



California Fair Political Practices Commission

April 25, 1986

Rawlins Coffman
City Attorney
City of Tehama
P.O. Box 158
Red Bluff, CA 96080

Re: Your Request for Advice
Our File No. A-86-128

Dear Mr. Coffman:

This is in response to your April 17, 1986 letter requesting advice on your filing obligations as the city attorney for the City of Tehama.

You specifically asked if you must identify each client who paid you fees in excess of \$250. You believe this requirement is an invasion of the confidential work done on behalf of clients who do not wish to be identified.

Government Code Section 82030^{1/} defines income to include salary and wages, as well as any income of any business entity in which the individual or spouse owns directly or indirectly, a 10 percent interest or greater. If the official owns a 10 percent or greater interest in the business entity he or she must disclose a client's name if the official's pro rata share of the client's fees to the entity during the reporting period amount to \$10,000 or more. Section 87207(b)(2). Therefore, if an official owns 50 percent of a law firm, and the firm received \$20,000 in fees from a client, the law firm would be reported on Schedule D as a source of income of \$10,000 or more, and the client's name must be disclosed on Schedule H of the Statement of Economic Interests. However, if an official owns 50 percent of a law firm and the client paid \$10,000 in fees, the law firm would still be disclosed on Schedule D, but

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated.

Rawlins Coffman
April 25, 1986
Page 2

the client would not, since the official's pro rata share was less than \$10,000 (50% of \$19,000 equals \$9,500).

The disclosure of client's names was upheld by the California Supreme Court after it was challenged on constitutional grounds. Hays v. Wood, 25 Cal. 3d 772, 160 Cal. Rptr. 102 (1979). The court specifically discussed the attorney-client privilege and concluded as follows:

It is well established that the attorney-client privilege, designed to protect communications between the attorney and client, does not ordinarily protect the client's identity. (Brunner v. Superior Court (1959) 51 Cal. 2d 616, 618 [335 P.2d 474]; Satterlee v. Bliss (1869) 36 Cal. 489, 507.) A limited exception to this rule has been recognized, however, in cases wherein known facts concerning an attorney's representation of an anonymous client implicate the client in unlawful activities and disclosure of the client's name might serve to make the client the subject of official investigation or expose him to criminal or civil liability. (See Ex parte McDonough (1915) 170 Cal. 230, 236-237 [149 P. 566]; People v. Sullivan (1969) 271 Cal. App. 2d 431, 545-546 [77 Cal. Rptr. 25]; Baird v. Koerner (9th Cir. 1960) 270 F.2d 263, 630; In re Grand Jury Proceedings (5th Cir. 1975) 517 F.2d 666, 670-671, and cases there collected.) (4c) These principles, in our view, remain wholly applicable in cases such as that before us.

We note that the Fair Political Practices Commission (Commission), charged with enforcing the Act, has reached a similar conclusion. A recently adopted regulation (Cal. Admin Code, tit. 2, Section 18740) sets up a procedure by which an attorney-official (or any other official asserting that full compliance with the requirements of section 87207, subdivision (b) would result in the infringement of a recognized privilege) may seek an appropriate determination from the Commission. The Commission's order in such a proceeding is subject to judicial review. (Section 83120.) Insofar as here appears, this regulation provides ample protection against unwarranted infringement of the attorney-client privilege in matters of this kind. The Commission has stipulated that the defendant may presently seek relief under the regulation even though it was adopted after the period of his incumbency.

Rawlins Coffman
April 25, 1986
Page 3

We conclude from the foregoing that the subject provisions of the Act do not operate to infringe upon the attorney-client privilege or the attorney's duty to maintain and preserve the confidence of his clients.

25 Cal. 3d 15 785.

The Commission regulation, which the court refers to, sets forth the standards and procedure for the granting of an exception to the disclosure of a client's identity. 2 Cal. Adm. Code Section 18740 (copy enclosed).

I hope this clarifies your reporting obligations under the Political Reform Act. If I can be further assistance, please feel free to contact me at (916) 322-5901.

Sincerely,



Jeanette E. Turvill
Legal Assistant
Legal Division

JET:plh
Enclosures



California Fair Political Practices Commission

April 22, 1986

Rawlins Coffman
P.O. Box 158
Red Bluff, CA 96080

Re: 86-128

Dear Mr. Coffman:

Your letter requesting advice under the Political Reform Act has been received by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or unless more information is needed to answer your request, you should expect a response within 21 working days.

Very truly yours,

A handwritten signature in cursive script, which appears to read "Jeanette E. Turvill".

Jeanette E. Turvill
Legal Assistant
Legal Division

JET:plh

POST OFFICE BOX 158

RAWLINS COFFMAN
ATTORNEY AT LAW
RED BLUFF, CALIFORNIA 96080

F P P O

TELEPHONE 527-2021
AREA CODE 916

April 17, 1986

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California Fair Political
Practices Commission
428 J Street, Suite 800
P. O. Box 807
Sacramento, CA 95804-0807

Gentlemen:

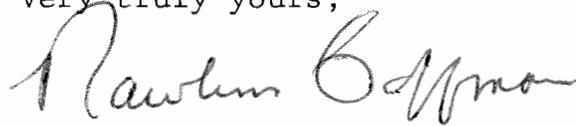
I have a question.

I have been part-time City Attorney for the City of Tehama for almost 40 years. As you know, it is one of the tiniest cities in California. I receive a fee of \$100.00 per year.

If I read the material that you sent me correctly, I am expected to file Form 721 on or before April 1, 1987, covering the calendar year, 1986. If I read Form 721 correctly, I must identify each and every client who paid me a fee in excess of \$250.00 during the year, 1986. Is this correct?

If so, I consider it an invasion of confidential work done on behalf of several clients who do not wish to be identified as having engaged the services of any lawyer. In any event, I am waiting to hear from you.

Very truly yours,



RAWLINS COFFMAN

RC/vad