



California Fair Political Practices Commission

November 20, 1989

Gregory R. Ryan
Hanna and Morton
600 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017-3229

Re: Your Request For Informal Assistance
Our File No. I-89-631

Dear Mr. Ryan:

You have requested confirmation of telephone assistance concerning the campaign disclosure provisions of the Political Reform Act.¹ Because your request is of a general nature, we are treating it as a request for informal assistance.²

You have accurately summarized the telephone advice I provided to you concerning the requirement of a sponsored committee to report its contributions to elected state officers when the committee's sponsor is required to file a special odd-year report. A copy of your letter is attached for your convenience.

If you have any questions, please call me at (916) 322-5662.

Sincerely,

Kathryn E. Donovan
General Counsel

Jeanne Pritchard

By: Jeanne Pritchard
Division Chief
Technical Assistance and
Analysis Division

¹ Government Code Sections 81000-91015.

² Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)

F P P C

Oct 30 9 40 AM '89

HANNA AND MORTON

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

LAWYERS

600 WILSHIRE BOULEVARD, 17TH FLOOR

LOS ANGELES, CALIFORNIA 90017-3229

(213) 628-7131

October 26, 1989

Ms. Jeanne Pritchard, Division Chief
Technical Assistance and Analysis Division
Fair Political Practices Commission
Post Office Box 807
Sacramento, California 95804-0807

Re: Confirmation of Request for Informal Assistance
and Telephone Advice on October 18, 1989

Dear Ms. Pritchard:

I submit this letter to confirm your advice during our telephone conversation of October 18, 1989. My questions concerned the reporting obligations of a general purpose recipient committee which is an "affiliated entity" under amended Regulation 18428.^{1/}

FACTS

A corporation's employees fund an incorporated political action committee which is a sponsored committee within the meaning of Section 82048.7(b)(1). The corporation and sponsored committee are "principal entity" and "affiliated entity", respectively, for the purposes of amended Regulation 18428. Furthermore, the corporation is a major donor which must also file campaign statements for the periods required under Section 84202.7 during 1989 because it has made contributions totalling more than \$5,000 to elected state officers and/or their controlled committees. Nevertheless, the sponsored committee has contributed less than \$5,000 to state officers to date this year.

^{1/} All statutory references are to the California Government Code sections unless otherwise indicated. All references to regulations are to Title 2, Division 6 of the California Code of Regulations unless otherwise indicated.

Ms. Jeanne Pritchard, Division Chief
October 26, 1989
Page 2 of 2

QUESTION 1:

Is the sponsored committee also required to file a campaign statement under Section 84202.7 during the odd-numbered years?

CONCLUSION:

Yes. You have explained that because the corporation and the sponsored committee are principal and affiliated entities, respectively, under amended Regulation 18428, they are both required to report because the principal entity has made contributions in excess of \$5,000 to state officers and/or their controlled committees.

QUESTION 2:

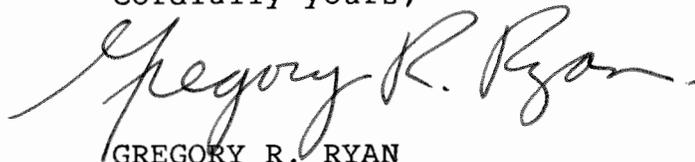
How can a principal entity which is a major donor and an affiliated entity which is a sponsored committee comply with amended Regulation 18428(c) when their respective reporting forms (e.g., Form 461 and Form 420) call for different information?

CONCLUSION:

In order to comply with Regulation 18428(c) and also provide the information required under Forms 461 and 420, the major donor and sponsored recipient committee must file their respective forms concurrently. Furthermore, each form should reference the other and clearly indicate that the sponsored committee is the affiliated entity of the major donor. The major donor's cumulative amounts must also include the contributions of its affiliated committee.

Thank you for speaking with me and providing direction in this matter.

Cordially yours,



GREGORY R. RYAN
FOR
HANNA AND MORTON

GRR:cr



California Fair Political Practices Commission

November 2, 1989

Gregory R. Ryan
Hanna and Morton
600 Wilshire Boulevard, 17th Floor
Los Angeles, CA 90017-3229

Re: Letter No. 89-631

Dear Mr. Ryan:

We received your letter requesting confirmation of advice under the Political Reform Act on October 30, 1989. Your letter has been assigned to our Technical Assistance and Analysis Division for response. If you have any questions, you may contact that division directly at (916) 322-5662.

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,

Kathryn E. Donovan
Kathryn E. Donovan
General Counsel

KED:plh:confadv1