To: Chair Remke, Commissioners Audero, Hatch, and Hayward

From: Sukhi Brar, Senior Commission Counsel

Subject: Proposed Amendments to Regulation 18535 - Restrictions on Contributions

Between Candidates

Date: October 9, 2017

Requested Action

Adopt the proposed amendments to Regulation 18535, 1 to conform to the *In re Rios* Opinion, No. O-17-001.

Background

Section 85305 prohibits a candidate for elective state office or a committee controlled by that candidate from making any contribution to any other candidate for elective state office in excess of the contributions limits set forth in subdivision (a) of Section 85301. Section 85315 allows an elected state officer to accept campaign contributions to oppose the qualification of a recall measure, and if qualification is successful, the recall election, without regard to the campaign contributions limits..."

At its July 27, 2017 hearing, the Commission deliberated over issues raised with respect to the interplay between Sections 85305 and 85315, and whether the prohibition in Section 85305 applied to state candidates that are the subject of a recall. The Commission decided to issue an opinion clarifying its interpretation that Sections 85305 and 85315 require that there be no limit on contributions from state candidates to a recall committee controlled by another state candidate to oppose the recall of that state candidate. The Commission adopted *In re Rios* Opinion, No. O-17-001 at its August 17, 2017 hearing.

Summary of Proposed Actions

The purpose of the proposed amendments to Regulation 18535 is to clarify and implement the Commission's current interpretation on this topic, which is that the restriction on contributions between state candidates contained in Section 85305 does not impose a limit on the

¹ The regulations of the FPPC are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to this source. The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code.

amount a state candidate may contribute to a recall committee controlled by another state candidate to oppose his or her recall.

An interested person's meeting was held on September 26, 2017. The only public comment came from Richard Rios in the form of an email stating the proposed amendments are a "first step in the right direction." Staff therefore recommends that the Commission adopt the proposed amendments to Regulation 18535.

Proposal:

Amendments to Regulation 18535