



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

August 1, 2014

✓ Nancy Haley, Treasurer
Tim Donnelly for Governor 2014

[REDACTED]
[REDACTED]

Advisory Letter Re: FPPC Case No. 14/401; Tim Donnelly for Governor 2014 and Nancy Haley, Treasurer

Dear Ms. Haley:

The Fair Political Practices Commission (FPPC) enforces the provisions of the Political Reform Act (the “Act”).¹ In response to a sworn complaint we received regarding you and your committee, Tim Donnelly for Governor 2014 (“committee”), alleging that you and the committee have violated the campaign reporting provisions of the Act, we write this letter to address the matter. The complaint from Tom Scott (“complainant”) alleged several violations for which you provided sufficient explanations and amendments.

However, complainant also claimed accrued expenses for Knott’s Berry Farm reported on your original campaign statement for the January 1, 2014 through March 17, 2014 period were incorrectly coded as office expenses. Your first amended filing for this period also labeled these payments as office expenses, though you included a description of the payments as “[a]musement [p]ark tickets for [v]olunteers.”

Although the payments to Knott’s Berry Farm were to reward campaign volunteers who worked in the office, because the Act provides restrictions on gifts we feel your most recent amended filing for the January 1, 2014 through March 17, 2014 period (filed July 18, 2014) was a better way of describing these payments due to the special significance “gifts” have within the Act. In that filing you removed the office expense coding for each payment and added a more detailed description identifying the payments as gifts to volunteers.

¹ 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 18109 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.

The Act places restrictions on how campaign funds may or may not be used for specific activities. (Section 89513). Section 89513(f) specifically discusses when campaign funds may appropriately be used to make gifts. It declares that “[c]ampaign funds shall not be used to make personal gifts unless the gift is directly related to a political, legislative, or governmental purpose.” (Section 89513(f)(1)). Gifts valued at less than \$250 that are made to committee workers, such as the payments at issue in this case, are considered to be directly related to a political purpose and, therefore, permissible. (89513(f)(3)). However, they should accurately be disclosed as “gifts to committee workers.”

By identifying the Knott’s Berry Farm payments as “gifts,” the public is able to easily confirm that the committee is abiding by this provision of the Act. As there is no code for “gifts,” describing the payments as “gifts to committee workers” is the most accurate way of labeling the payments.

We are closing the case with this advisory letter. If you have questions regarding this matter, please contact me at (916) 323-2689. If you have any questions about how to accurately complete the campaign forms required by the Act, please contact our Technical Assistance Division at 866-ASK-FPPC or at the website www.fppc.ca.gov.

Sincerely,

A solid black rectangular box redacting the signature of Christopher Hoeft.

Christopher Hoeft
Enforcement Division

cc: Tom Scott