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

November 9, 2010

Mr. Vincent Yzaguirre
Friends of Vincent Yzaguirre
Redacted

Mr. Eddie Martinez
Treasurer, Friends of Vincent Yzaguirre
Redacted

Re: Advisory Letter
FPPC Case No. 10/752; Vincent Yzaguirre

Dear Mr. Martinez:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act")[1]. As you may be aware, the Commission received a complaint against you alleging that you violated certain provisions of the Act. Specifically, the complaint alleges that your committee received a nonmonetary contribution consisting of a campaign message on an electronic reader board from Vanir Development, DBA Dominguez Plaza, which was not reported. The Commission has decided to close this case this advisory letter.

Under the Act, a "contribution" is a payment made for political purposes unless full and adequate consideration is received. (Section 82015(a).) "Nonmonetary" contributions include goods and 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(b)(3).) In order something to be considered a non-monetary contribution to the campaign, it would have to be done at the behest of, or in coordination with, the candidate or committee pursuant to Regulation 18225.7.

[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 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.

Fair market value is whatever it would cost the candidate or committee to obtain the same or similar goods or services on the open market. (*Sremaniak* Advice Letter, No. A-03-092; *Zakson* Advice Letter, No. A-00-182; *Miller* Advice Letter, No. I-96-243; *In re Hopkins* (1977) 3 FPPC Ops. 107.)

The sign at Dominguez Plaza in Colton is a standard commercial sign, displaying the names and logos of the plaza's tenants. Incorporated within this sign is an electronic reader board, which displays scrolling, monochrome text. According to counsel for Dorene Dominguez, President and Chairman of the Vanir Group of Companies, the sign is not rented out, and use of the electronic reader has been limited to the business tenants of the plaza. Although there are larger, more sophisticated electronic LED billboards, which display full color graphics and images, which are rented out for advertising; they are in no way comparable to the sign at issue in this case. There is insufficient evidence to establish that the value of the use of the electronic reader board at Dominguez Plaza was more than *de minimis*.

While Eddie Martinez, treasurer for Friends of Vincent Yzaguirre, is also an employee of Vanir Development; he was not an employee at the time the decision to place the campaign message on the billboard was made. As this decision was made by a third party, and not in coordination with your committee, it does not constitute a contribution to the committee.

Even though we are closing our file on this matter, please be advised of your reporting obligations under the Act. The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act. If you need forms or manuals, or guidance regarding your obligations, please call the Commission's Technical Assistance Division at 1-866-275-3772. Please also visit our website at www.fppc.ca.gov. If you have any questions regarding this matter, please feel free to contact me at 916-322-5660.

Sincerely,

Redacted

Zachary W. Norton
Commission Counsel
Enforcement Division