greatest public access.

C. When to File

Semi-Annual Statements

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

Preelection Statements – State and County General Purpose Committees

State and county general purpose committees must file preelection statements if, during a preelection reporting period, the committee makes contributions or independent expenditures totaling $500 or more in connection with the statewide primary or general election.

Ex 13.1 – A state general purpose committee is formed in May of an even-numbered year to support or oppose candidates and ballot measures. The committee files a semi-annual statement for the period covering January 1 through June 30, due by July 31. In both the first and second preelection reporting periods for the November election of that year, the committee makes contributions totaling $500 or more to candidates and ballot measure committees on the November ballot. Preelection statements are due in September and October, in addition to the semi-annual statement due by January 31 of the following year.

Preelection Statements – City General Purpose Committees

During any year, a city general purpose committee must file preelection statements if, during a preelection reporting period for the city's election, the committee makes contributions totaling $500 or more in connection with the city's election.

Quick Tip

State and county general purpose committees have different filing obligations than city general purpose committees.

Ex 13.2 –During the second preelection reporting period for the City of Madera's April election held in an odd-numbered year, the Madera County Firefighters Association PAC, a county general purpose committee, made a $750 contribution to a ballot measure committee to support a city measure. Although the city ballot measure committee must report receipt of the contribution on its second preelection statement, the Madera County Firefighters Association PAC is not required to file a preelection statement in connection with the city election. The next Form 460 report due for this committee is the semi-annual statement.

Quick Tip

Committees should refer to the filing schedules available on the FPPC website for specific reporting periods and deadlines.

Ex 13.3 –During the first preelection reporting period for the City of Long Beach's June election held in an even-numbered year, Keep Long Beach Beautiful, a city general purpose committee, made a $500 contribution to a state candidate. Although the contribution was made to a state candidate, Keep Long Beach Beautiful must file a preelection statement with the city.

Special Odd-Year Reports: Contributions to State Officers

During an odd-numbered year, if a general purpose committee makes contributions totaling $10,000 or more during the first and third quarters to an elected state officer, the committee is required to file a special odd-year report (Form 460).

The special odd-year report is triggered if contributions totaling $10,000 or more are made to any state or local committees controlled by an elected state officer. This includes a state officer's election committees, general purpose ballot measure committees, officeholder expense committees, legal defense committees, or recall committees. Contributions to a federal committee controlled by a state officer are not counted toward the $10,000 threshold.

Ex 13.4 –During March of an odd-numbered year, a general purpose committee makes a contribution of $3,000 to a state Senator's controlled ballot measure committee, a $3,000 contribution to a state Senator's committee established for a local office, and three contributions to three different Assembly officeholders of $3,000 each. The committee must file a special odd-year report (Form 460) covering the period January 1 through March 31. The report is due no later than April 30 and filed where the committee files its regular campaign reports.

D. Where to File

Committees file the forms discussed in this chapter with the filing officer in the jurisdiction as provided in the chart below:

Forms 460, 450, 425	Filling Officer	Format
State Committees	Secretary of State Political Reform Division 1500 11th Street, Room 495 Sacramento, CA 95814	Original & 1 copy
County Committees	County Elections Official	Original & 1 copy
City Committees	City Clerk	Original & 1 copy

Note: State committees that are required to file electronically must also file a paper copy with the Secretary of State.

Faxing Statements

Campaign statements that contain 30 pages or less may be faxed provided that the faxed copy is the exact copy of the original version. The original document (with an original signature) must be sent by first-class mail, guaranteed overnight delivery, or personal delivery within 24 hours of the filing deadline. Because Forms 496 and 497 do not require a signature, an original statement is not required to be sent in addition to faxing.

Jurisdiction: State, County, or City Committee

As discussed in Chapter 1, each committee must review its expenditures periodically (quarterly for committees six months or older and monthly for new committees) to ensure that the committee is filing in the proper jurisdiction. In general, a committee is classified as a state committee unless it qualifies as a county committee or a city committee, as summarized below:

- A county committee makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in a single county, or in more than one jurisdiction within one county. This includes contributions to other general purpose committees in the same county.

- A city committee makes more than 70 percent of its contributions or expenditures to support or oppose candidates or measures voted on in a single city, or in one consolidated city and county. This includes contributions to other city general purpose committees in the same city.

When reviewing its expenditures to ensure that the committee is filing its campaign reports in the proper jurisdiction, the committee must count contributions and expenditures made during whichever of the following time periods most accurately reflects the committee's current and upcoming activity:

- The immediately preceding 24 months; or

- The current two-year period, beginning with January 1 of an odd-numbered year and ending with December 31 of the following even-numbered year.

Quick Tip

A committee that changes its filing jurisdiction must file campaign reports in both jurisdictions through the end of the calendar year. Committees use the date of the filing to determine where copies must be filed. (See Chapter 1 for additional information.)

A committee may not knowingly file in an incorrect jurisdiction with the intention of avoiding the appropriate legal disclosure of campaign information to the public.

Exceptions:

- A city or county general purpose committee may make up to four contributions in a calendar year to state candidates whose districts include part of that jurisdiction and remain a local committee.

- An existing committee that has not made expenditures of $5,000 or more to support or oppose candidates/measures is not required to review its records and change jurisdictions, if applicable, but may do so.

- A new committee that has not made expenditures of $1,000 or more to support or oppose candidates/measures is not required to review its records and change jurisdictions, if applicable, but may do so.

Answering Your Questions

A. Must a state general purpose recipient committee file a preelection report if it makes a contribution of $500 to another general purpose committee during the preelection reporting period for the statewide June primary election?

Yes. A preelection report is required if the committee makes contributions totaling $500 or more in connection with the statewide primary or general election during the period covered by the preelection statements. A contribution made to another general purpose committee during the June preelection reporting period is deemed to be made in connection with the statewide election.

B. If a state general purpose committee makes contributions to local candidates, is the state committee subject to local campaign ordinances, if any?

Generally, a state committee is subject to state law, but some local rules, such as contribution limits to local candidates, apply to all committees.

Authority

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

Government Code Sections

81007	Mailing of Report or Statement.
81007.5	Faxing of Report or Statement.
81008	Public Records; Inspection; Reproduction; Time; Charges.
82027	Filing Officer.
83116	Violation of Title.
84200	Semi-Annual Statements.
84200.5	Preelection Statements.
84200.6	Special Campaign Statements and Reports.
84200.8	Time for Filing Preelection Statements.
84202.7	Time for Filing by Committees of Odd-Numbered Year Reports.
84215	Campaign Reports and Statements; Where to File.
84605	Who Shall File Online.
84615	Electronic Filing for Local Agencies.
91013	Late Filing of Statement or Report; Fees.

Title 2 Regulations

18110	Duties of Filing Officers Campaign Statements.
18116	Reports and Statements; Filing Dates.
18247.5	Primarily Formed and General Purpose Committees.
18426	Semi-Annual Statement Early Filing.

Political Party Committees

Political party committees (including county central committees) are subject to certain additional and different rules than other general purpose committees. This chapter reviews those rules as they relate to each of the previous chapters.

Chapter 1. What is a General Purpose Committee?

A political party committee is considered a state general purpose committee under the Political Reform Act. (Government Code Section 82027.5.) A "political party committee" is defined as the state central committee or the county central committee of an organization that meets the requirements as a political party pursuant to Elections Code Section 5100. (Government Code Section 85205.) The Political Reform Act does not govern the structure or internal bylaws of central committees.

A local party club is not considered a political party, but will often qualify as a general purpose committee. A local party club will qualify as a committee under the Act if it receives $2,000 or more in a calendar year to be used for political purposes, such as making contributions to candidates or ballot measure committees, making independent expenditures to support or oppose candidates or ballot measures, or doing partisan voter registration or "get out the vote" drives.

Chapter 2. Statement of Organization (Form 410).

Where to File: All committees file the Form 410 with the Secretary of State.

Sponsored Committees: A political party committee may not qualify as a sponsored committee.

Treasurer and Principal Officer(s): A political party committee, like any other general purpose committee, must list the committee treasurer and principal officer(s) on the Form 410 and must ensure that the information is current.

Filing Jurisdiction: A political party committee is not required, like other general purpose committees, to review its expenditures on a quarterly basis to determine if the committee should be filing its campaign statements with a local filing officer. Because a political party committee is considered to be a state general purpose committee, it will always file its campaign statements with the Secretary of State.

Chapter 3. Finance Rules.

A political party committee is subject to the same recordkeeping and finance rules as other general purpose committees.

Chapter 4. Contributions.

In general, a political party committee is subject to the same rules for reporting contributions and valuing nonmonetary contributions as other general purpose committees.

Member Communications Exception: Although a member communication does not result in a contribution or independent expenditure for the affected candidate or measure, a political party committee must report payments for member communications in the same manner as if a contribution or independent expenditure was made. For example, a political party committee that sends a postcard to its members, which expressly advocates support of a candidate and is sent the week before the election, must report the payment for the member communication within 24 hours on either the Form 496 (independent expenditure) or Form 497 (contribution).

Chapter 5. State Contribution Limits.

Receiving Contributions

A political party committee is subject to contribution limits for contributions deposited into an account that is used to make contributions to state candidates. State political parties and county central committees are subject to the $36,500 per contributor limits, while local clubs are subject to the $7,300 per contributor limit (2017 – 2018 limit). See the contribution limit charts in Chapter 5.

A political party committee that receives contributions in excess of the contribution limits must establish an “all purpose” account and a “restricted use” account. Contributions that exceed the contribution limit may not be deposited into the “all purpose” account. A political party may establish separate committees or have one committee with separate bank accounts. Chapter 5 includes a chart describing the expenditures that must be made from the “all purpose” account.

Making Contributions

State Candidate Election Committees: A political party committee may make unlimited contributions to the “election committee” designated for a state candidate. The party must make the contributions from the committee or account that is subject to the contribution limit as described above. A political party committee may not make a contribution to an election committee after the election unless the committee has net debt.

State Officeholder Committees: A political party committee may not make a contribution that exceeds the limit imposed on a state officeholder committee.

Local Committees: A political party committee may make a contribution to a local committee. Check the local ordinance, if any, for contribution restrictions.

Chapter 6. Contribution Restrictions.

A political party committee is subject to the restrictions outlined in Chapter 6. Although a political party committee is not limited in the amount of contributions it may make on behalf of a state candidate, persons are prohibited from making a contribution to the party committee on the condition or with the agreement that it will be contributed to any particular candidate, unless the contributor is disclosed as the true source of the contribution and the party is disclosed as an intermediary. Treasurers should establish clear accounting methods and internal guidelines to ensure proper reporting of all payments.

Chapter 7. Use of Campaign Funds.

A political party committee may use campaign funds for a political, legislative or governmental purpose, as outlined in Chapter 7. A common question is whether a political party committee may provide office space to candidates, which is permissible. The service is a nonmonetary contribution that must be reported by both the party committee and the candidate.

Chapter 8. Communications.

A political party committee is subject to the same rules regarding communications as other general purpose committees, with the exception of member communications. The member communications reporting requirements for a political party are discussed in detail in Chapter 8.

Chapter 9. Advertisement Disclaimers.

A political party committee is subject to the same advertisement disclaimer requirements as other general purpose committees.

Chapter 10. 24-Hour Contribution Reports (Form 497).

At certain times, the Act requires a political party committee to file 24-hour reports disclosing money received and spent in elections. The report, Form 497, is filed electronically with the Secretary of State. No paper copies of this report are required and no copies are required to be filed with other filing officers.

Each political party committee should have a copy of the filing schedules created specifically for political party committees. A political party committee may trigger reports in connection with any state election, including a state special election. A political party committee must file a Form 497 **within 24 hours** of the following payments:

- Contributions that total in the aggregate $1,000 or more **received** within 90 days before any state election, or on the date of the election.

- Contributions that total in the aggregate $1,000 or more **made** to a candidate, officeholder, or ballot measure committee within 90 days before the candidate's or measure's election, or on the date of the election.

- Contributions that total in the aggregate $1,000 or more **made** to a candidate in a CalPERS or CalSTRS election within 90 days before the election, or on the date of the election.

A political party committee that is required to file electronically with the Secretary of State must file a Form 497 **within 10 business days** of the following payments:

- Contributions that total $5,000 or more **made** to support or oppose a single state ballot measure. This report must also disclose donors who have not previously been reported on a campaign statement.

A political party committee must complete the Form 497 as provided in Chapter 10 and the form instructions.

Chapter 11. Independent Expenditure Reporting.

A political party committee that makes independent expenditures of $1,000 or more must file the reports described in Chapter 11. A political party committee must also file the reports for member communications.

Chapter 12. Committee Reports (Form 460).

A political party committee must have a treasurer or assistant treasurer review and sign the Form 460. A political party committee is subject to the same reporting rules as other general purpose committees, as well as the additional rules described below.

Member Communications: Report payments for member communications on Schedule E or F, as appropriate. The payments are not reported on Schedule D. A member communication may be paid for from either the all purpose account or the restricted use account. (See Chapter 5.)

A political party committee is subject to specific reporting requirements when federal funds are used to make contributions or expenditures to support or oppose candidates or ballot measures in California. The rules are summarized below, but political party committees should also review FPPC Regulation 18530.3.

Federal Levin Funds. A political party committee must report Levin Funds that are used for the purpose of supporting or defeating any state or local candidate or ballot measure.

Federal Committees. A political party committee must report expenditures made from a federal committee for the purpose of supporting or defeating any state or local candidate or ballot measure. The Form 460 must also include a description of the account(s) from which the expenditures were made. The report is not required to itemize donations that were made to the Federal committee.

Chapter 13. When and Where to File the Form 460.

All political party committees are state general purpose recipient committees and file the Form 460 with the Secretary of State.

A political party committee must file preelection statements in connection with any state election, including a state special election, if the committee receives contributions of $1,000 or more or makes contributions or independent expenditures of $500 or more in connection with the election during the period covered by the preelection statement. This includes state elections held in both even and odd-numbered years.

Quick Tip

Political party committee treasurers should sign up for the FPPC "Filing Schedule" mailing list so they are notified when the filing schedules are updated on the FPPC website.

Authority

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

Government Code Sections

82027.5	General Purpose Committee.
85205	Political Party Committee.
85301	Limits on Contributions from Persons.
88303	Limits on Contributions to Committees and Political Parties.
85312	Communications to Members of an Organization.
85704	Prohibition on Earmarking.

Title 2 Regulation

18530.3	Reporting of Specified Contributions and Expenditures by Political Party Committees.

Chapter 15 — Multipurpose Organizations

This chapter describes the special reporting requirements for multipurpose organizations that make political expenditures in connection with state and local elections. Effective July 1, 2014, Government Code Section 84222 was added to the Political Reform Act (Act) to require multipurpose organizations making political expenditures to report the donors who are the sources of the funds used for political purposes.

As described in Chapter 1, generally any person or group that raises funds from others of $2,000 or more to make contributions or expenditures in California must register as a committee ("recipient committee") and file campaign reports under the Act. (Government Code Section 82013(a).) These political committees report all the contributions they receive and all their expenditures. In contrast, a multipurpose organization that qualifies as a recipient committee under Government Code Section 84222 (but not independently under Section 82013), must report only its political expenditures and the sources of those funds.

A multipurpose organization that qualifies as a recipient committee will be considered either a general purpose committee or a primarily formed committee, depending on the organization's political expenditures. For example, if an organization's only political expenditure is a contribution of more than $50,000 made to a committee primarily formed to support a ballot measure, the organization will qualify as a primarily formed ballot measure committee and should use Campaign Disclosure Manual 3 for guidance. An organization whose political expenditures support or oppose several different candidates and/or ballot measures will likely qualify as a general purpose committee and should use this campaign disclosure manual for guidance.

Chapter 1 describes how a committee makes the determination as to whether it is a general purpose committee or a primarily formed committee. When making the determination as to which type of committee a multipurpose organization qualifies as, the organization includes only its payments made for contributions and independent expenditures in California.

A. What is a Multipurpose Organization?

A multipurpose organization typically receives donations or other payments (e.g., membership dues) for purposes other than making political expenditures in California. They nevertheless may, at times, use some of these funds to make political expenditures to support or oppose California state or local candidates or ballot measures.

For purposes of the Act, multipurpose organizations include:

- Nonprofit organizations with tax exempt status under 501(c)(3) to 501(c)(10) of the Internal Revenue Code
- Federal and out-of-state political action committees (PACs)
- Trade and professional associations
- Civic and religious organizations
- Fraternal societies
- Educational institutions

Quick Tip!

For purposes of Government Code Section 84222, a political committee that registers and files campaign reports with the Internal Revenue Service (and not the Federal Election Commission or a specific state) has the same registration and filing requirements as an out-of state PAC.

For purposes of the Act, multipurpose organizations do <u>not</u> include:

- Business entities
- Individuals
- Federal candidate controlled committees

B. When Does a Multipurpose Organization Qualify as a Recipient Committee?

The following multipurpose organizations that make contributions or expenditures to support or oppose state or local candidates or ballot measures in California must register as recipient committees and file campaign statements to disclose their political expenditures and the sources of funds used for those expenditures.

- Calendar Year Filers. Organizations that make contributions or expenditures in California totaling more than $50,000 in a period of 12 months or more than $100,000 in a period of four consecutive calendar years

- Federal or out-of-state political committees that make contributions or expenditures in California totaling at least $2,000 in a calendar year

- Organizations that solicit and receive payments from donors totaling at least $2,000 in a calendar year for the purpose of making contributions or expenditures in California

- Organizations that accept payments from donors totaling at least $2,000 in a calendar year subject to a condition, agreement, or understanding with the donor that all or a portion of the payments may be used for making contributions or expenditures in California

- Organizations that have existing funds from a donor and a subsequent agreement or understanding is reached with the donor that all or a portion of the funds may be used to make contributions or expenditures totaling at least $2,000 in a calendar year in California

Exception – Nondonor Funds: A multipurpose organization that uses only "nondonor funds" (e.g., investment income, interest income, capital gains, income from providing goods or services) to make contributions or expenditures will not qualify as a recipient committee;

Quick Tip!

Some multipurpose organizations will qualify as primarily formed committees instead of general purpose committees. Primarily formed committees have different reporting requirements, including specific disclaimers that must be included on advertisements. See Chapter 1 for additional information about how to determine whether the organization qualifies as a general purpose committee or a primarily formed committee. The end of this chapter contains several examples of different types of multipurpose organizations making political expenditures and the campaign reporting requirements for those organizations.

Quick Tip!

If contributions will be made to state candidates or to committees that make contributions to state candidates, review Chapter 5 for information about contribution limits.

however, the organization may qualify as a "major donor committee" or an "independent expenditure committee." In particular, an organization that makes contributions of $10,000 or more from nondonor funds will qualify as a major donor committee. Similarly, an organization that makes independent expenditures of $1,000 or more from nondonor funds will qualify as an independent expenditure committee. These committees have different reporting requirements and should refer to the applicable campaign disclosure manual. (See Campaign Disclosure Manuals 5 and 6.)

MPO activity not exceeding $50,000/$100,000: A multipurpose organization that makes contributions or independent expenditures that do not exceed $50,000 per 12 months or $100,000 per four years, and has not specifically solicited $2,000 or more for political activity, is not required to register as a recipient committee and disclose donors. However, the multipurpose organization must still disclose these contributions or independent expenditures if it qualifies as a "major donor" or "independent expenditure committee," as described above.

Quick Tip!

A multipurpose organization that uses only "nondonor funds" or whose spending does not exceed $50,000/12 months or $100,000/4 years from general funds to make contributions or independent expenditures will not qualify as a recipient committee; however, the organization may qualify as a "major donor committee" or an "independent expenditure committee."

C. What are the Registration Requirements?

A multipurpose organization that meets any of the criteria described above must register as a California recipient committee by filing the Form 410 (Statement of Organization).

When and Where to File the Form 410

The Form 410 (Statement of Organization) is filed with the Secretary of State; local committees must also file a copy with the local filing officer (i.e., city clerk or county elections office). Generally, the Form 410 must be filed within 10 days of qualifying as a committee; however, if a committee qualifies in the 16 days before an election, the Form 410 must be filed within 24 hours.

Quick Tip!

Certain multipurpose organizations that make donations to other multipurpose organizations may be required to file the Form 410 within three business days. See "Expedited Filing for Multipurpose Organization Contributors" (Section H).

Quick Tip!

Upon receipt of the Form 410, the Secretary of State's office will assign a committee ID number, which must be included on all campaign reports.

Completing the Form 410

Chapter 2 should be reviewed for detailed instructions on completing the Form 410. The following additional rules apply to multipurpose organizations that qualify as general purpose recipient committees.

- **Committee Name and Description.** A multipurpose organization's committee name must be the full legal name of the organization. In addition, one of the following descriptions must be included on specified reporting forms:

  - A nonprofit organization must include after its name in parentheses "nonprofit 501(c)( )," specifying the type of nonprofit organization from 501(c)(3) to 501(c)(10).

  - A federal or out-of-state political committee must include after its name in parentheses "Fed PAC ID #" or the two letter state abbreviation such as "TX PAC ID #."

  - Any other type of multipurpose organization must include after its name in parentheses "multipurpose organization" or "MPO."

Quick Tip!

These descriptions must be included at the end of the committee's name on the Statement of Organization (Form 410) and all other campaign statements (i.e., Form 460); however, the description is not required to be included in the committee's name on advertisements and communications.

- **Date Qualified as Committee.** The "date qualified" is the date the organization met the recipient committee thresholds as described above. For a calendar year filer that reactivates its recipient committee status in a subsequent calendar year, the "date qualified" is the date the committee qualified in the current calendar year. The amendment box should be marked and the committee identification number issued previously will be used.

Quick Tip!

See Chapter 1 for information about how to determine if the organization qualifies as a state, county, or city general purpose committee.

- **Bank Account.** List the name and address of the financial institution where the organization's bank account is located and the bank account number. If the organization has more than one bank account, only one account must be listed.

- **Type of Committee.** A multipurpose organization must identify itself as either a primarily formed committee or a general purpose committee. Complete the appropriate

committee type section. See FPPC Regulation 18247.5 and page 3 of the Form 410 instructions for information about how to determine the committee type. In making this determination, the organization counts only its political contributions and expenditures made in California. If it is determined that the committee is a primarily formed ballot measure committee, refer to Campaign Disclosure Manual 3.

- **Description of Organization's Political Activities.** On page 3 of the Form 410 in the "Provide Brief Description of Activity" field, a multipurpose organization, other than a federal or out-of-state PAC, must describe its mission or most significant activities and describe its political activities. This requirement may be met by referencing where the organization's IRS Return of Organization Exempt from Income Tax form may be accessed. ***Note:*** Although the "Provide Brief Description of Activity" field is included in the General Purpose Committee section of the Form 410, a multipurpose organization that qualifies as a primarily formed committee must also complete the description field.

- **Calendar Year Filer ("CY" designation).** A multipurpose organization that qualifies as a recipient committee because its political payments are more than $50,000 in a period of 12 months or more than $100,000 in a four consecutive calendar year period automatically terminates at the end of the calendar year in which it qualified. The organization must indicate its calendar year status by adding "CY" at the end of the description of the organization's political activities. An organization may elect to remain registered as a committee instead of terminating automatically by stating its intent to remain open on its initial Form 410 or on an amended Form 410 filed prior to the end of the calendar year.

- **Annual Committee Fees.** A multipurpose organization that qualifies as a recipient committee must pay the $50 annual filing fee required of all recipient committees. See page 1 of the Form 410 instructions for additional information.

Ex 15.1- The National Alliance of Widget Manufacturers used funds from its general membership dues account to make a single contribution of $100,000 to a committee primarily formed to oppose a state ballot measure. The Alliance does not plan to make any other contributions or expenditures in California this calendar year. The Alliance qualifies as a primarily formed ballot measure committee and must file the Form 410. Even though the organization is a primarily formed committee, it must also complete the Brief Description of Activity field in the General Purpose Committee section and indicate that it is a committee that will automatically terminate at the end of the calendar year by including "CY" after the brief description of the organization's activities. If it elects to remain open instead of automatically terminating at the end of the calendar year, it may state its intent to remain open on its initial Form 410 or an amended Form 410 filed prior to the end of the calendar year. The organization must also file the applicable campaign reports, meet the specified filing deadlines, and include the required disclaimers on advertisements.

Exception – Sponsor Reporting on PAC Reports: A membership organization that is the sponsor of a recipient committee is not required to register as a separate committee so long as the organization does not receive payments of $10,000 or more in a calendar year from a single source. Such organizations may report contributions and expenditures on their sponsored committee's campaign statement as described below. See Chapter 1 for additional information about sponsored committees.

D. What Campaign Statements are Required?

Generally, a multipurpose organization that qualifies as a recipient committee will have the same filing requirements as other recipient committees. The most commonly filed forms are briefly described below; however, depending on a committee's activity, additional reports may be required. Check the FPPC filing schedule for the upcoming election for specific reporting periods and deadlines.

Form 460

The Form 460 is the main campaign disclosure report and provides the public with an overview of the organization's activity, including contributions and expenditures, during a specified period. The Form 460 is filed semi-annually and, depending on the organization's activity, may also be required as a preelection statement. See Chapter 12 for general information about completing the Form 460. Donor disclosure rules and other special reporting requirements for multipurpose organizations are described below. See Chapter 13 to determine when and where to file the Form 460.

24-Hour Contribution Reports (Form 497)

During the 90 days before an election, or on the date of the election, if the organization makes contributions of $1,000 or more to a candidate, ballot measure committee, or political party committee, it must file the Form 497 within 24 hours. See Chapter 10 for additional information about the Form 497, including when and where to file.

Independent Expenditure Reports

During the 90 days before an election, or on the date of the election, if the organization makes independent expenditures of $1,000 or more to support or oppose a candidate or ballot measure, it must file the Form 496 (24-hour Independent Expenditure Report) within 24 hours. Review the information below to determine which donors must be disclosed as contributors on a campaign statement, including the Form 496. In addition, the organization must file Form 462 (Verification of Independent Expenditures). See Chapter 11 for additional information about independent expenditure reports, including when and where to file.

E. Identifying Contributors on Campaign Statements

Pursuant to Government Code Section 82222 and Regulation 18422, donors to the multipurpose organization are disclosed as contributors on a campaign statement as follows:

1. **Donors Giving for Political Purposes – Itemize at $100.** State the full amount given and identifying information for all donors who made payments to the organization specifically for political purposes in California. In addition, donors who knew that all or a portion of their payments may be used for political purposes in California and donors who reached a subsequent agreement or understanding with the committee that all or a portion of their payments may be used for political purposes in California must also be listed. *These donors must be itemized if their payments total **$100 or more** in a calendar year.*

2. **LIFO Donors – Itemize at $1,000.** Report donors using a "last in, first out" (LIFO) accounting method to identify donors when the funds described above do not cover the entire amount of the contribution or independent expenditure made by the organization. Identify donors to the general fund in reverse chronological order beginning with the most recent donor. Donor identification starts with the date the political expenditure was made. Each donor's payment is included on

Quick Tip

Although contributors must be identified using LIFO within three or ten days, the organization does not have to disclose the contributors until its next regular campaign statement (i.e., Form 460) is due. The contributors do not have to be disclosed on Form 497.

the Form 460; *however, only donors of **$1,000 or more** in a calendar year must be itemized.* Continue this method as far back as necessary until a sufficient number of donors have been identified as contributors to account for the contribution or independent expenditure.

Note: During the 90 days before an election, calendar year filers must identify contributors using the LIFO accounting method no later than three business days following the expenditure. At all other times, contributors must be identified within 10 business days. If the organization identifies a contributor of more than $50,000 that is also a multipurpose organization, the organization must send a nonprofit filer notice to the contributing organization stating that it may be required to register and file expedited campaign statements disclosing its donors. (See Sections G and H below.)

Quick Tip!

Although contributors must be identified using LIFO within three or 10 days, the organization does not have to disclose the contributors until its next campaign statement is due.

Quick Tip!

When disclosing a donor identified through LIFO as a contributor on a campaign statement, the date the political expenditure was made is the date used for the contribution received, so it may be helpful to note on the statement that the contributor was identified using LIFO.

3. **Organization Itself.** If these two classes of contributors do not account for the full balance of the group's political expenditures, the organization will identify itself as a contributor of the remaining balance.

When itemizing a contribution, report the name, street address, city, state and zip code of the contributor. If the contributor is an individual, also include the individual's occupation and the name of his or her employer. If the contributor is self-employed, provide the name of his or her business. If the contributor is not employed, enter "none." If the occupation and employer information cannot be obtained, the report must provide an explanation of the organization's attempts to obtain the information.

Exceptions:

Organizations need not identify the following payments received as "contributions":

- **Restricted Funds**. A donation from a donor that prohibits the use of the donation for political purposes or designates or restricts the donation for purposes other than contributions or expenditures.

- **Foundation Funds**. A grant from a private foundation as defined by Internal Revenue Code section 509(a) that does not constitute a taxable expenditure under Internal Revenue Code section 4945(d)(1) or (d)(2).

- **Funds received prior to July 1, 2014**. A donation to the general funds made before the new legislation took effect, if the funds were not given or approved by the donor to be used on a candidate or ballot measure in California.

F. Special Reporting Requirements

Calendar Year Filers

A multipurpose organization that qualifies as a committee by making contributions or expenditures of more than $50,000 in a period of 12 months or more than $100,000 in a period of four consecutive calendar years, does not include on the reports it files for the year in which it qualifies as a committee, contributions or expenditures the organization made in a prior calendar year. (Section 84222(e)(3).) For example, the organization's campaign report filed in 2016, the year in which it qualifies as a committee, will not contain contributions or expenditures the organization made in 2015 or 2014. (However, this provision does not limit an organization identifying donors by LIFO to those who gave in the current calendar year; using LIFO, the organization may work through its donor list as far back as necessary to account for its political expenditures.)

Federal PACs Reporting Contributions Received

A federal PAC that is filing campaign reports with the Federal Election Commission (FEC) is not required to re-itemize contributors on Schedule A (Monetary Contributions Received) of the Form 460. A federal PAC should report its contributions received as follows:

- **Schedule A:** In the name of contributor field, make a statement that the contributors are itemized on the federal report and include the federal committee's name and identification number. For example, "Contributors Listed on

the FEC report of ABC Corporation Political Action Committee, FEC ID# 010101010." If it is not possible to put this information on Schedule A, it may be included in a memo field instead.

- **Schedule A Summary:** Enter zero (0) on Line 1 (itemized contributions) and enter the total receipts from the FEC report on Line 2 (unitemized contributions).

- **Form 460 Summary Page:** The amount from Line 3 of the Schedule A Summary is carried over to Lines 1 and 5 of the overall Summary Page.

Federal PACs Reporting Expenditures Made

A federal PAC is required to itemize its California expenditures on Schedule E of the Form 460; however, it is not required to itemize contributions made and expenditures made to influence federal or out-of-state elections. A federal PAC should report its expenditures made as follows:

- **California Expenditures:** Itemize contributions and expenditures of $100 or more made in California. Expenditures made for contributions and independent expenditures in California are also itemized on Schedule D.

- **Non-California Expenditures:** Add an entry in the "name and address" field for the non-California expenditures (e.g., "Non-CA expenditures") and include the lump sum total in the "amount paid" column.

- **Schedule E Summary:** Enter the total amount of California expenditures and non-California expenditures on Line 1 (itemized payments) of the Schedule E Summary. If expenditures of less than $100 or more were made for contributions and expenditures in California, enter the lump sum total on Line 2 (unitemized payments). Line 3 is likely not applicable to Federal PACs. Line 4 is the total of all expenditures made during the reporting period.

Quick Tip!

Expenditures made for contributions and independent expenditures in California are itemized on Schedules D and E of the Form 460.

Quick Tip!

The totals from Line 3 of the Schedule A Summary and Line 4 of the Schedule E Summary are carried over to the overall Summary Page.

- **Form 460 Summary Page:** The amount from Line 4 of the Schedule E Summary is carried over to Lines 6 and 11 of the overall Summary Page.

Out-of-State PACs Reporting Contributions Received

An out-of-state PAC should report its contributions received as follows:

- **Itemized contributions received:** Itemize contributions of $100 or more in an amount equal to the PAC's California activity and enter the total on Line 1 (itemized contributions) of the Schedule A Summary.

- **Unitemized contributions received:** Enter the total amount of all other contributions received on Line 2 (unitemized contributions) of the Schedule A Summary.

- **Form 460 Summary Page:** The amount from Line 3 of the Schedule A Summary is carried over to Lines 1 and 5 of the overall Summary Page.

Out-of-State PACs Reporting Expenditures Made

An out-of-state PAC is required to itemize its California expenditures on Schedule E of the Form 460; however, it is not required to itemize contributions made and expenditures made to influence federal or out-of-state elections. An out-of-state PAC should report its expenditures made as follows:

- **California Expenditures:** Itemize contributions and expenditures of $100 or more made in California. Expenditures made for contributions and independent expenditures in California are also itemized on Schedule D.

- **Non-California Expenditures:** Add an entry in the "name and address" field for the non-California expenditures (e.g., "Non-CA expenditures") and include the lump sum total in the "amount paid" column.

Quick Tip!

A political committee that registers and files campaign reports (i.e., IRS Form 8872) with the Internal Revenue Service reports its contributions and expenditures in the same manner as an out-of-state PAC.

- **Schedule E Summary:** Enter the total amount of California expenditures and non-California expenditures on Line 1 (itemized payments) of the Schedule E Summary. If expenditures of less than $100 or more were made for contributions and expenditures in California, enter the lump sum total on Line 2 (unitemized payments). Line 3 is likely not applicable to out-of-state PACs. Line 4 is the total of all expenditures made during the reporting period.

- **Form 460 Summary Page:** The amount from Line 4 of the Schedule E Summary is carried over to Lines 6 and 11 of the overall Summary Page.

Sponsored Committees

A membership organization that is the sponsor of a recipient committee that makes all of its contributions and expenditures from funds derived from dues, assessments, fees and similar payments that do not exceed $10,000 per calendar year from a single source may report its contributions and expenditures made from general funds on its committee's campaign statement. The sponsor uses the "last in, first out" (LIFO) accounting method and must itemize contributors that have donated $1,000 or more to the general fund since July 1, 2014. If these contributors do not account for the full balance of the organization's expenditures, the organization must identify itself as a contributor of the remaining balance.

Quick Tip!

See Chapter 12 for additional rules related to a sponsor reporting its contributions and expenditures on its committee's campaign statement.

G. Notifying Major Donors

When a multipurpose organization uses the LIFO accounting method to identify donors, the organization is required to notify those donors that they may have filing obligations in the following situations:

- **Contributors of $5,000 or more.** If a contributor of $5,000 or more is identified using the LIFO accounting method, the organization must send a *major donor notice* to the contributor *within two weeks* informing them that they may be required to file campaign statements.

Quick Tip!

See Chapter 4 for additional information about the requirement to notify contributors of potential filing obligations. A sample notice is also included.

- **Contributors of $10,000 or more in the 90 days before an election.** Within 90 days of an election, or on the date of the election, if a contributor of $10,000 or more is identified using the LIFO accounting method, the organization must send a *major donor notice* to the contributor *within one week* informing them that they may be required to file campaign statements.

Quick Tip!

See the example related to expedited notice and expedited filing at the end of this chapter.

- **Expedited notice for contributors of more than $50,000.** If a contributor of more than $50,000 is identified using the LIFO accounting method, and the contributor is also a multipurpose organization, the recipient organization must send a *nonprofit filer notice* to the contributing organization stating that it may be required to register and file expedited campaign statements disclosing its donors (see "Expedited Filing" below). The notice must be provided *within 24 hours* during the 90-day period before an election, and *within ten business days* outside of the 90-day period.

H. Expedited Filing for Multipurpose Organization Contributors

A multipurpose organization identified as a contributor by LIFO accounting that also qualifies as a recipient committee must register and file campaign statements of its own. The organization qualifies as a committee on the date it knows or has reason to know that it met the qualification thresholds by receiving notice from the recipient organization or being otherwise put on notice. The contributing organization must file a Statement of Organization (Form 410) and initial campaign statements *within three business days* following its committee qualification during the 90-day period before an election, and *within 10 business days* outside of the 90-day period.

I. Recordkeeping

A multipurpose organization must maintain all records necessary to ensure its compliance with the registration and reporting requirements of Government Code Section 84222 and FPPC Regulation 18422.

J. Committee Termination

Calendar Year Filers

A multipurpose organization that qualifies as a recipient committee because its political expenditures were more than $50,000 in a period of 12 months or more than $100,000 in four consecutive calendar years automatically terminates on December 31 of the year in which it qualified. A year-end semi-annual statement is not required unless the organization has undisclosed contributions or expenditures to report, in which case termination occurs automatically upon filing the semi-annual statement due by January 31. An organization may elect to remain registered as a committee instead of terminating automatically by stating its intention to remain registered on its initial Form 410 or on an amended Form 410 filed prior to the end of the calendar year.

Other Multipurpose Organizations

Any other multipurpose organization that qualifies as a recipient committee terminates in the same manner as other recipient committees. A final Form 460 must be filed and a Form 410 termination statement must also be filed. See Chapter 2 for additional information, including the requirements that must be met in order for a committee to terminate.

Quick Tip!

A federal or out-of-state PAC is not required to have a zero balance in order to terminate their California committee.

K. Reporting Examples

◊ **PTA Contribution.** *The Golden Rule Association provides educational services and receives its funds exclusively from teachers. The teachers do not designate their funds for political expenditures, and give amounts varying from $50 to $2,500/ year. In a period of 12 months, the association made a single contribution of $85,000 to a state ballot measure committee (30 days before a June primary election) and made a payment of $5,000 to a firm for campaign reporting services and preparation of campaign advertisements. The association qualifies as a recipient committee and must file a Statement of Organization (Form 410) within 10 days. Within 24 hours of making the $85,000 contribution, the Form 497 must be filed. Within three*

business days, the association must use the "last in, first out" (LIFO) accounting method to identify donors up to the $90,000 in political expenditures. An amendment to the Form 497 must be filed to identify contributors of $1,000 or more within three days after the LIFO is completed, unless the contributors were already listed on the original Form 497 or there are no contributors of $1,000 or more to identify. Campaign statements (Form 460) are filed according to the filing schedule for primarily formed ballot measure committees. The association's reporting obligations will terminate automatically at the end of the calendar year unless the association elects to stay registered. All forms are filed with the Secretary of State, and with the exception of the Form 410, the forms must be filed electronically.

◊ **Union with Sponsored Committee.** *A union has a sponsored committee. One year, the union makes two contributions, $25,000 and $30,000, to a ballot measure committee from the union's general dues account. The union is not required to register as a separate committee; it may report the contributions on its sponsored committee's report. The sponsored committee's report must identify the donors that account for the $55,000 in political expenditures using the "last in, first out" (LIFO) accounting method. If any member made payments totaling $1,000 or more, the member's name, address, occupation and employer must be disclosed. Alternatively, the union may establish a separate recipient committee and file a Statement of Organization (Form 410) and file its own campaign reports.*

◊ **MPO Solicits Donations for Political Purposes**. *Citizens for Public Libraries is a multipurpose organization. One year, the organization sent a mailer to its members asking for $200 for the sole purpose of supporting library bond measures. Once $2,000 was received, the organization qualified as a recipient committee, and was required to file a Statement of Organization (Form 410), and begin filing recipient committee campaign reports disclosing the full amount of each contribution. If the organization's political expenditures do not exceed the amount of the contributions raised for the bond measures, donors to the organization's general fund are not identified on a campaign statement.*

◊ **Chamber of Commerce Contribution**. *A trade association of city businesses raises money for charitable events in the community. One year, the association makes a $45,000 contribution to a committee formed to support a city ballot measure. The association had not raised the money for political purposes and did not reach an agreement with donors that their payments may be used for political purposes. Therefore, the association does not qualify as a recipient committee required to report donors; however, it qualifies as a major donor committee and must file the Form 461 to report the contribution. If the contribution was made in the 90 days before the election, or on the date of the election, the Form 497 must also be filed.*

◊ **Environmental Organization Qualifies as Committee.** *Go Green is a multipurpose organization; its monthly dues payments range from $500 to $2,000 per member. In a non-election year, the organization made several contributions to state legislators totaling $80,000 from its membership account. The organization must register as a committee once the contributions total more than $50,000. The organization's political fundraising efforts raised $20,000 in donor payments of $400 each. On the campaign statement, each donor that made a $400 contribution specifically for political purposes must be itemized. In order to account for the additional $60,000, the organization must identify donors to its membership account using the "last in, first out" (LIFO) accounting method. A total of 100 donors were identified using LIFO to account for the $60,000, but only donors whose payments totaled $1,000 or more in a calendar year must be itemized on the campaign statement (Form 460).*

◊ **Federal PAC.** *A federal political action committee that files disclosure reports with the FEC made a single contribution in the amount of $40,000 to a state ballot measure committee. The contribution was made four months before the election. The federal political action committee qualifies as a recipient committee and must file a Statement of Organization (Form 410) and a campaign statement (Form 460). The committee is not required to itemize contributors on the Form 460; it may instead disclose the total amount of contributions received on Line 2*

(unitemized contributions) of the Schedule A Summary, make a statement on the report that its contributors are listed on its federal report, and include the federal committee's name and identification number. California expenditures must be itemized on the appropriate schedules (i.e., Schedules D, E, and F). All non-California expenditures are reported as a lump sum total, as described earlier in this chapter.

◊ **Nondonor Funds.** *A professional organization provides a variety of services to its members, including insurance services that result in income to the organization. The organization makes political expenditures from the income producing account (nondonor funds), not from its membership dues account. Therefore, the organization does not qualify as a recipient committee. The organization is required to file reports as a "major donor" or "independent expenditure" committee if it makes, in a single calendar year, $10,000 in contributions or $1,000 in independent expenditures. On the Form 461, in a memo entry or in the "Description of Payment" field, the organization must briefly describe the source of nondonor funds used (e.g., interest income).*

◊ **Nonprofit Makes Political Contributions under $10,000.** *If a nonprofit or other multipurpose organization makes a contribution(s) of under $10,000 in a 12-month period, it is not required to file campaign reports. For example, a local nonprofit organization, Friends of Creekside Park, makes a $5,000 contribution to a regional open space ballot measure. The nonprofit organization does not have filing obligations under the Act. The group's $5,000 contribution is under the $10,000 threshold for major donor filing and under the $50,000 in a 12 month period threshold for a multipurpose organization qualifying as a recipient committee.*

◊ **Nonprofit Organization Making Independent Expenditures.** *Ten days before the June election, a nonprofit organization received $10,000 from donors for a specific political campaign. Five days prior to the election, the organization makes a single independent expenditure of $60,000 using the $10,000*

received specifically for political purposes and $50,000 from the organization's general membership dues account. The organization must file a Form 496 (Independent Expenditure Report) within 24 hours. Contributors of $100 or more who donated specifically for the campaign must be itemized on the Form 496. Within three business days, the organization must use the "last in, first out" (LIFO) accounting method to identify donors up to the $50,000 in political expenditures made from the general fund. If contributors of $1,000 or more are identified, an amended Form 496 must be filed to disclose those contributors unless they were reported on the initial Form 496. The organization must also file campaign statements as required by the relevant filing schedule until the committee is terminated.

◊ **Nonprofit Association Using Funds Received from Another Nonprofit.** *A national nonprofit association made a $5,000,000 contribution from its general treasury to a state ballot measure committee thirty days before the election. The national association must register as a recipient committee in California and file appropriate campaign statements. If the national association, using the "last in, first out" (LIFO) accounting method, identifies contributors of more than $50,000 that are also nonprofit organizations, it must send a "nonprofit filer notice" to those nonprofit organizations within 24 hours.*

Each nonprofit organization that receives the notice must determine the source of the original payment to the national association. For example, if the payment was made from the nonprofit organization's general membership dues, the nonprofit organization must file a Statement of Organization (Form 410) and a Recipient Committee Campaign Statement (Form 460) identifying its donors within three business days. If the nonprofit organization makes additional expenditures in California, those expenditures must also be reported. **Note:** *The national association must send the "major donor notification" to each nonprofit organization identified by the LIFO accounting method as a donor of $5,000 or more within two weeks. A nonprofit organization identified as a donor of $10,000 or more must be notified within one week.*

Answering Your Questions

A. Our union raised $5,000 to be used exclusively for member communications in support of a ballot measure. Are we required to register as a recipient committee?

No. Since member communications, as described in Chapter 8, are not considered to be contributions or independent expenditures, funds raised exclusively to be used for member communications do not trigger the requirement to register as a recipient committee.

B. Our trade association has never before made a political expenditure; however, this year the association made a single contribution of $45,000 to a committee primarily formed to support a county ballot measure. Is our association required to register as a recipient committee?

No. Since the contribution was not more than $50,000, the association does not qualify as a recipient committee so long as the funds were not raised for political purposes and there was no agreement with the donors that their payments may be used for political purposes. The association does, however, qualify as a major donor committee and must file the applicable campaign reports and meet the specified filing deadlines.

C. Our organization provides a variety of services to its members, including insurance coverage which results in income to the organization. The organization makes its political expenditures from the income producing account (nondonor funds), not from its membership dues account. Is our organization required to register as a recipient committee?

No. Since nondonor funds are used, the organization does not qualify as a recipient committee. If the organization makes contributions of $10,000 or more or independent expenditures of $1,000 or more in a single calendar year, the organization will qualify as a major donor committee or an independent expenditure committee and must file the applicable campaign reports and meet the specified filing deadlines.

D. Our association receives its funds exclusively from its members. The members do not designate their funds for political purposes. This year, the association made a contribution of $55,000 to a committee primarily formed to support a county ballot measure. The association will not make additional political expenditures this calendar year. Is our association required to register as a recipient committee?

Yes. The association must file the Form 410 and since its only contribution was to a county ballot measure committee, it must register as a county primarily formed ballot measure committee. In Part 4 of the Form 410, the committee will note that it is a calendar year filer ("CY") and describe the organization's mission or significant activities (a reference to its IRS tax form is permissible). The association must also file all applicable campaign reports and meet the specified filing deadlines. Unless the association elects to remain registered as a recipient committee, the committee will automatically terminate at the end of the calendar year.

E. Our federal political action committee (PAC) made a contribution of $40,000 to a state ballot measure. Since the contribution was not more than $50,000, is the PAC required to register as a California recipient committee?

Yes. A federal PAC that makes contributions or expenditures in California totaling $2,000 or more in a calendar year must file the Form 410 and register as a California recipient committee.

F. Our union has a sponsored political action committee (PAC). This year the union made two contributions, $25,000 and $30,000, to a state ballot measure committee from the union's general dues account. We are going to report the contributions on our sponsored committee's report. When we identify members through the "last in, first out" (LIFO) accounting method for the $55,000 in political expenditures, are we required to itemize members whose payments total $100 or more?

No. When identifying sources of political expenditures using the "last in, first out" (LIFO) accounting method, you must only itemize members whose payments total $1,000 or more in a calendar year. The sponsored PAC, however, must itemize payments that total $100 or more in a calendar year when those payments are received specifically by the PAC.

G. Our federal political action committee (PAC) qualified as a California recipient committee. We file campaign reports with the Federal Election Commission (FEC) disclosing all contributions received and expenditures made. Are we required to re-itemize contributors on the Form 460?

No. A federal PAC that is filing campaign reports with the FEC is not required to re-itemize contributors on the Form 460, but the committee must disclose the total amount of contributions received, make a statement that its contributors are listed on its federal report, and include the federal committee's name and identification number. The PAC must itemize its California expenditures on Schedules D and E of the Form 460 and provide a lump sum total of all other expenditures with a description, such as "non-California expenditures."

H. Our association qualified as a recipient committee (calendar year filer) in May by making a contribution of $65,000 to a ballot measure committee from the association's general funds. We reported the contribution made to the ballot measure committee and the donors identified as contributors by the "last in, first out" (LIFO) accounting method on the semi-annual Form 460 filed on July 31, covering the period of January 1 through June 30. If we make no further political expenditures this year and we did not elect to remain a registered committee, are we required to file a semi-annual Form 460 for the period of July 1 through December 31?

No. A year-end semi-annual statement is not required so long as the association does not have undisclosed contributions or expenditures to report. Your committee status will automatically terminate on December 31.

I. In order to determine if our organization qualifies as a calendar year filer, do we include contributions and expenditures made prior to the July 1, 2014 effective date for the new rules?

Yes. To determine if the threshold of more than $50,000 or more than $100,000 is met, the organization counts contributions and expenditures made going back 12 months or four calendar years, respectively.

J. In 2015, our organization indicated "CY" on the Form 410 as it qualified as a calendar year filer by making a contribution of $75,000 to a local ballot measure committee. After the election, we amended the Form 410 to remain open and not automatically terminate at the end of 2015. Are we now subject to the same termination requirements as other non-CY committees?

Yes. You must continue to file semi-annual statements and other reports that may be required based on your contributions and independent expenditures. In order to terminate, you must file a Form 410 termination statement and a final Form 460 in the same manner as a non-CY recipient committee.

Authority

The following Government Code sections and Title 2 Regulations provide authority for the 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.
82013	Committee.
82015	Contribution.
82027.5	General Purpose Committee.
82047.5	Primarily Formed Committee.
82048.7	Sponsored Committee.
84101	Statement of Organization; Filing.
84101.5	Annual Fees.
84102	Statement of Organization; Contents.
84103	Statement of Organization; Amendment.
84106	Sponsored Committee; Identification.
84214	Termination.
84215	Campaign Reports and Statements; Where to File.
84222	Multipurpose Organizations.

Title 2 Regulations

18215	Contribution.
18247.5	Primarily Formed and General Purpose Committees.
18402	Committee Name.
18404	Termination of Candidate's and Committees' Filing Requirements.
18410	Statement of Organization.
18419	Sponsored Committees.
18422	Multipurpose Organization Political Activity Transparency.

APPENDIX – 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 truthful and accurate disclosure of campaign contributions and expenditures during elections.

The Fair Political Practices Commission

The Fair Political Practices Commission (FPPC) is the independent, nonpartisan state agency authorized to implement, interpret, and enforce the provisions of the Act. A full-time chair is 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 comprise the Commission. Each member serves a four-year term and no more than three members may be from the same political party. The FPPC staff is comprised of five divisions: Executive, Administration and Technology, Enforcement, Legal, and External Affairs and Education.

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 18109.

Opinions and Advice Letters

The FPPC periodically issues opinions interpreting provisions of the 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. Refer to the information on requesting written advice from the FPPC available on the FPPC website.

Obtaining Information from the FPPC

Visit the FPPC website to get copies of specific advice letters, sign up for RSS feeds, or to be put on mailing lists.

Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814
(916) 322-5660 – Toll-free (866) 275-3772 (ASK FPPC)
advice@fppc.ca.gov
Twitter: @CA_FPPC
Facebook: CA FPPC

Website

The FPPC's website (www.fppc.ca.gov) contains a wealth of helpful information, including:

- The Act and its corresponding regulations
- Commission opinions
- Advice letters
- Notices of Commission meeting dates and agendas, supporting documentation for agenda items, and meeting summaries

- Forms required by the Act (also available at the FPPC's office, the Secretary of State's office, and many local clerks' offices)
- Manuals, fact sheets, and useful summaries of the law
- Enforcement closure letters
- Schedules of upcoming webinars, seminars and educational workshops

Additional Campaign Manuals

Additional copies of this manual, and manuals for other types of campaign committees are available from the FPPC, the Secretary of State, and many city clerks or county elections offices. Manuals are available for:

- State candidates and officeholders, and committees primarily formed to support or oppose state candidates
- Local candidates and officeholders, and committees primarily formed to support or oppose local candidates
- Ballot measure committees
- Major donor and independent expenditure committees
- Slate mailer organizations

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"
(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.

(916) 653-6224
www.sos.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.

Federal Election Commission
999 E Street, NW
Washington, DC 20463
(800) 424-9530
www.fec.gov

California Franchise Tax Board

The California Franchise Tax Board is responsible for responding to questions regarding tax status, tax-exempt determinations, non-deductibility of political contributions, 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 (located in Washington, D.C.)
www.fcc.gov
email: fccinfo@fcc.gov

Local Ordinances

A city or county committee may be subject to additional reporting or other requirements, such as the requirement to file campaign reports electronically. There may be contribution limits, lower itemization thresholds, or an additional preelection statement, just to mention a few. A city or county campaign ordnance may never preempt state law.

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:

General Counsel
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 1.)

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.