



California Fair Political Practices Commission

May 8, 1992

Palmer Brown Madden
McCutchen, Doyle, Brown & Enersen
1331 No. California Blvd.
P.O. Box V
Walnut Creek, CA 94596

Re: Your Request for Informal
Assistance
Our File No. I-92-242

Dear Mr. Palmer:

This is in response to your request for confirmation of telephone advice regarding the campaign disclosure provisions of the Political Reform Act (the "Act").¹ Because you have not provided the identity of the person or persons on whose behalf you are seeking assistance, we consider your request to be one for informal assistance.²

Your letter, dated April 13, 1992, accurately summarizes my telephone advice to you that an initiative becomes a measure when the proponents begin to circulate signature petitions to qualify the measure for the ballot. The costs incurred before an initiative is in circulation are not reportable events. These costs may include attorneys' fees incurred while preparing a draft of the initiative, political consulting, voter polling about the proposed text, and the voluntary time of an attorney used for delivery of the prepared initiative to a qualification committee. If a pre-circulation poll is given to a committee for use in its qualification effort, the fair market value of the poll is a reportable contribution.

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. (Section 83114; Regulation 18329(c)(3).)

Your letter also correctly summarizes my advice that if a consultant is hired on the basis of "payment only if successful," the fair market value of the consultant's time is reportable as a non-monetary (in-kind) loan, on the campaign report covering the period in which the services are received. For your convenience, I have enclosed advice memorandum M-83-165, which will provide you with the proper method for reporting such "in-kind loans" by both the recipient and the contributor.

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

Sandra L. Taylor
By: Sandra L. Taylor *cu*
Political Reform Consultant

Enclosure