



California Fair Political Practices Commission

September 19, 1990

Steven Frank, President
The Eagle Group
Public Affairs and Marketing
607 Azure Hills Drive
Simi Valley, CA 93065

Re: Your Request for
Informal Assistance
Our File Nos. I-89-692 & 693

Dear Mr. Frank:

You have requested advice concerning the campaign provisions of the Political Reform Act (the "Act").¹ Your letters ask general and hypothetical questions. Accordingly, we consider your letters to be requests for informal assistance pursuant to Regulation 18329(c) (copy enclosed).²

QUESTIONS

1. May a political action committee use its funds to lobby bills in the State Legislature? If it may, is it necessary to set up a special account?
2. May an elected official use campaign funds to make contributions to a political party central committee for a voter registration drive?

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.

² Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Government Code Section 83114; 2 Cal. Code of Regs. Sections 18329(c)(3).)

DISCUSSION

1. The Act does not prohibit a general purpose committee³ from using its funds to lobby, and does not require establishment of a separate account. However, there may be other laws (e.g., federal and state tax laws) that restrict such activities.

If the committee solicits or receives funds specifically for the purpose of lobbying, in addition to the usual campaign, lobbyist, and lobbyist employer reports which would be required, it may also become a "lobbying coalition." A "lobbying coalition" is a group of 10 or more persons or entities whose members make payments to the coalition for the purpose of sharing the cost of employing a lobbyist or contracting for the services of a lobbying firm to influence legislative or administrative action. Lobbying coalitions register and file disclosure reports in the same manner as lobbyist employers. They also must disclose payments received from coalition members.

2. An elected officer may use campaign funds to make expenditures for voter registration activity in connection with his or her own election provided the payments are made from the candidate's bank account for a future election. An elected officer may make contributions from campaign funds to a political party central committee for generic⁴ voter registration provided the funds are not earmarked for use in a district other than the one in which the elected officer is a candidate and are not earmarked to support or oppose another specific candidate.

Proposition 73 implemented restrictions on the use of campaign funds possessed by candidates and their controlled committees. Section 85202(b) provides that all contributions deposited into the campaign account shall be deemed to be held in trust for expenses associated with the election of the candidate

³ The Act does not define the term "political action committee." For purposes of this discussion, we assume that your question concerns funds held by a recipient committee (a person or a combination of persons which receives contributions totaling \$1,000 or more in a calendar year) which is formed to support a variety of candidates and measures. This type of recipient committee is defined in the Act as a "general purpose committee." Sections 82013 and 82027.5.

⁴ We apply the term "generic" in this context to a communication concerning voter registration which does not clearly identify or expressly advocate the election or defeat of a specific candidate.

Steven Frank
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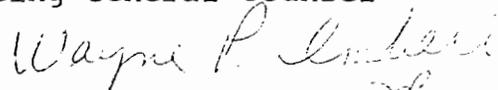
to the specific office which the candidate has stated that he or she intends to seek, or expenses associated with holding that office. The Commission has determined that a candidate's payment for registering voters is a campaign related expenditure. (Regulation 18525(a)(4), copy enclosed.) Accordingly, a candidate may use campaign funds to pay a committee for voter registration activities in connection with his or her own election, provided the candidate uses his or her campaign bank account for a future election to make these payments. (Regulation 18525.) Where the payments constitute adequate consideration for the registration services provided, the payments will not be a contribution to the committee. (Martin Advice Letter, A-89-301, copy enclosed.)

In its recent Johnson Advice Letter, No. I-90-253 (copy enclosed), the Commission staff advised that an elected officer may contribute campaign funds to a political party for generic voter registration provided that the funds are not earmarked for use in a district other than the one in which the elected officer is a candidate and are not earmarked to support another specific candidate. Such expenditure is consistent with both the trust and transfer provisions of the Act. (Section 85201 and 85304.)

If you have any further questions regarding this matter, please feel free to contact me at (916) 322-5662.

Sincerely,

Scott Hallabrin
Acting General Counsel



By: Wayne P. Imberi
Political Reform Consultant

Enclosures

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The Eagle Group

Public Affairs and Marketing

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Stephen R. Frank
President

December 11, 1989



Mr. John Larson
Fair Political Practices Commission
428 J Street #800
Sacramento, California 95814

Dear Mr. Larson:

I would like to know if a Political Action Committee can use its funds to lobby bills in the State legislature?

If so, do they have to set up a special account, or do they, and the lobbyist just file the normal reports.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script that reads "S. Frank".

Stephen R. Frank