

California Fair Political Practices Commission

*1 IN THE MATTER OF THE INVESTIGATION OF VIOLATION OF TITLE 9 OF THE CALIFORNIA GOVERNMENT CODE BY: THE WINE INSTITUTE FUND (AKA WINE INSTITUTE) AND HARRIET CASTELEIN, TREASURER.

No. SI-78/06

Dated: June 14, 1979

DECISION

This matter came on for hearing before the Fair Political Practices Commission, by written stipulation, on May 2, 1979, in Sacramento, California. All members of the Commission were present.

The complainant was represented by Roger A. Brown, attorney. Respondents The Wine Institute Fund (hereafter Fund) and Harriet Castelein were represented by Dobbs and Nielsen and John H. Hodgson II.

The stipulation was presented and arguments were made by the complainant and respondents. The stipulation was accepted by the Commission.

FINDINGS OF FACT

The Commission adopts the statement of facts contained in the stipulation filed by the parties on May 2, 1979.

DETERMINATION OF ISSUES

The Fund was required to file campaign statements in 1975 and 1976 pursuant to Government Code Section 84200, et seq. [FNa1] In 1975 and 1976 the Wine Institute (hereafter Institute) received from its members \$20,000 in dues which were earmarked for political purposes and thus became contributions. The fact that the Institute did not transfer the 1975 contributions to the Fund until 1976 does not change the result. This is because of the close connection between the Institute and Fund, and the fact that the Fund was entirely supported from Institute members' contributions which had been made with the expectation that they would be transferred to the Fund. To delay reporting until the ministerial act of transfer had been accomplished could prevent disclosure until some time long after the contribution was made thereby impeding the accomplishment of one of the major purposes of the Act, full disclosure to the voters.

Section 84210(g) requires each contribution of \$50 or more [FNa2] to be

reported along with the contributor's name, address, occupation, the name of his employer or if self-employed his principal place of business and the date and amount of each contribution.

Respondents Fund and Castelein violated Section 84210(g) in 1975 and 1976 by filing campaign statements which failed to disclose or itemize the source and amount of contributions, to wit: \$18,339 94 from 26 persons in 1975, and \$18,901 30 from 23 persons in 1976.

The Commission finds that the mere act of transferring a contribution from the trade association to its political action committee does not define the date of a reportable contribution. The contribution is reportable when received by the trade association if it was earmarked for political purposes.

The Commission further finds that Respondents made a reasonable and good faith effort to comply with the provisions of the Political Reform Act. The violations are therefore found to be unintentional and non-negligent and no monetary penalty is assessed.

ORDER

Respondents shall prepare and file amended campaign statements not later than sixty (60) days from May 2, 1979, the date the Commission accepted the stipulation. The amendments shall properly disclose, itemize and cumulate contributions received during 1975 and 1976.

FAIR POLITICAL PRACTICES COMMISSION

*2 Tom K. Houston
Chairman

FNa1. All statutory references are to the Government Code.

FNa2. As of January 1, 1979, the threshold for reporting contributions is \$100.