



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329

(916) 322-5660 • Fax (916) 322-0886

May 21, 2010

Mr. Michael Ceremello

REDACTED

Re: FPPC No. 08/0813; In the Matter of Michael Ceremello, Dave Scholl, and Steve Alexander

Dear Mr. Ceremello:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act ("Act") found in Government Code Section 81000, and following.¹¹ The Commission has completed its investigation of the sworn complaint that was submitted against you related to your candidacy for election to the Dixon City Council in November 2008. The complaint alleged that you failed to file as a committee and report the campaign activity related to your publications in Dixon's Independent Voice.

There is insufficient evidence in this matter to establish a violation of the Act and we are closing this case without further action.

The Act defines a committee as any person or combination of persons who receive contributions totaling \$1,000 or more in a calendar year. (Section 82013.) The Act requires committees to report campaign contributions and expenditures on campaign statements. (Section 84211, subds. (a) and (b).)

A contribution is a payment made for political purposes for which full and adequate consideration is not received. (Section 82015, subd. (a).) Contributions also come in the form of goods or services provided free of charge to a candidate or committee, and goods or services provided at a discount from the fair market value to a candidate or committee, unless the same discount is given in the regular course of business to members of the public. (Section 82015(c); Regulation 18215, subd. (b)(3).) A contribution does not include a payment by a regularly published newspaper, magazine or other periodical of general circulation which routinely carries news, articles, and commentary of general interest for the cost of publishing a news story, commentary or editorial. (Regulation 18215, subd. (c)(8)(i).)

¹¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

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An expenditure is any monetary or nonmonetary payment made by a candidate for a political purpose. (Section 82025; Regulation 18225, subd. (a)(2)(A).) An expenditure does not include costs incurred for communications which expressly advocate the nomination, election or defeat of a clearly identified candidate or candidates by a regularly published newspaper, magazine or other periodical of general circulation which routinely carries news, articles and commentary of general interest. (Regulation 18225, subd. (b)(4)(a).)

Dixon's Independent Voice is a weekly published newspaper in Dixon which routinely carries news, articles and commentary of general interest. The investigation revealed that the newspaper has published your articles as a volunteer writer for more than 10 years. It was also established that you did not receive compensation, nor did you pay the newspaper for publishing the articles. In this matter, you wrote several editorials that were published in Dixon's Independent Voice from August 2008 through October 2008 related to the November election. Since Dixon's Independent Voice is a regularly published newspaper which routinely carries news, articles and commentary of general interest, the publication of the articles were not contributions under the Act. As such, Dixon's Independent Voice did not make contributions to you.

Furthermore, you also paid for two advertisements in Dixon's Independent Voice in October 2008 seeking voter support for your candidacy in the election. The investigation established that the value of these two advertisements, which were attributable to you as expenditures, did not exceed \$1,000 based on regular advertising rates for the paper. Therefore, your expenditures for the advertisements in Dixon's Independent Voice did not qualify you as a committee and you did not have an obligation to report the expenditures.

The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act and provides guidance regarding filing obligations over the telephone and through written advice. Please call the Commission's Technical Assistance Division at 1-866-275-3772 or visit our website at www.fppc.ca.gov if you need assistance.

Sincerely,

✓ REDACTED _____

MELLONIE YANG
Assistant Chief
Enforcement Division

MY:fp

cc: Mr. Dave Scholl
Mr. Steve Alexander
Mr. Michael Smith