



California Fair Political Practices Commission

June 28, 1989

Mark S. Rosen
Attorney at Law
2107 North Broadway, Suite 202
Santa Ana, CA 92706

Re: Your Request for Confirmation of
Telephone Advice
Our File No. A-89-332

Dear Mr. Rosen:

This is in response to your request for a confirmation of telephone advice on behalf of the Orange County Democratic Central Committee regarding the newly enacted provisions of the Political Reform Act (the "Act").^{1/}

This letter confirms that your letter dated May 24, 1989 accurately summarizes the telephone advice I provided to you on May 18, 1989. As I stated in our telephone conversation, the contribution limits of Proposition 73 only apply to contributions to committees and political parties that are provided for the "to make contributions to candidate's for elective office". (Section 85302.) Thus, contributions to a central committee's overhead account would not be subject to any contribution limit.

However, the parameters of what the overhead account may be used for without becoming subject to the contribution limits is unclear at this time. Despite these uncertainties, we recognize your need for guidance. Thus, absolutely no expenditures which might be characterized as contributions to candidates may be paid from the overhead account. (Section 82015; Regulation 18215, copy enclosed.)

I also explained that the Act does not limit what organizations may qualify as a political committee or broad based political committee. Thus, central committees may qualify as political committees or broad based political committees and

^{1/} Government 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.

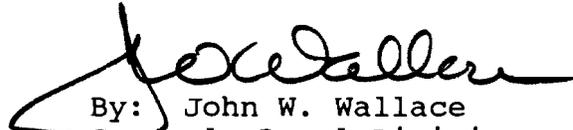
contribute up to the respective limits. The Commission is currently developing proposals for dealing with the ambiguities surrounding the status of county central committees and political parties under the Act. Discussion concerning the effect of Proposition 73 on political parties is scheduled for the July 12, 1989 Commission meeting.

Please note, however, that the issues raised in this letter present significant policy questions. Thus, we have provided a conservative and cautious interpretation of the Act. In addition, because the Commission may adopt regulations in the near future that could alter the advice given in this letter, the immunity provided in this letter is only applicable during the interim.

If you have any further questions regarding this matter, please feel free to contact me at (916) 322-5901.

Sincerely,

Kathryn E. Donovan
General Counsel


By: John W. Wallace
Counsel, Legal Division

KED:JWW:plh

MARK S. ROSEN
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2107 NORTH BROADWAY, SUITE 202
SANTA ANA, CALIFORNIA 92708
TELEPHONE (714) 972-6040

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May 24, 1989

Kathryn Donovan, Legal Counsel
Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

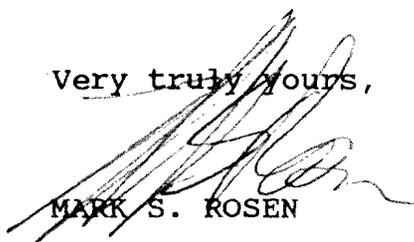
Dear Ms. Donovan:

I am the attorney for the Orange County Democratic Central Committee. On May 18, 1989, I had a conversation with John Wallace of your office, in which he advised me that contributions to County Central Committee overhead accounts are not limited by the restrictions of Proposition 73, so long as the monies in such accounts are kept separate from candidate accounts and are not spent to support or oppose candidates for office. He also advised me that the amount of money that can be spent by a County Central Committee as contributions to candidates will be determined by the same criteria as for other contributors, i.e. whether the committee meets the standards for a political committee, broad-based political committee, or otherwise.

I would appreciate an advisory letter or an opinion which will confirm this information, and upon which the County Central Committee can rely.

Thank you very much for your courtesy and cooperation.

Very truly yours,


MARK S. ROSEN

MSR/jnp

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MARK S. ROSEN
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2107 NORTH BROADWAY, SUITE 202
SANTA ANA, CALIFORNIA 92706
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May 24, 1989

Kathryn Donovan, Legal Counsel
Fair Political Practices Commission
428 J Street, Suite 800
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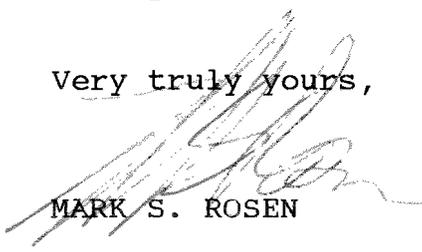
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I would appreciate an advisory letter or an opinion which will confirm this information, and upon which the County Central Committee can rely.

Thank you very much for your courtesy and cooperation.

Very truly yours,



MARK S. ROSEN

MSR/jnp



California Fair Political Practices Commission

June 1, 1989

Mark S. Rosen
Attorney at Law
2107 North Broadway, Suite 202
Santa Ana, CA 92706

Re: Letter No. 89-332

Dear Mr. Rosen:

Your letter requesting advice under the Political Reform Act was received on May 30, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact John W. Wallace an attorney in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. 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. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

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,


Kathryn E. Donovan
General Counsel

KED:plh