



California Fair Political Practices Commission

April 13, 1989

Jan M. Brockman
Three Embarcadero Center
Suite 1080
San Francisco, CA 94111

Re: Your Request for Confirmation
of Telephone Advice
Our File No. A-89-161

Dear Ms. Brockman:

You have requested confirmation of oral advice on behalf of the Kathleen Brown for State Treasurer committee. This advice concerns contributions received by the committee in reliance on Regulation 18536.1.¹

The Commission has changed its advice concerning the definition of the 1988-89 fiscal year for purposes of the contribution limits of Proposition 73. On April 4, 1989, the Commission adopted Emergency Regulation 18500 (copy enclosed). This regulation specifies for purposes of the contribution limitations that the 1988-89 fiscal year begins January 1, 1989. Accordingly, under the regulation, contributions received during the first half of the 1988-89 fiscal year will not count toward the contribution limits. We anticipate that this regulation will be effective in approximately two weeks. (See Government Code, Section 11371 et seq.) I have enclosed a copy of an advice letter which also addresses the question of a candidate's reliance on Regulation 18536.1 prior to February 8, 1989. (Leidigh Advice Letter, No. A-89-100.)

Additionally, I would like to clarify one point. The contribution limitations imposed by Proposition 73 limit the total contributions received by a candidate from a single source within a fiscal year, regardless of the number of committees a candidate may have. As an example, if Kathleen Brown has more than one committee, an individual is limited to making contributions of no more than \$1,000 in the aggregate to all of her committees within any given fiscal year (July 1 - June 30).

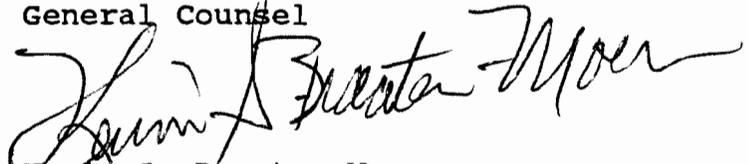
¹Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Brockman, Jan M.
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If you have additional questions, please contact me at (916)
322-5662.

Sincerely,

Diane M. Griffiths
General Counsel

A handwritten signature in black ink, appearing to read "Kevin S. Braaten-Moen". The signature is written in a cursive style with a large initial "K" and a long horizontal flourish at the end.

By: Kevin S. Braaten-Moen
Political Reform Consultant

Three Embarcadero Center
Suite 1080
San Francisco, CA 94111

March 9, 1989

Mr. Kevin Braaten-Moen
Technical Assistance and Analysis Division
California Fair Political Practices Commission
428 J Street, Suite 800
P.O. Box 807
Sacramento, California 95804-0807

Dear Mr. Braaten-Moen:

On behalf of "Kathleen Brown for State Treasurer," a recipient committee (the "Committee"), I hereby request written confirmation of the advice which you provided me over the telephone regarding contributions received by the Committee in reliance on Regulation 18536.1, adopted by the Fair Political Practices Commission to implement Proposition 73.

Under Regulation 18536.1, contributions received during the period from July 1, 1988 through December 31, 1988 (the first half of the fiscal year) counted toward a contributor's limit only if the candidate or committee carried forward contributions from the contributor for use in election campaigns in 1989 and thereafter. Contributors whose contributions during the first half of the 1988-89 fiscal year were spent prior to January 1, 1989, or whose contributions were not carried forward, could contribute the full amount allowed under the applicable contribution limitations during the second half of the 1988-89 fiscal year.

On February 8, 1989, the Los Angeles County Superior Court ruled, among other things, that Regulation 18536.1 was invalid (California Common Cause v. California Fair Political Practices Commission, Los Angeles County Superior Court No. C709383.) At its March 7, 1989 meeting, the Commission elected to appeal this decision. With Regulation 18536.1 declared invalid, it is our understanding that the Commission is now advising candidates and committees that contributions

made during the first half of the 1988-89 fiscal year count toward the contribution limitations of Proposition 73.

The Committee has not and will not carry forward contributions received during the first half of the 1988-89 fiscal year period. However, since January 1, 1989, the Committee, in good faith reliance on the validity of Regulation 18536.1, has received contributions from contributors for the full amount allowed under the applicable contribution limitations, even though such contributors may have made contributions as well during the first half of the 1988-89 fiscal year period. You have advised the Committee that at this point in time such excess contributions do not have to be returned. Instead, you have recommended that the Committee retain such contributions in the campaign bank account until the appeal process for the above-mentioned decision has been concluded.

If this letter accurately states your advice and recommendations to the Committee, please sign below and return this letter to me in the enclosed envelope provided. Additionally, if you have any questions regarding this matter, please do not hesitate to call me.

Very truly yours,



Jan M. Brockman

JMB:mat

Kevin Braaten-Moen
California Fair Political
Practices Commission

Dated: _____

Three Embarcadero Center
Suite 1080
San Francisco, CA 94111

March 9, 1989

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Technical Assistance and Analysis Division
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Very truly yours,



Jan M. Brockman

JMB:mat

Kevin Braaten-Moen
California Fair Political
Practices Commission

Dated: _____



California Fair Political Practices Commission

March 14, 1989

Jan M. Brockman
Three Embarcadero Center, Suite 1080
San Francisco, CA 94111

Re: Letter No. 89-161

Dear Ms. Brockman:

We received your letter requesting confirmation of advice under the Political Reform Act on March 13, 1989. Your letter has been assigned to our Technical Assistance and Analysis Division for response. If you have any questions, you may contact them directly at (916) 322-5901.

If the letter is appropriate for confirmation without further analysis, we will attempt to expedite our response. A confirming response will be released after it has gone through our approval process. If the letter is not appropriate for this treatment, the staff person assigned to prepare the response will contact you shortly to advise you. In such cases, the normal analysis, review and approval process will be followed.

You should be aware that your letter and our response are public records which may be disclosed to any interested person upon receipt of a proper request for disclosure.

Sincerely,

Diane M. Griffiths
Diane M. Griffiths
General Counsel *by Keel*

DMG:plh:confadv1