



California Fair Political Practices Commission

December 26, 1989

Michael C. Flynn
2041 Business Center Drive, Suite 203
Irvine, Ca 92715

Re: Your Request for Advice
Our File No. A-89-664

Dear Mr. Flynn:

You have requested advice concerning the campaign provisions of the Political Reform Act (the "Act").¹

QUESTION

May a candidate transfer funds between committees which she controls?

CONCLUSION

Under an existing preliminary injunction issued in Service Employees International Union et al. v. Fair Political Practices Commission, U. S. District Court, Eastern District of California, Case No. CIVS 89-0433 LKK-JFM, a candidate may transfer contributions between his or her controlled committees. The court also ruled that candidates may use campaign funds raised prior to January 1, 1989 to seek elective office after that date. Therefore, you may transfer contributions from an existing committee to the mayoral committee.

FACTS

You are the treasurer for "Sally Anne Sheridan for Mayor 1990." You would like to know if funds collected by the "Friends of Sally Anne Sheridan" can be transferred to "Sally Anne Sheridan for Mayor 1990."

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.

ANALYSIS

Recent rulings by the court in Service Employees International union, et al. v. Fair Political Practices Commission, U.S. District Court, Eastern District of California, Case No. CIVS 89-0433 LKK-JFM, have either invalidated or preliminarily enjoined the enforcement of some of Proposition 73's limitations. We enclose copies of those rulings and a copy of our Interim Campaign Manual for your reference.

Most notable as regards your situation was the court's invalidation of Section 85306 and its ban against the enforcement of Sections 85200, 85201, 85202 and 85304 to the extent these provisions prevent a candidate from transferring contributions among his or her separate committees for elective office.

Section 85306 prohibited candidates from using contributions received prior to January 1, 1989 to support their candidacies after January 1, 1989. The court's order dated September 14, 1989 invalidated this section and thus a candidate may use pre-1989 contributions to support himself or herself in a later election.

Sections 85200, 85201, 85202 and 85304 were interpreted by the Commission to prohibit a candidate from transferring contributions he or she received in running for one office to a committee established by that candidate to run for another office. The court's order dated May 19, 1989 permitted these types of transfers. Therefore, you are permitted to transfer contributions received by the "Friends of Sally Anne Sheridan" to "Sally Anne Sheridan for Mayor 1990."

A trial in the Service Employees International Union case is scheduled for January 30, 1990. The decision of the court after trial may require us to change our advice on this subject.

Please contact me at (916) 322-5662 if you have any additional questions.

Sincerely,

Kathryn E. Donovan
General Counsel



By: Wayne P. Imberi
Political Reform Consultant

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MICHAEL C. FLYNN

CERTIFIED PUBLIC ACCOUNTANT

FPPC

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2041 BUSINESS CENTER DRIVE, SUITE 203 IRVINE, CALIFORNIA 92715 (714) 955-1720

November 15, 1989

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

Dear Sirs;

I am the treasurer for "Sally Anne Sheridan for Mayor 1990". We would like a ruling regarding transfers of funds from one campaign committee to another.

Prior to the enactment of Propositions 68 and 73 we had and still have a committee "Friends of Sally Anne Sheridan". Under the new rules we opened a new committee for the Mayor's race in 1990. Can funds previously collected in the "Friends of" committee be transferred to or used for the "Mayor 1990" committee.

We understand that this situation keeps changing and would like a written ruling by which to conduct ourselves.

Yours truly,



Michael C. Flynn
Treasurer

MCF/dg



California Fair Political Practices Commission

November 17, 1989

Michael Flynn
Treasurer, Certified Public
Accountant
2041 Business Center Drive, #203
Irvine, CA 92715

Re: Letter No. 89-664

Dear Mr. Flynn:

Your letter requesting advice under the Political Reform Act was received on November 20, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

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 the 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,

Jeanne Pritchard by seal
Jeanne Pritchard
Chief Technical Assistance
and Analysis Division

JP:plh