



# California Fair Political Practices Commission

July 21, 1988

Jonathan S. Fuhrman  
Compliance Consultant  
360 S. Euclid Avenue, #115  
Pasadena, CA 91101

Re: Your Request for Advice  
Our File No. 88-265

Dear Mr. Fuhrman:

Your letter requesting advice concerning the recently enacted campaign finance reform initiatives (Government Code Section 85100, et seq.) was received on July 12, 1988 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Kathryn Donovan, an attorney in the Legal Division, directly at (916) 322-5901.

Because of the delayed operative date of most of the provisions of these initiatives, and the numerous inquiries we are receiving relative to implementation, we are attempting to respond to questions regarding interpretation in an organized and efficient fashion. Due to the volume of requests and complexity of the issues involved, we will answer your question in a timely manner, but not within the usual twenty-one working days. (Government Code Section 83114(b).)

If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to information needed. You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

  
Gregory W. Baugher  
Executive Director

GWB:plh:2173LTR



# California Fair Political Practices Commission

October 2, 1989

Jonathan S. Fuhrman  
Compliance Consultant  
360 S. Euclid Avenue, #115  
Pasadena, CA 91101

Re: Your Request for Advice  
Our File No. A-88-265

Dear Mr. Fuhrman:

In June 1988, you first wrote to us concerning the effect of Government Code Section 85306, as added by Proposition 73,<sup>1/</sup> on the use of campaign funds received prior to January 1, 1989. This topic has been the subject of litigation for the last several months. We have included your name on our mailing list for Propositions 68 and 73, and thereby attempted to keep you informed of the Commission's interpretation of the law during this time period. The purpose of this letter is to inform you of the most recent development on this issue.

On September 14, 1989, a federal court ruled that Section 85306 is unconstitutional and enjoined the Fair Political Practices Commission from enforcing that law. (Service Employees International Union v. Fair Political Practices Commission, Case No. CIVS 89-0433 LKK-JFM, U.S. District Court, Eastern District of California.) A copy of the court order is enclosed.

Accordingly, campaign funds received prior to January 1, 1989 may now be used to support or oppose a candidacy for elective office. We caution that candidates and elected officers who possess those funds may not use them to make contributions to any other candidate for elective office. (Section 85304.) We also caution that these funds may not be used for personal expenditures, as defined in Elections Code Sections 12400-12407.

Attached is a Commission advice letter which explains the procedures for transferring these funds to a current campaign account.

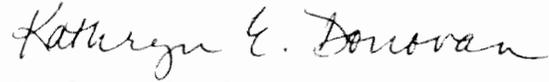
<sup>1/</sup> Proposition 73 was adopted by the voters in June 1988. It amended the Political Reform Act (Government Code Sections 81000-91015.) All references are to the Government Code unless otherwise indicated.

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If you have any questions concerning this letter, please contact the Commission's Technical Assistance and Analysis Division at (916) 322-5662.

Sincerely,

A handwritten signature in cursive script that reads "Kathryn E. Donovan".

Kathryn E. Donovan  
General Counsel



# California Fair Political Practices Commission

August 22, 1988

Jonathan S. Fuhrman  
Compliance Consultant  
360 S. Euclid Ave., #115  
Pasadena, CA 91101

Re: Your Request for Advice  
Our File No. A-88-265

Dear Mr. Fuhrman:

You have asked several questions concerning the provisions of Proposition 73 which restrict the use of campaign funds commencing January 1, 1989. The specific statute in question is Government Code Section 85306, which provides:

Any person who possesses campaign funds on the effective date of this chapter may expend those funds for any lawful purpose other than to support or oppose candidacy.

On September 8, 1988, the Fair Political Practices Commission will hold a hearing to adopt emergency regulations to implement Section 85306. The hearing will commence at 9:00 a.m., at the Commission offices, 428 J Street, Suite 800, Sacramento. We anticipate that the emergency regulations adopted at this hearing will determine the answers to most of the questions presented in your letter.

The Commission has directed its staff to prepare draft regulations covering the possible alternative interpretations, and to recommend which alternatives the Commission should adopt as emergency regulations at the September 8 meeting. These draft alternative regulations and staff recommendations will be sent to you and other interested persons approximately one week before the Commission meeting. You are invited to attend the Commission meeting and you will be afforded an opportunity to present comments to the Commission.

We are creating a list of persons who plan to testify at the September 8 Commission meeting. Please contact Jeanette Turvill at (916) 322-5901 not later than September 7 if you

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wish to have your name included. We will make every effort to permit all interested persons an opportunity to testify; however, first priority will be granted to those persons on the list.

Sincerely,

Diane M. Griffiths  
General Counsel

*Kathryn E. Donovan*  
By: Kathryn E. Donovan  
Counsel, Legal Division

DMG:KED:plh:73FORM4

360 S. Euclid Ave., #115  
Pasadena, Ca. 91101  
June 30, 1988

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Fair Political Practices Commission  
Sacramento, Ca.

Dear Sirs:

I am writing on behalf of Assemblywoman Lucille Roybal Allard to request a formal opinion on the following questions dealing with Prop. 73.

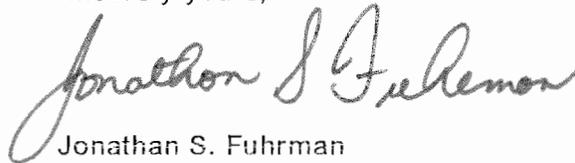
1) A campaign committee controlled by Assemblywoman Allard has purchased various assets, specifically office equipment and computers, with funds collected prior to January 1, 1989. May the committee continue to use such assets after January 1, 1989?

2) A campaign committee controlled by Assemblywoman Allard intends to rent new office space this fall. A security deposit and the last month's rent will be required before entering into the lease. Further, the rent is to be paid in advance, with rent for the next month due on or before the last day of the prior month. First, may the committee pay the security deposit and last month's rent with funds collected prior to January 1, 1989, and continue to occupy the office after January 1, 1989? Secondly, may the committee pay the rent for January, 1989, on or before December 31, 1988, as contractually required, using funds collected prior to January 1, 1989? Finally, may the committee pre-pay one year's rent, and thus possibly obtain a significant discount on the total rent due, with funds collected prior to January 1, 1989?

We realize that interpreting the provisions of Prop. 73 has become a significant burden on the Commission. Nonetheless, Assemblywoman Allard and I are hoping for an early response to these questions.

Thank you very much for your assistance.

Sincerely yours,



Jonathan S. Fuhrman  
Compliance Consultant